

**STRAYER EDUCATION, INC.**  
**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Amounts in thousands)

	For the year ended December 31,	
	2016	2017
Cash flows from operating activities:		
Net income	\$ 34,802	\$ 20,612
Adjustments to reconcile net income to net cash provided by operating activities:		
Amortization of gain on sale of assets	(281)	(133)
Amortization of deferred rent	(1,441)	(1,780)
Amortization of deferred financing costs	262	262
Depreciation and amortization	17,817	18,733
Deferred income taxes	(8,697)	6,429
Stock-based compensation	10,767	11,627
Changes in assets and liabilities:		
Tuition receivable, net	(1,453)	(3,250)
Other current assets	(3,949)	(527)
Other assets	(1,865)	1,582
Accounts payable and accrued expenses	(262)	4,468
Income taxes payable	(408)	(629)
Deferred revenue	7,018	8,212
Other long-term liabilities	(7,800)	(9,451)
Net cash provided by operating activities	44,510	56,155
Cash flows from investing activities:		
Purchases of property and equipment	(13,161)	(18,051)
Cash used in acquisition, net of cash acquired	(7,635)	—
Net cash used in investing activities	(20,796)	(18,051)
Cash flows from financing activities:		
Payments of contingent consideration	(1,358)	—
Common dividends paid	—	(11,416)
Net cash used in financing activities	(1,358)	(11,416)
Net increase in cash and cash equivalents	22,356	26,688
Cash and cash equivalents - beginning of period	106,889	129,245
Cash and cash equivalents - end of period	\$ 129,245	\$ 155,933
Non-cash transactions:		
Purchases of property and equipment included in accounts payable	\$ 349	\$ 1,734