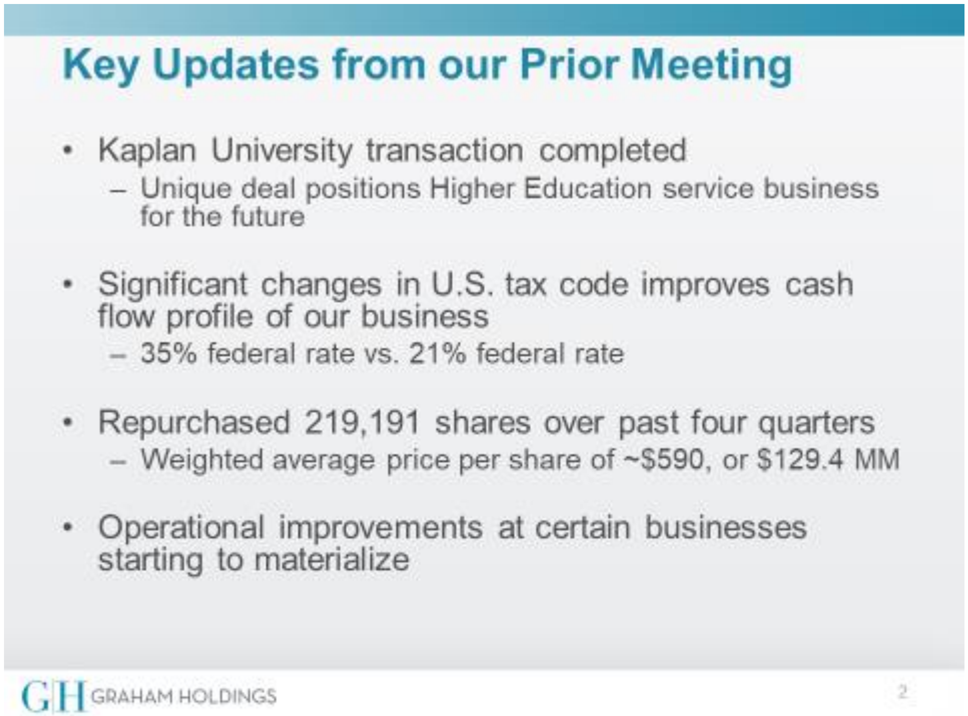
Annual Shareholders Meeting
May 3, 2018

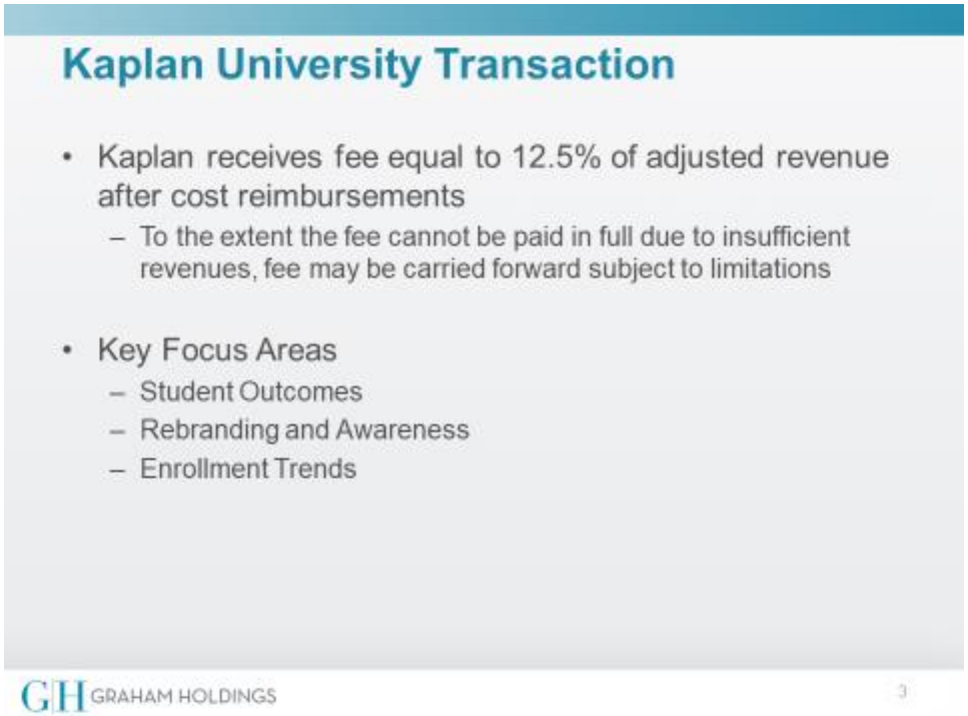
Remarks by Timothy J. O'Shaughnessy
President and Chief Executive Officer

