Annual Shareholders Meeting

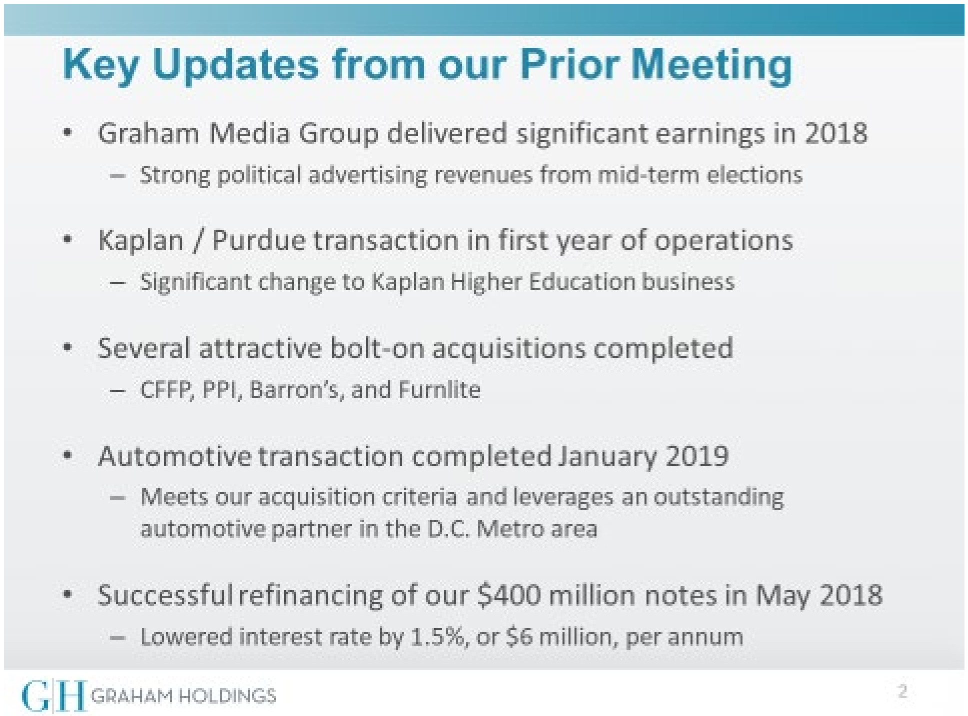
May 2, 2019

Remarks by Timothy J. O'Shaughnessy

President and Chief Executive Officer

Graham Holdings Company

Good morning. It's great to be with all of you, those of you attending in person as well as those listening via our live stream, as we welcome you to the Graham Holdings Company Annual Shareholders Meeting. Also in attendance today are our chairman, Don Graham, our board of directors, and many of our key managers. Today's meeting will be slightly different from years past. Joining me in presenting today will be Emily Barr, CEO of Graham Media Group, and Andy Rosen, chairman and CEO of Kaplan, Inc. I'm excited you will be able to hear directly from them about their businesses. We'll make sure to leave time at the end of our presentation for Q&A.



Since our meeting last year, we've continued our focus on improving existing operations, but we're also lucky enough to have had a few opportunities to put capital to work. We will provide a more fulsome review of operations throughout the presentation, but I'd like to hit the key items up front.

Graham Media Group delivered a record year of earnings in 2018. In addition to strong political advertising driven by the midterm elections, strong local news coverage helped drive robust local ad revenues in most markets.

The Kaplan-Purdue transaction and corresponding partnership had its first nine months of operations in 2018, and the first graduates have received their diplomas from Purdue Global. This marks a significant change for Kaplan Higher Education as we have begun to leverage skills we developed over decades to become a service provider for other higher education institutions. As Andy will discuss later, we think the disaggregation of higher education provides a real opportunity for Kaplan Higher Education.

The Company completed several acquisitions over the past year, mostly what we refer to as “bolt-ons.” Within Kaplan Professional, we acquired the College for Financial Planning and Professional Publications, Inc., and at Kaplan Test Prep, we acquired Barron’s Educational Series. An example of the world coming full circle, Manny Barron, the namesake of the company, was a contemporary and competitor of Stanley Kaplan. After nearly 80 years in business, Mr. Barron thought it was time to find a good home for his business. Outside of Kaplan, Dekko acquired Furnlite Inc., an addition to our power and data segment that allows us to further expand into the hospitality market.

At the Graham Holdings level, at the start of 2019, we partnered with Chris Ourisman to acquire two auto dealerships in the Washington, DC, area. Chris and his family have been operators in the greater Washington area since 1921, and we are delighted we’ve been able to dip our toe in the water of a new segment in concert with great management.

On the balance sheet side, we successfully refinanced $400 million of notes in May of 2018. This lowered our interest rate by 1.5% and reduced interest expense annually by $6 million. In 2018, we also repurchased almost 4% of the Company at a weighted average price per share of $593.

Before we dig into the financial results, I'd like to take a moment to talk about how the board and management team view the operating businesses at Graham Holdings. We think of our operating businesses as four buckets: Graham Media Group; Kaplan; Manufacturing – comprised of Hoover, Dekko, Joyce-Dayton, and Forney; and, Other Businesses – comprised of Graham Healthcare Group, SocialCode, Automotive, Megaphone, Slate, Pinna, CyberVista and Foreign Policy. We believe each of these four buckets meaningfully contributes to the value and future earning power of the Company. The first three legs of the stool are all scaled segments that generate material cash flow relative to the size of our Company. The remaining bucket is a collection of businesses of varying maturity and cash flow profiles. Over time, we expect that some of those businesses will graduate to become additional legs of the stool. Others may not achieve that status, but will, nonetheless, provide good cash on cash returns. Still others may fail to achieve either of those two profiles. In that scenario, if we don't see a path forward to profitability, we'll look to exit or shut down the business. Long term, we suspect all four of these segments will drive meaningful value for Graham Holdings.

