



Annual Shareholders Meeting

May 3, 2018

The presentation at this meeting contains certain forward-looking statements that are based largely on the Company's current expectations. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results and achievements to differ materially from those expressed in the forward-looking statements. For more information about these forward-looking statements and related risks, please refer to the section titled "Forward-Looking Statements" in Part 1 of the Company's Annual Report on Form 10-K and the section titled "Corporate Governance/Risk Factors" under "Investor Relations" on the Company's website, www.ghco.com and as updated in the Company's Form 10-Q for the first quarter.

Key Updates from our Prior Meeting

- Kaplan University transaction completed
 - Unique deal positions Higher Education service business for the future
- Significant changes in U.S. tax code improves cash flow profile of our business
 - 35% federal rate vs. 21% federal rate
- Repurchased 219,191 shares over past four quarters
 - Weighted average price per share of ~\$590, or \$129.4 MM
- Operational improvements at certain businesses starting to materialize

Kaplan University Transaction

- Kaplan receives fee equal to 12.5% of adjusted revenue after cost reimbursements
 - To the extent the fee cannot be paid in full due to insufficient revenues, fee may be carried forward subject to limitations
- Key Focus Areas
 - Student Outcomes
 - Rebranding and Awareness
 - Enrollment Trends

2017 Comparative Results

(\$ millions)

	2017	2016	% Change
Revenue			
Education	\$1,517	\$1,598	(5%)
Television broadcasting	410	410	0%
Other businesses	665	474	40%
	\$2,592	\$2,482	4%
Operating Income (Loss) Before Amortization and Impairment*			
Education	\$83	\$103	(19%)
Television broadcasting	146	203	(28%)
Other businesses	17	(2)	—
Corporate office	(59)	(53)	(10%)
	\$187	\$251	(25%)

The sum of certain amounts may not equal the total due to rounding

** Non-GAAP measure – see reconciliation at ghco.com*

Q1 2018 and 2017 Results

(\$ millions)

