



Acquisition of Walden University

September 11, 2020

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Certain statements contained in this presentation concerning Adtalem Global Education's future performance, including those statements concerning expectations or plans, constitute "forward-looking statements" within the meaning of the Safe Harbor Provision of the Private Securities Litigation Reform Act of 1995. These forward-looking statements generally can be identified by phrases such as Adtalem Global Education or its management "believes," "expects," "anticipates," "foresees," "forecasts," "estimates," "plans," "intends" or other words or phrases of similar import. Actual results may differ materially from those projected or implied by these forward-looking statements. Potential risks, uncertainties and other factors that could cause results to differ are described more fully in Item 1A, "Risk Factors," of our most recent Annual Report on Form 10-K for the fiscal year ended June 30, 2020 filed with the Securities and Exchange Commission (SEC) on August 18, 2020 and our other filings with the SEC. These forward-looking statements are based on information available to us as of the date any such statements are made, and we do not undertake any obligation to update any forward-looking statement, except as required by law.

Non-GAAP Financial Measures

This presentation includes references to certain financial measures that are not calculated in accordance with generally accepted accounting principles in the United States ("GAAP"). Management believes that the non-GAAP disclosures provide investors with useful supplemental information regarding the underlying business trends and performance of Adtalem's ongoing operations and are useful for period-over-period comparisons of such operations. Adtalem uses these supplemental non-GAAP financial measures internally in our assessment of performance and budgeting process. These non-GAAP financial measures have important limitations and should not be considered as a substitute for measures of Adtalem's financial performance prepared in accordance with GAAP. For how we define the non-GAAP financial measures, and a reconciliation of each non-GAAP financial measure to the most directly comparable GAAP measure, please refer to the reconciliation at the end of this presentation.

Today's presenters



Lisa Wardell
CEO and Chairman



Stephen W. Beard
Chief Operating Officer



Michael Randolfi
Chief Financial Officer

Transaction overview



Strategic Rationale

- Accretive transaction with **clear** opportunity for long-term value creation
- Creates a premier national healthcare educator, expands the online platform, and offers substantial synergy potential
- Pivotal step in Adtalem's transformation into a workforce solutions provider
- Industry tailwinds with attractive market opportunities



Financial Benefits

- Expected to be additive to Adtalem's free cash flow¹ by ~\$60M in year one and accretive to EPS² by \$0.75 in year two
- Run rate synergies of \$60M to be fully phased in within 24 months of closing, with half realized during the first 12 months
- Projected ROIC significantly above current WACC of ~8%



Strong Cultural Fit

- Combines two mission-based organizations
- Advances Adtalem's vision of creating a dynamic community of life-long learners
- Builds on Adtalem's commitment to increasing the talent supply for the physician and nursing professions



Industry Dynamics

- Reimagines the future of healthcare education at a time when global health is a priority
- Provides substantial scale in rapidly growing healthcare sector and online education
- Provides underserved students with unparalleled access to quality education across modalities and price segments

Transaction details

Transaction Structure

- \$1.48 billion purchase price
- Acquisition represents an LTM Adjusted EBITDA acquisition multiple of 8.4x pre-synergies and a 6.2x post run-rate synergies of \$60 million
- All-cash transaction

Financing

- \$2.05 billion debt financing led by Morgan Stanley
- Pro Forma for the transaction and refinancing, total gross and net leverage will be 3.6x and 2.8x LTM Adjusted EBITDA 6/30/2020, respectively

Organization

- Expect to retain key talent currently part of Walden University's leadership team
- Combination will allow shared operations and distinct academic, student and faculty facing activities

Closing Conditions

- Expect to close in the first half of fiscal year 2022 (mid calendar 2021)
- Subject to approvals by Department of Education, state regulators, relevant accreditation bodies including Higher Learning Commission among other customary regulatory approvals and closing conditions

Next step in Adtalem's transformation to a workforce solutions provider



Walden University is a fully online university with strong offerings in healthcare

Overview

- Provides bachelor's, master's and doctoral degrees to more than 50,000 students across all 50 states and 160+ countries. 100% online.
- Specializes in graduate degree offerings tailored to meet the needs of working professionals. ~90% of student body is graduate students.

