

Q4 2015 Education Market Snapshot

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Q4 2015 Education M&A Overview

Q4 2015		
<i>Number of Deals</i>	28	• 22% growth over Q3, as is typical for Q4
<i>Total Enterprise Value (\$M)</i>	\$136.3	• The sector continues to suffer from reporting bias as most deal values are not publicly disclosed
<i>Median Announced Deal Size (\$M)</i>	\$68.1	
<i>Median EV/LTM Revenue Multiple</i>	NA	
<i>Median EV/LTM EBITDA Multiple</i>	NA	

Last Four Quarters at a Glance	Q4 2014	Q1 2015	Q2 2015	Q3 2015
<i>Number of Deals</i>	26	22	28	23
<i>Total Enterprise Value (\$M)</i>	\$1,489.0	\$834.2	\$2,990.1	\$3,869.1
<i>Median Announced Deal Size (\$M)</i>	\$307.5	\$194.1	\$184.5	\$150.0
<i>Median EV/LTM Revenue Multiple</i>	7.8x	2.9x	3.6x	3.0x
<i>Median EV/LTM EBITDA Multiple</i>	18.6x	14.3x	10.5x	NA

Notable Q4 2015 Education M&A Transactions



Little Sprouts Has Received an Investment from The Wicks Group of Companies

Dec. 23, 2015

- Little Sprouts is one of the premier early childhood education providers in New England
- Platform investment in early education for New York-based private equity firm, the Wicks Group
- Investment will enable Little Sprouts to invest in new centers and expand its geographic footprint
- Signal Hill acted as adviser to Little Sprouts



A solution that registers.



PowerSchool



Vista Equity Partners

InfoSnap Has Been acquired by PowerSchool/Vista

Nov. 5, 2015

- Infosnap is a leading provider of registration and enrollment software for K12 students
- Vista Equity Partners, a San Francisco-based private equity firm, followed up on their purchase of Powerschool from Pearson in August 2015
- InfoSnap will be a valuable addition to the Powerschool suite of service offerings
- Signal Hill acted as adviser to InfoSnap



Apollo Global Acquires Career Partner GmbH

Deal Value: \$119.0M

Oct. 22, 2015

- Career Partner is a leading higher education platform for German-speaking countries
- Apollo Education Group (NASDAQ:APOL) is one of the largest for-profit secondary education providers in America
- Apollo will expand its global presence through this acquisition



SmartPros Ltd. Acquired by Kaplan

Deal Value: \$16.9M

Oct. 22, 2015

- SmartPros (NASDAQ-CM:SPRO) provides accredited continuing education services in finance and accounting
- Kaplan Inc., operating subsidiary of Graham Holdings (NYSE:GHC), provides test prep and other education services
- Kaplan will expand its continuing education offerings through this acquisition

Q4 2015 Education M&A Transactions

Date Announced	Target	Acquirer	Enterprise Value	EV / Revenue	EV / EBITDA
12/23/2015	Little Sprouts	Wicks Group	NA	NA	NA
12/17/2015	Philadelphia University	Thomas Jefferson University	NA	NA	NA
12/16/2015	Discovery Learning Inc.	Multi-Health Systems Inc.	NA	NA	NA
12/16/2015	AdPro Change Systems Inc.	Prosci, Inc.	NA	NA	NA
12/7/2015	Next University, Inc.	Open English LLC	NA	NA	NA
12/1/2015	BlueCanary Data & Analytics LLC	Blackboard Inc.	NA	NA	NA
12/1/2015	AKLearning, Inc.	Business Training Library, Inc.	NA	NA	NA
11/30/2015	Davisbase Consulting, LLC	SolutionsIQ, Inc.	NA	NA	NA
11/17/2015	HotZone Training Consultants Inc.	Fanshawe College, Endowment Arm	NA	NA	NA
11/9/2015	The Embracing Autism, Transitions Program	Dungarvin Ohio, LLC	NA	NA	NA
11/5/2015	Infosnap	Powerschool / Vista Equity	NA	NA	NA
11/5/2015	GlobalHealth Education and Training	Keypath Education, Inc.	NA	NA	NA
11/3/2015	Pristine Capital Holdings, Inc.	T3 Live, LLC	NA	NA	NA
10/30/2015	Opportunity Hub, LLC	TechSquare Labs	NA	NA	NA
10/29/2015	Proflight Aviation Services LLC	Tempus Applied Solutions, LLC	NA	NA	NA
10/28/2015	STC, LLC	Circuit Technology, Inc.	NA	NA	NA
10/27/2015	Uvize, Inc.	Greenwood Hall, Inc. (OTCPK:ELRN)	NA	NA	NA
10/27/2015	RediLearning, LLC	Relias Learning, LLC	NA	NA	NA
10/23/2015	Sealund & Associates Corporation	TiER1 Performance Solutions, LLC	NA	NA	NA
10/22/2015	Career Partner GmbH	Apollo Global Inc. (NASDAQ:APOL)	\$109.0	NA	NA
10/22/2015	SmartPros Ltd.	Kaplan, Inc.	\$16.9	NA	NA

