

Graham Holdings Company

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

| | Q3 2015 | Q3 2016 |
|--|--------------------|--------------------|
| Operating (Loss) Income, as reported | (213.7) | 68.0 |
| Plus: Impairment of Goodwill and Other Long-lived Assets | 248.6 | - |
| Plus: Amortization of Intangible Assets | 4.5 | 6.6 |
| Operating Income before Impairment/Amortization of Goodwill and Other Long-lived Assets (non-GAAP) | 39.4 | 74.6 |

Graham Holdings Company

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

| | First Nine Months | |
|--|--------------------------|-------------|
| | 2015 | 2016 |
| Operating (Loss) Income, as reported | (148.6) | 194.0 |
| Plus: Impairment of Goodwill and Other Long-lived Assets | 255.5 | - |
| Plus: Amortization of Intangible Assets | 13.9 | 19.2 |
| Operating Income before Impairment/Amortization of Goodwill and Other Long-lived Assets (non-GAAP) | 120.8 | 213.2 |

Graham Holdings Company

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

| | September 30, 2015 | September 30, 2016 |
|-------------------------------------|-------------------------------|-------------------------------|
| Cash and Restricted Cash | \$1,003 | \$621 |
| Investments | 343 | 409 |
| | <u>\$1,346</u> | <u>\$1,030</u> |
| Debt | (403) | (497) |
| Net Cash and Investments (non-GAAP) | <u>\$943</u> | <u>\$533</u> |

Graham Holdings Company

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

| | Q3 2015 | Q3 2016 |
|--|--------------------|--------------------|
| Operating (Loss) Income, as reported | (242.8) | 16.3 |
| Plus: Impairment of Goodwill and Other Long-lived Assets | 248.6 | - |
| Plus: Amortization of Intangible Assets | 1.4 | 1.8 |
| Operating Income before Impairment/Amortization of Goodwill and Other Long-lived Assets (non-GAAP) | 7.2 | 18.1 |

Graham Holdings Company

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

| | First Nine Months 2015 | 2016 |
|--|-----------------------------------|-------------|
| Operating (Loss) Income, as reported | (249.8) | 63.7 |
| Plus: Impairment of Goodwill and Other Long-lived Assets | 255.5 | - |
| Plus: Amortization of Intangible Assets | 4.3 | 5.2 |
| Operating Income before Impairment/Amortization of Goodwill and Other Long-lived Assets (non-GAAP) | 10.0 | 68.9 |

Graham Holdings Company

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

| | First Nine Months 2016 |
|--|-----------------------------------|
| Operating Income, as reported | 7.8 |
| Plus: Depreciation | 5.6 |
| Plus: Amortization of Intangible Assets | 8.7 |
| Operating Income before Depreciation and Amortization of Intangible Assets (non-GAAP) | 22.1 |

Graham Holdings Company

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

| | First Nine Months | |
|--|--------------------------|-------------|
| | 2015 | 2016 |
| Operating Income, as reported | 4.6 | 2.8 |
| Plus: Depreciation | 2.1 | 2.1 |
| Plus: Amortization of intangible assets | 5.1 | 5.0 |
| Plus: Merger Costs | - | 2.0 |
| Adjusted Operating Income before Depreciation, Amortization of Intangible Assets and Merger Costs (non-GAAP) | 11.8 | 11.9 |

Graham Holdings Company

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

| | First Nine Months 2015 | 2016 |
|--|-----------------------------------|-------------|
| Operating Loss, as reported | (2.6) | (15.3) |
| Plus: Depreciation | 0.3 | 0.7 |
| Plus: Phantom Equity Charges | 1.3 | 12.0 |
| Operating Loss before depreciation and phantom equity charges (non-GAAP) | (1.0) | (2.6) |