2018 Comparative Results

($ millions)

	2018	2017	% Change
Education	$1,451	$1,517	(4%)
Television broadcasting	506	410	23%
Manufacturing	488	414	18%
Other Businesses	252	251	0%
Total Revenues	**$2,696**	**$2,592**	**4%**

	2018	2017	% Change
Education	$106	$83	29%
Television broadcasting	216	146	48%
Manufacturing	54	46	17%
Other Businesses	(22)	(29)	24%
Corporate office	(53)	(59)	10%
Adjusted Operating Income (Loss)*	**$302**	**$187**	**61%**

The sum of certain amounts may not equal the total due to rounding
** Non-GAAP measure – see reconciliation at ghco.com*

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Results in 2018 were up materially from 2017. As expected, the broadcast business rose substantially to drive adjusted operating income improvements, but beyond that, each major segment of the Company showed improved operating results from the prior year. Cumulatively, the Company grew adjusted operating income from $187 million to $302 million. Total company revenue also grew for the second straight year, which is something we hope to be the beginning of a trend.

Q1 2019 and Q1 2018 Results

($ millions)

	Q1 2019	Q1 2018	% Change
Education	$372	$375	(1%)
Television broadcasting	108	109	(1%)
Manufacturing	115	117	(2%)
Other Businesses	96	58	67%
Total Revenues	**$692**	**$659**	**5%**

	Q1 2019	Q1 2018	% Change
Education	$29	$24	22%
Television broadcasting	37	42	(12%)
Manufacturing	10	15	(33%)
Other Businesses	(9)	(12)	27%
Corporate office	(14)	(14)	(2%)
Adjusted Operating Income (Loss)*	**$53**	**$55**	**(3%)**

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

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In Q1 2019, our revenue increased 5% year over year, and our adjusted operating income declined by 3% to $53 million. This decline was due to the lack of winter Olympics-related advertising in broadcasting compared to Q1 2018, as well as increased labor costs at our manufacturing division.

Operating and Free Cash Flow

($ millions)

	2018	2017
Operating Income	$246	$136
Add: Depreciation, Amortization and Impairment	112	113
Add: Pension Expense (Operating portion)	18	19
Operating Cash Flow*	**$377**	**$268**
Less: Capital Expenditures	(98)	(60)
Free Cash Flow*	**$278**	**$208**

	Q1 2019	Q1 2018
Operating Income	$40	$44
Add: Depreciation and Amortization	27	25
Add: Pension Expense (Operating portion)	5	5
Operating Cash Flow*	**$72**	**$74**
Less: Capital Expenditures	(28)	(18)
Free Cash Flow*	**$44**	**$57**

The sum of certain amounts may not equal the total due to rounding
** Non-GAAP measure*

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Operating cash flow for the Company increased from $268 million to $377 million in 2018. Capital expenditures increased to $98 million in 2018, largely due to an FCC-mandated repack at Graham Media Group and the building of new facilities at Kaplan’s Pathways business. We expect capital expenditures to revert to a lower run-rate in the second half of 2019.

Balance Sheet
($ millions)

	3/31/2019	12/31/2018	% Change
Cash and restricted cash	$191	$264	(28%)
Marketable equity securities/other	528	515	3%
Other current assets	758	754	1%
Net property, plant and equipment	319	293	9%
Operating lease assets	382	–	–
Net goodwill and intangibles	1,719	1,660	4%
Prepaid pension cost	1,018	1,004	1%
Other assets	282	275	3%
Total Assets	**$5,197**	**$4,764**	**9%**
Current liabilities (ex-leases and debt)	738	806	(8%)
Operating lease liabilities	420	–	–
Total debt	510	477	7%
Other long-term liabilities	530	564	(6%)
Total equity	3,000	2,917	3%
Total Liabilities and Equity	**$5,197**	**$4,764**	**9%**

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

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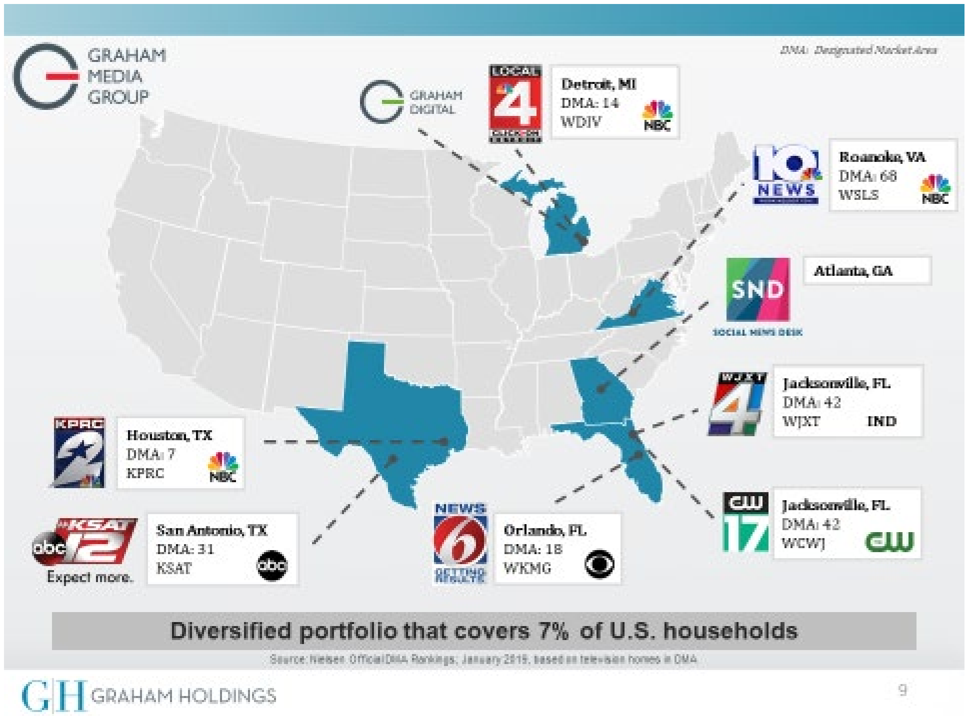
Our balance sheet remains strong, with a total of $719 million of cash and marketable securities against debt of $510 million at the end of Q1 2019. The major uses of cash in Q1 were to fund the automotive acquisition and capital expenditures.