Accomplishments

- #1 conferrer of MSN degrees in the U.S.
- #1 among 372 U.S. institutions for awarding doctorates to African Americans
- Leading nursing school in the U.S. with more than 20,000 students enrolled across various nursing programs

Accreditations



Key Metrics

53,000+
Enrollment as of
6/30/20

80+
Degree
Programs

30
Years of HLC
Accreditation

100%
Online

77%
Revenue from Health and
Behavioral Sciences

Transaction will create premier national healthcare educator

>90,000

FY2020 Enrollment¹

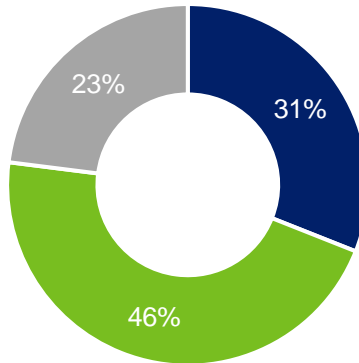
~100

Total Degree Offerings/Programs

\$1.65bn

FY2020 Revenue¹

Pro Forma Degree Mix²



■ Bachelors ■ Masters ■ Doctoral

#1

Undergraduate and Graduate Nursing Enrollment in the U.S.

#1

Provider of MDs, PhDs and Nursing degrees to African Americans

82%

Online students

 CHAMBERLAIN UNIVERSITY



American University of the Caribbean School of Medicine

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MEDICAL EDUCATOR READINESS PROGRAM

















ROSS UNIVERSITY SCHOOL OF VETERINARY MEDICINE



ROSS UNIVERSITY SCHOOL OF MEDICINE

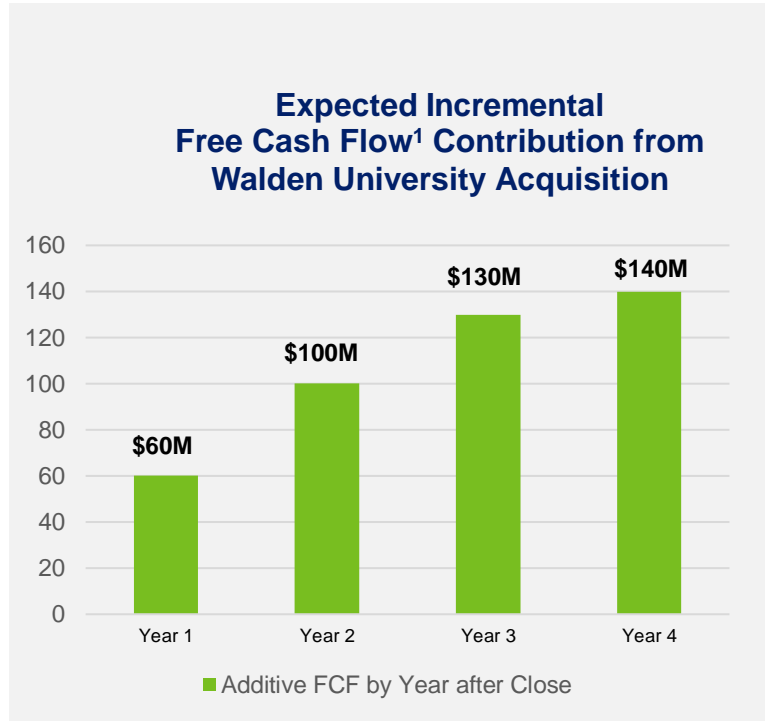
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The combined company will have a market-leading position across a spectrum of nursing programs