Q4 2015 Education M&A Transactions

Date Announced	Target	Acquirer	Enterprise Value	EV / Revenue	EV / EBITDA
10/19/2015	Campus Labs, LLC	iModules Software, Inc.	NA	NA	NA
10/14/2015	Sentinel Printing Co., Inc.	D. & J. Printing, Inc.	NA	NA	NA
10/13/2015	Target Safety Services Ltd.	Bravo Target Safety LP	NA	NA	NA
10/12/2015	Double Line, Inc.	Cross Street LLC	NA	NA	NA
10/6/2015	DevelopMentor, Inc.	Global Knowledge Training LLC	NA	NA	NA
10/1/2015	New York State Military Academy	Research Center on Natural Conservation, Inc.	NA	NA	NA

Q4 2015 Education Public Company Valuation Metrics

Market data as of 12/31/15 Median Metrics, except where noted	% of 52 Week High	Equity Value ⁽¹⁾ (\$ in mm)	Enterprise Value ⁽¹⁾ (\$ in mm)	Enterprise Value as a Multiple of:						Y/Y Revenue Growth '13A - '15E	EBITDA Margin 2015E
				Revenue			EBITDA				
				LTM	2015E	2016E	LTM	2015E	2016E		
Post-Secondary											
U.S. Online	63%	3,151	2,542	0.7x	0.8x	0.8x	3.5x	3.7x	3.7x	1%	21%
U.S. Site-Based/Hybrid	53%	3,104	1,978	0.6x	0.6x	0.6x	4.1x	4.2x	4.2x	(7%)	15%
U.S. Vocational	45%	249	371	0.2x	0.2x	0.3x	1.9x	2.2x	2.9x	(6%)	11%
International	66%	6,427	6,989	2.4x	1.8x	1.7x	9.3x	7.8x	7.3x	1%	25%
K-12	81%	7,434	9,321	2.3x	3.5x	3.2x	14.7x	18.7x	13.9x	22%	14%
Education Technology	70%	5,514	5,309	8.8x	8.1x	6.2x	25.2x	22.4x	19.1x	67%	23%
Education Content & Services	70%	21,051	23,649	1.6x	1.7x	1.8x	10.3x	8.4x	7.9x	(1%)	10%
Corporate Learning	67%	2,731	3,197	1.3x	1.3x	1.2x	10.8x	10.4x	9.3x	6%	14%
International Education	94%	11,663	9,623	2.2x	2.2x	1.9x	12.2x	19.2x	15.9x	3%	11%