I'd now like to introduce Emily Barr, CEO of Graham Media Group, who will walk you through what broadcast has been up to.

Presentation by Emily L. Barr, Chief Executive Officer

Graham Media Group

Thanks, Tim. Good Morning.

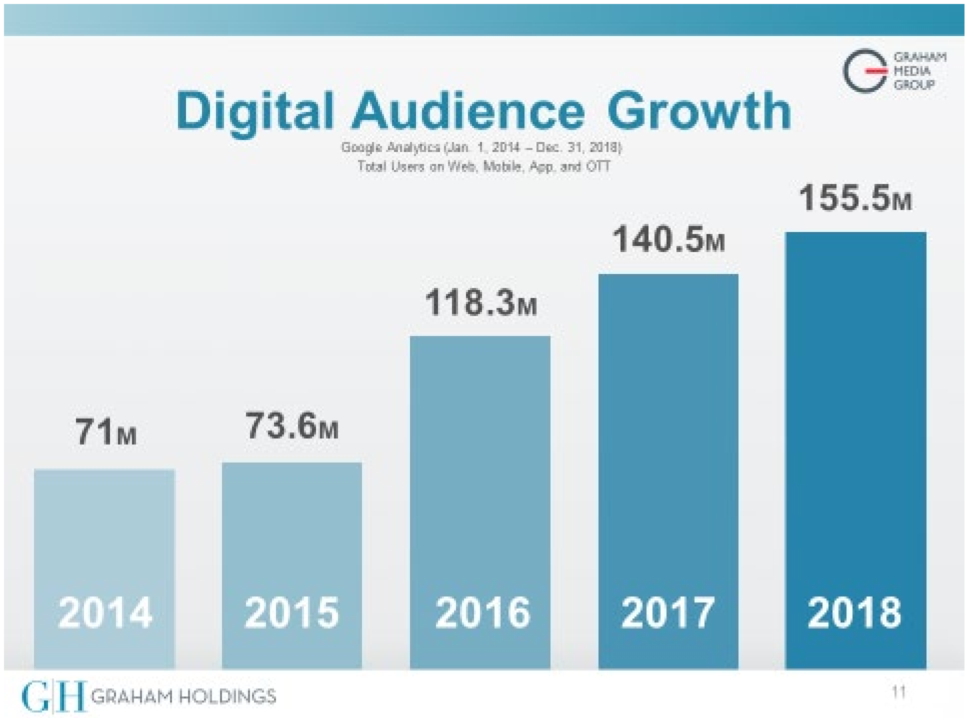


Graham Media Group (GMG) is no longer a collection of TV stations. We are local media hubs creating content for television, online, mobile, podcasts and audio devices. Quite simply we are dynamic, local brands that extend well beyond the traditional TV set. Our work helps to inform, celebrate and knit together the local communities we serve.

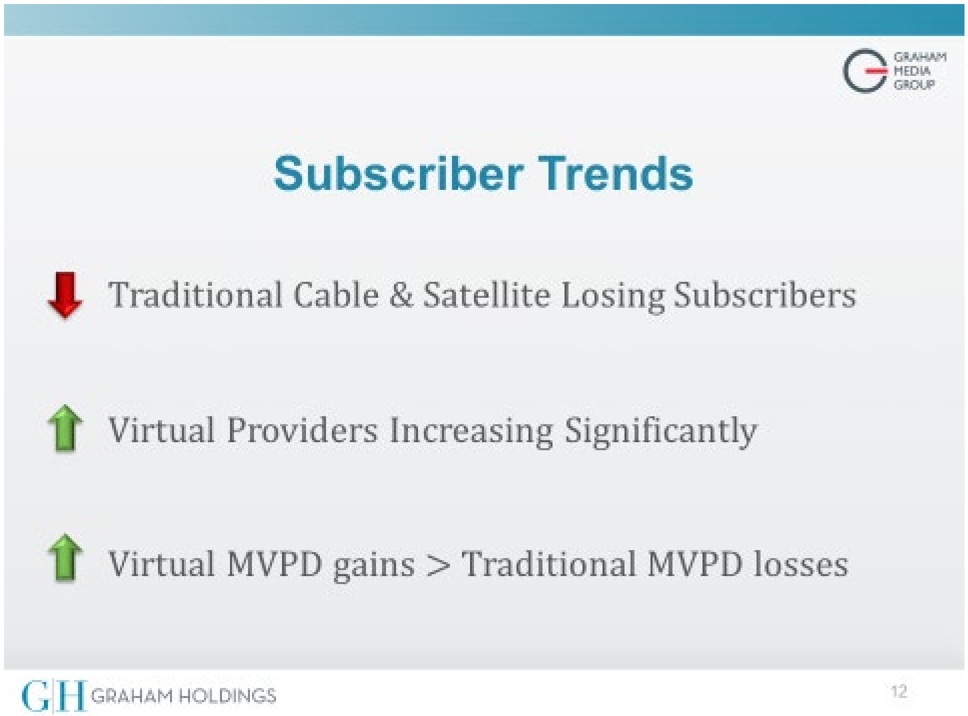
GMG is comprised of seven large to medium market media entities in five states covering just over 7% of the US television market. Based in Detroit, Graham Digital is responsible for the development of countless apps used for online, mobile and audio devices such as Amazon Echo and Google Home devices. Social News Desk, headquartered in Atlanta, provides its customers with a single dashboard that curates and publishes news on social platforms. Social News Desk is active in over 200 US markets and 2,600 newsrooms worldwide.

