Third Quarter 2018 Earnings Presentation

November 8, 2018

LAUREATE EDUCATION INC®









Forward Looking Statements

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Presentation of Non-GAAP Measures

This presentation contains certain non-GAAP measures which are provided to assist in an understanding of the business and performance of Laureate Education Inc. These measures should always be considered in conjunction with the appropriate GAAP measure. Reconciliations of non-GAAP measures to the relevant GAAP measures are provided in the appendix to this presentation in the financial tables and our SEC filings.

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SUMMARY OVERVIEW

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Note: Throughout this presentation amounts may not sum to totals due to rounding

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Summary Highlights

- ✓ 3Q Adjusted EBITDA ahead of Guidance
- ✓ New Enrollments up 4% Q3 YTD
- ✓ Continued margin improvements; up 175bps through Q3 YTD
- ✓ On-Track with Wave II divestitures
- ✓ Largest improvement in recent ENADE scores in Brazil
- ✓ Strong rankings in Peru and Spain
- ✓ Strategic options under evaluation for Walden
- ✓ Announced divestitures now reported as Discontinued Operations

2018 Full Year Adjusted EBITDA Outlook Consistent with Prior Guidance

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Q3 & YTD 2018 PERFORMANCE RESULTS

(CONTINUING OPERATIONS)

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2018 Third Quarter – Financial Summary
(Continuing Operations)

($ in millions) (Enrollments in thousands)	Q3 '18 Results	Variance Vs. Q3 '17	Notes
New Enrollment	155K	4%	
New Enrollment – Organic[(1)]		4%	• Driven by Brazil
Total Enrollment	879K	-	
Total Enrollment – Organic[(1)]		-	• Peru and Australia growth offset by economic softness in Mexico and Brazil
Revenue	$787	(4%)	
Revenue – Organic/CC[(2)]		3%	
Adj. EBITDA	$121	21%	
Adj. EBITDA – Organic/CC[(2)]		28%	• Includes favorable timing impact related to 2017 earthquake in Mexico
Adj. EBITDA margin	15.3%	311 bps	

Q3'18 Adjusted EBITDA ahead of Guidance

(1) Organic results exclude period-over-period impacts from acquisitions and divestitures
(2) Organic Constant Currency (CC) Operations excludes the period-over-period impact from currency fluctuations, acquisitions and divestitures, and other items. Other items include the impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets

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2018 Q3 YTD – Financial Summary
(Continuing Operations)

($ in millions) (Enrollments in thousands)	Q3 YTD '18 Results	Variance Vs. Q3 YTD '17	Notes
New Enrollment	422K	4%	
New Enrollment – Organic[1]		4%	• Driven by Brazil
Total Enrollment	879K	-	
Total Enrollment – Organic[1]		-	• Peru and Australia growth offset by economic softness in Mexico and Brazil
Revenue	$2,437	-	
Revenue – Organic/CC[2]		2%	
Adj. EBITDA	$394	12%	
Adj. EBITDA – Organic/CC[2]		8%	• Tight expense management
Adj. EBITDA margin	16.2%	175 bps	• Focus on profitable growth and strong actions on cost controls

Q3 YTD Results on Track with Expectations

(1) Organic results exclude period-over-period impacts from acquisitions and divestitures
(2) Organic Constant Currency (CC) Operations excludes the period-over-period impact from currency fluctuations, acquisitions and divestitures, and other items. Other items include the impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets, as well as the impact of a $22.8 million expense recorded in 2017 related to the portion of the April 2017 refinancing transactions that was deemed to be a debt modification.

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2018 Third Quarter – Enrollment Dynamics by Segment
(Continuing Operations)

(Enrollments in thousands)	New Enrollment (NE) Q3 '18	New Enrollment (NE) Organic Vs. Q3 '17	Total Enrollment (TE) Q3 '18	Total Enrollment (TE) Organic Vs. Q3 '17	Notes
Brazil	54	9%	273	(1%)	• Strong growth in Distance Learning
Mexico	64	1%	210	(1%)	• UNITEC growth offset by softness in UVM
Andean	23	4%	315	2%	
Rest of World	5	3%	19	14%	
Online & Partnerships	10	2%	62	(4%)	
Laureate Total	155	4%	879	-	

New Enrollment Growth in all Segments, led by Brazil

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2018 Q3 YTD – Enrollment Dynamics by Segment
(Continuing Operations)