Nursing Program	Generic BSN	MSN - FNP	DNP	MSN	MSN Non-Clinical	RN to BSN
2019 Rank	#1	#1	#1	#1	#2	#2
#1 Provider	 CHAMBERLAIN UNIVERSITY 9,610	 CHAMBERLAIN UNIVERSITY  WALDEN UNIVERSITY <i>A higher degree. A higher purpose.</i> 12,104	 CHAMBERLAIN UNIVERSITY 1,065	 CHAMBERLAIN UNIVERSITY  WALDEN UNIVERSITY <i>A higher degree. A higher purpose.</i> 24,231	 WGU 9,600	 WGU 24,891
#2 Provider	 WEST COAST UNIVERSITY 5,610	 UNIVERSITY OF TEXAS ARLINGTON 2,795	 GRAND CANYON UNIVERSITY 1,004	 WGU 9,600	 CHAMBERLAIN UNIVERSITY 2,955	 CHAMBERLAIN UNIVERSITY 11,176

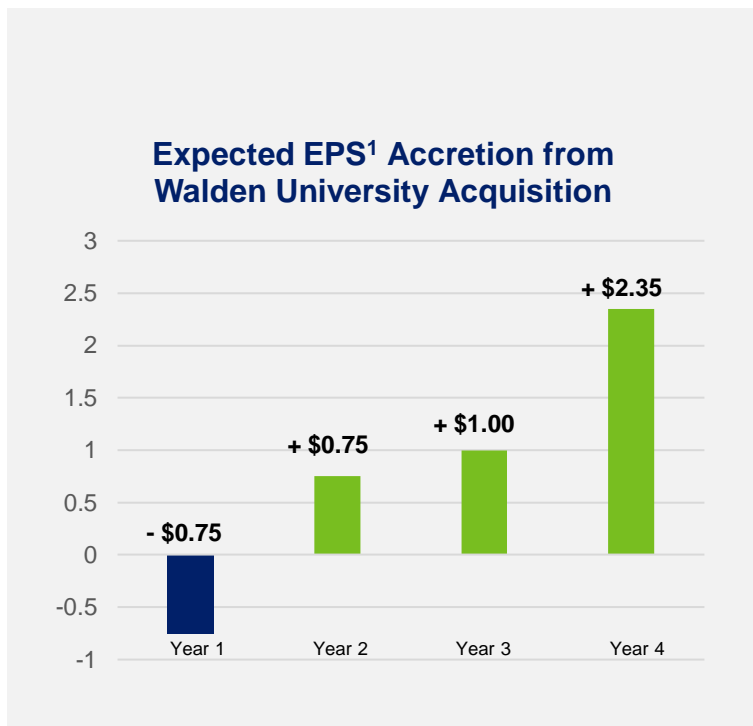
Significant contributions to free cash flow¹

- Expect addition of Walden University to add substantial free cash flow beginning in year 1
 - \$60M free cash flow contribution in year 1
 - \$140M free cash flow contribution by year 4
- Free cash flow generation increases financial flexibility and ability to de-lever



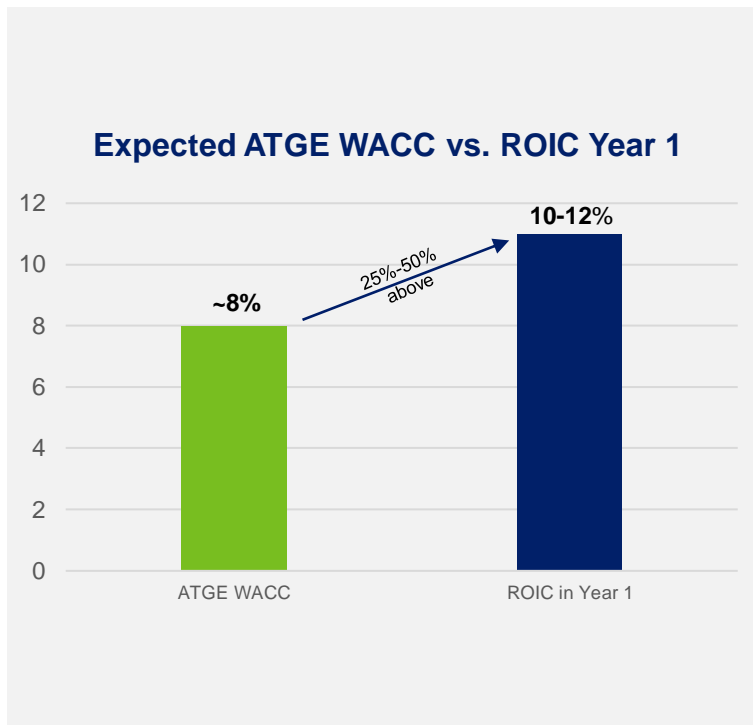
Highly accretive to EPS¹ for year two and beyond