Source: CapitalIQ, public company filings, press releases and research reports

(1) Represents aggregate metrics of selected education companies

Q4 2015 Education Public Company Valuation Metrics

(\$ in millions, except per share data)																					
Company Name	Price	% of 52	Equity	Enterprise	'13-'15E	'15E EBITDA	TEV / Revenue			TEV / EBITDA			Price / Earnings			P/E / LTG Rate			LTG		
	12/31/15	Week High	Value	Value	Rev Growth	Margin	LTM	2015E	2016E	LTM	2015E	2016E	LTM	2015E	2016E	LTM	2015E	2016E	LTM	2015E	2016E
US Online Post-Secondary																					
American Public Education	\$18.61	50%	\$303	\$189	(1%)	22%	0.6x	0.6x	0.6x	2.6x	2.7x	2.9x	9.3x	10.1x	11.5x	NM	NM	NM	NA		
							\$333	\$326	\$311	\$74	\$71	\$65	\$2.01	\$1.84	\$1.62						
Bridgepoint Education	\$7.61	66%	\$348	\$59	(14%)	8%	0.1x	0.1x	0.1x	0.6x	1.3x	1.3x	37.9x	25.4x	29.3x	3.8x	2.5x	2.9x	10%		
							\$578	\$558	\$513	\$104	\$44	\$44	\$0.20	\$0.30	\$0.26						
Capella Education	\$46.22	60%	\$551	\$424	2%	21%	0.8x	1.0x	1.0x	4.5x	4.7x	4.5x	14.0x	14.2x	13.6x	1.6x	1.6x	1.6x	9%		
							\$532	\$430	\$438	\$94	\$90	\$94	\$3.30	\$3.26	\$3.40						
Grand Canyon University	\$40.12	83%	\$1,949	\$1,870	14%	32%	2.5x	2.4x	2.2x	7.9x	7.5x	6.7x	14.7x	14.5x	13.6x	1.1x	1.1x	1.0x	13%		
							\$752	\$774	\$847	\$238	\$249	\$281	\$2.72	\$2.76	\$2.95						
Min			\$303	\$59	(14%)	8%	0.1x	0.1x	0.1x	0.6x	1.3x	1.3x	9.3x	10.1x	11.5x	1.1x	1.1x	1.0x	9%		
Mean			\$788	\$636	0%	21%	1.0x	1.0x	1.0x	3.9x	4.1x	3.8x	19.0x	16.1x	17.0x	2.2x	1.8x	1.8x	11%		
Median			\$450	\$307	1%	21%	0.7x	0.8x	0.8x	3.5x	3.7x	3.7x	14.4x	14.4x	13.6x	1.6x	1.6x	1.6x	10%		
Max			\$1,949	\$1,870	14%	32%	2.5x	2.4x	2.2x	7.9x	7.5x	6.7x	37.9x	25.4x	29.3x	3.8x	2.5x	2.9x	13%		
US Site-Based/Hybrid Post-Secondary																					
Apollo Group	\$7.67	22%	\$831	\$179	(15%)	12%	0.1x	0.1x	0.1x	0.5x	0.6x	0.8x	11.2x	8.4x	13.2x	-1.0x	-0.7x	-1.2x	(11%)		
							\$2,566	\$2,471	\$2,087	\$328	\$297	\$220	\$0.69	\$0.91	\$0.58						
DeVry	\$25.31	53%	\$1,609	\$1,179	(2%)	15%	0.6x	0.6x	0.6x	4.1x	4.2x	4.2x	10.5x	10.9x	10.2x	1.1x	1.2x	1.1x	9%		
							\$1,889	\$1,862	\$1,834	\$289	\$282	\$280	\$2.40	\$2.31	\$2.49						
Strayer Education	\$60.12	80%	\$664	\$620	(7%)	20%	1.4x	1.4x	1.4x	6.6x	7.0x	6.7x	15.2x	16.3x	15.2x	NM	NM	NM	(6%)		
							\$437	\$434	\$442	\$94	\$89	\$93	\$3.95	\$3.68	\$3.96						
Min			\$664	\$179	(15%)	12%	0.1x	0.1x	0.1x	0.5x	0.6x	0.8x	10.5x	8.4x	10.2x	-1.0x	-0.7x	-1.2x	(11%)		
Mean			\$1,035	\$659	(8%)	16%	0.7x	0.7x	0.7x	3.7x	3.9x	3.9x	12.3x	11.9x	12.8x	0.1x	0.2x	0.0x	(3%)		
Median			\$831	\$620	(7%)	15%	0.6x	0.6x	0.6x	4.1x	4.2x	4.2x	11.2x	10.9x	13.2x	0.1x	0.2x	0.0x	(6%)		
Max			\$1,609	\$1,179	(2%)	20%	1.4x	1.4x	1.4x	6.6x	7.0x	6.7x	15.2x	16.3x	15.2x	1.1x	1.2x	1.1x	9%		
US Vocational Post-Secondary																					
ITT Educational Svs.	\$3.73	37%	\$88	\$200	(11%)	11%	0.2x	0.2x	0.3x	1.4x	2.2x	2.9x	1.8x	4.9x	31.1x	0.2x	0.5x	3.1x	10%		
							\$1,133	\$851	\$743	\$146	\$90	\$69	\$2.03	\$0.76	\$0.12						
Lincoln Educational	\$1.99	62%	\$47	\$48	(6%)	NA	0.2x	0.2x	0.2x	1.9x	NA	NA	0.4x	NA	NA	0.0x	NA	NA	10%		
							\$314	\$300	\$300	\$26	NA	NA	\$4.43	NA	NA						
Universal Technical Institute	\$4.66	45%	\$113	\$122	(3%)	NA	0.3x	0.3x	0.3x	4.9x	NA	NA	NM	NM	NM	NM	NM	NM	NA		
							\$363	\$358	\$360	\$25	NA	NA	(\$0.05)	(\$0.12)	(\$0.33)						
Min			\$47	\$48	(11%)	11%	0.2x	0.2x	0.2x	1.4x	2.2x	2.9x	0.4x	4.9x	31.1x	0.0x	NA	NA	10%		
Mean			\$83	\$124	(7%)	11%	0.2x	0.2x	0.3x	2.7x	2.2x	2.9x	1.1x	4.9x	31.1x	0.1x	0.5x	3.1x	10%		
Median			\$88	\$122	(6%)	11%	0.2x	0.2x	0.3x	1.9x	2.2x	2.9x	1.1x	4.9x	31.1x	0.1x	0.5x	3.1x	10%		
Max			\$113	\$200	(3%)	11%	0.3x	0.3x	0.3x	4.9x	2.2x	2.9x	1.8x	4.9x	31.1x	0.2x	NA	NA	10%		