Good morning and welcome to the Graham Holdings Company Annual Shareholders Meeting. We hope you will find today's meeting helpful in learning more about our Company. As usual, we have attendance from several of our key managers and our Board of Directors, including our Chairman, Don Graham. In addition to my prepared remarks, we will leave ample time for a Q&A session.



Since May 4th of last year, when we last had our annual meeting, most of our focus has been on improving our existing operations. We spent much of 2017 and early 2018 integrating our two new TV stations into Graham Media Group, managing the growth at our Pathways business; and, most notably, preparing for the sale and transition of Kaplan University to Purdue University Global. The sale also necessitated the corresponding launch of our new University Support Services business that will provide the underlying support for Purdue Global.

Last year, there were two other items also worth mentioning. First, the U.S. tax code changes materially improved the cash flow profile of our business. Historically, we have been close to a full taxpayer; so our effective tax rate is now substantially lower. Second, over the last four quarters, we were able to repurchase a little over 219,000 shares at an average price of around $590 per share, including nearly 132,000 shares in Q1. It is normally difficult for us to acquire such a large block of shares in such a short time, but we were able to do so in an off market transaction. As a reminder, we only acquire shares when we think our shares are trading materially below our view of intrinsic value. We were fortunate to have recently repurchased the shares we did at prices that are accretive to shareholders.



Because of the importance of the Kaplan University transaction, I want to spend a few moments updating you on the go-forward plans and how we'll be managing, monitoring, and measuring the success of the new Purdue University Global.

For providing services to run many of the non-academic functions, Kaplan will receive a fee equal to 12.5% of adjusted revenue after cost reimbursements. All University costs and Kaplan operating costs are to be reimbursed prior to the fee being paid. In the case of insufficient revenues to pay the fee in a particular period, the fee may be carried forward subject to limitations.

Ultimately we will measure Purdue Global's success with metrics that include 1) student outcomes, especially as they relate to employment and income gains; 2) a positive impact on Purdue's system; and 3) a positive impact on higher education. We also expect the new University to grow and be able to serve more students in the future.

The transition from Kaplan University to Purdue Global could not have gone smoother. We are as impressed with the leadership and teams at Purdue as we were when we started our discussions – in fact, even more so now. However, with two different organizations and multiple new reporting relationships, the two organizations will need to ensure that the culture, rapid decision-making and market-driven approach is maintained. If the past year is any indication, Purdue Global is well-positioned on this front. The focus areas for Kaplan in 2018 include an effort in rebranding and awareness creation, and a return to growth. We are laying the groundwork to be able to take advantage of the important enrollment cycles in the fall of 2018 and winter of 2019. We suspect that window will be the first meaningful opportunity to measure whether the value proposition of Purdue Global is resonating with students and manifesting in enrollment numbers.

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*

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We expected our results in 2017 to be down from 2016 and our prognostication skills were proven correct. Much of the decline was tied to the historically lower performance in odd years at the broadcast business, as well as lower enrollment at Kaplan University. That said, our internal expectations for the year were largely achieved and we were pleased to see our “other businesses” cumulatively generate meaningful adjusted operating income for the year. The total company also returned to topline growth in 2017, which we are hopeful is an early indication that improved operating results won’t be far behind.

