NEWS RELEASE

McGraw Hill Reports Fiscal Fourth Quarter and Full Year Fiscal 2023 Financial Results

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COLUMBUS, Ohio (May 25, 2023) – McGraw Hill, a leading global education company, today reported fiscal 2023 financial results for the fiscal year ending March 31. For the fiscal year, total billings grew 18% to $2.1 billion, digital billings increased 20% to $1.2 billion and adjusted EBITDA grew 23% to $776 million with adjusted EBITDA margin expanding for the fourth consecutive year.

The company's digital transformation continued with digital billings now comprising 60% of total billings and approaching 90% in Higher Education.

The ongoing investment in digital included the acquisition of Boards & Beyond, a provider of on-demand video libraries and comprehensive online resources for the medical education market, and the release of a new direct-to-student study app called SHARPEN that complements and seamlessly aligns with course content in Higher Education through a social media-inspired user experience for today's students.

Additionally, use of the company's core digital learning platforms continued to expand with paid activations of McGraw Hill Connect increasing 2% year-over-year to 6 million and unique users of ALEKS, an artificial intelligence-based program for math and chemistry, increasing 12% to 6.5 million globally.

"Fiscal year 2023 was an exciting year for McGraw Hill, highlighted by significant growth, ongoing re-investment in content development and digital capabilities, and a focus on strengthening digital recurring revenue," said Simon Allen, McGraw Hill CEO. "Our digital-first strategy and K-to-life focus allow us to effectively serve a fundamental societal need globally. Having spent more than a decade investing in our digital ecosystem, we are a leader in driving innovation where learning and technology intersect."

For fiscal year 2023, billings in the company's K-12 group grew 41% and reached $1.1 billion, gaining market share across multiple states and disciplines, and capitalizing on federal stimulus funding. Billings growth continues to be driven by the strength of core curriculum coupled with supplemental and intervention offerings.

Higher Education billings were strong in the fourth quarter, driven, in part, by the expected shift from fiscal Q3 to Q4. Higher Education billings grew 1 percent for the year, outperforming the industry and contributing market share growth despite enrollment headwinds. The company's Inclusive Access affordability program that delivers course materials to students at a significantly reduced cost has expanded to nearly 1,600 campuses and represents nearly 40% of higher education billings.

Billings for the company's Global Professional group were down 1% for the fiscal year with digital Access subscription growth offset by lower print sales as focus remains on digital growth and investment.

International group billings were up 4% from a year ago, or 9% on a constant currency basis, with growth driven by sales in the Middle East, India, Latin America and Canada.

McGraw Hill

McGraw Hill is a leading global education company that partners with millions of educators, learners and professionals around the world. Recognizing their diverse needs, we build trusted content, flexible tools and powerful digital platforms to help them achieve success on their own terms. Through our commitment to equity, accessibility and inclusion, we foster a culture of belonging that respects and reflects the diversity of the communities, learners and educators we serve. McGraw Hill has over 30 offices across North America, Asia, Australia, Europe, the Middle East and South America, and makes its learning solutions for PreK-12, higher education, professionals and others available in more than 80 languages. Visit us at **mheducation.com** or find us on **Facebook**, **Instagram**, **LinkedIn**, or **X**.

Contact

Tyler Reed
McGraw Hill
(914) 512-4853
tyler.reed@mheducation.com