



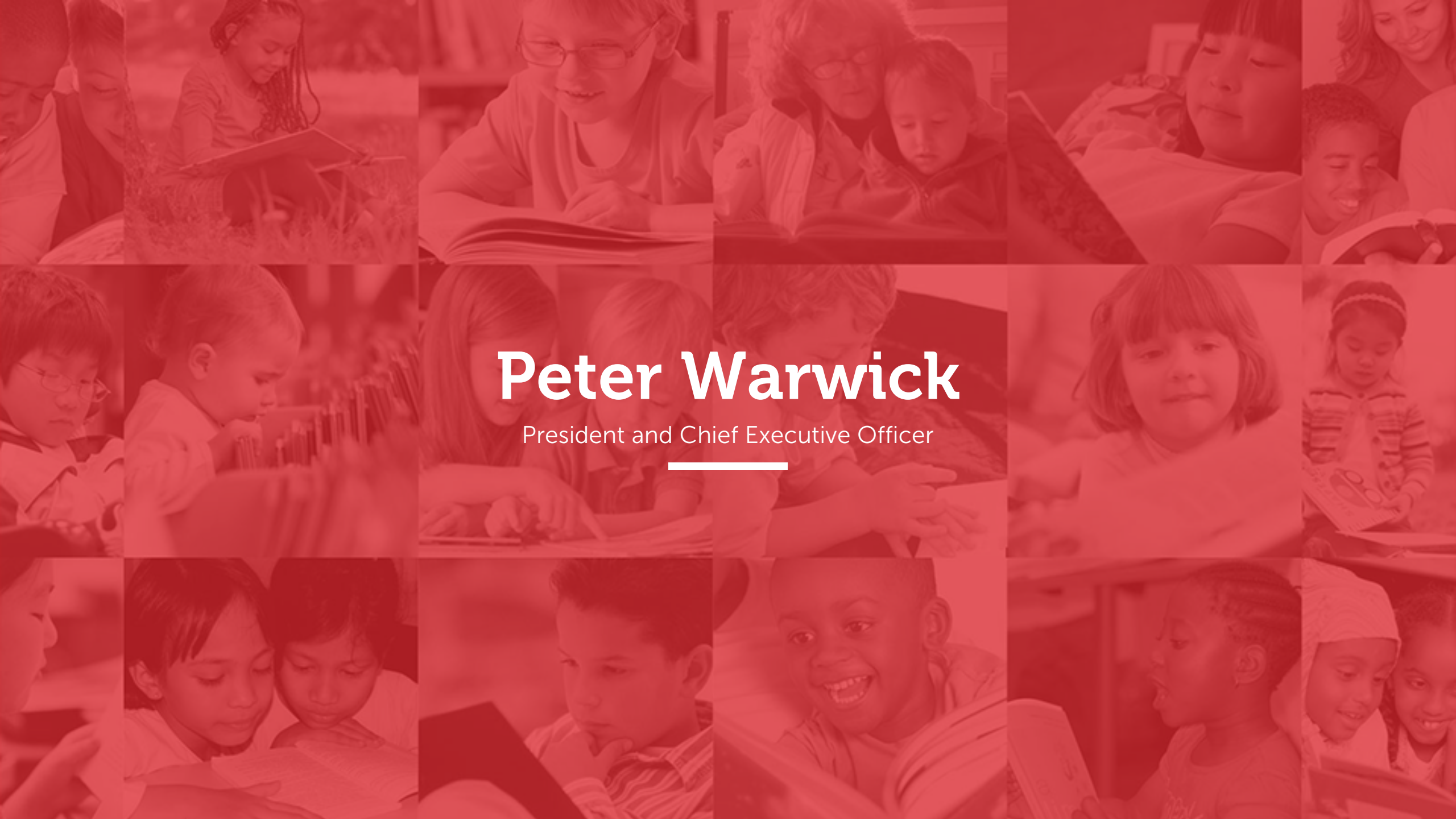
First Quarter 2027 Earnings Call Presentation

Thursday, September 24, 2026

Forward-Looking Statements / Regulation G

This presentation contains certain statements made today which will be forward-looking. These forward-looking statements, by their nature, are subject to various risks and uncertainties, and actual results may differ materially from those currently anticipated.