- Year 1 dilution due entirely to purchase accounting
- Years 2 and 3 become substantially accretive due to realization of synergies
- Year 4 and beyond project further step up in EPS¹ accretion as purchase accounting effects subside



Significant ROIC and long-term value creation

- Compelling long-term value creation opportunity for shareholders
- Expect acquisition to generate 10%-12% ROIC beginning in year 1
- Exceeds current WACC by 25% - 50%



Committed financing with ability to deleverage

Financing Overview

\$2.05 billion in committed financing

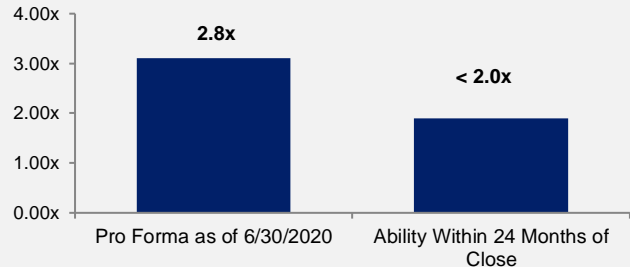
- \$400 million revolving credit facility replaces current RCF
- \$1.65 billion new First Lien Term Loan B / Senior Secured Notes
- 2.8x net leverage (pro forma LTM 6/30/2020)
- Pay-down of existing Term Loan B
- Ability to delever to under 2.0x within 24 months of close

Substantial Deleveraging Ability

Deleveraging ability driven by:

- Baseline earnings growth
- Cost savings realization
- Strong free cash flow generation