Source: CapitalIQ, public company filings, press releases and research reports

Q4 2015 Education Public Company Valuation Metrics

(\$ in millions, except per share data)		Price	% of 52	Equity	Enterprise	'13-'15E	'15E EBITDA	TEV / Revenue			TEV / EBITDA			Price / Earnings			P/E / LTG Rate			LTG
Company Name	12/31/15	Week High	Value	Value	Rev Growth	Margin	LTM	2015E	2016E	LTM	2015E	2016E	LTM	2015E	2016E	LTM	2015E	2016E	Rate	
International Education																				
Benesse Holdings, Inc.	\$29.03	85%	\$2,793	\$2,396	(8%)	9%	0.6x	0.6x	0.6x	8.2x	7.3x	6.9x	NM	NM	37.7x	NM	NM	NA	NA	
							\$3,759	\$3,745	\$3,972	\$294	\$328	\$348	(\$0.30)	(\$0.51)	\$0.77					
New Oriental Education & Technology Gr	\$31.37	93%	\$4,909	\$3,629	13%	14%	2.7x	2.7x	2.4x	16.2x	19.2x	15.1x	23.2x	22.0x	18.7x	1.5x	1.4x	1.2x	16%	
							\$1,353	\$1,347	\$1,535	\$224	\$189	\$241	\$1.35	\$1.42	\$1.68					
NIIT Ltd.	\$1.50	94%	\$248	\$248	(21%)	7%	1.7x	1.6x	1.5x	NM	24.4x	16.7x	NM	37.5x	17.1x	NM	NA	NA	NA	
							\$150	\$152	\$164	\$5	\$10	\$15	(\$0.09)	\$0.04	\$0.09					
TAL Education Group	\$46.47	95%	\$3,714	\$3,351	40%	19%	5.9x	6.0x	4.4x	NM	NM	22.5x	36.4x	32.5x	32.9x	1.1x	1.0x	1.0x	33%	
							\$568	\$563	\$754	\$98	\$107	\$149	\$1.28	\$1.43	\$1.41					
Min			\$248	\$248	(21%)	7%	0.6x	0.6x	0.6x	8.2x	7.3x	6.9x	23.2x	22.0x	17.1x	1.1x	1.0x	1.0x	0.2x	
Mean			\$2,916	\$2,406	6%	12%	2.7x	2.7x	2.2x	12.2x	17.0x	15.3x	29.8x	30.7x	26.6x	1.3x	1.2x	1.1x	0.2x	
Median			\$3,253	\$2,873	3%	11%	2.2x	2.2x	1.9x	12.2x	19.2x	15.9x	29.8x	32.5x	25.8x	1.3x	1.2x	1.1x	0.2x	
Max			\$4,909	\$3,629	40%	19%	5.9x	6.0x	4.4x	16.2x	24.4x	22.5x	36.4x	37.5x	37.7x	1.5x	1.4x	1.2x	0.3x	
International Post-Secondary																				
Estácio Participações S.A.	\$3.52	59%	\$1,088	\$1,261	1%	25%	1.7x	1.7x	1.5x	7.9x	6.8x	6.0x	8.8x	8.3x	7.5x	0.7x	0.7x	0.6x	12%	
							\$724	\$748	\$853	\$160	\$186	\$211	\$0.40	\$0.42	\$0.47					
Kroton Educacional S.A.	\$2.41	63%	\$3,883	\$3,974	25%	38%	3.1x	3.0x	2.8x	9.3x	7.8x	7.3x	7.7x	9.7x	8.8x	0.6x	0.8x	0.7x	12%	
							\$1,301	\$1,323	\$1,415	\$430	\$508	\$545	\$0.31	\$0.25	\$0.27					
Navitas Limited	\$3.40	90%	\$1,281	\$1,304	1%	16%	1.7x	1.8x	1.7x	10.2x	11.0x	10.8x	23.1x	16.7x	18.8x	3.5x	2.5x	2.9x	7%	
							\$754	\$723	\$748	\$127	\$119	\$120	\$0.15	\$0.20	\$0.18					
Raffles Education Corporation Limited	\$0.18	70%	\$175	\$450	NA	NA	5.4x	NA	NA	NM	NA	NA	15.0x	NA	NA	NA	NA	NA	NA	
							\$84	NA	NA	\$11	NA	NA	\$0.01	NA	NA					
Min			\$175	\$450	1%	16%	1.7x	1.7x	1.5x	7.9x	6.8x	6.0x	7.7x	8.3x	7.5x	0.6x	0.7x	0.6x	7%	
Mean			\$1,607	\$1,747	9%	27%	3.0x	2.2x	2.0x	9.1x	8.5x	8.0x	13.7x	11.5x	11.7x	1.6x	1.3x	1.4x	10%	
Median			\$1,184	\$1,282	1%	25%	2.4x	1.8x	1.7x	9.3x	7.8x	7.3x	11.9x	9.7x	8.8x	0.7x	0.8x	0.7x	12%	
Max			\$3,883	\$3,974	25%	38%	5.4x	3.0x	2.8x	10.2x	11.0x	10.8x	23.1x	16.7x	18.8x	3.5x	2.5x	2.9x	12%	
K-12 Education																				
Bright Horizons Family Solutions, Inc.	\$66.80	97%	\$4,204	\$5,099	9%	19%	2.1x	3.5x	3.2x	19.7x	18.7x	16.4x	46.5x	36.5x	30.6x	2.3x	1.8x	1.5x	20%	
							\$2,439	\$1,457	\$1,587	\$259	\$273	\$312	\$1.44	\$1.83	\$2.18					
Nord Anglia Education, Inc.	\$20.28	75%	\$2,111	\$3,122	35%	24%	4.7x	4.6x	3.5x	18.8x	19.3x	13.9x	NM	38.9x	27.9x	NM	0.8x	0.6x	46%	
							\$669	\$673	\$894	\$166	\$162	\$225	\$0.26	\$0.52	\$0.73					
Instructure, Inc.	\$20.82	88%	\$549	\$516	67%	(64%)	7.9x	7.1x	4.9x	NM	NM	NM	NM	NM	NM	NM	NM	NM	NA	
							\$65	\$72	\$105	(\$56)	(\$46)	(\$52)	(\$6.36)	(\$2.07)	(\$2.00)					
Cambium Learning	\$4.85	81%	\$227	\$364	NA	NA	2.5x	NA	NA	10.5x	NA	NA	NM	NA	NA	NM	NA	NA	NA	
							\$144	NA	NA	\$35	NA	NA	(\$0.22)	NA	NA					
K12 Inc.	\$8.80	50%	\$343	\$219	2%	10%	0.2x	0.2x	0.3x	2.2x	2.5x	2.3x	65.0x	17.3x	24.1x	NA	NA	NA	NA	
							\$933	\$913	\$868	\$98	\$88	\$95	\$0.14	\$0.51	\$0.37					
Min			\$227	\$219	2%	(64%)	0.2x	0.2x	0.3x	2.2x	2.5x	2.3x	46.5x	17.3x	24.1x	2.3x	0.8x	0.6x	20%	
Mean			\$1,487	\$1,864	28%	(3%)	2.4x	2.8x	2.3x	12.8x	13.5x	10.9x	55.7x	30.9x	27.5x	2.3x	1.3x	1.1x	33%	
Median			\$549	\$516	22%	14%	2.3x	3.5x	3.2x	14.7x	18.7x	13.9x	55.7x	36.5x	27.9x	2.3x	1.3x	1.1x	33%	
Max			\$4,204	\$5,099	67%	24%	4.7x	4.6x	3.5x	19.7x	19.3x	16.4x	65.0x	38.9x	30.6x	2.3x	1.8x	1.5x	46%	