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	–

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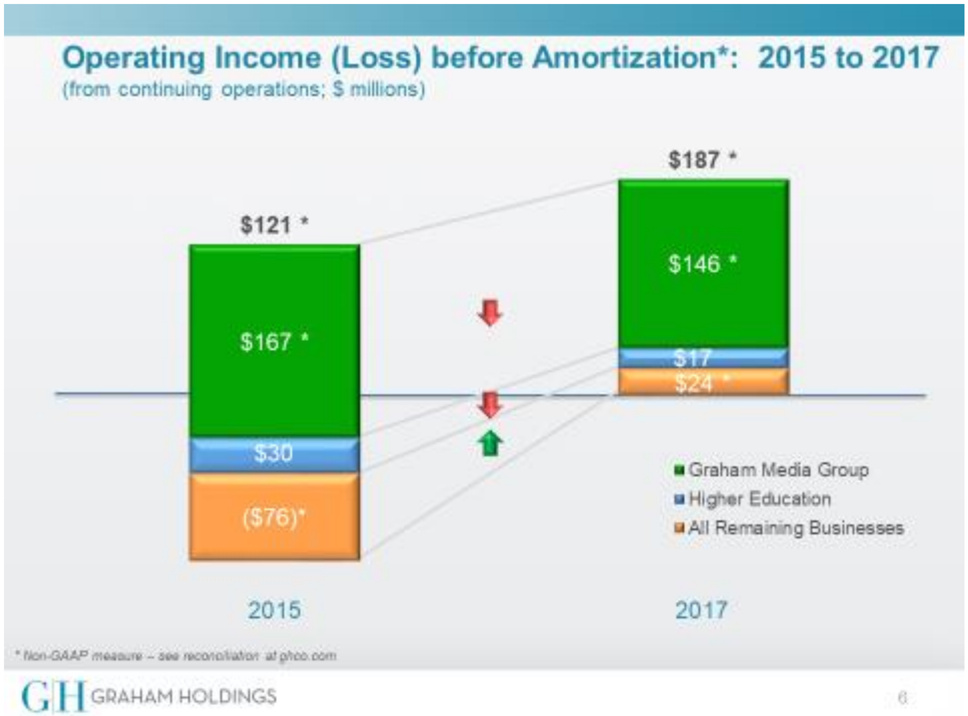
** Non-GAAP measure – see reconciliation at ghco.com*

In Q1 2018, our revenue increased 13% year over year and our adjusted operating income more than tripled to $55 million. The operating income improvement was across the board at education, broadcast and our other businesses.



As the business has changed so much in the last few years, we want to walk you through with a bit more depth how the key drivers of operating income have changed. We are using 2015 to 2017, because we view it most appropriate to compare an odd year to another odd year due to the dynamics of our broadcast business. Two major events weighed substantially on operating income in the comparison. First, a decline in operating results at Graham Media Group due to the expiration of a long-term network agreement with NBC and subsequent renegotiation. This decline was partially offset by growth in retransmission revenues and the newly acquired stations in Jacksonville and Roanoke.   The second event was the decline of the Kaplan University business which reduced operating income by $13 million. Adjusted operating income in all other components of the business increased by $100 million. For several years we've been working hard to replace the operating income lost from these two events with some degree of success, but our "leaky bucket" meant that the underlying growth and improvement at many businesses were overshadowed. With the Kaplan University transaction completed and most major network and retransmission contracts negotiated, we are optimistic that our "bucket" will be rising at an increased rate.

