



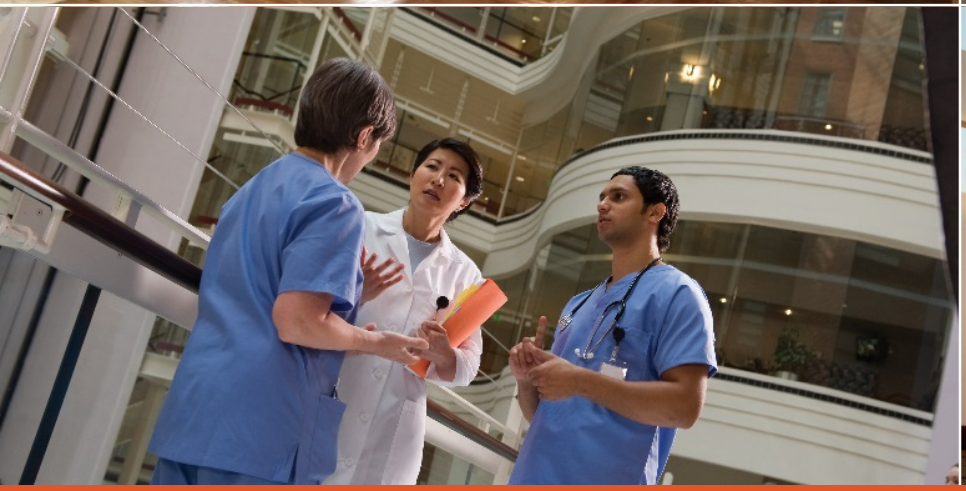



LAUREATE EDUCATION INC®

Baird's 2019 Consumer, Technology and Services Conference

June 2019

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Disclaimer Statement

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Basis of Presentation

As previously reported in our filings with the SEC, we have undertaken strategic reviews of our global portfolio and have announced plans to divest certain of our subsidiaries as part of a strategic shift. This strategic shift will have a significant effect on our operations and financial results. Accordingly, as a result of the strategic shift announced in August 2018, we account for all of the divestitures that are currently part of this strategic shift as discontinued operations for all periods presented. Unless otherwise indicated, the information in this presentation, including our segment information, relates only to our continuing operations.

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Presentation of Non-GAAP Measures

In addition to the results provided in accordance with U.S. generally accepted accounting principles (GAAP) throughout this press release, Laureate provides the non-GAAP measurements of Adjusted EBITDA and Free Cash Flow. We have included these non-GAAP measurements because they are key measures used by our management and board of directors to understand and evaluate our core operating performance and trends, to prepare and approve our annual budget and to develop short- and long-term operational plans.

Adjusted EBITDA consists of income (loss) from continuing operations, adjusted for the items included in the accompanying reconciliation. The exclusion of certain expenses in calculating Adjusted EBITDA can provide a useful measure for period-to-period comparisons of our core business. Additionally, Adjusted EBITDA is a key input into the formula used by the compensation committee of our board of directors and our Chief Executive Officer in connection with the payment of incentive compensation to our executive officers and other members of our management team. Accordingly, we believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and board of directors.

Free Cash Flow consists of operating cash flow minus capital expenditures. Free Cash Flow provides a useful indicator about Laureate's ability to fund its operations and repay its debts.

Laureate's calculations of Adjusted EBITDA and Free Cash Flow are not necessarily comparable to calculations performed by other companies and reported as similarly titled measures. These non-GAAP measures should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results. 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.

We evaluate our results of operations on both an as reported and an organic constant currency basis. The organic constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates, acquisitions and divestitures, and other items. We believe providing organic constant currency information provides valuable supplemental information regarding our results of operations, consistent with how we evaluate our performance. We calculate organic constant currency amounts 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, and then exclude the impact of acquisitions and divestitures and other items described in the accompanying presentation.

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Executive Summary

Largest network of higher education institutions in emerging markets

Focused on 4 key priorities:

- Growth markets where we already operate at scale
- Affordable, high-quality offerings through leading, local brands
- Flexible service delivery model through face-to-face & online
- Innovation through technology

Significant progress since the IPO:

- Portfolio simplification – focused efforts on scale markets
- Significantly improved margins & cash flow generation
- Pro Forma Net Leverage reduced to less than 1.5x (1)

Leading the Transformation of Higher Education

(1) Pro Forma, assumes proceeds from sales of all discontinued operations, when completed, are used to repay debt – estimated by YE 2019.