Illustrative Net Debt / Adjusted EBITDA Ratio



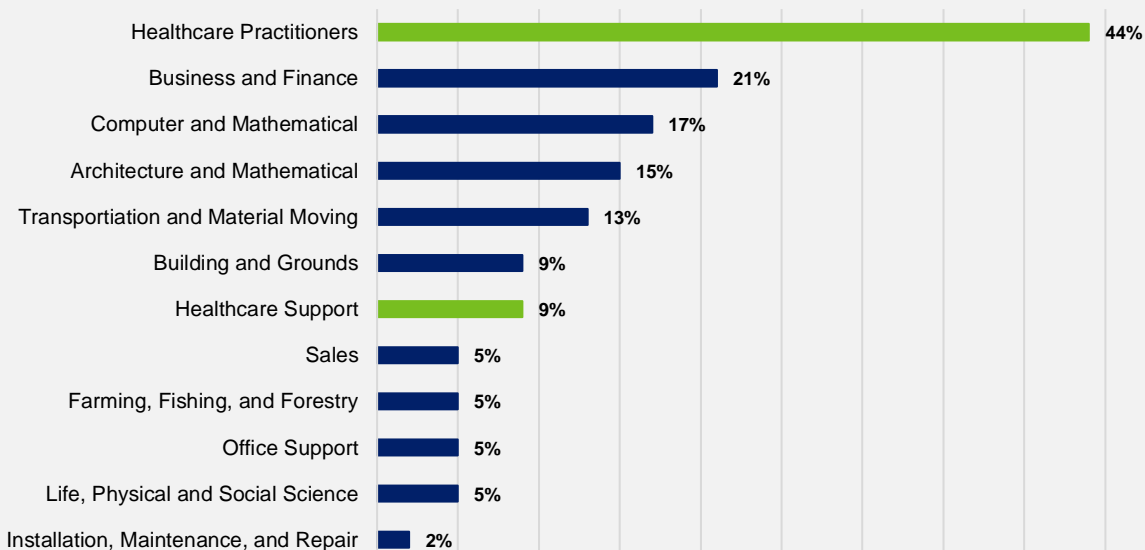
Meets all of Adtalem's M&A criteria

- 1 ROIC and accretive enterprise value
- 2 Ability to scale
- 3 Talent

- 4 Impact on global reach
- 5 Synergy opportunities
- 6 Positioned within Workforce Solutions value chain

Increasing exposure to industry with robust growth dynamics

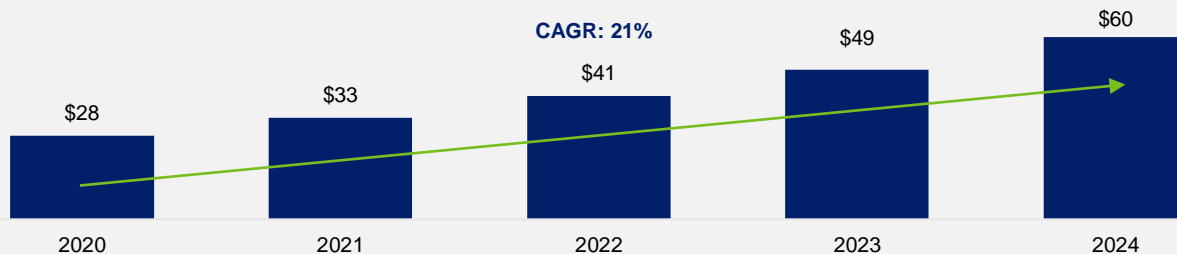
Occupations In Which Demand Exceeds Supply



Increasing exposure to growing online modality and nursing education

- The online learning market is expected to grow at a CAGR of 11% during 2019 - 2025¹
- Degrees granted by online providers have outpaced degrees granted from on-campus or hybrid models across degree levels over the last five years
- Healthcare workers, most notably nurses, are in high demand
- Primarily online nursing enrollment has grown faster than hybrid and on-campus delivery modes across the top 25 nursing institutions²

Nursing Education Market Estimated To Grow at 21%+ (\$ in billions)



Delivers substantial scale in online offerings

58%

Adtalem online students



100%

Walden University online students



82%

Online students in pro forma entity

Walden University's Complementary Program Offerings and Strong Online Capabilities Position Adtalem to Lead in Online Healthcare Education

- Broaden access to high-quality healthcare education for students through an unmatched depth and breadth of online, on-campus and hybrid educational offerings and clinical partnerships
- Gain additional scale in online and diverse learning modalities which have become increasingly important since the onset of the global pandemic

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Multiple opportunities to scale offerings for students and employers

- Deepen national and global presence to meet student needs while prioritizing high-demand markets
- Leverage new and existing programs to develop life-long learning opportunities
- Increase scale to engage large employer partners for increased enrollment, clinical placements, internships and job placements
- Build innovative partnerships with inclusive employers to propel graduates into underrepresented fields and disciplines
- Design leading hybrid models combining Walden University's online capabilities and Adtalem's physical footprint and online capabilities

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Walden University brings with it a strong and experienced management team with online and sector expertise



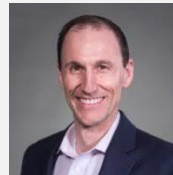
Paula Singer
CEO

- Deep experience in online learning with over 25 years with Walden University, having held leadership roles in learning, innovation and international online offerings
- Leads Walden University Online Partners



Steven Tom
CTO

- Deep technology experience in various industries
- Joined Walden University as Vice President of Global Technology Innovation in Jan. 2018



