

Media Contacts:

James McCusker/Lindsay Stanley
Cengage Learning
203-965-8663/8634
james.mccusker@cengage.com
lindsay.stanley@cengage.com

Kimberly Kriger
Kekst and Company
212-521-4800
kimberly-kriger@kekst.com



CENGAGE LEARNING REACHES AGREEMENT WITH LENDERS TO RESTRUCTURE BALANCE SHEET AND STRENGTHEN FINANCIAL POSITION

Company to Move Forward with “Pre-Arranged” Chapter 11 Reorganization

Normal Business Operations to Continue with Ample Liquidity and No Interruption in Educational and Research Solutions and Services

New Capital Structure Will Support Ongoing Digital Transformation

Stamford, CT – July 2, 2013 – Cengage Learning, Inc., a leading educational content, software and services company for the academic, professional and library markets worldwide, announced today an agreement with certain of its lenders to restructure its balance sheet and significantly reduce its approximately \$5.8 billion of outstanding debt to better position the Company for long-term growth and profitability. In order to implement the financial restructuring, Cengage Learning and all of its domestic wholly-owned subsidiaries have filed voluntary petitions for reorganization under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court for the Eastern District of New York.

In conjunction with the Chapter 11 filing, Cengage Learning entered into a restructuring support agreement with an ad hoc committee of first lien lenders who hold approximately \$2 billion of the Company’s first lien debt. In this agreement, the lenders committed to support a restructuring transaction that will eliminate more than \$4 billion in debt from Cengage Learning’s balance sheet and position the Company to implement management’s strategic business plan.

Cengage Learning maintains substantial cash balances and expects to generate positive cash flow, and therefore does not need nor intend to obtain debtor-in-possession (DIP) financing. In addition, the Company has reached an agreement with its secured lenders that permits it to continue to use cash flow from operations to continue to fund the business and meet obligations in the normal course during the restructuring process.

Michael Hansen, Chief Executive Officer of Cengage Learning, said, “The decisive actions we are taking today will reduce our debt and improve our capital structure to support our long-term business strategy of transitioning from traditional print models to digital educational and research materials. Cengage Learning began an operational transformation six months ago under the leadership of our new senior management team, which is executing bold plans to enhance our customer relationships and introduce innovative digital and print products and solutions to meet our customers’ evolving needs.

“A more appropriately-sized capital structure, along with our established product lines, leading market positions and strong customer relationships, will position us well to accelerate our growth and take advantage of business opportunities in the education and research space. We are grateful for the support of our key financial stakeholders for our business plan and restructuring. We will continue normal business operations, with no expected disruptions to our relationships with our employees, customers, business partners, or vendors. Our customers can be confident that they will continue to receive the same high quality content, products and industry leading services and support they are accustomed to without interruption,” concluded Mr. Hansen.

Cengage Learning plans to make timely payment to vendors for goods and services provided to the Company during its restructuring in the normal course of business. It is anticipated that employees will continue to receive their usual pay and health and welfare benefits.

Cengage Learning has filed customary “First Day Motions” with the Bankruptcy Court, which, if granted, will help ensure a smooth transition to Chapter 11 without business disruption and will minimize impact on its employees, customers, authors, content providers, business partners, vendors and suppliers. The motions are expected to be addressed promptly by the Court. Cengage Learning plans to make timely payment to vendors for goods and services provided to the Company during its restructuring in the normal course of business. The Company fully anticipates that employees will continue to receive their usual pay and health and welfare benefits and is confident that the Court will approve its request to do so.

Cengage Learning’s non-U.S. subsidiaries are not included in the U.S. Chapter 11 filings and will continue to operate in the ordinary course without interruption.

More information about Cengage Learning’s restructuring is available at www.cengage.com/restructuring. Court filings and claims information are available at www.cengagecaseinfo.com. Information for vendors and other interested parties is available toll-free at +1-800-654-4134, or +1-646-378-4198 for callers from outside the U.S. and Canada.

Cengage Learning’s legal advisor for the Chapter 11 proceedings is Kirkland & Ellis LLP, its restructuring advisor is Alvarez & Marsal, and its financial advisor is Lazard Ltd.

Forward Looking Statements

This press release includes certain disclosures which contain “forward-looking statements.” You can identify forward-looking statements because they contain words such as “expects.” Forward-looking statements are based on Cengage Learning’s current expectations and assumptions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks and changes in circumstances that may differ materially from those contemplated by the forward-looking statements, which are neither statements of historical fact nor guarantees or assurances of future performance. Important factors that could cause actual results to differ materially from those in the forward-looking statements are set forth in our Third Quarter Report for the three and nine months ended March 31, 2013, as amended.

About Cengage Learning

Cengage Learning is a leading educational content, software and services company for the academic, professional and library markets worldwide. The company provides personalized services and course

driven digital solutions that enhance the educational process resulting in a more engaged learner. Through the integration of content, unmatched services and digital solutions, Cengage Learning delivers a best-in-the-industry experience, resulting in better curricula and improved learner outcomes. Cengage Learning is headquartered in Stamford, CT. For more information on Cengage Learning please visit www.cengage.com.

###