(Enrollments in thousands)	New Enrollment (NE)		Total Enrollment (TE)		Notes
	Q3 YTD '18	Organic Vs. Q3 YTD '17	Q3 YTD '18	Organic Vs. Q3 YTD '17	
Brazil	**157**	**9%**	**273**	**(1%)**	• Strong growth in Distance Learning
Mexico	**107**	**2%**	**210**	**(1%)**	• UNITEC growth offset by softness in UVM
Andean	**118**	**2%**	**315**	**2%**	
Rest of World	**12**	**6%**	**19**	**14%**	• Strong growth in Australia
Online & Partnerships	**27**	**(3%)**	**62**	**(4%)**	• Walden domestic NE +3%
Laureate Total	**422**	**4%**	**879**	**-**	

New Enrollment Growth in all Campus-Based Markets

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2018 Third Quarter – Revenue, EBITDA Dynamics by Segment
(Continuing Operations)

($ millions)	Revenue		Adj. EBITDA		Notes
	Q3 '18	Organic/CC Vs. Q3 '17 (1)	Q3 '18	Organic/CC Vs. Q3 '17 (1)	
Brazil	121	(10%)	1	n.m.	
Mexico	148	12%	24	n.m.	• Intra-quarter timing impact from 2017 earthquake
Andean	300	4%	91	3%	• Adjusted for Floods in Peru in Q3 2017 Adj. EBITDA up 19%
Rest of World	57	22%	5	n.m.	
Online & Partnerships	165	(2%)	46	7%	
Corp. & Elimin.	(4)	n.m.	(46)	7%	
Laureate Total	787	3%	121	28%	

Strong Q3'18 Results – Adjusted EBITDA above Guidance

(1) Organic Constant Currency (CC) Operations excludes the period-over-period impact from currency fluctuations, acquisitions and divestitures, and other items. Other items include the impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets

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2018 Q3 YTD – Revenue, EBITDA Dynamics by Segment
(Continuing Operations)

($ millions)	Revenue		Adj. EBITDA		Notes
	Q3 YTD '18	Organic/CC Vs. Q3 YTD '17 (1)	Q3 YTD '18	Organic/CC Vs. Q3 YTD '17 (1)	
Brazil	470	(3%)	53	(1%)	• Timing impacts; Q4 and FY margins to benefit from new operating model
Mexico	464	3%	82	5%	• Favorable intra-quarter timing impact from 2017 earthquake
Andean	844	6%	235	13%	
Rest of World	170	15%	16	64%	• Scaling of Australia business
Online & Partnerships	498	(4%)	136	(7%)	• Walden stabilized but impacted by Fall 2017 intake; deemphasis on int'l partnerships; increased marketing
Corp. & Elimin.	(10)	n.m.	(128)	2%	
Laureate Total	2,437	2%	394	8%	• Strong margin progression

Q3 YTD Margins Up 175 bps vs. Prior Year

(1) Organic Constant Currency (CC) Operations excludes the period-over-period impact from currency fluctuations, acquisitions and divestitures, and other items. Other items include the impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets, as well as the impact of a $22.8 million expense recorded in 2017 related to the portion of the April 2017 refinancing transactions that was deemed to be a debt modification.

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2018 Third Quarter – Net Income Reconciliation

($ in millions)	Q3 '18 Reported	B / (W) Vs. Q3 '17 $	B / (W) Vs. Q3 '17 %	Notes
Adjusted EBITDA	121	21	21%	
Depreciation & Amort.	(53)	(2)	(3%)	
Interest Expense, net	(55)	11	16%	
Other	(60)	(23)	n.m.	• Driven by FX revaluation
Income Tax	4	16	n.m.	
Income/(Loss) From Continuing Operations	(44)	23		
Discontinued Operations (Net of Tax)	(35)	2	n.m.	
Net Gain/(Loss) on Sale of Disc. Ops.	(18)	(18)	n.m.	• Loss on sale of Kendall
Net Income / (Loss)	(97)	7	n.m.	

Q3 is a Seasonally Light Quarter due to Out-of-Session Periods During Summer/Winter Months

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2018 Q3 YTD – Net Income Reconciliation

($ in millions)	Q3 YTD '18 Reported	B / (W) Vs. Q3 YTD '17 $	B / (W) Vs. Q3 YTD '17 %	Notes
Adjusted EBITDA	394	43	12%	
Depreciation & Amort.	(163)	(11)	(7%)	
Interest Expense, net	(172)	75	30%	• Reduction in debt levels and reduced cost of debt
Other	(28)	61	n.m.	• $98M gain upon conversion of preferred equity in April '18, offset by FX revaluation
Income Tax	(66)	(52)	n.m.	• Timing of tax accrual, in addition 2017 included $30M one-time benefit
Income/(Loss) From Continuing Operations	(36)	115		
Discontinued Operations (Net of Tax)	23	(22)	n.m.	• Impacted by timing of tax accrual
Net Gain/(Loss) on Sale of Disc. Ops.	312	312	n.m.	
Net Income / (Loss)	299	406	n.m.	