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%)**

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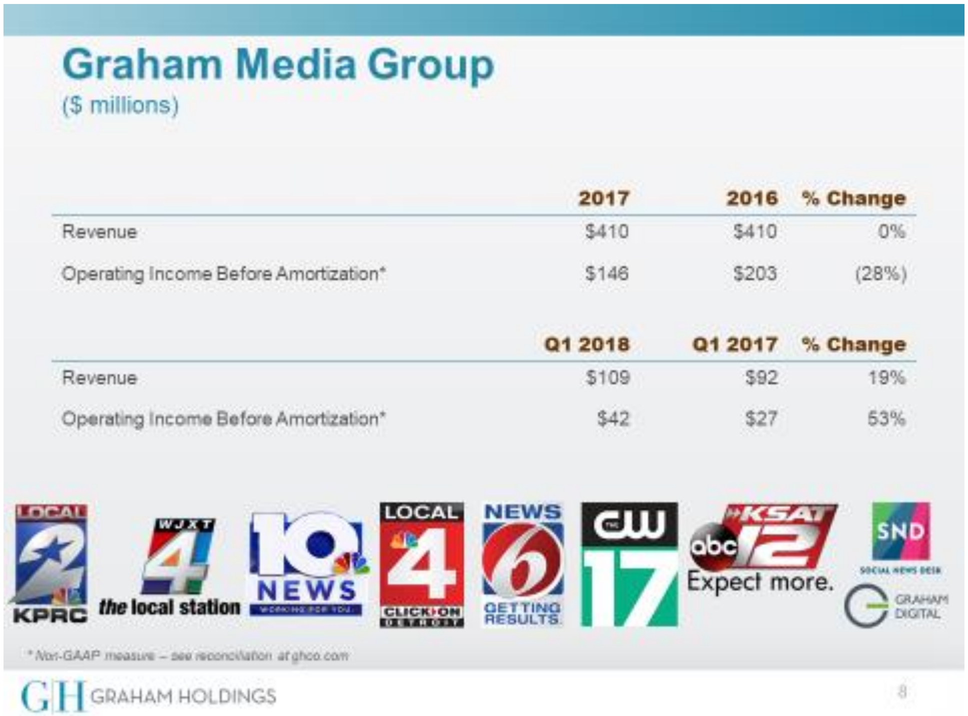
Our balance sheet remains strong with a net cash and securities position of $820 million as of March 31, 2018. The major usage of cash in Q1 was for share repurchases. We remain comfortable with our balance sheet position, but we are also continually looking for positive ways to deploy capital.



Graham Media Group had flat revenue in 2017 as compared to 2016, and had a $57 million decline in adjusted operating income largely tied to the expiration of the NBC contract, no Olympics, and minimal political advertising revenue. Q1 2018 marked the one year anniversary of the acquisition of WSLS and WCWJ, and we were pleased to see those trends reverse. Revenue increased 19% from prior year and adjusted operating income increased from $27 million to $42 million, due in large part to Winter Olympics revenue.

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**

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

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Kaplan revenue declined from 2016 to 2017 with the rate of decline showing signs of stabilization from prior years. Operating income before amortization fell from $103 million to $83 million, mostly due to a decline at Kaplan University.

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	–

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

Q1 revenue grew 1% to $375 million and operating income before amortization increased from $11 million to $24 million, driven mostly by improvements at Kaplan International.

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	–

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

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Manufacturing revenue continued its growth progression at Graham Holdings in 2017, increasing from $242 million to $414 million. Most of the growth was tied to the acquisition of Hoover Treated Wood Products in April of 2017, along with modest organic growth. Adjusted operating income increased from $25 million to $46 million for most of the same reasons. Q1 performance trends looked similar to 2017 trends, with substantial increases in revenue and adjusted operating income, largely tied to the purchase of Hoover. We suspect the growth rates will moderate as we anniversary the Hoover acquisition.

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

Graham Healthcare Group had a disappointing 2017. While we were able to achieve topline growth, the slow integration of our two healthcare businesses led to sub-par results and a decline in adjusted operating income from $10 million to $5 million. Q1 was a similar story, with modest revenue growth as compared to prior year and reduced operating income. We are committed to improving the performance of this business and recent organizational and operational changes give us encouragement that we should see improved results sometime in 2018.

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

SocialCode revenue grew modestly in 2017 while significantly reducing the adjusted operating loss. As the market and landscape has changed, SocialCode has had to change how it works with the agency holding companies and adjust some key components of its business on the fly. This was a challenging part of 2017 and after several quarters of declines, the team was able to return to growth late in the year and continues their progress in 2018.

Our other businesses include two internal start-ups in early investment stage, Panoply and Cybervista; as well as two media pioneers, Slate and Foreign Policy. These companies all need to be on paths to independence and sustainability and we manage them as such. Today, the collective group is not meaningful in value to the Company, but our hope is that some of them can graduate to that level.

