



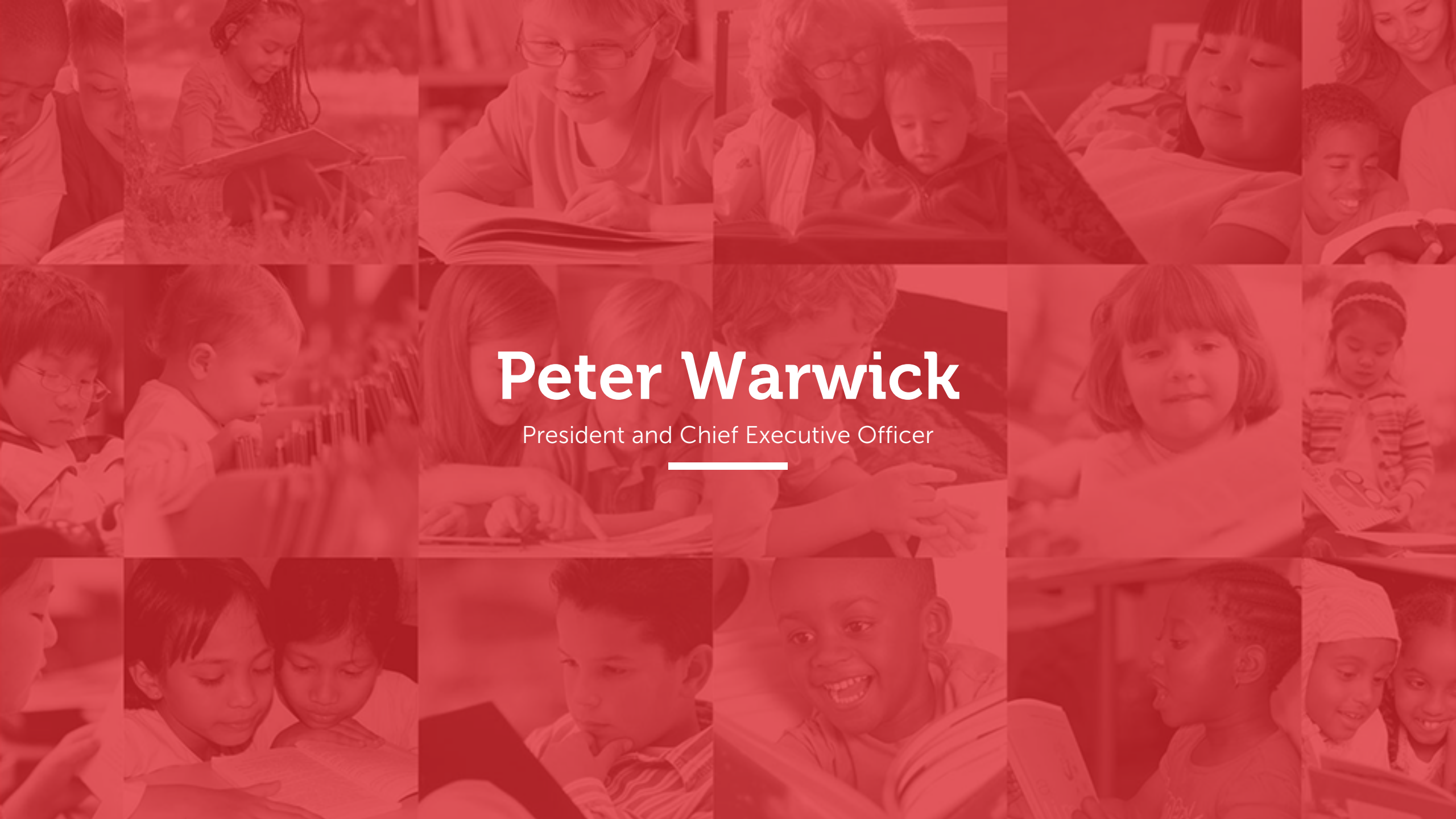
Fourth Quarter 2026 Earnings Call Presentation