Q3 YTD Results include ~$300M Gain related to Asset Sales

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2018 Third Quarter – Free Cash Flow

($ millions)	B / (W) Vs. Q3 '18	Q3 '17	Notes
Unlevered Operating Cash Flow *(excl. Interest/Debt Refi)*	396	(55)	• Timing impact from asset divestitures; ($24M) impact from FX
Capex	(62)	(10)	
Unlevered Free Cash Flow	334	(65)	
Cash Interest	(42)	57	• 3Q 2017 included $39M of interest paid on seller note that was settled
Debt Refinancing Cost	-	-	
Reported Free Cash Flow	292	(8)	

Seasonally Strong Cash Flow in Q3 due to Intakes

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2018 Q3 YTD – Free Cash Flow

($ millions)	Q3 YTD '18	B / (W) Vs. Q3 YTD '17	Notes
Unlevered Operating Cash Flow *(excl. Interest/Debt Refi)*	524	(49)	• Timing impact from asset divestitures; ($23M) impact from FX
Capex	(164)	(16)	
Unlevered Free Cash Flow	360	(65)	
Cash Interest	(168)	170	• Lower debt balance and reduced cost of debt; Prior Year seller note interest
Debt Refinancing Cost	-	23	
Reported Free Cash Flow	192	128	

YTD FCF up $128M due to Interest Expense Reductions

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2018 GUIDANCE

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FY 2018 Guidance
(Continuing Operations)

(USD millions, except enrollments in thousands)	Total Enrollment	Revenues	Adj. EBITDA
2017 Results	865	$3,386	$615
2017 Normalized Adjustments (1)			($13)
2017 Proforma	865	$3,386	$603
Organic Growth	Essentially	$69 – $84	$42 – $47
Growth %	Flat	*2.0% - 2.5%*	*7.0% - 8.0%*
2018 FXN Guidance ex Divestitures (CC)	~ 865	$3,455 – $3,470	$645 – $650
FX Impact (spot FX) (2)	-	($115)	($30)
2018 Guidance ex Divestitures (@ spot FX) (2)	~ 865	$3,340 – $3,355	$615 – $620

- Includes ~$35M of G&A expenses (regional and corporate) which are expected to be progressively phased out following the completion of our announced divestitures
- ($10M) unfavorable FX impact as compared to spot rates at time of prior guidance

(1) Normalized adjustment include ($20.3) million sale of property, impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets, and $22.8 million expense associated with our debt refinancing transactions in the second quarter of 2017

(2) Based on spot FX rates as of 10/31/2018 (local currency per U.S. dollar) of MXN 20.27, BRL 3.72, CLP 696, PEN 3.37, EUR 0.88 for November – December 2018. FX impact may change based on fluctuations in currency rates in future periods

Note: An outlook for 2018 net income and reconciliation of the forward-looking 2018 Adjusted EBITDA outlook to net income are not being provided as the company does not currently have sufficient data to accurately estimate the variables and individual adjustments for such outlook and reconciliation.

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2018 Guidance Summary

($ in millions) (Enrollments in thousands)	Guidance Level	FY 2018	Q4 2018
Total Enrollments	Continuing Operations	~ 865K	
Revenue	Continuing Operations	$3,340 - $3,355	$903 - $918
Adjusted EBITDA	Continuing Operations	$615 - $620	$221 - $226
Cash Taxes	Continuing Operations	26% of EBIT (excluding gain on asset sales)	
Net Debt [1]	Consolidated	~ $2,000	
Capex as % Revenue	Consolidated	6% - 7%	
Cash Interest	Consolidated	~ $230	
Free Cash Flow [2]	Consolidated	~ $100	

$1+ Billion in Proceeds Expected in 2019 From Pending and Previously Announced Divestitures

(1) Including benefit of net proceeds from the sales of St Augustine and Malaysia
(2) Free Cash Flow defined as operating cash flow less capital expenditures; includes discontinued operations consistent with how the Statement of Cash Flow is presented in our public filings

Note: An outlook for 2018 net income and reconciliation of the forward-looking 2018 Adjusted EBITDA outlook to net income are not being provided as the company does not currently have sufficient data to accurately estimate the variables and individual adjustments for such outlook and reconciliation.

