NEWS RELEASE

McGraw Hill Reports Second Quarter and Year-to-Date Fiscal 2024 Financial Results

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COLUMBUS, Ohio (November 14, 2023) – McGraw Hill, a leading global education company, today reported financial results with $1.4 billion in year-to-date billings and $667 million in Adjusted EBITDA. Billings increased across all segments excluding K-12 where an expected smaller market opportunity drove an 8% billings decline for the total company compared to last year. The seasonally significant fiscal Q2 billings were among the strongest for McGraw Hill in its history.

McGraw Hill continued its strong digital momentum with digital billings for the last 12 months now 61% of total billings and nearly 90% in Higher Education. The company also improved customer retention rates and delivered record year-to-date activations of McGraw Hill's digital learning platforms Connect and ALEKS up 10% and 14%, respectively.

"We have a tremendous impact on the 45+ million learners and educators we serve around the globe and across our K-life business," said Simon Allen, McGraw Hill CEO. "I am proud of our performance and our continued focus on strategic innovation and financial discipline, which positions us competitively both now and into the future."

In the company's K-12 segment, billings were down 15% year-to-date with the expected smaller adoption market. Digital billings were 47% of total billings year-to-date with the company focused on delivering blended solutions to enable a unified user experience and improved outcomes.

Billings in the Higher Education group were up 3% to $380 million year-to-date with market share gains, strong digital platform sales, and improved customer retention. Inclusive Access growth continued as we expanded our institutional reach to over 1,700 campuses. Inclusive Access sales grew 25% versus prior year, making up approximately 40% of Higher Ed billings. Inclusive Access provides course materials to students by the first day of class at a cost that is as much as 70% lower than traditional print materials.

Billings for the Global Professional group grew 3% YTD due to strong Access platform subscription sales, the inclusion of the recently-acquired Boards & Beyond business, and a return to more normalized domestic print channel ordering. Digital billings were 61% of total billings YTD.

In the company's International group, billings grew 9% YTD, and were modestly higher on a constant currency basis year-over-year. Digital billings were 46% of total billings YTD with strong K-12 digital sales in the Middle East and Spain, as well as strong digital growth in Higher Education in 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**.

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