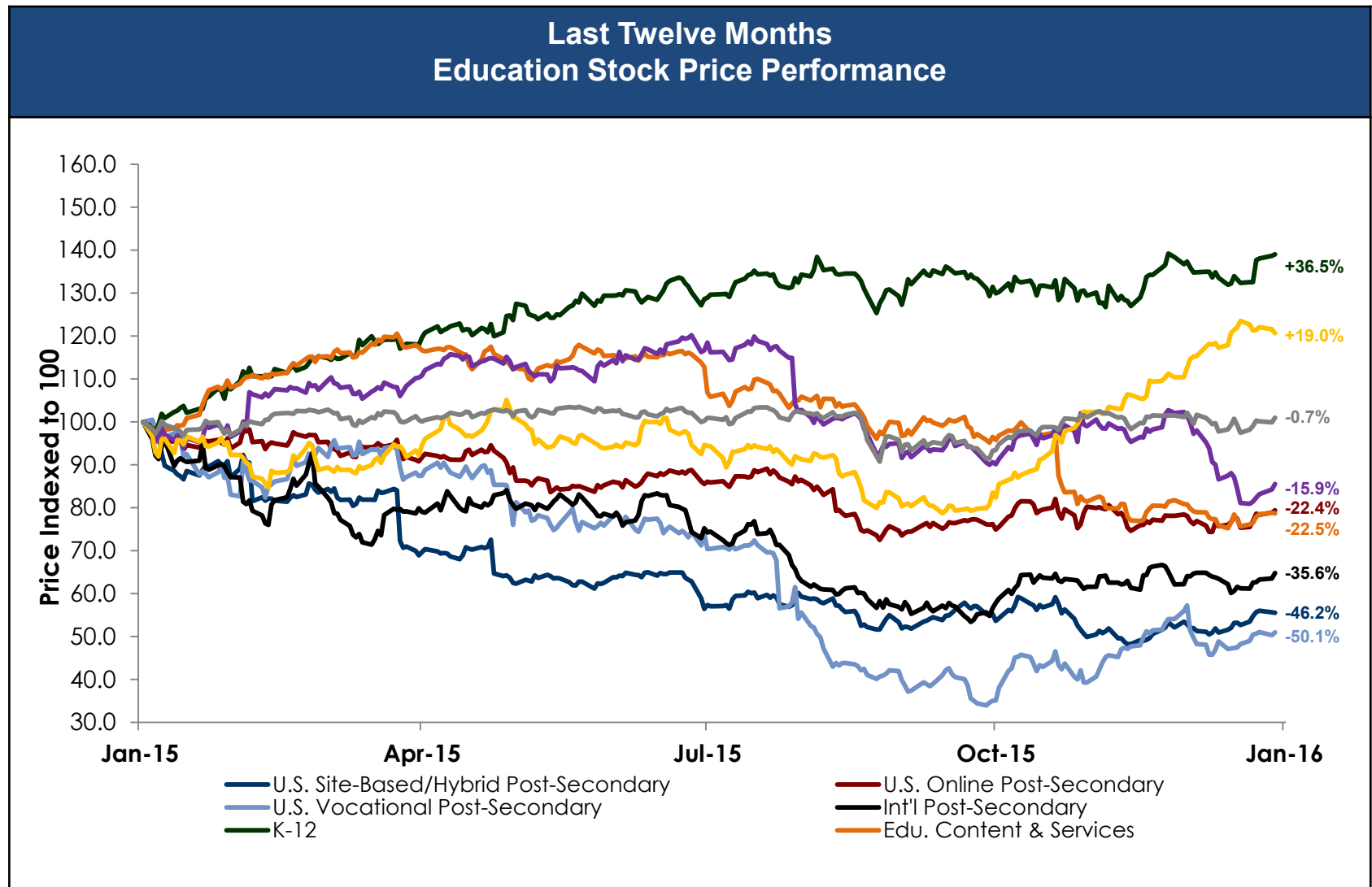
Source: CapitalIQ, public company filings, press releases and research reports