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APPENDIX

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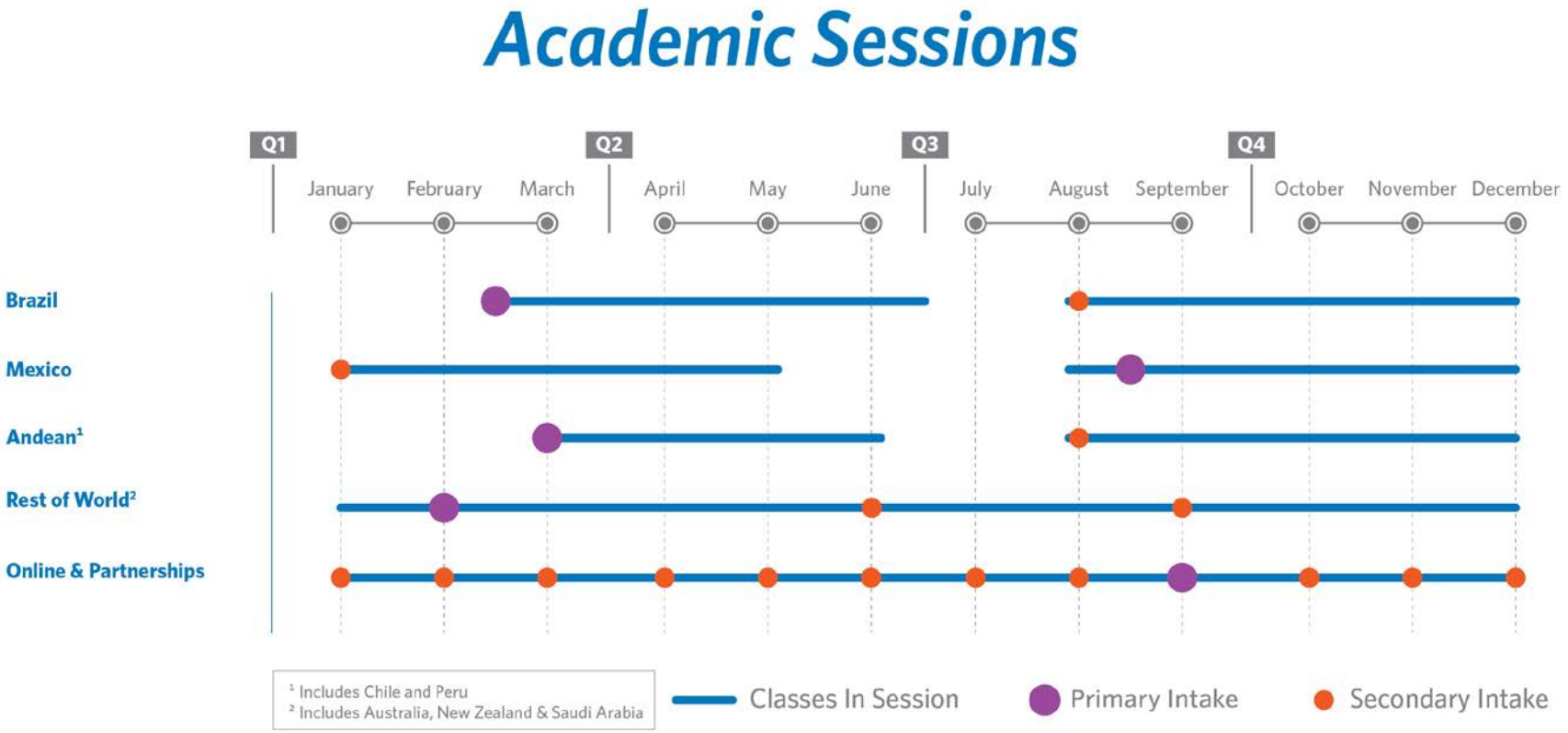
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Other Information

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Seasonality: Main Enrollment Intakes

- Q1 and Q3 are peak intake quarters, but seasonally weak earnings quarters as institutions are largely out of session during the summer season
  - Q1 represents the large intake for our Southern Hemisphere institutions (Brazil, Andean & Rest of World)
  - Q3 represents the large intake for our Northern Hemisphere institutions (Mexico and Online & Partnerships)