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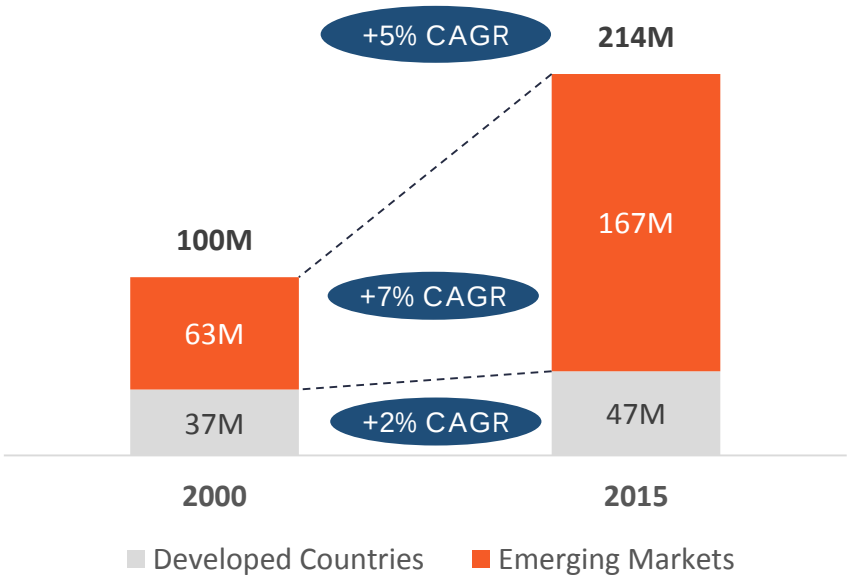
Massive Market Opportunity – Driven by Wage Premiums

Outsized growth opportunities in Laureate's target markets (emerging markets)

Massive Market Opportunity (1)



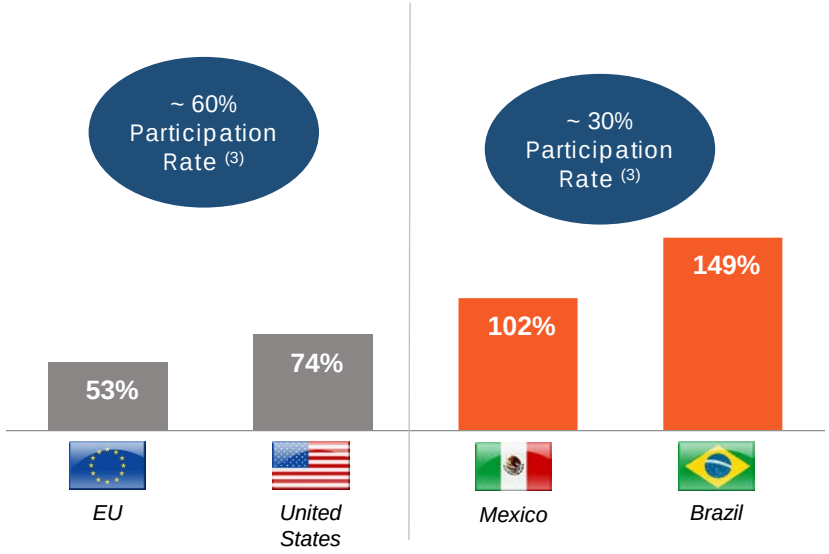
200m+ higher education students worldwide

Has more than doubled since 2000

Faster growth in emerging markets

Strong Return on Investment For Students

(average wage premium for those with a tertiary education(2))



Underpenetrated higher education in emerging markets, with rising participation rates driven by strong wage premiums

(1) UNESCO Institute for Statistics.
(2) OECD, 2015 data.
(3) UNESCO Institute for Statistics, U.S. Census Bureau; Based on total students as compared to 18-24 years old population; 2016 data.