Q4 2015 Education Public Company Valuation Metrics

Company Name	Price 12/31/15	% of 52 Week High	Equity Value	Enterprise Value	'13-'15E Rev Growth	'15E EBITDA Margin	TEV / Revenue			TEV / EBITDA			Price / Earnings			P/E / LTG Rate			LTG Rate
							LTM	2015E	2016E	LTM	2015E	2016E	LTM	2015E	2016E	LTM	2015E	2016E	
Education Technology																			
2U	\$27.98	70%	\$1,387	\$1,212	34%	(5%)	8.8x	8.1x	6.2x	NM	NM	NM	NM	NM	NM	NM	NM	NM	30%
							\$138	\$149	\$196	(\$20)	(\$8)	(\$2)	(\$0.61)	(\$0.36)	(\$0.25)				
Blackbaud	\$65.86	96%	\$3,089	\$3,250	14%	23%	5.3x	5.1x	4.4x	25.2x	22.4x	19.1x	NM	43.9x	36.1x	NM	1.7x	1.4x	26%
							\$615	\$642	\$740	\$129	\$145	\$170	\$0.58	\$1.50	\$1.83				
Instructure, Inc.	\$20.82	88%	\$549	\$516	67%	(64%)	7.9x	7.1x	4.9x	NM	NM	NM	NM	NM	NM	NM	NM	NM	NA
							\$65	\$72	\$105	(\$56)	(\$46)	(\$52)	(\$6.36)	(\$2.07)	(\$2.00)				
K12 Inc.	\$8.80	50%	\$343	\$219	2%	10%	0.2x	0.2x	0.3x	2.2x	2.5x	2.3x	65.0x	17.3x	24.1x	NA	NA	NA	NA
							\$933	\$913	\$868	\$98	\$88	\$95	\$0.14	\$0.51	\$0.37				
Rosetta Stone	\$6.69	65%	\$146	\$111	(9%)	(8%)	0.5x	0.5x	0.5x	NM	NM	NM	NM	NM	NM	NM	NM	NM	NA
							\$239	\$220	\$215	(\$15)	(\$17)	(\$4)	(\$1.77)	(\$2.32)	(\$1.02)				
Min			\$146	\$111	(9%)	(64%)	0.2x	0.2x	0.3x	2.2x	2.5x	2.3x	65.0x	17.3x	24.1x	NA	1.7x	1.4x	26%
Mean			\$1,103	\$1,062	22%	(9%)	3.7x	3.5x	2.8x	13.7x	12.5x	10.7x	65.0x	30.6x	30.1x	NA	1.7x	1.4x	28%
Median			\$549	\$516	14%	(5%)	2.9x	2.8x	2.5x	13.7x	12.5x	10.7x	65.0x	30.6x	30.1x	NA	1.7x	1.4x	28%
Max			\$3,089	\$3,250	67%	23%	8.8x	8.1x	6.2x	25.2x	22.4x	19.1x	65.0x	43.9x	36.1x	NA	1.7x	1.4x	30%
Educational Content & Services																			
2U	\$27.98	70%	\$1,387	\$1,212	34%	(5%)	8.8x	8.1x	6.2x	NM	NM	NM	NM	NM	NM	NM	NM	NM	30%
							\$138	\$149	\$196	(\$20)	(\$8)	(\$2)	(\$0.61)	(\$0.36)	(\$0.25)				
Barnes & Noble Education, Inc.	\$9.95	64%	\$480	\$266	NA	NA	0.1x	NA	0.1x	3.3x	NA	3.3x	45.4x	NA	33.2x	2.3x	NA	1.7x	20%
							\$1,790	NA	\$1,863	\$80	NA	\$82	\$0.22	NA	\$0.30				
Chegg, Inc.	\$6.73	76%	\$593	\$491	9%	1%	1.5x	1.6x	1.7x	23.9x	NM	21.8x	NM	NM	44.1x	NM	NM	1.8x	24%
							\$318	\$305	\$283	\$21	\$3	\$23	(\$0.71)	(\$0.05)	\$0.15				
John Wiley & Sons Inc.	\$45.03	69%	\$2,615	\$3,196	(1%)	22%	1.8x	1.8x	1.8x	9.8x	8.4x	7.7x	16.1x	15.8x	14.4x	1.3x	1.3x	1.2x	13%
