

NATIONAL AMERICAN UNIVERSITY HOLDINGS, INC. REPORTS FISCAL 2014 FIRST QUARTER RESULTS

Company to host conference call on October 3, 2013, at 11:00 a.m. E DT

Financial and Operational Highlights

Enrollment by headcount increased 3.8% over the prior-year period to 10,743 students as of August 31, 2013.

FY 2014 first

Quarter net loss attributable to the Company was \$0.3 million, compared to \$0.2 million in the prior-year period, primarily due to increased selling, general and administrative (SG&A) expenses associated with the addition of new admissions advisors to better support NAU's enrollment goals. FY 2014 first quarter EBITDA was \$1.4 million compared to \$1.4 million in the prior-year period.

The Board of Directors declared a cash dividend in the amount of \$0.045 per share, up 12.5% from the prior dividend. The dividend is payable to the holders of record as of the close of business on October 1, 2013. The dividend is payable on October 15, 2013.

3.8% Enrollment Increase

Total NAU student enrollment for the summer term of 2013 increased 3.8% to 10,743 students, up from 10,350 during the prior summer term. Students enrolled in 92,106 credit hours compared to 89,363 credit hours during the prior summer term. The current average age of NAU's students continues to be in the mid-30s, with those seeking undergraduate degrees remaining the highest portion of NAU's student population.

The following is a summary of student enrollment at August 31, 2013, and August 31, 2012, by degree level and by instructional delivery method:

	August 31, 2013		August 31, 2012	
	No. of Students	% of Total	No. of Students	% of Total
Graduate	339	3.2%	338	3.3%
Undergraduate and Diploma	10,404	96.8%	10,012	96.7%
Total	10,743	100.0%	10,350	100.0%

	August 31, 2013		August 31, 2012	
	No. of Students	% of Total	No. of Students	% of Total
Online	6,592	61.4%	6,068	58.6%
On-Campus	2,357	21.9%	2,536	24.5%
Hybrid	1,794	16.7%	1,746	16.9%
Total	10,743	100.0%	10,350	100.0%

Financial Review

The Company, through its wholly owned subsidiary, operates in two business segments: the academic segment, which consists of NAY9(om)-4.9(A)2.3(Y9(om)-4.9(A5.92 28.44 0.72 73)-8(1 96 0 TBDC /t)-1.2(,)-1.1()JTJ -0.011 Tw -42.506A

- x Net loss attributable to the Company for the FY 2014 first quarter was \$0.3 million, or \$0.01 per diluted share based on 25.1 million shares outstanding, compared to \$0.2 million, or \$0.01 per diluted share based on 25.6 million shares outstanding, in the prior-year period.
- x EBITDA for the FY 2014 first quarter was \$1.2 million, compared to \$1.4 million in the prior-year period. A table reconciling EBITDA to net income can be found at the end of this release.

Balance Sheet Highlights

market for the Company's services; expansion plans and opportunities; consolidation in the market for the Company's services generally; and other statements preceded by, followed by or