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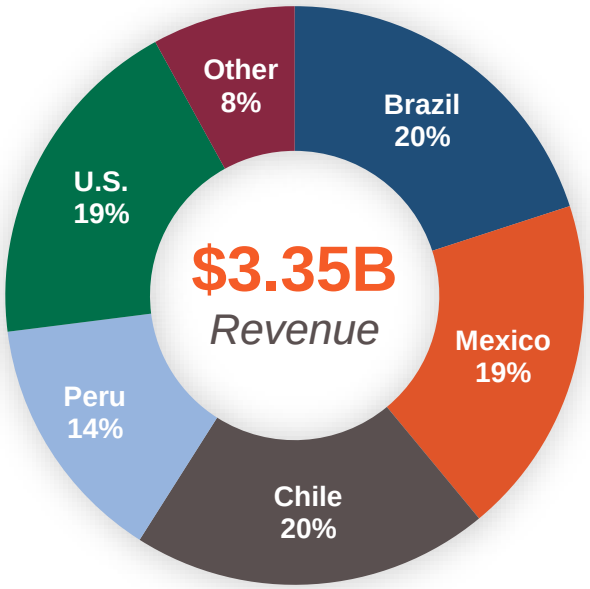
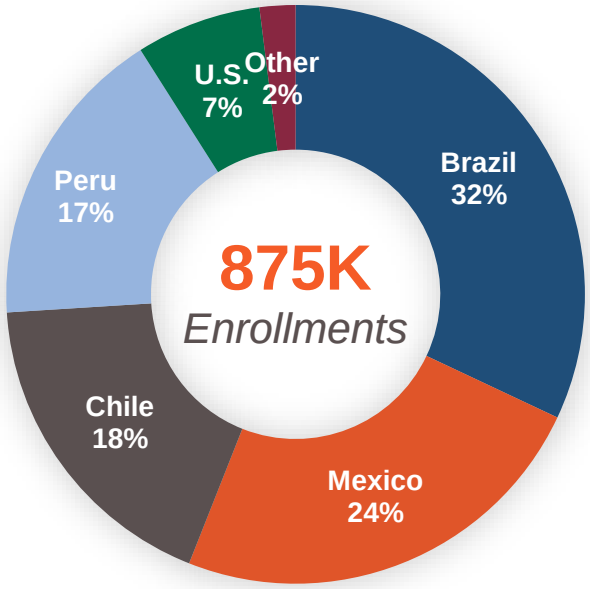
International Higher Education Network at Scale

Revenue by Country



Enrollments by Country



Note: As of 12/31/2018 for continuing operations

$3.35B
REVENUE

875K
STUDENTS

25+
INSTITUTIONS

150+
CAMPUSES

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Recognized and Established Brands

Long-standing brands that have established a reputation for high quality education with many of our institutions having earned the highest available accreditation

- **Quality rated**
- **Proprietary IP and curriculum leveraged globally**
- **Licenses & accreditation**
- **Infrastructure / real estate**
- **Leading brands**
- **Reputation & relationships**

Select Representative Laureate University Brands

UVM

Founded: 1960

QS Stars: ★★★



- ✓ Largest private university in Mexico
- ✓ Top 10 ranked among all Mexican universities

Universidade Anhembi Morumbi

Founded: 1970

QS Stars: ★★★



- ✓ Ranked top 3 private university in São Paulo

UPC Universidad Peruana de Ciencias Aplicadas

Founded: 1994

QS Stars: ★★★★



- ✓ Ranked top 2 private university in Peru
- ✓ First Peruvian institution with U.S. accreditation

Universidad Andres Bello

Founded: 1989

QS Stars: ★★★★



- ✓ Largest private university in Chile
- ✓ Top 3 university in the country

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Repositioning of Portfolio is Producing Positive Results

- ✓ **Strong progress against all strategic priorities outlined during January 2018 Investor Day**
- ✓ **Continued improvement in margins and free cash flow**
- ✓ **Improved Capital Structure – Pro Forma Net Leverage ~1.5x … down from 3.1x in '17**
- ✓ **On-Track with announced divestitures; $1.8B in proceeds collected (*$0.2B pending)***
- ✓ **2019 off to good start - New Enrollments up 8% for large Q1 intake cycle**
- ✓ **Outstanding 3rd party rankings and recognitions for leading brands**

Significant Progress Towards Announced Strategic Priorities

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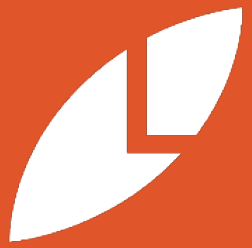

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