

NATIONAL AMERICAN UNIVERSITY HOLDINGS, INC. REPORTS  
FISCAL 2017 THIRD QUARTER AND NINE MONTHS RESULTS

while keeping in mind our commitment to academic quality and student support. As a result of several cost-cutting initiatives, we have reduced SG&A expenses by nearly 15% year to date and continue to closely monitor areas where we may be able to find cost savings. With this conservative approach, we believe we are in an increasingly advantageous position to execute on our strategic plan and to move forward with any suitable opportunities we may see within the space.”

### Operating Review

#### Enrollment Update

Total NAU student enrollment for the winter 2016-17 term decreased 4.4% to 7,314 students from 7,649 during the prior winter term. Students enrolled in 62,607 credit hours compared to 66,295 credit hours during the prior winter term. The current average age of NAU's students continues to be in the mid-30s, with those seeking undergraduate degrees remaining the highest portion of NAU's student population.

- During the FY 2017 third quarter, SG&A expenses decreased to \$15.3 million, or 71.8% of total revenue, from \$17.7 million, or 77.9%, in the prior-year period.
- Loss before income taxes and non-controlling interest for the FY 2017 third quarter narrowed to \$(2.4) million from \$(3.0) million in the same period last year.
- Net loss attributable to the Company for the FY 2017 third quarter was \$(2.5) million, or (\$0.10) per diluted share based on 24.2 million shares outstanding, compared to net loss attributable to the Company of \$(1.9) million, or (\$0.08) per diluted share based on 24.2 million shares outstanding, in the prior-year period, primarily as a result of a \$1.0 million reduction in benefit from income taxes.
- During the third quarter, the Company recorded a \$1.0 million valuation allowance against its deferred tax assets. This non-cash charge, reducing the benefit from income taxes, is a result of the Company's assessment of the realizability of its deferred tax assets over a certain period of time. A primary factor in the assessment is that the Company is in a cumulative loss position over the three-year period ended February 28, 2017. This valuation allowance can be reduced or reversed in the future as the Company returns to profitability.
- LBITDA for the FY 2017 third quarter were \$(0.9) million, compared to LBITDA of \$(1.4) million in the prior-year period. A table reconciling EBITDA/LBITDA to net income/loss can be found at the end of this release.

#### Fiscal 2017 Nine Months Financial Results

- Total revenues for the first nine months of FY 2017 were \$64.4 million, compared to \$73.1 million in the prior-year period. Total academic segment revenue was \$63.6 million, compared to \$72.2 million in the prior-year period, as a result of the decrease in enrollment. The Company

### Conference Call Information

Management will discuss these results in a conference call (with accompanying presentation) on Thursday, April 6, 2017, at 11:00 a.m. ET.

The dial-in numbers are:

(877) 407-9078 (U.S.)

(201) 493-6745 (International)

Accompanying Slide Presentation and Webcast

The Company will also have an accompanying slide presentation available in PDF format at the "Investor Relations" section of the NAU website at <http://investors.national.edu>. The presentation will be made available 30 minutes prior to the conference call. In addition, the call will be simultaneously webcast over the Internet via the "Investor Relations" section of the NAU website or by clicking on the conference call link: <http://national.equisolvewebcast.com/q3-2017>.

### About National American University Holdings, Inc.

National American University Holdings, Inc., through its wholly owned subsidiary, operates National American University ("NAU"), a regionally accredited, proprietary, multi-campus institution of higher learning offering associate, bachelor's, master's, and doctoral degree programs in technical and professional disciplines. Accredited by the Higher Learning Commission, NAU has been providing technical and professional career education since 1941. NAU opened its first campus in Rapid City, South Dakota, and has since grown to multiple locations throughout the United States. In 1998, NAU began offering online courses. Today, NAU offers degree programs in traditional, online, and hybrid formats, which provide students increased flexibility to take courses at tim



## NATIONAL AMERICAN UNIVERSITY HOLDINGS, INC. AND SUBSIDIARIES

The following table provides a reconciliation of net income attributable to the Company to EBITDA/LBITDA:

Three Months Ended		Nine Months Ended
February 28, 2017	February 29,	