Today's comments include references to certain non-GAAP financial measures as defined in Regulation G. The reconciliation of these non-GAAP financial measures with the relevant GAAP financial information and other information required by Regulation G is provided in the Company's earnings release, which is posted on the Company's investor relations website at investor.scholastic.com.



Peter Warwick

President and Chief Executive Officer

First Quarter 2027 Highlights

- Advanced fiscal 2027 priorities while positioning business for an important Q2
- Operating loss in smallest revenue quarter reflected seasonality and expected impact of the sale-leaseback transactions completed last December
- Continued to invest in growth priorities and advance strategic transformation across the company
- Affirming full-year fiscal 2027 guidance

First Quarter 2027 Segment Highlights

- Children's Book Publishing & Distribution positioned for a strong back-to-school and fall selling season
 - Strong Book Fairs early indicators, with bookings and fair count ahead of prior year
 - Exciting Trade Publishing schedule, including *Harry Potter*® releases ahead of the new HBO series, a new *Dog Man*® title, and *Sunrise on the Reaping* tie-in publishing ahead of *The Hunger Games*® movie this fall, and more
- Entertainment delivered a strong quarter, building on FY26 momentum and pipeline visibility
 - Production activity increased significantly, driving substantial revenue growth and improved profitability
 - Digital platforms continue to extend the reach of Scholastic IP
- Education sales down in seasonally smallest quarter, reflecting increased pressure on school and district budgets
 - March expiration of ESSER funding, declining enrollment meeting rising salaries and fixed costs
 - Go-to-market transformation accelerating and focused on improving sales productivity and execution
- International results benefited from Scholastic's global franchises and operating discipline
 - *The Hunger Games* and *Dog Man* franchise activity supporting Q2
 - Mattel partnership expanding reach in India



Haji Glover

Chief Financial Officer and Executive Vice President

First Quarter Results

In \$ Millions (except per share data)	First Quarter		Change	
	Fiscal 2027	Fiscal 2026		
Revenues	\$ 216.8	\$ 225.6	\$ (8.8)	(4)%
Operating income (loss)	\$ (92.2)	\$ (92.2)	\$ —	— %
Earnings (loss) before taxes	\$ (93.7)	\$ (97.0)	\$ 3.3	3 %
Diluted earnings (loss) per share	\$ (3.77)	\$ (2.83)	\$ (0.94)	(33)%
Adjusted operating income (loss)*	\$ (88.7)	\$ (81.9)	\$ (6.8)	(8)%
Adjusted diluted earnings (loss) per share*	\$ (3.63)	\$ (2.52)	\$ (1.11)	(44)%
Adjusted EBITDA* ⁽¹⁾	\$ (63.6)	\$ (55.7)	\$ (7.9)	(14)%
Pro forma adjusted operating income (loss)* ⁽²⁾	\$ (88.7)	\$ (86.7)	\$ (2.0)	(2)%
Pro forma adjusted EBITDA* ⁽²⁾	\$ (63.6)	\$ (64.2)	\$ 0.6	1 %

* Excludes one-time items.

- Adjusted EBITDA is defined by the Company as earnings (loss), excluding one-time items, before interest, taxes, depreciation and amortization. The Company believes that Adjusted EBITDA is a meaningful measure of operating profitability and useful for measuring returns on capital investments over time as it is not distorted by unusual gains, losses, or other items.
- Pro forma adjusted operating income (loss) (a non-GAAP measure) and Pro forma adjusted EBITDA (a non-GAAP measure) reflect the net impact of the sale-leaseback transactions as if the transactions had occurred on June 1, 2025, the beginning of fiscal 2026. The incremental impact to first-quarter fiscal 2026 adjusted operating income (loss) and Adjusted EBITDA was \$4.8 and \$8.5, respectively. The Company refers to these measures in this release as results "on a comparable basis." See Table 7 for the reconciliations to Adjusted operating income (loss) and Adjusted EBITDA.