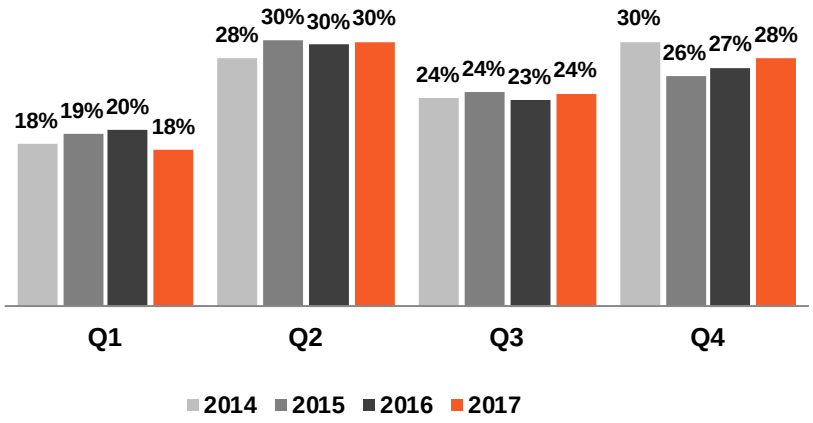


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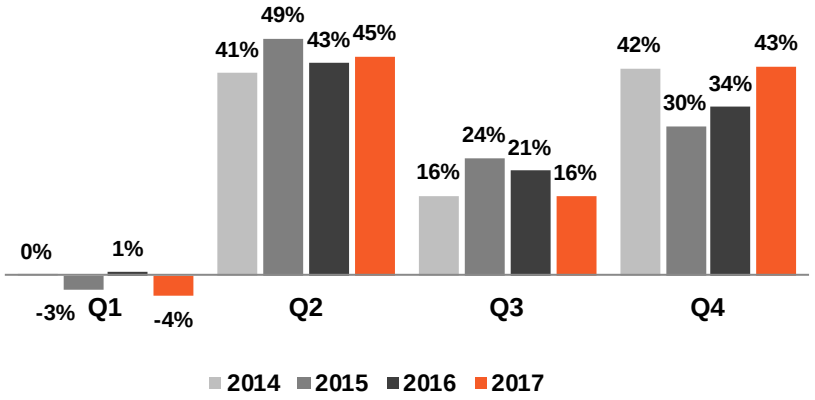
Intra-Year Seasonality Trends
(Continuing Operations)

- Large intake cycles at end of Q1 (Southern Hemisphere) and end of Q3 (Northern Hemisphere) drive seasonality of earnings (Q2 and Q4 are our strongest earnings quarters)

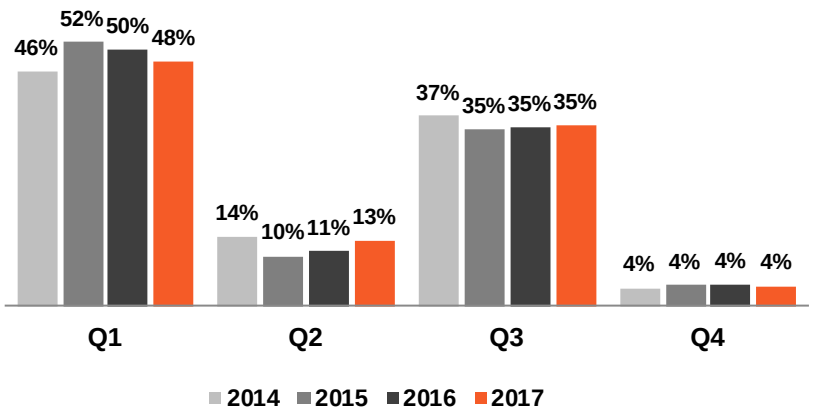
Revenue Seasonality



Adj. EBITDA Seasonality



New Enrollments Seasonality



Factors Affecting Seasonality

- Intake cycles
  - Q1 Southern Hemisphere
  - Q3 Northern Hemisphere
- Academic calendar
- FX trends

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Financial Tables

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Financial Tables

Consolidated Statements of Operations

IN MILLIONS	For the three months ended September 30, 2018	2017	Change	For the nine months ended September 30, 2018	2017	Change
Revenues	$ 787.1	$ 818.6	$ (31.5)	$ 2,436.5	$ 2,434.7	$ 1.8
Costs and expenses:						
Direct costs	677.8	728.7	(50.9)	2,081.1	2,110.9	(29.8)
General and administrative expenses	73.7	65.0	8.7	194.2	221.9	(27.7)
Loss on impairment of assets	10.0	—	10.0	10.0	—	10.0
Operating income	25.6	24.9	0.7	151.2	101.9	49.3
Interest income	3.5	3.7	(0.2)	9.4	9.7	(0.3)
Interest expense	(58.3)	(69.1)	10.8	(181.8)	(256.7)	74.9
Loss on debt extinguishment	—	—	—	(7.5)	(8.4)	0.9
(Loss) gain on derivatives	(0.1)	(19.9)	19.8	92.1	19.2	72.9
Other income (expense), net	8.3	(0.8)	9.1	10.8	(0.6)	11.4
Foreign currency exchange (loss) gain, net	(26.5)	6.6	(33.1)	(43.9)	(2.2)	(41.7)
(Loss) income from continuing operations before income taxes	(47.6)	(54.7)	7.1	30.3	(137.1)	167.4
Income tax benefit (expense)	3.8	(12.5)	16.3	(65.8)	(13.7)	(52.1)
Loss from continuing operations	(43.8)	(67.2)	23.4	(35.5)	(150.8)	115.3
(Loss) income from discontinued operations, net of tax	(34.5)	(36.3)	1.8	22.5	44.0	(21.5)
(Loss) gain on sales of discontinued operations, net of tax	(18.4)	—	(18.4)	311.9	—	311.9
Net (loss) income	(96.7)	(103.5)	6.8	298.8	(106.7)	405.5
Net loss (income) attributable to noncontrolling interests	1.9	5.5	(3.6)	(0.3)	2.4	(2.7)
Net (loss) income attributable to Laureate Education, Inc.	$ (94.8)	$ (98.0)	$ 3.2	$ 298.5	$ (104.4)	$ 402.9
Subtotal: accretion of Series A Preferred Stock, net and other redeemable noncontrolling interests and equity	$ 0.3	$ (84.1)	$ 84.4	$ 12.7	$ (192.1)	$ 204.8
Net income (loss) available to common stockholders	$ (94.5)	$ (182.0)	$ 87.5	$ 311.2	$ (296.5)	$ 607.7
Basic and diluted (loss) earnings per share:						
Basic and diluted weighted average shares outstanding	224.0	178.9	45.1	209.1	167.3	41.8
Diluted weighted average shares outstanding	224.0	178.9	45.1	209.1	167.3	41.8
Basic (loss) earnings per share	$ (0.42)	$ (1.02)	$ 0.60	$ 1.49	$ (1.77)	$ 3.26
Diluted (loss) earnings per share	$ (0.42)	$ (1.02)	$ 0.60	$ 1.43	$ (1.77)	$ 3.20

