Cengage Learning, Inc. Announces Closing of Notes Offering and Debt Refinancing

Boston, MA, June 7, 2016 — Cengage Learning, Inc. (“Cengage”) announced today that it closed its previously announced offering of $620 million aggregate principal amount of 9.500% Senior Notes due 2024 (the “Notes”) in a private placement (the “Notes Issuance”).

The Notes were offered in a private offering that is exempt from the registration requirements of the Securities Act of 1933, as amended (the “Securities Act”), only to qualified institutional buyers in reliance on Rule 144A under the Securities Act and, outside the United States, to non-U.S. investors pursuant to Regulation S under the Securities Act. The Notes will not be registered under the Securities Act or any state securities laws and may not be offered or sold in the United States absent an effective registration statement or an applicable exemption from registration requirements or a transaction not subject to the registration requirements of the Securities Act or any state securities laws.

Concurrently with the closing of the Notes Issuance, Cengage and Cengage Learning Holdco, Inc., the direct parent of Cengage (“Holdco”), entered into an amended and restated seven-year $1.710 million senior secured term loan facility (the “Term Loan Facility”) and an amended and restated five-year $250 million senior secured asset-based revolving credit facility, which was undrawn at closing. The net proceeds from the Notes Issuance, together with the proceeds from the borrowings under the Term Loan Facility were used on the date hereof: (i) to repay in full all indebtedness outstanding under Cengage’s existing term loan facility, (ii) to fund a distribution to Cengage Learning Holdings II, Inc., the indirect parent of Cengage (“Parent”), which will be used to repurchase shares of common stock of Parent and/or to fund a dividend to the shareholders of Parent, and (iii) for general corporate purposes, including the payment of financing costs and other expenses in connection with the transactions.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offering, solicitation or sale would be unlawful.

About Cengage Learning

Cengage Learning is a leading educational content, technology, and services company for the higher education and K-12, professional, library and workforce training markets worldwide. The company provides superior content, personalized services and course-driven digital solutions that accelerate student engagement and transform the learning experience. Cengage Learning is headquartered in Boston, MA with an office hub located in San Francisco, CA. Cengage Learning employees reside in nearly 40 different countries with company sales in more than 125 countries around the world.
Cautionary Information Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of applicable federal securities laws, including statements about the Notes Issuant, the new credit facilities and the use of proceeds thereof. Cengage assumes no obligation to update the information contained herein. These forward-looking statements involved known and unknown risks, uncertainties and other factors, some of which are beyond Cengage’s control that may cause the actual results to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Important factors that could cause actual results to differ materially are described in Cengage’s Quarterly and Annual Reports.

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