

Graham Holdings Company

Non-GAAP Adjustments, Adjusted Operating Income (\$ millions)

	Q3 2016	Q3 2017
Operating Income, as reported	\$68.0	\$44.6
Plus: Impairment of Goodwill and Other Long-Lived Assets	-	0.3
Plus: Amortization of Intangible Assets	6.6	10.9
Operating Income before Impairment/Amortization of Goodwill and Other Long-Lived Assets (non-GAAP)	\$74.6	\$55.8

Graham Holdings Company

Non-GAAP Adjustments, Adjusted Operating Income (\$ millions)

	First Nine Months 2016	2017
Operating Income, as reported	\$194.0	\$142.0
Plus: Impairment of Goodwill and Other Long-Lived Assets	-	9.5
Plus: Amortization of Intangible Assets	19.2	28.3
Operating Income before Impairment/Amortization of Goodwill and Other Long-Lived Assets (non-GAAP)	\$213.2	\$179.8

Graham Holdings Company

Non-GAAP Net Cash and Investments Position (\$ millions)

	September 30, 2016	September 30, 2017
Cash and Restricted Cash	\$621	\$416
Investments	409	520
	\$1,030	\$936
Debt	(497)	(493)
Net Cash and Investments (non-GAAP)	\$533	\$443

Graham Holdings Company

Non-GAAP Adjustments, Graham Media Group Operating Income (\$ millions)

	Q3 2016	Q3 2017
Operating Income, as reported	\$59.2	\$32.9
Plus: Amortization of Intangible Assets	0.0	\$1.1
Operating Income before Impairment/Amortization of Goodwill and Other Long-Lived Assets (non-GAAP)	\$59.2	\$34.0

Graham Holdings Company

Non-GAAP Adjustments, Graham Media Group Operating Income (\$ millions)

	First Nine Months 2016	2017
Operating Income, as reported	\$144.6	\$98.2
Plus: Amortization of Intangible Assets	0.2	2.9
Operating Income before Impairment/Amortization of Goodwill and Other Long-Lived Assets (non-GAAP)	\$144.8	\$101.1

Graham Holdings Company

Non-GAAP Adjustments, Kaplan Operating Income (\$ millions)

	Q3 2016	Q3 2017
Operating Income, as reported	\$16.3	\$13.4
Plus: Amortization of Intangible Assets	1.8	1.3
Operating Income before Impairment/Amortization of Goodwill and Other Long-Lived Assets (non-GAAP)	\$18.1	\$14.7

Graham Holdings Company

Non-GAAP Adjustments, Kaplan Operating Income (\$ millions)

	First Nine Months	
	2016	2017
Operating Income, as reported	\$63.7	\$55.3
Plus: Amortization of Intangible Assets	5.2	3.8
Operating Income before Impairment/Amortization of Goodwill and Other Long-Lived Assets (non-GAAP)	\$68.9	\$59.1

Graham Holdings Company

Non-GAAP Adjustments, Manufacturing Operating Income (\$ millions)

	Q3 2016	Q3 2017
Operating Income, as reported	\$3.8	\$5.8
Plus: Amortization of Intangible Assets and Impairment of Goodwill and Other Long-Lived Assets	3.1	6.3
Operating Income before Impairment/Amortization of Goodwill and Other Long-Lived Assets (non-GAAP)	\$6.9	\$12.1

Graham Holdings Company

Non-GAAP Adjustments, Manufacturing Operating Income (\$ millions)

	First Nine Months 2016	2017
Operating Income, as reported	\$7.8	\$5.3
Plus: Amortization of Intangible Assets and Impairment of Goodwill and Other Long-Lived Assets	8.7	25.1
Operating Income before Impairment/Amortization of Goodwill and Other Long-Lived Assets (non-GAAP)	\$16.5	\$30.4

Graham Holdings Company

Non-GAAP Adjustments, Other Business Units Operating Loss (\$ millions)

	Q3 2016	Q3 2017
Operating Loss, as reported	\$(14.6)	\$(12.8)
Plus: Amortization of Intangible Assets and Impairment of Goodwill and Other Long-Lived Assets	1.7	2.5
Operating Loss before Impairment/Amortization of Goodwill and Other Long-Lived Assets (non- GAAP)	\$(12.9)	\$(10.3)

Graham Holdings Company

Non-GAAP Adjustments, Other Business Units Operating Loss (\$ millions)

	First Nine Months 2016	2017
Operating Loss, as reported	\$(29.4)	\$(31.8)
Plus: Amortization of Intangible Assets and Impairment of Goodwill and Other Long-Lived Assets	5.1	6.0
Operating Loss before Impairment/Amortization of Goodwill and Other Long-Lived Assets (non-GAAP)	\$(24.3)	\$(25.8)