We continue to generate the lion's share of our revenue from selling advertising in and around local and network programming; but, retransmission revenue received from cable, satellite and over the top (OTT) providers has developed into an important secondary revenue stream for our group. Additionally, digital revenue associated with our websites, mobile apps and podcasts is contributing meaningfully to our increasingly diversified revenue base.

Approximately 50% of our advertising revenue comes from time sold in and adjacent to our local news content whether on television or online. This is why we are laser-focused on local news production.



Our overall digital audience today is larger than ever, having grown 119% in the past 5 years. We generate meaningful revenue from digital advertising sales and expect that number to continue to grow over the next few years.

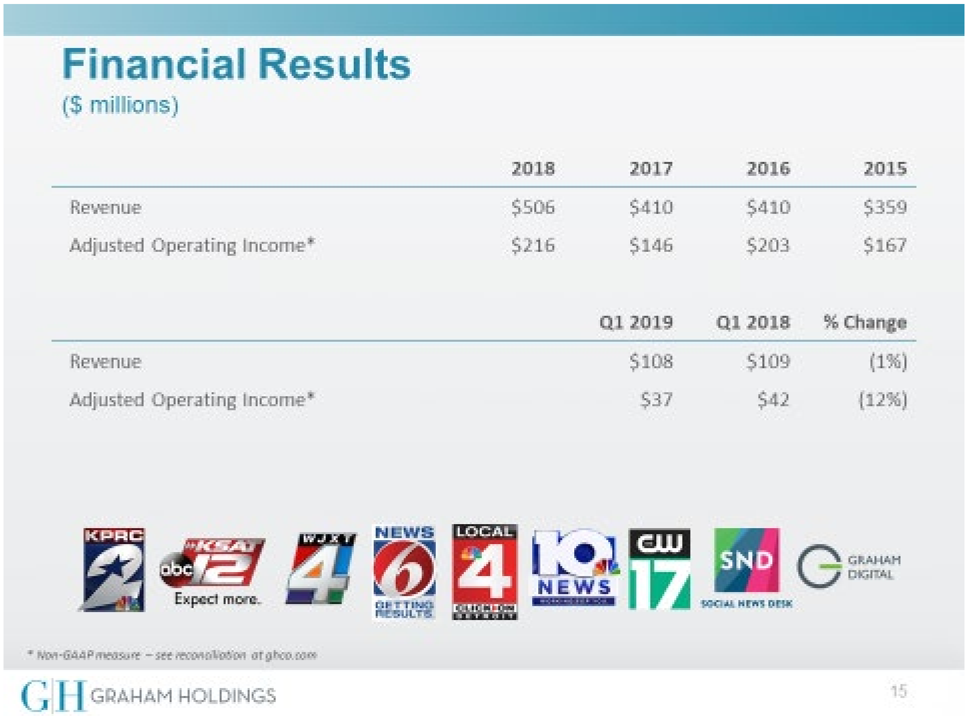


Retransmission revenue and the recent consumer adoption of OTT platforms provide a meaningful revenue stream, a portion of which we have used to pay reverse compensation to our network partners. We have seen retransmission revenue continue to grow despite some modest, but steady decline in overall subscribers. In particular, OTT adoption has picked up significantly in the past six months and we anticipate this will continue for the next year with significant growth expected in year over year subscription rates across our group. Individuals continue to seek new, less expensive ways to watch TV on both traditional sets and mobile devices, and OTT has proven it can be one of the solutions. The good news is access to local TV stations is one of the drivers of OTT adoption.

Network compensation demands have continued to put downward pressure on the benefits from our retransmission revenue, but our market size and relative strength have put us in a strong position to negotiate fair and equitable deals with our network partners. We recently concluded a multi-year deal with CBS at our station in Orlando where we are realizing meaningful revenue from OTT, as well as CBS All Access.

Starting in 2018 and concluding in late 2020, Graham Media Group has been engaged in an FCC-mandated spectrum repack of four of our stations in three separate markets. While we expect to be reimbursed for a significant portion of the work, the transition is time consuming, technically challenging and disruptive to over-the-air viewers who must rescan their TV's once we relocate to the assigned spectrum. The repack has afforded us the opportunity to upgrade some of our equipment, at our expense, in preparation for the adoption of a new television standard known as ATSC 3.0. Graham Media Group is a member of the Pearl Coalition, a group of major broadcasters committed to advancing this voluntary effort. Given our relatively large market size, we anticipate being in the first wave of adopters of this new standard starting in 2020. ATSC 3.0 will provide us with the opportunity to hyper-target advertising down to an individual home through dynamic ad insertion and will allow us to transmit data that, for example, could be used by the automotive industry to update the myriad of apps now required by all vehicles in a manner far more efficient than currently used. ATSC 3.0 will combine the power and mobility of digital with the reach of traditional over-the-air television and will produce superior picture and sound supporting both 4K and 8K television delivery.

On the audio front, our podcast division has developed a series of locally generated podcasts reaching a younger and, in some cases, entirely new audience through podcast apps and voice-activated services. WDIV in Detroit has hit podcast gold with its "Shattered" series, attaining more than 2.5 million downloads and climbing to #4 on Apple's list of top podcasts in September 2018. Each of our podcasts is accompanied by short- and long-form video companion pieces that can be seen on television and online as a means of extending our reach and drawing viewers back to their television sets at the same time.



Financial Results

($ millions)

	2018	2017	2016	2015
Revenue	$506	$410	$410	$359
Adjusted Operating Income*	$216	$146	$203	$167

	Q1 2019	Q1 2018	% Change
Revenue	$108	$109	(1%)
Adjusted Operating Income*	$37	$42	(12%)

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

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As Tim mentioned, our financial results for 2018 were very strong and I am proud of the management team and all of our employees at each of our properties for the focused, creative and important work they do every day serving our communities. Their work informs, protects, uplifts and uncovers corruption that helps communities thrive. I am pleased that 2019 has started well for Graham Media Group, with strong revenue and ratings performance in Q1. As is our practice in the odd years, we did not budget for any meaningful political advertising in 2019, but we are hopeful that we may see late Q3 or Q4 2019 spending in advance of the 2020 Presidential race.

