

Mitchell E. Daniels, Jr. is the 12th president of Purdue University and the former governor of Indiana.

He was elected Indiana's 49th governor in 2004 in his first bid for any elected office, and then re-elected in 2008 with more votes than any candidate for public office in the state's history. During his tenure, Indiana went from bankruptcy to a AAA credit rating, led the nation in infrastructure building, and passed sweeping education and healthcare reforms. After a series of transformations, which included the biggest tax cut in state history, the nation's most sweeping deregulation of the telecommunications industry and a host of other reforms aimed at strengthening the state's economy, Indiana's business climate is now rated among the nation's best.

At Purdue, Daniels has prioritized student affordability and reinvestment in the university's strengths. Breaking with a 36-year trend, Purdue has held tuition unchanged from 2013 through at least the 2018-19 academic year. Simultaneously, room rates have remained steady, meal plan rates have fallen about 10%, and student borrowing has dropped 30% while investments in student success and STEM research have undergone unprecedented growth.

In recognition of his leadership as both a governor and a university president, Daniels was named among the Top 50 World Leaders by Fortune Magazine in March 2015.

Prior to becoming governor, Daniels served as chief of staff to Senator Richard Lugar, senior advisor to President Ronald Reagan, and Director of the Office of Management and Budget under President George W. Bush. He also was the CEO of the Hudson Institute, a major contract research organization, and the president of Eli Lilly's North American pharmaceutical operations.

Daniels earned a bachelor's degree from Princeton's Woodrow Wilson School of Public and International Affairs and a law degree from Georgetown. He is the author of three books.

Purdue University announced in April 2017 its intent to acquire Kaplan University. Once complete, all existing Kaplan University students and faculty will transition to the new university (“NewU”), which will use the Purdue name in some fashion not yet identified.

TO BE A 21ST CENTURY LAND-GRANT UNIVERSITY, PURDUE MUST ACQUIRE THE CAPABILITIES FOR ONLINE EXCELLENCE.

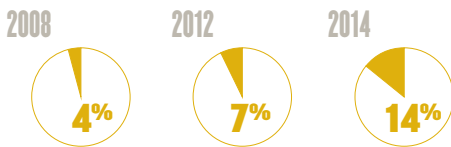
3 REALITIES

1. There are millions higher education does not serve.

- 36 million Americans over age 25 have some college but no degree
- 56 million Americans over age 25 have no education past high school

2. Online education will continue to grow.

Percentage of undergrads enrolled in online only programs:



3. It would take significant time, resources and risk for Purdue to develop a robust online program.

“I’m excited by this opportunity for a world-class university to expand its reach and help educate adult learners by acquiring a strong for-profit college. This is a first, and if successful, could help create a new model for what it means to be a land-grant institution.”

— ARNE DUNCAN, FORMER SECRETARY, U.S. DEPARTMENT OF EDUCATION

CURRENT KAPLAN UNIVERSITY DEMOGRAPHICS

Female - 74%



Over age 30 - 60%



Military-affiliated - 26%



Neither parent attended college - 55%



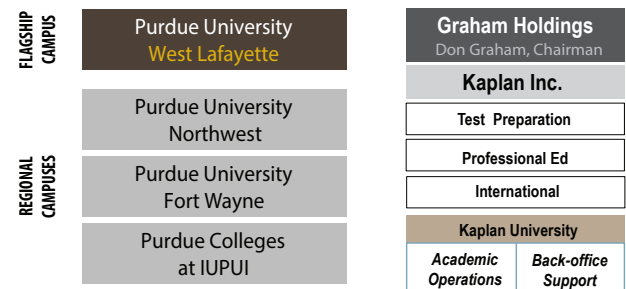
Some prior post-secondary education - 84%