Note: Dollars in millions, except per share amounts, and may not sum to total due to rounding

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Financial Tables

Revenue and Adjusted EBITDA by segment

IN MILLIONS

For the three months ended September 30,	2018	2017	% Change Reported	% Change Organic Constant Currency[1]	$ Variance Components Total	Organic Constant Currency	Other	Acq/Div.	FX
Revenues									
Brazil	$ 121.1	$ 170.5	(29)%	(10)%	$ (49.4)	$ (16.3)	$ —	$ —	$ (33.1)
Mexico	148.3	141.2	5%	12%	7.1	17.0	—	—	(9.9)
Andean	299.6	295.2	1%	4%	4.4	12.5	—	—	(8.1)
Rest of World	56.5	49.0	15%	22%	7.5	11.0	—	—	(3.5)
Online & Partnerships	165.2	168.4	(2)%	(2)%	(3.2)	(3.2)	—	—	—
Corporate & Eliminations	(3.7)	(5.7)	35%	35%	2.0	2.0	—	—	—
Total Revenues	$ 787.1	$ 818.6	(4)%	3%	$ (31.5)	$ 23.1	$ —	$ —	$ (54.6)
Adjusted EBITDA									
Brazil	$ 0.7	$ 9.1	(92)%	(75)%	$ (8.4)	$ (6.8)	$ 1.6	$ —	$ (3.2)
Mexico	23.7	6.5	265%	292%	17.2	19.0	(0.1)	—	(1.7)
Andean	90.6	90.6	—%	3%	—	3.1	—	—	(3.1)
Rest of World	5.3	(0.4)	1,425%	1,525%	5.7	6.1	—	—	(0.4)
Online & Partnerships	45.7	42.9	7%	7%	2.8	2.8	—	—	—
Corporate & Eliminations	(45.5)	(48.7)	7%	7%	3.2	3.2	—	—	—
Total Adjusted EBITDA	$ 120.5	$ 99.9	21%	28%	$ 20.6	$ 27.5	$ 1.5	$ —	$ (8.4)

[1] Organic Constant Currency results exclude the period-over-period impact from currency fluctuations, acquisitions and divestitures, and other items. Other items include the impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets. Organic Constant Currency is calculated using the change from prior-period average foreign exchange rates to current-period average foreign exchange rates, as applied to local-currency operating results for the current period. The "Organic Constant Currency" % changes are calculated by dividing the Organic Constant Currency amounts by the 2017 Revenues and Adjusted EBITDA amounts, excluding the impact of the divestitures.

