Item 1.02 Termination of a Material Definitive Agreement.


Cengage and McGraw Hill have mutually agreed to terminate the Merger Agreement effective as of May 3, 2020 in light of their determination that the conditions to closing the transactions contemplated by the Merger Agreement cannot be satisfied as set forth in the Merger Agreement on terms that are acceptable to the parties.

Item 8.01 Other Events.

On May 4, 2020, Cengage issued a press release announcing the termination of the Merger Agreement. A copy of this press release is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<table>
<thead>
<tr>
<th>Exhibit No.</th>
<th>Description</th>
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<tr>
<td>99.1</td>
<td>Press Release, dated May 4, 2020</td>
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CENGAGE REAFFIRMS COMMITMENT TO STUDENT AFFORDABILITY FOLLOWING TERMINATION OF MCGRAW-HILL MERGER AGREEMENT

Cengage-McGraw-Hill Merger Agreement Terminated

Cengage Expects Acceleration of Education System’s Transition to Digital

Company to Host Conference Call at 11:00 am ET Today

BOSTON—May 4, 2020—Cengage, an education and technology company, today announced that its merger agreement with McGraw-Hill has been terminated by mutual agreement due to a prolonged regulatory review process and the inability to agree to a divestitures package with the U.S. Department of Justice. In conjunction with the announcement, Cengage reaffirmed its commitment to student affordability and the company’s ongoing transformation to digital.

“Cengage entered into the merger agreement as a leader in helping students access affordable course materials and digital courseware,” said Michael E. Hansen, CEO, Cengage. “Although we are disappointed that we were unable to finalize the merger, the opportunity ahead remains significant.

“The COVID-19 crisis has accelerated the need for students to learn wherever they are,” Hansen continued. “On a standalone basis, Cengage is very well-positioned to continue to support the transition to digital and help students save significant money. Looking ahead, faculty and administrators everywhere will be moving their classes online -- and we are now singularly focused on ensuring the Cengage Unlimited subscription and our leading digital courseware platforms continue to deliver value for students and faculty.”

Since launching in August 2018, Cengage Unlimited has saved college students over $200 million with more than 2.6 million subscriptions sold. A subscription gives students access to more than 22,000 products, including eBooks, online homework access codes and study guides for one price, no matter how many materials they use. The subscription also includes free access to college success and career support, including activities in resume-building, financial literacy, time management and more. A subscription also includes access to services including Dashlane, Evernote, Kaplan and Quizlet.

Under the terms of the merger agreement, neither Cengage nor McGraw-Hill will be responsible for any payments to the other party as a result of the termination of the merger agreement.
Conference Call
Cengage will host a brief conference call and webcast today at 11:00 a.m. Eastern Time to address investor questions. The dial-in number to access the call is U.S./Canada: 1-877-407-0784 and Toll/International: 1-201-689-8560.

To access the live webcast, please visit: http://public.viavid.com/index.php?id=139743.

A replay of the conference call will also be available beginning at 2:00 p.m. on May 4, 2020 and will remain available through 11:59 p.m. Eastern Time on May 11, 2020. The replay may be accessed by dialing 1-844-512-2921. From international locations, the replay may be accessed by dialing 1-412-317-6671, replay Pin Number 13703393. To access the webcast replay, go to: http://public.viavid.com/index.php?id=139743.

About Cengage
Cengage is the education and technology company built for learners. As the largest US-based provider of teaching and learning materials for higher education, we offer valuable options at affordable price points. Our industry-leading initiatives include Cengage Unlimited, the first-of-its-kind all-access digital subscription service. We embrace innovation to create learning experiences that build confidence and momentum toward the future students want. Headquartered in Boston, the company’s other businesses include International Higher Education, National Geographic Learning K12 and English Language Teaching, Gale, ed2go and Milady. Visit us at www.cengage.com or find us on Facebook or Twitter.