Now, I will turn it over to Andy Rosen.

Presentation by Andrew S. Rosen, Chairman and

Chief Executive Officer, Kaplan Inc.

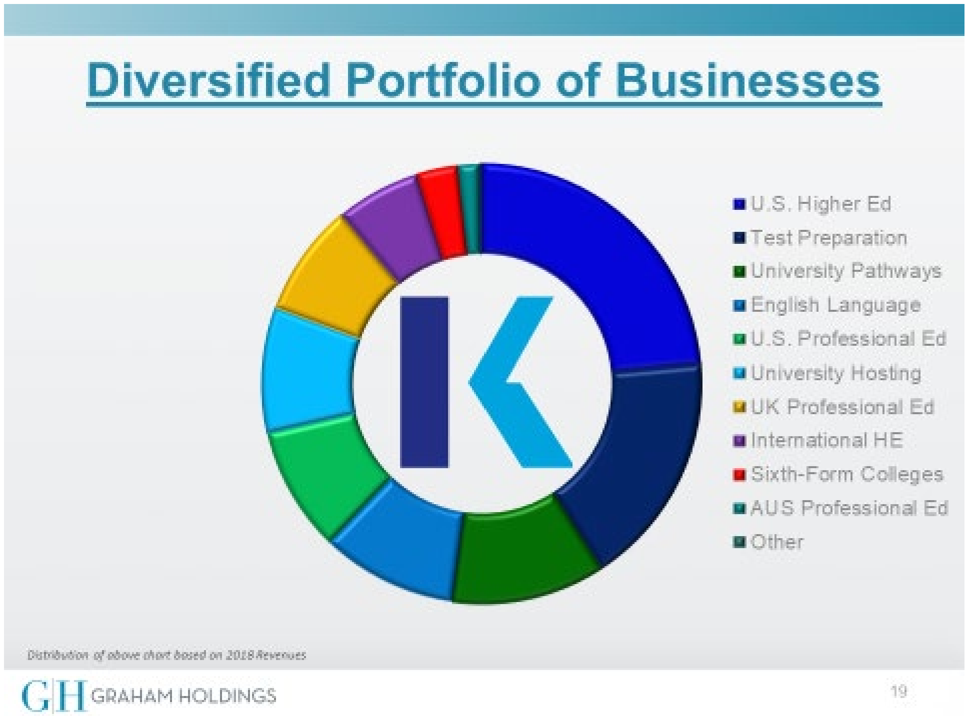
Thank you, Emily. As Tim described earlier, 2018 was a good year for Kaplan, as it was for Graham Holdings.

For Kaplan, that strength has continued into the first quarter of this year.

I will briefly discuss the financial results, but before I do so, I thought a brief reminder of our assets, capabilities and operating principles might be helpful. We serve more than a million students per year, plus millions more who buy our retail books and other study aids. We have approximately 12,000 employees worldwide delivering and supporting our service in classrooms and online around the world.

We organize our business activities into four major divisions: Kaplan International houses most of our businesses that operate or are sourced outside the U.S., including a range of English-language training, postsecondary education and professional training businesses.

Following our sale of Kaplan University last year, Kaplan Higher Education now focuses on helping other higher education institutions achieve their goals, with Purdue University Global and Purdue University as its key partners. Kaplan Test Prep includes our well-known standardized test preparation programs, while Kaplan Professional (U.S.) includes our domestic professional and other continuing education businesses.



These four major divisions house a number of individual education businesses. Over the past 20-plus years, Kaplan has evolved from a largely domestic test preparation company to a broad, global education company with a very diverse set of offerings. In our view, this provides us with a unique set of assets and capabilities to respond to market trends and opportunities, and this nice diversity provides us with some safety against the inevitable ups and downs of individual markets.

All of these businesses are run in accordance with a set of principles we call The Kaplan Way. These principles are the foundation for the decisions all of our employees around the world make every day on behalf of our students, and you'll find The Kaplan Way logo across our workplaces. The Kaplan Way guides us always to prioritize Student Success, making Kaplan a Great Place for our students to study and our employees to work; to embrace Continuous Transformation in our markets and in our business; and always to operate in a manner consistent with our Shared Values: Integrity, Support, Knowledge, Opportunity and Results.

2018 Financial Results

($ millions)

	2018	2017	2016	2015
Kaplan international	$720	$698	$696	$770
Higher education	342	431	502	757
Test preparation	256	273	287	302
Professional (U.S.)	134	116	115	92
Kaplan Corporate and Other	(1)	(2)	(2)	6
Total Revenues	**$1,451**	**$1,517**	**$1,598**	**$1,928**

	2018	2017	2016	2015
Kaplan international	$70	$52	$48	$54
Higher education	15	17	39	30
Test preparation	19	12	10	17
Professional (U.S.)	29	28	27	26
Kaplan Corporate and Other	(27)	(25)	(22)	(82)
Adjusted Operating Income (Loss)*	**$106**	**$83**	**$103**	**$44**
Adjusted Operating Margin	*7.3%*	*5.5%*	*6.4%*	*2.3%*

The sum of certain amounts may not equal the total due to rounding
** Non-GAAP measure – see reconciliation at ghco.com*

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With that as a very brief background, let's turn to the financial results. First, let me cover 2018 versus 2017. Our adjusted operating income grew by 29% in 2018, led by Kaplan International, where solid growth in KI University Pathways and UK Professional enrollments, and improved English-language results, accounted for most of the gains. Kaplan Test Prep's 2018 operating results benefited from the 2017 decision to discontinue our coding bootcamp business. Kaplan Higher Education's 2018 revenue was lower than the previous year in large part because in 2017, we recognized all of Kaplan University's revenue, while for the last nine months of 2018, we only recognized a portion of the overall revenue of Purdue Global. Even so, operating income was relatively even as we went through a transition that continues into this year. At Kaplan Professional (U.S.), the results were up from the prior year, but importantly, the team added significant capabilities with the completion of two acquisitions serving the certified financial planner and architecture and engineering professional education markets.