Thursday, July 23, 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

Fiscal 2026 Operating Results

- Fiscal 2026 demonstrated earnings power of a more focused Scholastic
- Substantial progress in multi-year transformation improving Scholastic's governance, organization, strategy and balance sheet
- Modestly lower revenues, reflecting strong prior-year Q4 comparisons in Trade and impact of continued funding pressures in Education
 - Revenues of \$1.582 billion versus \$1.626 billion in prior year
- Disciplined cost management and execution supported stronger underlying profitability
 - Operating income of \$15.2 million, compared to \$15.8 million in the prior year period; Adjusted operating income increased 32% to \$47.1 million, from \$35.8 million a year ago
 - Adjusted EBITDA increased 4% to \$151.5 million; up 15% on a comparable basis, reflecting full-year impact of sale-leaseback transactions in both periods¹



¹ Comparable results reflect the full-period impact of the sale-leaseback transactions in each period presented, fiscal 2026 and fiscal 2025, as if the transactions had occurred on June 1, 2024. Please see appendix for reconciliation.

Fiscal 2026 Capital Deployment & Balance Sheet Actions

- Unlocked over \$400 million in net proceeds through significant sale-leaseback transactions
- Returned over \$285 million to shareholders during year through open-market repurchases, a modified Dutch auction tender offer and dividends
- Established long-term net leverage target of 2.0 – 2.5x Adjusted EBITDA, supporting disciplined investment and continued capital returns
- Announced 25% increase to regular quarterly dividend, commencing in Q1 fiscal 2027

Key Market Trends Aligning With Scholastic's Strengths

Families, educators and policy-makers increasing focus on:

- Trusted content and tools, as AI increases access to and volume of low quality, unvetted children's content
- Children's literacy, as national reading scores continue to decline, especially for lower performers
- Screen-time at home and school, increasing demands on children's attention spans and learning stamina

Scholastic competitive advantages:

- Trusted, 100+ year legacy and brand
- Authentic, engaging books & stories by human creators
- Deep editorial and curatorial expertise
- Direct reach to families and schools
- Print-first literacy solutions

Fiscal 2026 Segment Highlights & Fiscal 2027 Focus Areas

- Children's Book Group continued as central pillar of Scholastic's growth, operating leverage and impact
 - Book Fairs remained strong earnings engine, supported by higher fair count, revenue per fair and strong execution, with opportunities to expand into new school communities and formats
 - Trade Publishing trends reflected difficult prior-year fourth-quarter comparison; FY27 to benefit from strong publishing pipeline – including *Dog Man*®, *Harry Potter*® and *The Hunger Games*® – with major media events supporting key franchises
- Entertainment returned to growth, as it continued extending value of Scholastic brands across formats
 - Production revenues grew year-over-year; contracted series underway support visibility into FY27
 - YouTube & Scholastic TV app keep Scholastic's enduring IP relevant and discoverable
- Education performance trends improved in second half fiscal 2026 despite pressured funding environment
 - Focused on stabilizing revenue, strengthening commercial execution and improving profitability in FY27
- International extends Scholastic's publishing strength globally, with FY27 growth supported by major franchise activity across priority markets



Haji Glover

Chief Financial Officer and Executive Vice President

Fourth Quarter Results

In \$ Millions (except per share data)	Fourth Quarter		Change	
	Fiscal 2026	Fiscal 2025		
Revenues	\$ 476.1	\$ 508.3	\$ (32.2)	(6)%
Operating income (loss)	\$ 51.4	\$ 53.5	\$ (2.1)	(4)%
Earnings (loss) before taxes	\$ 14.5	\$ 48.9	\$ (34.4)	(70)%
Diluted earnings (loss) per share	\$ 0.45	\$ 0.59	\$ (0.14)	(24)%
Operating income (loss), ex. one-time items ⁽²⁾	\$ 58.3	\$ 63.4	\$ (5.1)	(8)%
Diluted earnings (loss) per share, ex. one-time items	\$ 2.19	\$ 0.87	\$ 1.32	152 %
Adjusted EBITDA ^{(1) (2)}	\$ 84.7	\$ 91.2	\$ (6.5)	(7)%
Pro forma Adjusted operating income* ⁽³⁾	\$ 58.3	\$ 59.5	\$ (1.2)	(2)%
Pro forma Adjusted EBITDA* ⁽³⁾	\$ 84.7	\$ 83.7	\$ 1.0	1 %