							\$1,764	\$1,729	\$1,769	\$326	\$381	\$413	\$2.80	\$2.85	\$3.12				
Houghton Mifflin Harcourt	\$21.78	80%	\$3,018	\$3,288	2%	16%	1.7x	2.3x	2.1x	10.3x	14.0x	11.6x	NM	NM	NM	NM	NM	NM	5%
							\$1,935	\$1,430	\$1,558	\$320	\$235	\$283	(\$0.02)	(\$0.80)	(\$0.58)				
Pearson plc	\$10.85	50%	\$8,802	\$12,274	(7%)	18%	1.6x	1.7x	1.8x	13.7x	9.3x	9.7x	29.6x	10.5x	11.2x	33.9x	12.1x	12.9x	1%
							\$7,838	\$7,247	\$6,779	\$896	\$1,318	\$1,261	\$0.37	\$1.03	\$0.97				
Scholastic Corporation	\$38.56	83%	\$1,324	\$984	(3%)	7%	0.6x	0.6x	0.6x	11.8x	8.2x	7.9x	72.8x	38.0x	23.1x	NA	NA	NA	NA
							\$1,627	\$1,668	\$1,679	\$83	\$120	\$124	\$0.53	\$1.02	\$1.67				
Graham Holdings Company	\$484.97	43%	\$2,832	\$1,938	(12%)	10%	0.6x	0.8x	0.8x	3.2x	7.4x	6.2x	11.0x	29.9x	19.8x	NA	NA	NA	NA
							\$3,496	\$2,499	\$2,555	\$597	\$261	\$313	\$44.04	\$16.20	\$24.47				
Min			\$480	\$266	(12%)	(5%)	0.1x	0.6x	0.1x	3.2x	7.4x	3.3x	11.0x	10.5x	11.2x	1.3x	1.3x	1.2x	1%
Mean			\$2,631	\$2,956	3%	10%	2.1x	2.4x	1.9x	10.9x	9.5x	9.7x	35.0x	23.6x	24.3x	12.5x	6.7x	4.4x	15%
Median			\$2,001	\$1,575	(1%)	10%	1.6x	1.7x	1.8x	10.3x	8.4x	7.9x	29.6x	22.9x	21.5x	2.3x	6.7x	1.7x	16%
Max			\$8,802	\$12,274	34%	22%	8.8x	8.1x	6.2x	23.9x	14.0x	21.8x	72.8x	38.0x	44.1x	33.9x	12.1x	12.9x	30%
Corporate Learning																			
CEB Inc.	\$61.39	67%	\$2,032	\$2,447	7%	25%	2.6x	2.6x	2.4x	11.2x	10.4x	9.6x	20.2x	16.1x	15.0x	1.5x	1.2x	1.1x	14%
							\$926	\$933	\$1,003	\$218	\$236	\$256	\$3.05	\$3.82	\$4.09				
Franklin Covey Co.	\$16.74	80%	\$272	\$275	5%	14%	1.3x	1.3x	1.2x	10.0x	9.1x	7.6x	27.7x	24.8x	21.4x	1.8x	1.7x	1.4x	15%
							\$207	\$210	\$229	\$27	\$30	\$36	\$0.60	\$0.68	\$0.78				
GP Strategies Corp.	\$25.11	66%	\$428	\$475	6%	8%	1.0x	1.0x	0.9x	10.8x	11.7x	9.3x	21.9x	23.4x	17.2x	1.3x	1.3x	1.0x	18%
							\$489	\$491	\$521	\$44	\$40	\$51	\$1.15	\$1.07	\$1.46				
Min			\$272	\$275	5%	8%	1.0x	1.0x	0.9x	10.0x	9.1x	7.6x	20.2x	16.1x	15.0x	1.3x	1.2x	1.0x	14%
Mean			\$910	\$1,066	6%	16%	1.6x	1.6x	1.5x	10.7x	10.4x	8.8x	23.3x	21.4x	17.9x	1.5x	1.4x	1.2x	15%
Median			\$428	\$475	6%	14%	1.3x	1.3x	1.2x	10.8x	10.4x	9.3x	21.9x	23.4x	17.2x	1.5x	1.3x	1.1x	15%
Max			\$2,032	\$2,447	7%	25%	2.6x	2.6x	2.4x	11.2x	11.7x	9.6x	27.7x	24.8x	21.4x	1.8x	1.7x	1.4x	18%