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**

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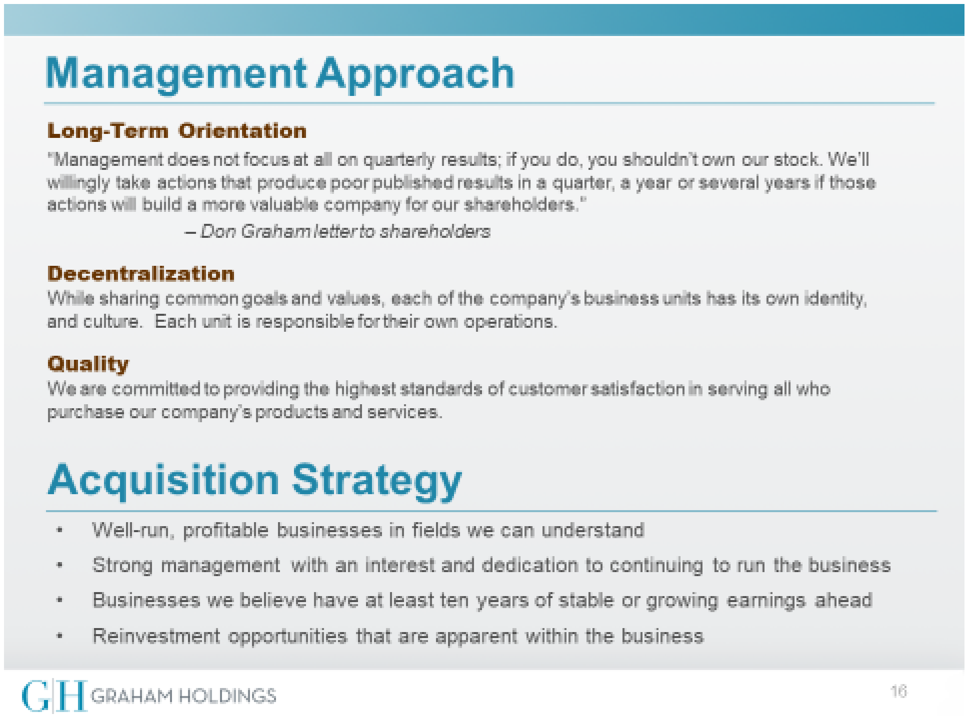
** Non-GAAP measure*

Operating cash flow of the business decreased from $336 million to $268 million in 2017; while in Q1 of 2018, it increased from $37 million to $74 million as compared to the prior year.



I'd like to finish by touching once again on both our management approach and acquisition strategy, both of which you should feel comfortable with if you're a shareholder. I'll start by reiterating a quote Don published years ago in our Letter to Shareholders. "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 have an approach of decentralization. Our preference is to not get involved in the day-to-day management of our businesses. Usually, we consider it a bad sign when we have to do so. While sharing common goals and values, each of the Company's business units has its own culture. Each unit is responsible for its own operations.

Quality matters at Graham Holdings. We are committed to providing the highest standards of customer satisfaction in serving all who purchase our Company's products and services.

Our acquisition strategy has not changed over the last few years. We look to acquire:

- well-run, profitable businesses in fields we can understand;
- strong management teams with an interest and dedication in continuing to run the business;
- businesses we believe have at least ten years of stable to growing earnings ahead;
- businesses with reinvestment opportunities that are apparent within the business.

We’ve been able to find productive uses of capital over the last few years with this strategy and believe it should work for us for the foreseeable future.

2017 was a year of very focused work on improving the operating performance of our businesses to set up the years to come. While this is always a goal and focus, we really believed we had an opportunity to drive increased moats, results, and performance in the business for today and years to come. My hope is that this presentation has given you a sense of why we are optimistic about the future of our businesses at Graham Holdings and we hope you are as well. We're grateful for your support and the trust you have placed in us and we're glad to be your partner. I hope you all have questions, we are eager to help you better understand the business. After we handle a few other business matters, I'll open the floor for the Q&A portion of the meeting.