- 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.
- Fiscal 2026 fourth-quarter Operating income excluding one-time items and Adjusted EBITDA include net costs of \$4.2 and \$7.8, respectively, related to the sale-leaseback transactions completed in December 2025.
- Pro forma Adjusted operating income and Pro forma Adjusted EBITDA reflect the full-period impact of the sale-leaseback transactions in each period presented.

Fourth Quarter Segment Results (excluding one-time items)

In \$ Millions	Fourth Quarter		Change
	Fiscal 2026	Fiscal 2025	
Children’s Book Publishing and Distribution			
Revenues			
School Reading Events	\$ 198.8	\$ 190.9	4 %
Consolidated Trade	77.5	97.3	(20) %
Total Revenues	276.3	288.2	(4) %
Operating income (loss)	60.3	58.2	4 %
Education			
Revenues	109.2	125.7	(13) %
Operating income (loss)	27.9	31.3	(11) %
Entertainment			
Revenues	21.0	14.8	42 %
Operating income (loss)	0.8	(2.1)	138 %
International			
Revenues	69.6	76.8	(9) %
Operating income (loss)	3.1	6.1	(49) %
Overhead			
Revenues	0.0	2.8	(100) %
Operating income (loss)	(33.8)	(30.1)	(12) %
Operating income (loss)	\$ 58.3	\$ 63.4	(8) %

Fourth Quarter and Full Year Balance Sheet Items and Cash Flow

In \$ Millions	May 31, 2026	May 31, 2025
Free cash flow (use) (3 month period ending) ⁽¹⁾	\$ 70.0	\$ 86.2
Free cash flow (use) (12 month period ending) ⁽¹⁾	\$ 436.0	\$ 29.2
Accounts receivable, net	\$ 236.4	\$ 273.4
Inventories, net	\$ 265.0	\$ 250.2
Accounts payable	\$ 144.2	\$ 157.3
Deferred revenue	\$ 179.2	\$ 178.8
Accrued royalties	\$ 50.3	\$ 69.1
Film related Obligations	\$ 17.1	\$ 18.3
Total debt	\$ 80.5	\$ 256.2
Cash and cash equivalents	\$ 134.9	\$ 124.0
Net cash (debt) ⁽²⁾	\$ 48.9	\$ (136.6)

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 \$5.5 and \$4.4 as of May 31, 2026 and May 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

- Revenue growth of 2% to 4%
- Adjusted EBITDA of \$135 million to \$145 million, representing year-over-year growth on a comparable basis¹
- Free cash flow of \$35 million to \$40 million, representing modest growth on normalized basis²
- Seasonally-small Q1 revenues expected to be slightly down, with year-over-year growth expected to begin in Q2
- Q1 operating loss expected to be modestly greater than prior year, primarily reflecting sale-leaseback impact