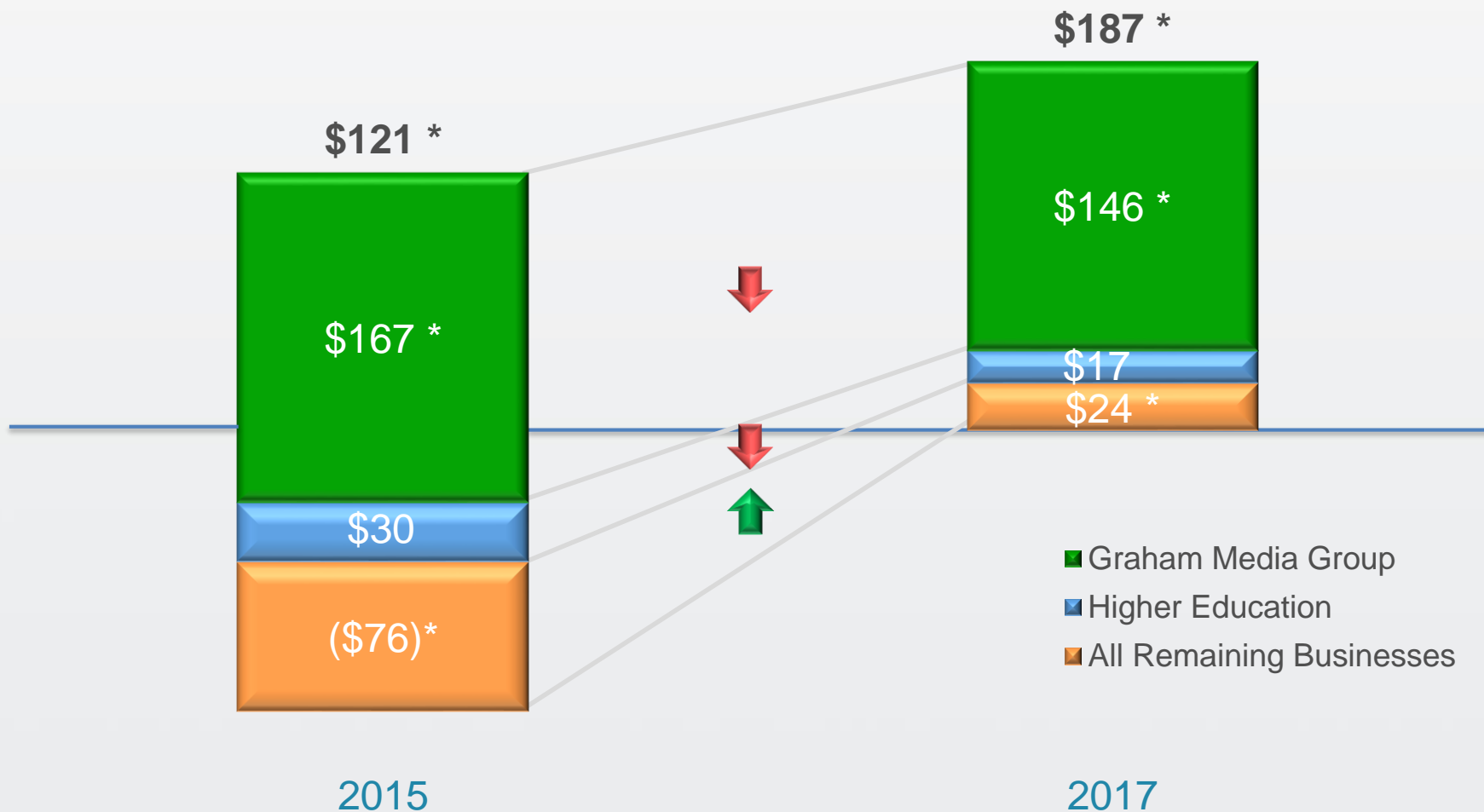
	Q1 2018	Q1 2017	% Change
Revenue			
Education	\$375	\$373	1%
Television broadcasting	109	92	19%
Other businesses	175	118	48%
	\$659	\$583	13%
Operating Income (Loss) Before Amortization*			
Education	\$24	\$11	–
Television broadcasting	42	27	53%
Other businesses	3	(6)	–
Corporate office	(14)	(15)	8%
	\$55	\$17	–

The sum of certain amounts may not equal the total due to rounding

* Non-GAAP measure – see reconciliation at ghco.com

Operating Income (Loss) before Amortization*: 2015 to 2017

(from continuing operations; \$ millions)



* Non-GAAP measure – see reconciliation at ghco.com

Balance Sheet

(\$ millions)

	3/31/2018	12/31/2017	% Change
Cash and restricted cash	\$328	\$408	(19%)
Marketable equity securities/other	491	557	(12%)
Other current assets	702	771	(9%)
Net property, plant and equipment	259	259	0%
Net goodwill and intangibles	1,636	1,640	0%
Prepaid pension cost	1,074	1,057	2%
Other assets	271	246	10%
Total Assets	\$4,761	\$4,938	(4%)
Current liabilities	\$746	\$872	(14%)
Debt	498	493	1%
Other long-term liabilities	632	658	(4%)
Shareholders' Equity	2,885	2,915	(1%)
Total Liabilities and Equity	\$4,761	\$4,938	(4%)

Graham Media Group

(\$ millions)

	2017	2016	% Change
Revenue	\$410	\$410	0%
Operating Income Before Amortization*	\$146	\$203	(28%)

	Q1 2018	Q1 2017	% Change
Revenue	\$109	\$92	19%
Operating Income Before Amortization*	\$42	\$27	53%



* Non-GAAP measure – see reconciliation at ghco.com

Kaplan

(\$ millions)