First Quarter Segment Results (excluding one-time items)

In \$ Millions	First Quarter		Change
	Fiscal 2027	Fiscal 2026	
Children's Book Publishing and Distribution			
School Reading Events	\$ 35.3	\$ 35.9	(2) %
Consolidated Trade	70.5	73.5	(4) %
Total Revenues	105.8	109.4	(3) %
Adjusted operating income (loss)	(37.8)	(34.3)	(10) %
Education Solutions			
Revenues	30.4	40.1	(24) %
Adjusted operating income (loss)	(23.3)	(21.2)	(10) %
Entertainment			
Revenues	20.1	13.6	48 %
Adjusted operating income (loss)	(1.6)	(4.0)	60 %
International			
Revenues	60.5	59.4	2 %
Adjusted operating income (loss)	(2.7)	(4.1)	34 %
Overhead			
Revenues	—	3.1	(100) %
Adjusted operating income (loss)	(23.3)	(18.3)	(27) %
Adjusted operating income (loss)	\$ (88.7)	\$ (81.9)	(8) %

First Quarter Balance Sheet and Cash Flow Results

In \$ Millions	August 31, 2026	August 31, 2025
Free cash flow (use) (3 month period ending) ⁽¹⁾	\$ (110.8)	\$ (100.2)
Accounts receivable, net	\$ 186.6	\$ 187.0
Inventories, net	315.3	322.2
Accounts payable	150.2	175.8
Deferred revenue	171.6	181.0
Accrued royalties	68.0	86.6
Film related obligations	19.3	14.7
Lines of credit and long-term debt	184.8	331.2
Cash and cash equivalents	106.8	94.3
Net cash (debt) ⁽²⁾	(86.8)	(242.8)

1. Free cash flow (use) is defined by the Company as net cash provided by or used in operating activities (which includes royalty advances) and cash acquired through acquisitions and from the sale of assets, reduced by spending on property, plant and equipment and prepublication costs and adjusted for net cash flows from film related obligations. The Company believes that this non-GAAP financial measure is useful to investors as an indicator of cash flow available for debt repayment and other investing activities, such as acquisitions. The Company utilizes free cash flow as a further indicator of operating performance and for planning investing activities.
2. Net cash (debt) is defined by the Company as cash and cash equivalents less production cash of \$8.8 and \$5.9 as of August 31, 2026 and August 31, 2025, respectively, net of lines of credit and short-term and long-term debt. Film related obligations are not included. The Company utilizes this non-GAAP financial measure, and believes it is useful to investors, as an indicator of the Company's effective leverage and financing needs.

