

MATERIAL FACT
Renegotiation of certain conditions of the 1st issue of Company's debentures

Estácio Participações S.A. (BM&FBOVESPA: ESTC3) ("Company" or "Estácio") hereby informs its shareholders and the market in general that **(i)** on May 20, 2014, the Company's Board of Directors unanimously approved to submit to the holders of first public issue of simple, non-convertible, unsecured debentures, in a single series ("Debentures" and "Debenture Holders", respectively), to approve in Debenture Holders' Meeting the change in the following terms and conditions set forth in the Private Indenture of Estácio Participações S.A.'s First Public Issue of Simple, Non-Convertible, Unsecured Debentures, in a Single Series, for Public Distribution with Restricted Placement Efforts ("Indenture"): (a) change in the maturity date of the Debentures; (b) change in the interest rate of the Debentures, and date of beginning of calculation of the interest; (c) change in the amortization dates and percentages of the nominal value or balance of nominal value of the Debentures; (d) the inclusion of optional early redemption and mandatory early redemption of the Debentures; (e) exclusion of possibility for early redemption, noticing that the possibility of optional early acquisition of the debentures pursuant to clause 5.1.1 of the Indenture, in accordance with Article 55, Paragraph 3, of Brazilian Corporation Law as well as with CVM rules; and (f) early maturity due to change in the Issuer's corporate purpose, as well as the amendment to the Indenture, if the proposed changes were to be approved; and **(ii)** on May 20, 2014, it was held the Second Annual Debenture Holders' Meeting ("Debenture Holders' Meeting"), which approved the changes proposed in item (i). Given the deliberations and approvals mentioned above, it was also approved the amendment to the Indenture to reflect the new conditions for the debentures.

The table below compares the main conditions before and after the referred changes (the terms initiated in capital letters and not defined in this Material Fact shall have their meanings described in the Indenture):

Conditions	Before the changes approved at the Debenture Holders' Meeting	After the changes approved at the Debenture Holders' Meeting
Amount of Issue	R\$200 million	
Quantity	20,000	
Type	Unsecured	
Maturity Date	November 25, 2017	May 25, 2019
Term	72 months	90 months
Allocation of resources	The funds raised through this Issue will be used to strengthen the Issuer's cash position to cover its expansions plans which includes, but it is not limited to, the acquisition of companies in the sector and/or the creation of new campuses.	
Interest rate of the Debentures, and date of beginning of calculation of the interest	100% of accumulated DI rates, plus 1.60% per annum.	From record date (May 25, 2014) onwards, interest applicable shall be equal to 100% of accumulated DI rates plus 1.50% per annum.
Amortization dates and percentages of the nominal value or balance of nominal value of the Debentures	(i) May 25, 2014 – 5.0%; (ii) November 25, 2014 – 5.0%; (iii) May 25, 2015 – 10.0%; (iv) November 25, 2015 –	(i) May 25, 2018 – 50.0%; and (ii) May 25, 2019 – balance of par value

	10.0%; (v) May 25, 2016 – 15.0%; (vi) November 25, 2016 – 15.0%; (vii) May 25, 2017 – 20.0%; and (viii) November 25, 2017 – 20.0%	
Early redemption offer	Prevision of early redemption offer (2% flat premium during the period of the operation)	Exclusion of the possibility of early redemption offer
Prevision of optional early redemption by the Issuer	-	Inclusion of the possibility of Optional Early by the Issuer, from May 25, 2014, upon payment of a premium which decreases over the term of the debentures (begins at 2% and, in the last semester of the operation, ends at 0.70%)

The Company informs that the resolutions made above are available for consultation, in full, on the website of the Brazilian Securities and Exchange Commission and on the Company's website

Rio de Janeiro, May 20, 2014.

Virgílio Deloy Capobianco Gibbon
Investor Relations Officer