

NATIONAL AMERICAN UNIVERSITY HOLDINGS, INC. REPORTS FISCAL 2016 FIRST QUARTER RESULTS

Company to host conference call on October 1 , 2015, at 11:00 a.m. EDT

Financial and Operational Highlights

Enrollment by headcount for the FY 2016 first quarter (summer 2015 term) decreased 18.0% over the prior-year period to 8,139 students as of August 31, 2015.

FY 2016 first quarter total revenue was \$24.6 million, compared to \$29.3 million in the prior-year period. The Company's academic segment's revenue was

students continues to be in the mid-30s, with those seeking undergraduate degrees remaining the highest portion of NAU's student population.

The following is a summary of student enrollment at August 31, 2015, and August 31, 2014, by degree level and by instructional delivery method:

	August 31, 2015 (Summer '15 Qtr)		August 31, 2014 (Summer '14 Qtr)	
	No. of Students	% of Total	No. of Students	% of Total
Continuing Ed	116	1.4%	104	

services generally; and other statements preceded by, followed by or that include the words "estimate," "plan,"

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
AS OF AUGUST 31, 2015 AND CONDENSED
CONSOLIDATED BALANCE SHEET AS OF MAY 31, 2015
(In thousands, except share and per share amounts)

	August 31, 2015	May 31, 2015
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 30,653	\$ 23,300
Available for sale investments	3,628	4,102
Student receivables — net of allowance of \$1,618 and \$1,583 at August 31, 2015 and May 31, 2015, respectively	4,798	14,358
Other receivables	146	1,195
Income taxes receivable	1,069	0
Deferred income taxes	2,329	2,335
Prepaid and other current assets	1,698	2,151
Total current assets	<u>44,321</u>	<u>47,441</u>
Total property and equipment - net	<u>35,146</u>	<u>36,390</u>
OTHER ASSETS:		
Condominium inventory	385	385
Land held for future development	312	312
Course development — net of accumulated amortization of \$2,834 and \$2,760 at August 31, 2015 and May 31, 2015, respectively	771	804
Other	1,122	1,212
Total other assets	<u>2,590</u>	<u>2,713</u>
TOTAL	<u>\$ 82,057</u>	<u>\$ 86,544</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of capital lease payable	\$ 254	\$ 244
Accounts payable	3,202	3,246
Dividends payable	1,140	1,139
Income taxes payable	137	1
Deferred income	865	1,459
Accrued and other liabilities	5,437	6,746
Total current liabilities	<u>11,035</u>	<u>12,835</u>
DEFERRED INCOME TAXES	<u>3,283</u>	<u>3,283</u>
OTHER LONG-TERM LIABILITIES	<u>5,888</u>	<u>6,047</u>
CAPITAL LEASE PAYABLE, NET OF CURRENT PORTION	<u>11,786</u>	<u>11,853</u>
COMMITMENTS AND CONTINGENCIES		
STOCKHOLDERS' EQUITY:		
Common stock, \$0.0001 par value (50,000,000 authorized; 28,313,740 issued and 25,212,072 outstanding as of August 31, 2015; 28,262,241 issued and 25,191,414 outstanding as of May 31, 2015)	3	3
Additional paid-in capital	58,396	58,336
Retained earnings	11,307	13,751
Treasury stock, at cost (3,101,668 shares at August 31, 2015 and 3,070,827 shares at May 31, 2015)	(19,542)	(19,455)
Accumulated other comprehensive loss, net of taxes - unrealized loss on available for sale securities	(2)	(1)
Total National American University Holdings, Inc. stockholders' equity	<u>50,162</u>	<u>52,634</u>
Non-controlling interest	(97)	(108)
Total stockholders' equity	<u>50,065</u>	<u>52,526</u>
TOTAL	<u>\$ 82,057</u>	<u>\$ 86,544</u>

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

	Three Months Ended August 31,	
	2015	2014
	(dollars in thousands)	
Net Income (Loss) attributable to the Company	(\$1,309)	\$2,170