



NEWS RELEASE

McGraw Hill Reports Year-to-Date Fiscal 2025 Financial Results Through the Second Quarter

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Columbus, Ohio – November 13, 2024 – McGraw Hill today announced second quarter and year-to-date financial results for the fiscal year 2025. Year-to-date total billings increased 16% to \$1.6 billion during the seasonally important second quarter, driven by continued digital growth, significant wins in K-12 adoptions, and continued market share gains in higher education. Year-to-date adjusted EBITDA rose to \$859 million, a 29% increase year-over-year.

"Back to school is a critical part of the year for us as a global education company that serves millions of students and educators around the world," said Simon Allen, McGraw Hill CEO. "The first half of our fiscal year has been one of the strongest in the company's history. We owe this success to our winning strategy and execution, our world class content and digital offerings and to our ability to continually innovate in how we serve our customers and operate our business."

Year-to-date digital billings increased 18% vs. prior year to \$972 million and included new, innovative offerings that rolled out for back-to-school, including the company's first customer-facing generative AI (GenAI) functionalities, **AI Reader and Writing Assistant**, in its higher education and K-12 learning platforms, respectively. Additionally, the company in the second quarter announced its new **Evergreen™ delivery model** for higher education that replaces the traditional cycle of textbook editions and delivers up-to-date digital content and tools into pre-built instructor courses, saving instructors time and opening new possibilities for customization and configurability in the future. The company continued to see growth in users across its core Connect and ALEKS learning platforms with 9% and 10% growth in paid activations and unique users, respectively.

The company's K-12 segment reported:

- Billings of \$1 billion year-to-date, up 24% year-over-year, driven by the larger on-list adoption market with substantial win rates in Texas and Florida science.
- Digital billings of \$486 million year-to-date, up 26% year-over-year, driven by sales in Q2 of core digital and supplemental bundles in science adoptions.

The company's Higher Education segment reported:

- Year-to-date billings of \$407 million, up 7% year-over-year with continued market share gains and digital growth across the Connect and ALEKS platforms.
- Digital billings growth of 11% to \$373 million year-to-date, now making up 92% of total higher education billings.
- An increase in Inclusive Access channel sales of 24% year-to-date vs. prior year, comprising 46% of total higher education billings.

The company's Global Professional segment reported:

- Year-to-date billings of \$73 million, down 7% vs. prior year as the company de-prioritizes non-core print titles amidst ongoing digital medical reinvestment.
- Digital billings making up 65% of year-to-date total billings as the Global Professional business evolves away from traditional print to more digital medical solutions.

The company's International segment reported:

- Year-to-date billings of \$128 million, up 6% year-over year, driven by strong sales in the Middle East and Latin America.
- Growth in digital billings of 14% year-to-date, making up 49% of total billings for the segment.

"While we're proud of our success so far this year, we're also positioning the company for growth in the years to come as we continue to improve our operational efficiency, invest in new technologies, and build more customized and personalized solutions," Allen said. "McGraw Hill is truly empowering the learning journey for educators and learners worldwide and I have never been more excited about our future."

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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