Jeff Tognola
CMO

- +25 years marketing experience, having worked in the online education sector for the last 10 years with Walden University
- Joined Walden University in 2011 as executive director of global lead generation and has held various positions of increasing responsibility

Combined entity will drive broader access and superior academic outcomes to larger student population

Broadening ACCESS to High-Quality Education

- Offerings across price segments to underserved students
- Combined organization 32% black student enrollment
- 22 campuses in 15 states, 7 medical and healthcare institutions and a full suite of online offerings

Providing the Best EXPERIENCE Across Modalities

- Combined physical and digital offerings to serve students in whichever way is convenient for them
- Over 6,100 dedicated faculty members

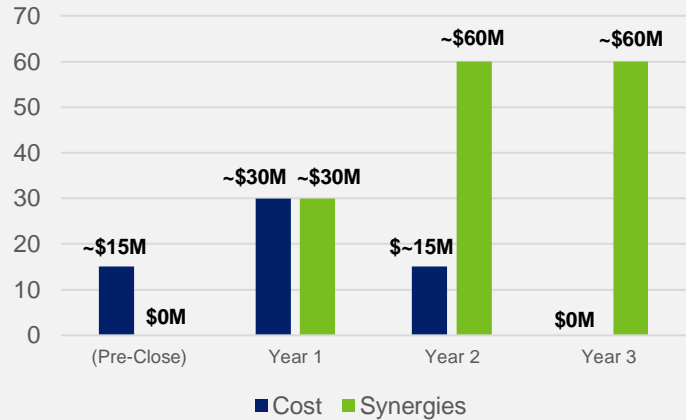
Combined Capabilities Lead to Superior Student IMPACT

- Walden University students will benefit from Adtalem's innovative offerings and track record on student outcomes including:
- Over 92% Medical residency first-time attainment rate
- 92% Nursing NCLEX first-time pass rate¹

Significant synergy opportunities

- Annual synergies of ~\$60 million delivered through increased efficiencies in marketing spend and back office operations
- Total integration cost of ~\$60 million over three years
- Incremental upside potential from revenue synergies

Expected Synergies vs. Cost by Year
(in millions)



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Summary: A strategic, transformative, accretive transaction

- ✓ Adds Significant Free Cash Flow Beginning in Year 1 and Highly Accretive to Earnings in Future Years
- ✓ Strong ROIC and Compelling Opportunity for Long-term Value Creation
- ✓ Industry Tailwinds in Recession-Resilient Industry with Compelling Market Dynamics
- ✓ Increased Exposure to Online Learning Modality
- ✓ Significant Synergy Opportunity
- ✓ Strong Cultural Fit with Adtalem

Appendix

Chart 1 – Incremental free cash flow

Preliminary Financial Information

We report our financial results in accordance with U.S. generally accepted accounting principles. All projected financial data in this presentation is preliminary, as financial close procedures for the periods presented are not yet complete. These estimates are not a comprehensive statement of our financial position and results of operations as of and for the periods presented. Actual results may differ materially from these estimates as a result of the completion of normal quarter-end accounting procedures and adjustments, including the execution of our internal control over financial reporting, the completion of the preparation and management's review of our financial statements for the relevant periods and the subsequent occurrence or identification of events prior to the filing of the first quarter financial results or for the relevant period with the Securities and Exchange Commission.

	Estimated Incremental Free Cash Flow, Excluding Special Items - Reconciliation of GAAP to Non-GAAP measures (\$ in millions)			
	Year 1	Year 2	Year 3	Year 4
Estimated incremental net cash provided by operating activities - continuing operations (GAAP)	\$ 72	\$ 124	\$ 165	\$ 175
Estimated incremental acquisition integration costs	\$ 30	\$ 15	\$ -	\$ -
Income tax impact on non-GAAP special item above	\$ (7)	\$ (4)	\$ -	\$ -
Estimated incremental capital expenditures	\$ (35)	\$ (35)	\$ (35)	\$ (35)
Estimated incremental free cash flow, excluding special items (non-GAAP)	\$ 60	\$ 100	\$ 130	\$ 140