As you can see in our results from 2015 to 2018, the picture has changed quite a bit. Our revenue is a half billion dollars lower, but our adjusted operating income has grown substantially since 2015. During this time, we’ve sought to respond to disruptions facing some of our divisions by positioning them onto what we believe to be more productive ground. You can see that while Kaplan Higher Education’s earnings are half of what they were in 2015, each of our other units saw earnings growth over that period. The 2015 sale of Kaplan Higher Education Campuses, our former vocational career school business, and the sale of Kaplan University to Purdue in 2018 enabled us to, in effect, convert Kaplan Higher Education into a managed service provider, setting up a clearer long-term business opportunity for us.

Smaller, yet important, rebalancing actions, including in our English-language business and our new economy skills training businesses, are also examples of responsive actions in the face of disruption and other challenges. We feel good about our track record of facing these challenges head-on, repositioning as required and maintaining the core assets and capabilities of the business necessary to drive earning power over the long term.

Q1 2019 Financial Results

($ millions)

	Q1 2019	Q1 2018	% Change
Kaplan international	$186	$184	1%
Higher education	83	100	(17%)
Test preparation	61	59	3%
Professional (U.S.)	41	33	24%
Kaplan Corporate and Other	2	(0)	–
Total Revenues	**$372**	**$375**	**(1%)**

	Q1 2019	Q1 2018	% Change
Kaplan international	$24	$20	19%
Higher education	2	1	41%
Test preparation	(0)	1	–
Professional (U.S.)	11	9	21%
Kaplan Corporate and Other	(8)	(8)	(1%)
Adjusted Operating Income (Loss)*	**$29**	**$24**	**22%**
Adjusted Operating Margin	*7.8%*	*6.4%*	

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

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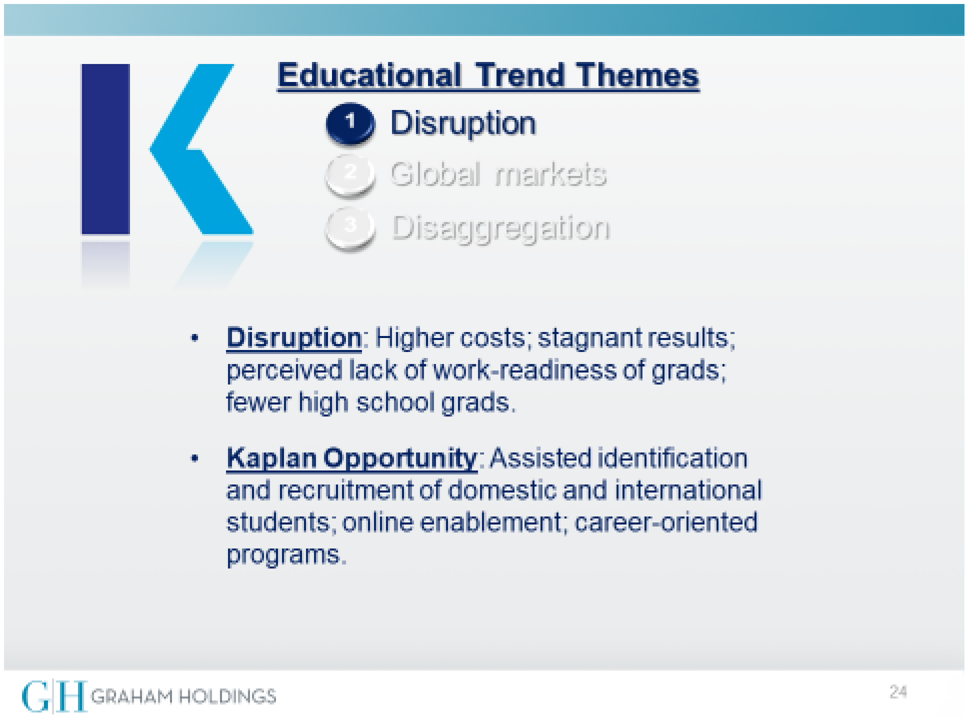
Moving to the first quarter of 2019, overall adjusted operating results were up 22%. Kaplan International continues to lead the company in growth - once again, driven by higher Pathways program and UK Professional enrollments. Kaplan Professional (U.S.) was boosted by the positive contribution from the acquisitions completed in 2018, while Kaplan Higher Education and Kaplan Test Prep were essentially even with the prior year. The decline in Kaplan Higher Education revenue for the quarter was due to the sale of Kaplan University, which was completed at the end of the first quarter of 2018. We only recognized a portion of Purdue Global's revenue in the first quarter of this year, while we recognized the full revenue of Kaplan University for most of the first quarter last year.

A further note on Purdue Global. We've been really pleased with the quality of this partnership. The Purdue and Kaplan teams worked exceptionally well together to complete a seamless transition from Kaplan University to Purdue Global, avoiding any major problems for the approximately 29,000 students conveyed to Purdue Global. The Purdue Global team is doing a great job at continuing to enhance student outcomes, and the student experience. Both parties have worked hard at developing the Purdue Global brand and executing efforts to create the necessary level of awareness for this new institution.

We are one year into the life of Purdue Global. As you know, building awareness takes time; it also takes money. Since the fees we are to be paid under the Purdue agreement are largely tied to the available cash produced by Purdue Global each year, the investment in brand by Purdue Global directly impacts the level of fees we receive and record in our results. This, we believe, is a smart investment, given the importance of securing a strong foothold for Purdue Global in an increasingly competitive marketplace. We are still in the early days of our partnership, but we’re optimistic about the institution, both academically and as a financial contributor to both Purdue and Kaplan. Fully developing the University’s market position understandably takes time; we have a 30-year agreement, so we can afford the patience to get it right.