Note: Dollars in millions, except per share amounts, and may not sum to total due to rounding

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Financial Tables

Revenue and Adjusted EBITDA by segment

IN MILLIONS

For the nine months ended September 30,	2018	2017	% Change		$ Variance Components				
			Reported	Organic Constant Currency[2]	Total	Organic Constant Currency	Other	Acq/Div.	FX
Revenues									
Brazil	$ 469.5	$ 548.0	(14)%	(3)%	$ (78.5)	$ (14.3)	$ —	$ —	$ (64.2)
Mexico	463.9	452.0	3%	3%	11.9	15.8	—	—	(3.9)
Andean	844.2	779.1	8%	6%	65.1	49.8	—	—	15.3
Rest of World	170.2	149.2	14%	15%	21.0	23.1	—	—	(2.1)
Online & Partnerships	498.2	521.0	(4)%	(4)%	(22.8)	(22.8)	—	—	—
Corporate & Eliminations	(9.4)	(14.6)	36%	36%	5.2	5.2	—	—	—
Total Revenues	$ 2,436.5	$ 2,434.7	—%	2%	$ 1.8	$ 56.7	$ —	$ —	$ (54.9)
Adjusted EBITDA									
Brazil	$ 52.6	$ 61.3	(14)%	(1)%	(8.7)	$ (0.9)	$ 5.3	$ —	$ (13.1)
Mexico	82.0	78.6	4%	5%	3.4	4.2	(0.4)	—	(0.4)
Andean	235.4	208.5	13%	13%	26.9	26.6	—	—	0.3
Rest of World	15.9	10.1	57%	64%	5.8	6.5	—	—	(0.7)
Online & Partnerships	136.1	145.8	(7)%	(7)%	(9.7)	(9.7)	—	—	—
Corporate & Eliminations	(127.5)	(152.7)	17%	2%	25.2	2.4	22.8	—	—
Total Adjusted EBITDA	$ 394.4	$ 351.5	12%	8%	$ 42.9	$ 29.1	$ 27.7	$ —	$ (13.9)

[2] Organic Constant Currency results exclude the period-over-period impact from currency fluctuations, acquisitions and divestitures, and other items. Other items include the impact of acquisition-related contingent liabilities for taxes other-than-income tax, net of changes in recorded indemnification assets, as well as the impact of a $22.8 million expense recorded in 2017 related to the portion of the April 2017 refinancing transactions that was deemed to be a debt modification. Organic Constant Currency is calculated using the change from prior-period average foreign exchange rates to current-period average foreign exchange rates, as applied to local-currency operating results for the current period. The "Organic Constant Currency" % changes are calculated by dividing the Organic Constant Currency amounts by the 2017 Revenues and Adjusted EBITDA amounts, excluding the impact of the divestitures.

Note: Dollars in millions, except per share amounts, and may not sum to total due to rounding

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Financial Tables

Consolidated Balance Sheets

IN MILLIONS	September 30, 2018	December 31, 2017	Change
Assets			
Cash and cash equivalents	$ 392.3	$ 320.6	$ 71.7
Receivables (current), net	424.6	311.1	113.5
Other current assets	290.8	332.4	(41.6)
Current assets held for sale	346.7	324.7	22.0
Property and equipment, net	1,257.7	1,380.4	(122.7)
Goodwill and other intangible assets	2,865.2	3,031.4	(166.2)
Other long-term assets	405.8	466.1	(60.3)
Long-term assets held for sale	1,007.3	1,224.7	(217.4)
Total assets	$ 6,990.5	$ 7,391.3	$ (400.8)
Liabilities and stockholders' equity			
Accounts payable and accrued expenses	$ 494.4	$ 525.5	$ (31.1)
Deferred revenue and student deposits	465.3	184.1	281.2
Total long-term debt, including current portion	2,610.0	3,095.3	(485.3)
Total due to shareholders of acquired companies, including current portion	43.1	71.8	(28.7)
Other liabilities	645.9	656.0	(10.1)
Current and long-term liabilities held for sale	747.6	857.3	(109.7)
Total liabilities	5,006.2	5,390.0	(383.8)
Convertible redeemable preferred stock	—	400.3	(400.3)
Redeemable noncontrolling interests and equity	12.7	13.7	(1.0)
Total stockholders' equity	1,971.7	1,587.3	384.4
Total liabilities and stockholders' equity	$ 6,990.5	$ 7,391.3	$ (400.8)

Note: Dollars in millions, except per share amounts, and may not sum to total due to rounding