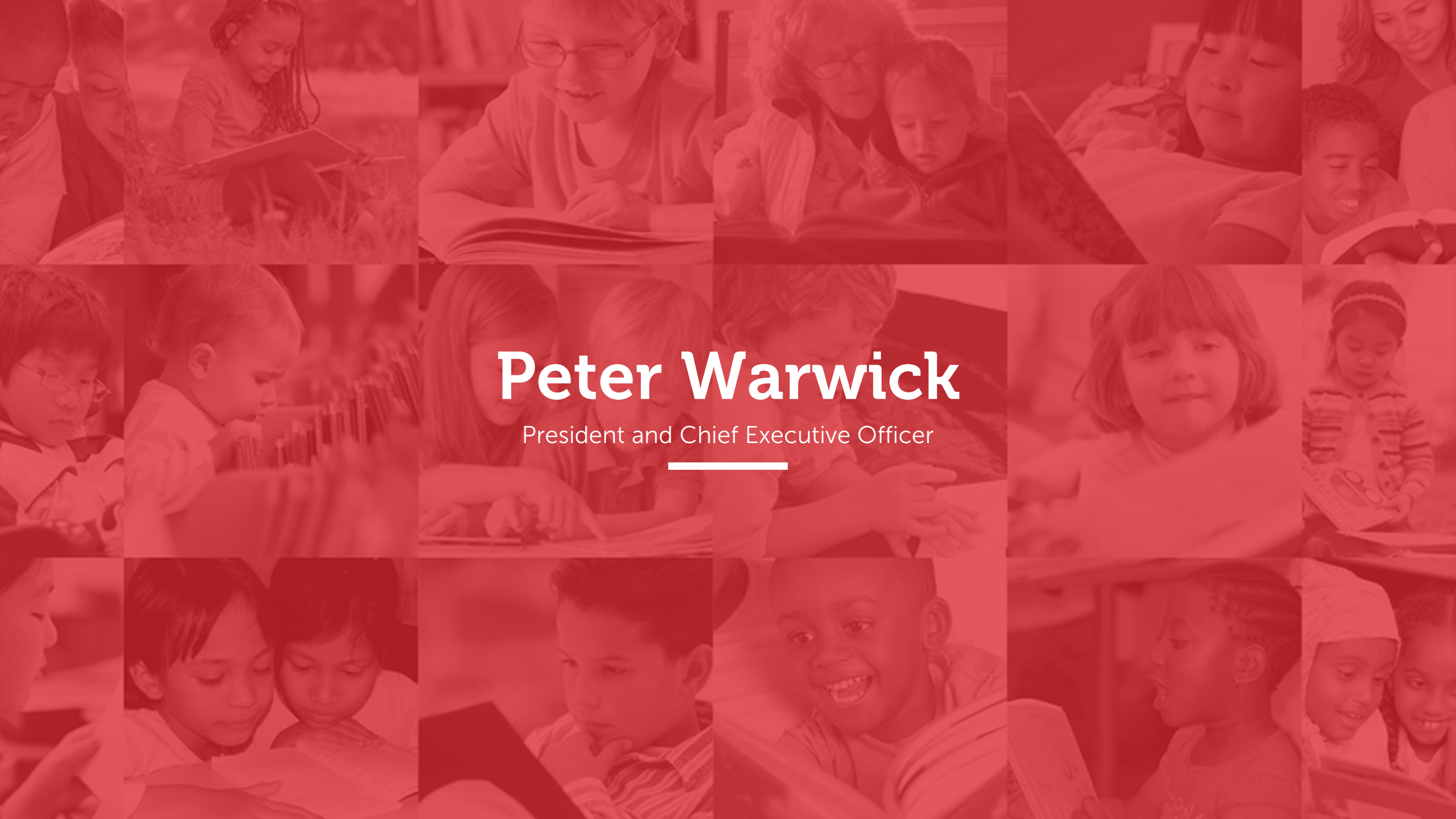
Fiscal 2027 Outlook

- Affirming fiscal year 2027 guidance:
 - Revenue growth of 2% to 4%
 - Adjusted EBITDA of \$135 million to \$145 million, representing year-over-year growth on a comparable basis ⁽¹⁾
 - Free cash flow of \$35 million to \$40 million, representing modest growth on normalized basis ⁽²⁾
- Year-over-year revenue growth expected to begin in Q2, with the important back-to-school and fall selling season underway
- Focused on executing growth priorities with cost discipline and financial flexibility

1. Comparable fiscal 2026 Adjusted EBITDA reflects the full-period impact of the sale-leaseback transactions. Please refer to the appendix of the Company's fiscal 2026 Q4 Earnings Presentation for a reconciliation.



2. Fiscal 2026 Free Cash Flow included over \$400M in net proceeds from the sale-leaseback transactions.



Peter Warwick

President and Chief Executive Officer



Q&A



Appendix

First Quarter Adjusted EBITDA

In \$ Millions	First Quarter	
	Fiscal 2027	Fiscal 2026
Earnings (loss) before income taxes as reported	\$ (93.7)	\$ (97.0)
One-time items before income taxes	3.5	10.3
Earnings (loss) before income taxes excluding one-time items	(90.2)	(86.7)
Interest (income) expense ⁽¹⁾	1.6	4.5
Depreciation and amortization	25.0	26.5
Adjusted EBITDA ⁽²⁾	\$ (63.6)	\$ (55.7)

1. Amounts include production loan interest amortized into cost of goods sold.

2. Adjusted EBITDA is defined by the Company as earnings (loss), excluding one-time items, before interest, taxes, depreciation and amortization. The Company believes that Adjusted EBITDA is a meaningful measure of operating profitability and useful for measuring returns on capital investments over time as it is not distorted by unusual gains, losses, or other items.

First Quarter Earnings (before and after one-time items)

In \$ Millions (except per share data)	First Quarter Fiscal 2027			First Quarter Fiscal 2026		
	As Reported	One-Time Items	Excluding One-Time Items	As Reported	One-Time Items	Excluding One-Time Items
Diluted earnings (loss) per share ⁽¹⁾	\$ (3.77)	\$ 0.14	\$ (3.63)	\$ (2.83)	\$ 0.31	\$ (2.52)
Net income (loss) ⁽²⁾	\$ (71.2)	\$ 2.6	\$ (68.6)	\$ (71.1)	\$ 7.8	\$ (63.3)
Earnings (loss) before income taxes	\$ (93.7)	\$ 3.5	\$ (90.2)	\$ (97.0)	\$ 10.3	\$ (86.7)
Children's Book Publishing and Distribution ⁽³⁾	\$ (38.2)	\$ 0.4	\$ (37.8)	\$ (35.1)	\$ 0.8	\$ (34.3)
Education	(23.3)	—	(23.3)	(21.2)	—	(21.2)
Entertainment ⁽⁴⁾	(1.8)	0.2	(1.6)	(4.0)	0.0	(4.0)
International ⁽⁵⁾	(2.9)	0.2	(2.7)	(4.2)	0.1	(4.1)
Overhead ⁽⁶⁾	(26.0)	2.7	(23.3)	(27.7)	9.4	(18.3)
Operating income (loss)	\$ (92.2)	\$ 3.5	\$ (88.7)	\$ (92.2)	\$ 10.3	\$ (81.9)

