

ESTÁCIO PARTICIPAÇÕES S.A.

Publicly-held Company

CNPJ/ME nº 08.807.432/0001-10

NIRE 33.3.0028205-0

NOTICE TO THE MARKET

Promissory Notes R\$700 millions

Estácio Participações S.A. (“Company”) (B3: YDUQ3; OTC: YDUQY) informs to its shareholders, investors and to the market in general, that the Board of Directors, at the meeting of March 20th, 2020, approved the third issue of promissory notes, in the total amount of up to R\$ 700,000,000.00 (seven hundred million reais), in accordance with the CVM instruction number 566, of July 31st, 2015, as altered, which will be to the public offering for distribution, with restricted effort, in accordance with the CVM instruction number 476, of January 16th, 2009, as altered (“Offering”).

As it is made, the offering will allow the Company to strengthen even more its solid cash position. For reference, the table below summarizes the Company’s cash position as of December 31st, 2019, according to the latest financial statements released to the market (Table 1):

Tab 1 – Presentation of the cash position as of Dec-31-2019

	(in R\$ millions)
Cash and cash equivalents [a]	(609.1)
Indebtedness [b]	693.5
Loans	615.1
Commitments payable (M&A)	63.7
Taxes paid in installments	14.7
Net Debt [b+a]	84.4
Net Debt/EBITDA (12M)	0.1x

In addition, the Company took advantage of the favorable market conditions throughout this first quarter to secure financing under attractive financial conditions, in the total amount of R\$ 1.3 billion, reinforcing even more its cash position.

Thus, considering the cash position as of December, 2019, the FIES receivables in January (R\$136 millions), the financing already contracted and liquidated in the first quarter of 2020 (R\$1.3 billion) and, with the conclusion of the issue of the promissory notes hereby approved (R\$700 millions), the Company will consolidate a cash position of approximately R\$2.8 billion, not considering the operating cash generation from the first quarter of 2020, according to table 2 below:

Tab 2 – Presentation of cash position after new credit lines

	(in R\$ millions)
Cash and Cash equivalents	(609.1)
Late FIES entry (Jan20)	(136.0)
New financing/float	(1,324.5)
Promissory Notes	(700.0)
Total Cash [a]	(2,769.6)
Indebtedness (without leasing) [b]	2,718.0
Loans	615.1
New financing/float	1,324.5
Promissory Notes	700.0
Commitments payable (M&A)	63.7
Taxes paid in installments	14.7
Net Debt (Cash) [b+a]	(51.6)

The Company reinforces its commitment to keep its shareholders and the market in general informed about any relevant subject which is of the market's interest, in accordance with the applicable legislation.

Rio de Janeiro, March 23rd, 2020.

Eduardo Haiama

CFO and Investor Relations Officer