

# GHI

## GRAHAM HOLDINGS COMPANY ANNUAL MEETING

### *Non-GAAP Adjustments*

*May 6, 2021*



# GRAHAM HOLDINGS COMPANY

Non GAAP Adjustments, Operating Income (Loss) Before Amortization and Impairment

Amounts in \$ MM's

	Education	Broadcasting	Manufacturing	Healthcare	Other Businesses	Corporate Office	Total
<b>2020</b>							
Operating Income (Loss)	\$12	\$194	\$12	\$26	(\$92)	(\$52)	\$100
Add: Amortization / Impairment	29	5	28	4	20	–	87
<b>Operating Income (Loss) before Amortization / Impairment</b>	<b>\$41</b>	<b>\$200</b>	<b>\$40</b>	<b>\$30</b>	<b>(\$72)</b>	<b>(\$52)</b>	<b>\$187</b>
<b>2019</b>							
Operating Income (Loss)	\$48	\$153	\$20	\$8	(\$33)	(\$51)	\$145
Add: Amortization / Impairment	16	13	26	6	1	–	62
<b>Operating Income (Loss) before Amortization / Impairment</b>	<b>\$64</b>	<b>\$166</b>	<b>\$47</b>	<b>\$14</b>	<b>(\$33)</b>	<b>(\$51)</b>	<b>\$207</b>
<b>2018</b>							
Operating Income (Loss)	\$97	\$211	\$29	(\$8)	(\$29)	(\$53)	\$246
Add: Amortization / Impairment	9	6	25	15	1	–	56
<b>Operating Income (Loss) before Amortization / Impairment</b>	<b>\$106</b>	<b>\$216</b>	<b>\$54</b>	<b>\$6</b>	<b>(\$28)</b>	<b>(\$53)</b>	<b>\$302</b>
<b>2017</b>							
Operating Income (Loss)	\$78	\$139	\$15	(\$3)	(\$34)	(\$59)	\$136
Add: Amortization / Impairment	5	6	31	8	0	–	51
<b>Operating Income (Loss) before Amortization / Impairment</b>	<b>\$83</b>	<b>\$146</b>	<b>\$46</b>	<b>\$5</b>	<b>(\$34)</b>	<b>(\$59)</b>	<b>\$187</b>

# GRAHAM HOLDINGS COMPANY

Non GAAP Adjustments, Operating Income (Loss) Before Amortization and Impairment

Amounts in \$ MM's

<b>Q1 2021</b>	<b>Education</b>	<b>Broadcasting</b>	<b>Manufacturing</b>	<b>Healthcare</b>	<b>Other Businesses</b>	<b>Corporate Office</b>	<b>Total</b>
Operating Income (Loss)	\$19	\$33	\$9	\$7	(\$19)	(\$15)	\$34
Add: Amortization / Impairment	5	1	7	1	1	–	15
<b>Operating Income (Loss) before Amortization / Impairment</b>	<b>\$24</b>	<b>\$34</b>	<b>\$16</b>	<b>\$8</b>	<b>(\$19)</b>	<b>(\$15)</b>	<b>\$49</b>

<b>Q1 2020</b>	<b>Education</b>	<b>Broadcasting</b>	<b>Manufacturing</b>	<b>Healthcare</b>	<b>Other Businesses</b>	<b>Corporate Office</b>	<b>Total</b>
Operating Income (Loss)	\$5	\$36	\$7	\$3	(\$33)	(\$9)	\$8
Add: Amortization / Impairment	4	1	7	1	17	–	31
<b>Operating Income (Loss) before Amortization</b>	<b>\$9</b>	<b>\$37</b>	<b>\$14</b>	<b>\$4</b>	<b>(\$17)</b>	<b>(\$9)</b>	<b>\$39</b>

<b>Kaplan Corporate and Other</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>Q1 2020</b>	<b>Q1 2021</b>
Operating Loss	(\$30)	(\$36)	(\$43)	(\$48)	(\$6)	(\$10)
Add: Amortization / Impairment	5	9	16	29	4	5
<b>Operating Loss before Amortization / Impairment</b>	<b>(\$25)</b>	<b>(\$27)</b>	<b>(\$27)</b>	<b>(\$18)</b>	<b>(\$2)</b>	<b>(\$5)</b>

<b>Kaplan International</b>	<b>2020</b>
Operating Income	\$15
Add: International Languages Operating Loss	55
<b>Operating Income excluding International Languages</b>	<b>\$70</b>

# GRAHAM HEALTHCARE GROUP – NON-GAAP RECONCILIATION

Amounts in \$000's

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>Q1-20</u>	<u>Q1-21</u>
Operating Income (Loss)	(\$8,401)	\$7,908	\$26,107	\$3,169	\$7,140
Add: Amortization and Impairment	\$14,855	\$6,411	\$4,220	\$1,310	\$781
<b>Adjusted Operating Income</b>	<b>\$6,454</b>	<b>\$14,319</b>	<b>\$30,327</b>	<b>\$4,479</b>	<b>\$7,921</b>