- Earnings (loss) per share are calculated on non-rounded net income (loss) and shares outstanding. Recalculating earnings per share based on rounded numbers may not yield the results as presented.
- In the three months ended August 31, 2026 and August 31, 2025, the Company recognized a benefit of \$0.9 and \$2.5, respectively, for income taxes in respect to one-time pretax items.
- In the three months ended August 31, 2026, the Company recognized other pre-tax expenses of \$0.4. In the three months ended August 31, 2025, the Company recognized pretax asset impairment of \$0.8 related to a certain product.
- In the three months ended August 31, 2026, the Company recognized other pretax expenses of \$0.2. In the three months ended August 31, 2025, the Company recognized pretax costs of less than \$0.1 related to the acquisition of 9 Story Media Group.
- In the three months ended August 31, 2026 and August 31, 2025, the Company recognized pretax severance of \$0.2 and \$0.1, respectively, related to cost-savings initiatives.
- In the three months ended August 31, 2026, the Company recognized pretax severance of \$2.3 related to cost-savings initiatives and other pretax expenses of \$0.4. In the three months ended August 31, 2025, the Company recognized pretax severance of \$8.7 related to cost-savings initiatives and other pretax expenses of \$0.7.

Pro Forma Supplemental Information

In \$ Millions	First Quarter Fiscal 2027	First Quarter Fiscal 2026				Variance on a comparable basis	
	Adjusted operating income (loss)	Adjusted operating income (loss)	Incremental sale- leaseback impact	Pro forma adjusted operating income (loss) ⁽¹⁾		\$	%
Children's Book Publishing and Distribution	\$ (37.8)	\$ (34.3)	\$ (2.9)	\$ (37.2)	\$	(0.6)	(2)%
Education	(23.3)	(21.2)	(0.8)	(22.0)		(1.3)	(6)%
Entertainment	(1.6)	(4.0)	(0.0)	(4.0)		2.4	60 %
International	(2.7)	(4.1)	—	(4.1)		1.4	34 %
Overhead	(23.3)	(18.3)	(1.1)	(19.4)		(3.9)	(20)%
Total	\$ (88.7)	\$ (81.9)	\$ (4.8)	\$ (86.7)	\$	(2.0)	(2)%

	First Quarter Fiscal 2027	First Quarter Fiscal 2026				Variance on a comparable basis	
	Adjusted EBITDA	Adjusted EBITDA	Incremental sale- leaseback impact ⁽²⁾	Pro forma adjusted EBITDA ⁽¹⁾		\$	%
Children's Book Publishing and Distribution	\$ (29.8)	\$ (26.7)	\$ (3.5)	\$ (30.2)	\$	0.4	1 %
Education	(18.0)	(15.1)	(1.5)	(16.6)		(1.4)	(8)%
Entertainment	5.7	0.8	(0.1)	0.7		5.0	NM
International	(0.7)	(2.7)	—	(2.7)		2.0	74 %
Overhead	(20.8)	(12.0)	(3.4)	(15.4)		(5.4)	(35)%
Total	\$ (63.6)	\$ (55.7)	\$ (8.5)	\$ (64.2)	\$	0.6	1 %

NM - Not meaningful

- Pro forma adjusted operating income (loss) (a non-GAAP measure) and Pro forma adjusted EBITDA (a non-GAAP measure) reflect the net impact of the sale-leaseback transactions as if the transactions had occurred on June 1, 2025, the beginning of fiscal 2026. The incremental adjustments shown above reflect the impact to the first quarter of fiscal 2026 prior to completion of the transactions.
- The \$8.5 incremental impact to Pro forma adjusted EBITDA includes the \$4.8 impact to Pro forma adjusted operating income (loss) plus a \$3.7 depreciation adjustment.