Shifting now to a broader look, as with most industries, there are a number of important macro trends occurring in education that both present us with opportunities and, over time, have created some challenges. We probably can't change the fundamentals of the education marketplace, but we can certainly seek to position our business so that these trends will benefit us more than hurt us.



First, it has become commonplace to project that a major disruption will soon impact the U.S. higher education sector. The sector has largely managed to avoid the dramatic change of almost every other sector of the economy, yet the cracks in the higher education business model are increasingly apparent. The dramatic rise in the cost of college, without evidence of an accompanying rise in the perceived work readiness or educational accomplishment of its graduates, can't continue for much longer. For the first time, there are some serious, viable alternatives emerging to traditional education, as online programs from a number of institutions— yes, including Purdue Global— offer a glimpse into a possible future of education in which, more in line with the rest of the economy, quality steadily increases and costs decrease each year.

Some observers are predicting that as many as a third or more of today's U.S. universities may be forced to merge or close in the coming decades, as rising costs keep pushing up prices just as the number of high school graduates decreases, concerns about the value of college increase and alternatives proliferate. University presidents are starting to recognize the risks surrounding their current business model. Kaplan is well positioned to help on many fronts. We can be a major help in the scramble to attract new students, through new approaches to attracting domestic students and by leveraging our world-leading international student recruitment network.

We can help universities open up to new student populations as we're doing with Purdue Global, the University of Essex in the U.K. and others through online enablement. We can help schools ensure that their graduates are career ready through our professional certification and training programs. We are becoming a valuable partner to universities that have strong leadership and seek to grow in a marketplace that is otherwise shrinking.

Second, education is increasingly globalizing. Countries like China, Indonesia and South Africa can't build universities fast enough to support the growth of their middle class. And, for wealthier families, an education at a Western university is considered a ticket to a top job and family prestige. Students worldwide are increasingly looking outside their country's borders to find a ranked university, and Western schools are looking globally to add diversity and full-paying students. Few universities (and fewer students) have anything approaching the capabilities Kaplan has to make this match, not to mention to provide the on-site boarding, pastoral care, English-language, test preparation, and academic preparation services essential to attracting and supporting these students. Through our Pathways programs, hosted branch campus operations, direct recruitment and English-language offerings, Kaplan takes on a significant portion of the burden of attracting and serving international students at our partner universities in English-speaking countries.

Third, the education marketplace is rapidly disaggregating. Schools and universities have traditionally offered a bundled product, with the institution providing all the services, from curriculum development, teaching and credentialing, to feeding, housing, and even medically treating their students.

Much of what I've been discussing represents a break from this paradigm, as schools seek the assistance of other organizations to help them bring programs online, for example, or attract students. Students themselves are bypassing traditional education to pursue bootcamps and other focused learning opportunities. We feel we are well positioned in this area to support institutions that are working to be innovative and nimble to navigate the disruption. But we also feel the negative effects of disaggregation. In test prep, for example, technology and new products are increasingly allowing students to select individual components of an educational program to meet their needs. Previous generations of students might have automatically chosen a comprehensive classroom based program from a single provider. Kaplan Test Prep, as the longtime largest of those “single providers,” is navigating this shift, and we expect that this will have an impact on our numbers in 2019. Disaggregation is both an opportunity and a challenge for us.

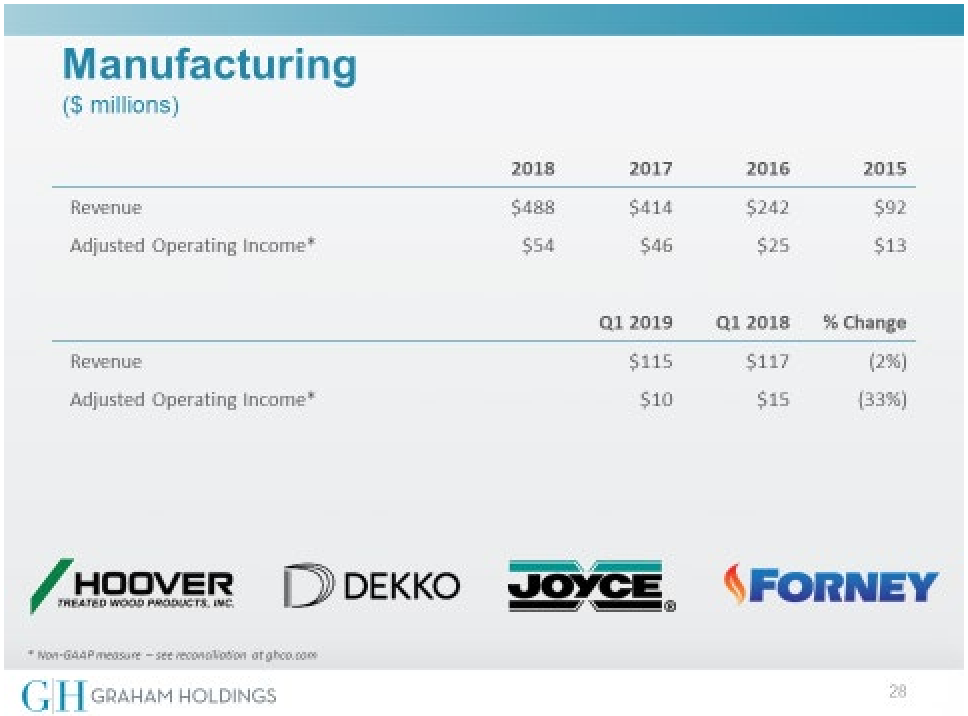
In closing, we’re happy with our assets and capabilities as they relate to these educational trends, and we see numerous ways to use Kaplan’s unique portfolio to maximize our advantage. When you add Graham Holding’s long-term focus on building intrinsic value, we feel well situated to build Kaplan’s earning power for the years ahead.