Source: CapitalIQ, public company filings, press releases and research reports


































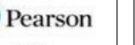


LTM Relative Education Stock Price Performance



Select Q4 2015 Education Financing Activity

Date Announced	Target	Investor(s)	Subsector	Amount Raised (\$M)
12/29/15	Echo360, Inc.	-	Education Software	\$7.5
12/23/15	HotChalk, Inc.	-	Online Education	\$83.1
12/23/15	Interfolio, Inc.	Quad Partners; Blu Venture Investors, LLC; Middleland Capital	Online Education	\$13.0
12/18/15	Kidaptive, Inc.	Formation 8	Education Media	\$20.1
11/19/15	PresenceLearning, Inc.	Birchmere Ventures; Catalyst Investors; Catamount Ventures Management LLC; New Markets Venture Partners; Blue Heron Capital, LLC	Education Services	\$25.0
11/11/15	Udacity, Inc.	CRV; Baillie Gifford & Co.; Bertelsmann Digital Media Investments Inc.; GV; Andreessen Horowitz LLC; Drive Capital, LLC; Emerson Collective, LLC	Online Education	\$105.0
11/10/15	Varsity Tutors LLC	Technology Crossover Ventures	Education Software	\$50.0
11/9/15	Schoology, Inc.	JMI Equity; FirstMark Capital, L.L.C.; Intel Capital; Great Road Holdings	Education Software	\$32.0
11/6/15	HotChalk, Inc.	Bertelsmann SE & Co. KGaA	Online Education	\$230.0
10/16/15	Knewton, Inc.	Accel Partners; Bessemer Venture Partners; FirstMark Capital.; Sofina Société Anonyme; The Founders Fund; Atomico Investment Holdings Limited	Education Technology	\$47.3

Signal Hill's Education Practice at a Glance

Signal Hill's Recent Education Transactions								
 HAS BEEN ACQUIRED BY  FEBRUARY 2016	 HAS RECEIVED AN INVESTMENT FROM  DECEMBER 2015	 HAS BEEN ACQUIRED BY  NOVEMBER 2015	 HAS MERGED WITH  JULY 2015	 RECEIVED A MAJORITY INVESTMENT FROM  JUNE 2015	 HAS SOLD GANNETT HEALTHCARE GROUP TO  DECEMBER 2014	 HAS RECEIVED A SIGNIFICANT INVESTMENT FROM  JULY 2014	 COMPLETES SALE OF SELECT BUSINESSES TO  JUNE 2014	 HAS ACQUIRED  DECEMBER 2013
 HAS BEEN ACQUIRED BY  NOVEMBER 2013	 HAS BEEN ACQUIRED BY  AUGUST 2013	 HAS BEEN ACQUIRED BY  APRIL 2013	 HAS BEEN ACQUIRED BY  FEBRUARY 2013	 HAS BEEN ACQUIRED BY  JANUARY 2013	 HAS BEEN ACQUIRED BY  AUGUST 2012	 HAS SOLD ITS HIGHER EDUCATION READINESS DIVISION  MAY 2012	 HAS BEEN ACQUIRED BY  MAY 2012	 HAS BEEN ACQUIRED BY  FEBRUARY 2011

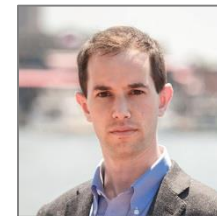
For more information about these transactions, please contact Signal Hill's Education team:



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