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Financial Tables

Consolidated Statements of Cash Flows

IN MILLIONS	For the nine months ended September 30, 2018	2017	Change
Cash flows from operating activities			
Net income (loss)	$ 298.8	$ (106.7)	$ 405.5
Depreciation and amortization	190.0	199.4	(9.4)
Loss on impairment of assets	10.0	—	10.0
(Gain) loss on sales of subsidiaries and disposal of property and equipment, net	(293.0)	3.1	(296.1)
Gain on derivative instruments	(92.7)	(19.6)	(73.1)
Proceeds from settlement of derivative contracts	14.1	—	14.1
Loss on debt extinguishment	7.5	8.4	(0.9)
Interest paid on deferred purchase price for acquisitions	—	(39.4)	39.4
Unrealized foreign currency exchange loss	53.7	4.9	48.8
Income tax receivable/payable, net	(10.1)	(19.8)	9.7
Working capital, excluding tax accounts	82.7	35.3	47.4
Other non-cash adjustments	95.3	146.3	(51.0)
Net cash provided by operating activities	356.4	211.8	144.6
Cash flows from investing activities			
Purchase of property and equipment	(150.5)	(134.6)	(15.9)
Expenditures for deferred costs	(13.2)	(12.7)	(0.5)
Receipts from sales of discontinued operations and property and equipment, net of cash sold	375.8	1.2	374.6
Settlement of derivatives related to sale of discontinued operations	(10.0)	—	(10.0)
Investing other, net	24.6	(0.1)	24.7
Net cash provided by (used in) investing activities	226.8	(146.3)	373.1
Cash flows from financing activities			
Decrease in long-term debt, net	(454.9)	(345.8)	(109.1)
Payments of deferred purchase price for acquisitions	(17.6)	(93.8)	76.2
Proceeds from issuance of convertible redeemable preferred stock, net of issuance costs	—	55.3	(55.3)
Payment of dividends on Series A Preferred Stock	(11.1)	(5.3)	(5.8)
Proceeds from initial public offering, net of issuance costs	—	456.4	(456.4)
Payments of debt issuance costs and redemption and call premiums for debt modification	(0.5)	(76.5)	76.0
Financing other, net	(2.8)	(1.6)	(1.2)
Net cash used in financing activities	(486.9)	(11.4)	(475.5)
Effects of exchange rate changes on Cash and cash equivalents and Restricted cash	(4.5)	26.0	(30.5)
Change in cash included in current assets held for sale	(35.4)	(68.1)	32.7
Net change in Cash and cash equivalents and Restricted cash	56.4	11.9	44.5
Cash and cash equivalents and Restricted cash at beginning of period	532.8	474.3	58.5
Cash and cash equivalents and Restricted cash at end of period	$ 589.1	$ 486.3	$ 102.8

Note: Dollars in millions, except per share amounts, and may not sum to total due to rounding

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Financial Tables

Non-GAAP Reconciliation

	For the three months ended September 30,			For the nine months ended September 30,		
IN MILLIONS	**2018**	**2017**	**Change**	**2018**	**2017**	**Change**
Loss from continuing operations	(43.8)	(67.2)	23.4	(35.5)	(150.8)	115.3
Plus:						
Income tax (benefit) expense	(3.8)	12.5	(16.3)	65.8	13.7	52.1
(Loss) income from continuing operations before income taxes	(47.6)	(54.7)	7.1	30.3	(137.1)	167.4
Plus:						
Foreign currency exchange loss (gain), net	26.5	(6.6)	33.1	43.9	2.2	41.7
Other (income) expense, net	(8.3)	0.8	(9.1)	(10.8)	0.6	(11.4)
Loss (gain) on derivatives	0.1	19.9	(19.8)	(92.1)	(19.2)	(72.9)
Loss on debt extinguishment	—	—	—	7.5	8.4	(0.9)
Interest expense	58.3	69.1	(10.8)	181.8	256.7	(74.9)
Interest income	(3.5)	(3.7)	0.2	(9.4)	(9.7)	0.3
Operating income	25.6	24.9	0.7	151.2	101.9	49.3
Plus:						
Depreciation and amortization	53.5	51.9	1.6	163.3	152.5	10.8
EBITDA	79.1	76.8	2.3	314.5	254.4	60.1
Plus:						
Share-based compensation expense [3]	6.4	8.0	(1.6)	9.6	42.2	(32.6)
Loss on impairment of assets [4]	10.0	—	10.0	10.0	—	10.0
EiP implementation expenses [5]	25.0	15.2	9.8	60.3	54.9	5.4
Adjusted EBITDA	$ 120.5	$ 99.9	$ 20.6	$ 394.4	$ 351.5	$ 42.9

[3] Represents non-cash, share-based compensation expense pursuant to the provisions of ASC Topic 718.

[4] Represents non-cash charges related to impairments of long-lived assets. For further details on certain impairment items see "Discussion of Significant Items Affecting the Consolidated Results for the Nine Months Ended September 30, 2018 and 2017 - Impairments."

[5] EiP implementation expenses are related to our enterprise-wide initiative to optimize and standardize our processes, creating vertical integration of procurement, information technology, finance, accounting and human resources. The first wave of EiP began in 2014 and was substantially completed in 2017, and includes the establishment of regional SSOs around the world, as well as improvements to our system of internal controls over financial reporting. Given the success of the first wave of EiP, we have expanded the initiative into other back- and mid-office areas, as well as certain student-facing activities, in order to generate additional efficiencies and create a more efficient organizational structure. Also included in EiP are certain non-recurring costs incurred in connection with the planned and completed dispositions.

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