	2017	2016	2015	2014
Revenue				
Kaplan International	\$698	\$696	\$770	\$841
Higher Education	431	502	757	923
Test Preparation	273	287	302	305
Professional (U.S.)	116	115	92	87
Corporate and Other	(2)	(2)	6	5
	\$1,517	\$1,598	\$1,928	\$2,160
Operating Income (Loss) Before Amortization and Impairment*				
Kaplan International	\$52	\$48	\$54	\$69
Higher Education	17	39	30	59
Test Preparation	12	10	17	(5)
Professional (U.S.)	28	27	26	24
Corporate and Other	(25)	(22)	(82)	(56)
	\$83	\$103	\$44	\$91

The sum of certain amounts may not equal the total due to rounding

* Non-GAAP measure – see reconciliation at ghco.com

Kaplan

(\$ millions)

	Q1 2018	Q1 2017	% Change
Revenue			
Kaplan International	\$184	\$165	12%
Higher Education	100	111	(10%)
Test Preparation	59	65	(8%)
Professional (U.S.)	33	33	0%
Corporate and Other	0	(1)	(23%)
	\$375	\$373	1%
Operating Income (Loss) Before Amortization*			
Kaplan International	\$20	\$8	–
Higher Education	1	2	(45%)
Test Preparation	1	(3)	–
Professional (U.S.)	9	10	(8%)
Corporate and Other	(8)	(7)	(12%)
	\$24	\$11	–

The sum of certain amounts may not equal the total due to rounding

** Non-GAAP measure – see reconciliation at ghco.com*

Manufacturing

(\$ millions)

	2017	2016	2015	2014
Revenue	\$414	\$242	\$92	\$53
Operating Income Before Amortization*	\$46	\$25	\$13	\$7

	Q1 2018	Q1 2017	% Change
Revenue	\$117	\$62	90%
Operating Income Before Amortization*	\$15	\$7	—



* Non-GAAP measure – see reconciliation at ghco.com

Graham Healthcare Group

(\$ millions)

	2017	2016	% Change
Revenue	\$154	\$147	5%
Operating Income Before Amortization*	\$5	\$10	(44%)

	Q1 2018	Q1 2017	% Change
Revenue	\$38	\$37	2%
Operating Income Before Amortization*	\$0	\$1	(43%)

* Non-GAAP measure – see reconciliation at ghco.com

SocialCode

(\$ millions)

	2017	2016	% Change
Revenue	\$62	\$59	5%
Operating Income Before Amortization*	(\$3)	(\$12)	73%

	Q1 2018	Q1 2017	% Change
Revenue	\$13	\$13	6%
Operating Income Before Amortization*	(\$4)	(\$4)	16%

* Non-GAAP measure – see reconciliation at ghco.com

Other Businesses



Operating and Free Cash Flow

(\$ millions)

	2017	2016
Operating Income	\$136	\$223
Add: Depreciation, Amortization and Impairment	113	93
Add: Pension Expense	19	20
Operating Cash Flow*	\$268	\$336
Less: Capital Expenditures	(60)	(67)
Free Cash Flow*	\$208	\$270

	Q1 2018	Q1 2017
Operating Income	\$44	\$10
Add: Depreciation, Amortization and Impairment	25	21
Add: Pension Expense	5	5
Operating Cash Flow*	\$74	\$37
Less: Capital Expenditures	(18)	(16)
Free Cash Flow*	\$57	\$21

The sum of certain amounts may not equal the total due to rounding

** Non-GAAP measure*

Management Approach

Long-Term Orientation

“Management does not focus at all on quarterly results; if you do, you shouldn’t own our stock. We’ll willingly take actions that produce poor published results in a quarter, a year or several years if those actions will build a more valuable company for our shareholders.”

– *Don Graham letter to shareholders*

Decentralization

While sharing common goals and values, each of the company’s business units has its own identity, and culture. Each unit is responsible for their own operations.

Quality

We are committed to providing the highest standards of customer satisfaction in serving all who purchase our company’s products and services.

Acquisition Strategy

- Well-run, profitable businesses in fields we can understand
- Strong management with an interest and dedication to continuing to run the business
- Businesses we believe have at least ten years of stable or growing earnings ahead
- Reinvestment opportunities that are apparent within the business

G|H GRAHAM HOLDINGS