Now, I’ll turn it back over to Tim.

Remarks (continued) by Timothy J. O’Shaughnessy,

President and Chief Executive Officer, Graham Holdings Company

Thank you, Emily and Andy. Now, I would like to give you some insight into the rest of the Company.



Our manufacturing businesses have grown consistently over the last several years. From 2015 to 2018, revenue grew from $92 million to $488 million, and operating income grew from $13 million to $54 million.

Results in Q1 2019 were down from the prior year. This is largely due to an increase in labor costs tied to rising wages and a reduction in inventory gains tied to wood prices from Q1 2018. We suspect some of the impact of rising wages will be mitigated as corresponding price increases roll out to our customers in the first half of 2019.

Other Businesses

	2018	2017	% Change
Revenue	$252	$251	0%
Adjusted Operating (Loss)*	($22)	($29)	24%

	Q1 2019	Q1 2018	% Change
Revenue	$96	$58	67%
Adjusted Operating (Loss)*	($9)	($12)	27%

Slate SOCIAL CODE Pinna GRAHAM HEALTHCARE GROUP Megaphone FP Automotive

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

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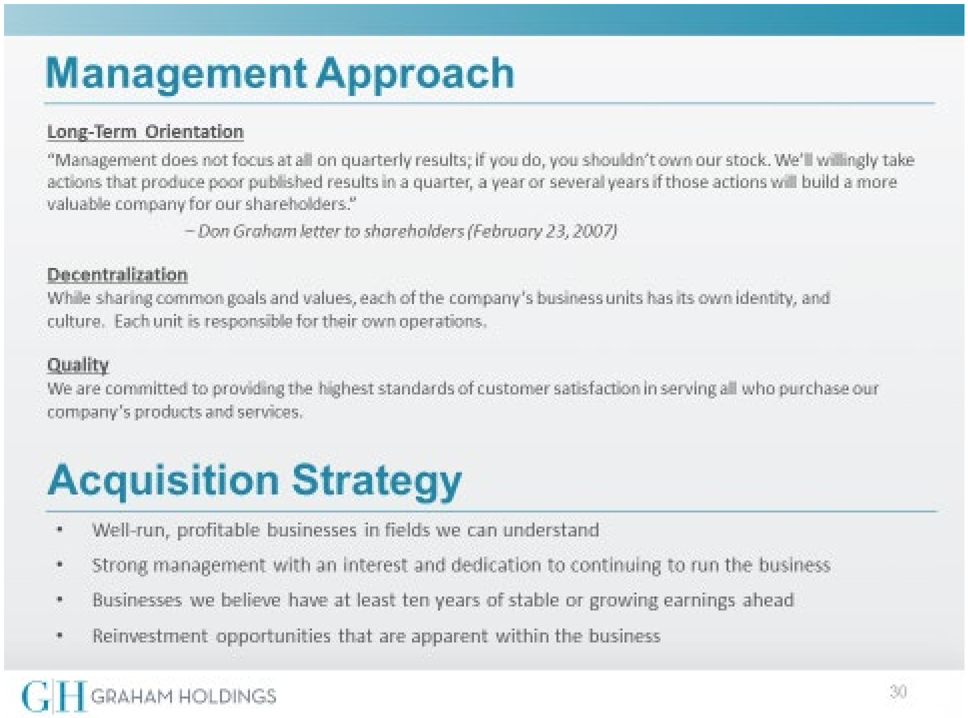
Revenue in the Other Businesses category was flat from 2017 to 2018, with a $7 million improvement in adjusted operating results. In Q1 2019, revenue increased 67% to $96 million, largely driven by the acquisition of our automotive dealerships and increased revenue at Megaphone; adjusted operating results improved by $3 million. We expect both the revenue growth rate and the margin profile of our Other Businesses segment to improve over the course of 2019. At Graham Healthcare Group, we saw a marked improvement in adjusted operating income compared to Q1 2018. Our expectation is that this trend will continue. Several of our technology businesses appear to be gaining real traction, as well. Specifically, Megaphone, our software and ad tech platform for the podcasting industry, continues to make inroads as the backbone on which much of the industry runs. In addition, SocialCode has resumed growth as it has (1) shifted to direct relationships with brands; (2) rolled out new software solutions related to Amazon from the Marketplace Strategy (MPS) acquisition and its subsequent growth; and, (3) begun to achieve scale with its software tool Audience Intelligence Platform (AIP). These businesses are not yet assured of success, but are showing promise worth exploring.



Once again, I'd like to end by reiterating our management approach and investment philosophy. Most years, I shared a quote by Don from his 2007 Letter to Shareholders that really sums up our operating philosophy: "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."

We continue to operate the business with a decentralized model under the philosophy Don describes.

Lastly, our acquisition strategy remains unchanged. We look to acquire

- well-run, profitable businesses in fields we can understand;
- management teams who would like to continue to run the business;
- businesses we believe have at least 10 years of stable or growing earnings ahead; and
- businesses with reinvestment opportunities that are readily apparent.

We think this strategy has served us well over the years and will continue to do so moving forward.

2018 started to show the earning power of our businesses. We believe we have laid the foundation for this earning power to steadily grow over time, with the ability to augment via acquisition, based on the principles just outlined.

We remain humble in our desire to put one foot in front of the other as a way of gaining ground. We believe a focus on continuous operating improvements combined with acquisitions that don’t waver from our criteria will accomplish this, rather than trying to win the game on one play. This focus is how we will steadily create value for our customers, employees and shareholders.

We appreciate your continued partnership and interest in the Company and will open the floor for questions after briefly attending to a few other business matters.

G|H GRAHAM HOLDINGS