Chart 2 – Incremental earnings per share

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Estimated Incremental EPS - Reconciliation of GAAP to Non-GAAP measures

	Year 1	Year 2	Year 3	Year 4
Estimated incremental (loss) earnings per share, diluted (GAAP)	\$ (1.18)	\$ 0.54	\$ 1.00	\$ 2.35
Estimated incremental acquisition integration costs	\$ 0.57	\$ 0.28	\$ -	\$ -
Income tax impact on non-GAAP special item above	\$ (0.14)	\$ (0.07)	\$ -	\$ -
Estimated incremental (loss) earnings per share from continuing operations excluding special items, diluted (non-GAAP)	\$ (0.75)	\$ 0.75	\$ 1.00	\$ 2.35

Chart 3 – Return on invested capital

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Adjusted ROIC - Reconciliation of GAAP to non-GAAP measure (\$ in millions)				
	Year 1	Year 2	Year 3	Year 4
Estimated incremental net income from continuing operations (GAAP)	\$ (62)	\$ 28	\$ 53	\$ 124
Estimated incremental purchase accounting adjustments	\$ 134	\$ 72	\$ 72	\$ -
Estimated incremental acquisition integration costs	\$ 30	\$ 15	\$ -	\$ -
Estimated incremental interest expense	\$ 81	\$ 64	\$ 49	\$ 40
Income tax impact on non-GAAP special items above	\$ (61)	\$ (38)	\$ (30)	\$ (10)
Estimated incremental cash tax savings from step up of acquired assets	\$ 31	\$ 24	\$ 24	\$ 24
Estimated incremental net income from continuing operations, excluding special items (non-GAAP) (Note 1)	\$ 153	\$ 165	\$ 168	\$ 178
Invested Capital (Note 1)	\$ 1,533	\$ 1,544	\$ 1,544	\$ 1,544
Adjusted ROIC (Note 1)	10%	11%	11%	12%

Chart 4 – Leverage and EBITDA

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	Estimated Gross and Net Debt/Adjusted EBITDA Ratio - Reconciliation of GAAP to Non-GAAP measures (\$ in millions)			
	Adtalem		Walden	
	12 months ended 6/30/20 (1)	12 months ended 6/30/20 (2)	Projected Synergies (3)	Total
Net (loss) income (GAAP)	\$ (85)	\$ 138	\$ -	\$ 53
Net loss from discontinued operations	\$ 329	\$ -	\$ -	\$ 329
Net loss attributable to redeemable noncontrolling interest from continuing operations	\$ (1)	\$ -	\$ -	\$ (1)
(Benefit from) provision for income taxes	\$ (6)	\$ 43	\$ -	\$ 37
Net other (income) expense	\$ (95)	\$ (31)	\$ -	\$ (126)
Operating income	\$ 142	\$ 150	\$ -	\$ 292
Restructuring expense	\$ 29	\$ 1	\$ -	\$ 30
Gain on sale of assets	\$ (5)	\$ -	\$ -	\$ (5)
Operating income excluding special items (non-GAAP)	\$ 166	\$ 151	\$ -	\$ 317
Add back:				
Depreciation and amortization	\$ 45	\$ 19	\$ -	\$ 64
Stock-based compensation expense	\$ 15	\$ 1	\$ -	\$ 16
Projected synergies	\$ -	\$ -	\$ 60	\$ 60
Estimated adjusted EBITDA from continuing operations (non-GAAP)	\$ 225	\$ 171	\$ 60	\$ 456
Calculation of estimated net debt as of closing date				
Total Estimated Debt				\$ 1,650
Less: Estimated Cash				\$ (350)
Estimated Net Debt				\$ 1,300
Estimated Gross Debt/Adjusted EBITDA Ratio (4)				3.6
Estimated Net Debt/Adjusted EBITDA Ratio (4)				2.8