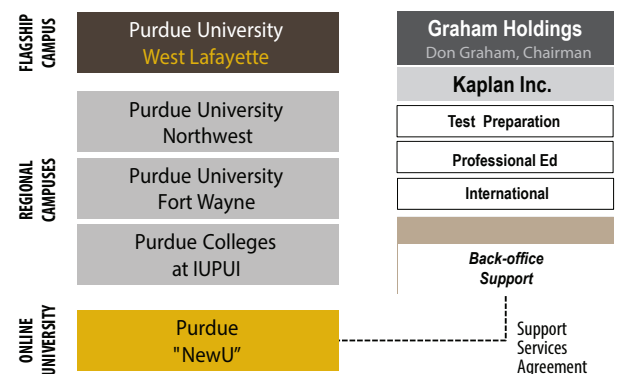
Students with three or more “risk factors” - 84%



PRE-ACQUISITION STRUCTURE



POST-ACQUISITION STRUCTURE



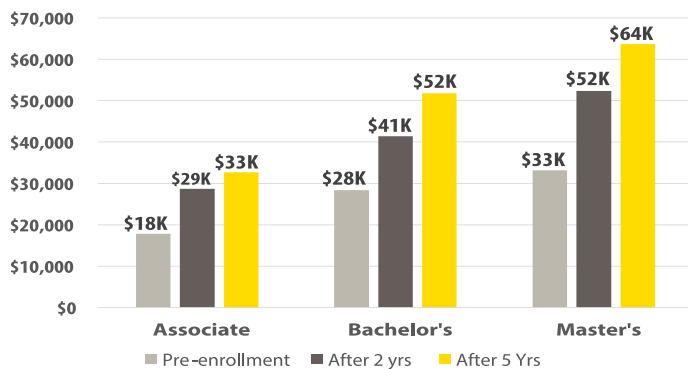
PURDUE WILL ACQUIRE

- Kaplan University
- Concord Law School

PURDUE WILL NOT ACQUIRE

- Kaplan College - Sold in 2015
- Kaplan Career Institute - Sold in 2015
- Professional and Continuing Education - Remains at Kaplan Inc.

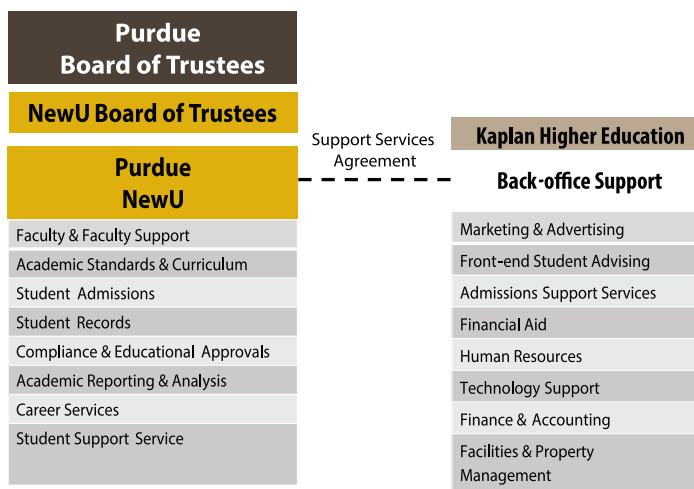
INCOME GAINS OF KAPLAN UNIVERSITY GRADUATES



THE KAPLAN COMMITMENT

- All students admitted conditionally 1st three weeks
- No obligation for tuition during trial
- Allows university to assess student qualifications
- Allows students to assess academic fit before debt is accumulated

Under the governance of the Purdue Board of Trustees, Kaplan Inc. will provide support services.



Next Steps

- Indiana Commission for Higher Education Approval
- U.S. Department of Education Approval
- Higher Learning Commission Approval

KAPLAN UNIVERSITY ALUMNI SATISFACTION

- Satisfied with overall experience **90%**
- Education was relevant to goals **90%**
- I would recommend to others **82%**
- The university always put my needs first **78%**



Kaplan stands alone among the large, for-profit education companies for having taken what are, in my opinion, real and significant steps to reduce high withdrawal rates and high default rates by implementing the Kaplan Commitment program.

— **FORMER SEN. TOM HARKIN (D-IOWA)**
IN A 2011 SENATE HELP COMMITTEE HEARING



Kaplan also has implemented the most significant reforms of any company examined.

— **U.S. SENATE HELP REPORT,**
2012, PG. 543

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