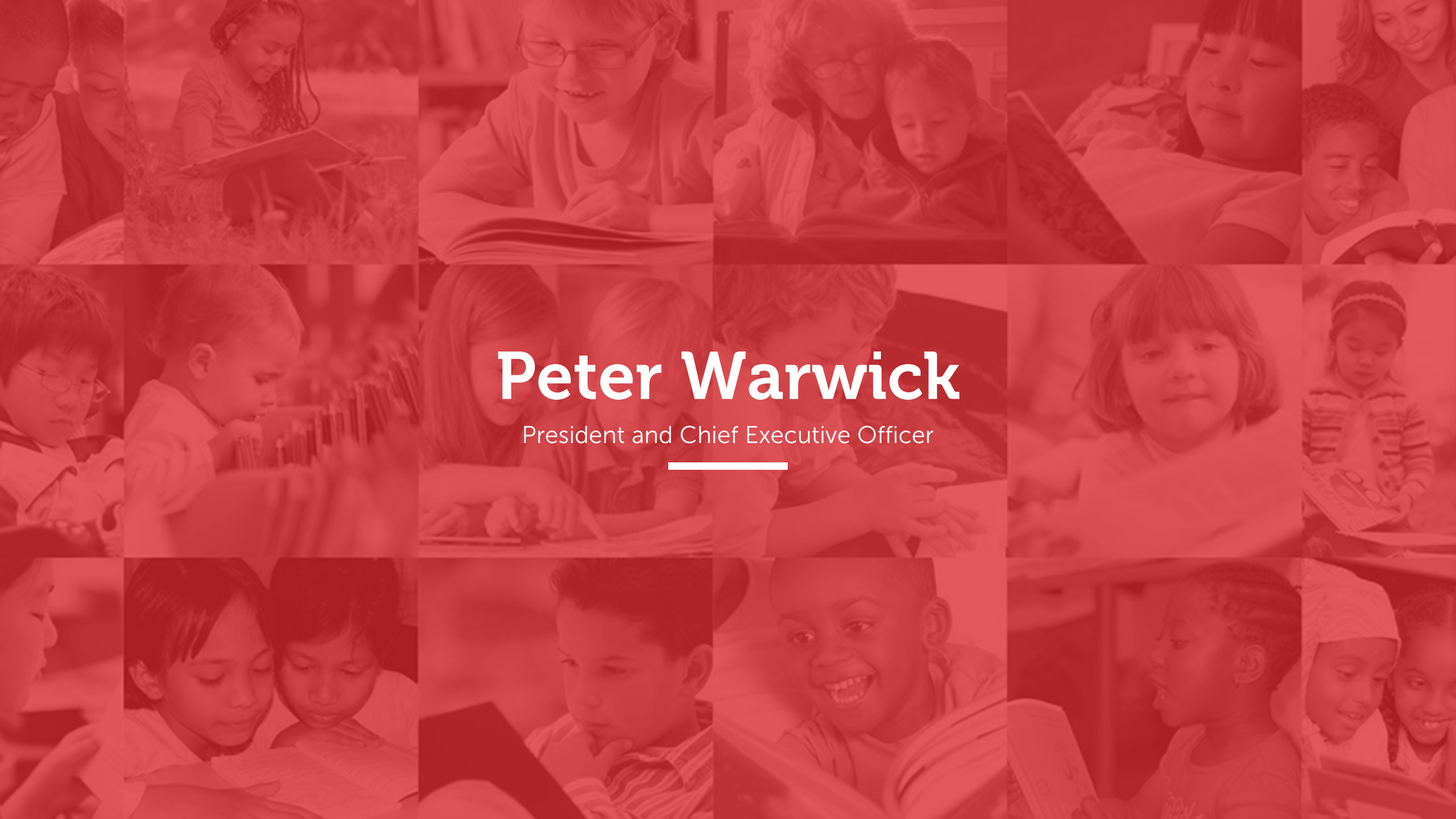
¹ Comparable fiscal 2026 Adjusted EBITDA reflects the full-period impact of the sale-leaseback transactions. See Appendix for reconciliation.

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



Fiscal 2027 Segment Outlook

- **Children's Books Publishing & Distribution** expected to deliver revenue growth and improved profitability
 - Book Fairs growth from higher fair count and modest revenue-per-fair growth; operating leverage supporting margin expansion
 - Trade Publishing growth supported by strong publishing pipeline and major franchise activity
- **Education** targeting improved performance, supported by stabilizing revenue trends, particularly in second half of FY27, and better-aligned cost structure
- **Entertainment** revenue growth and improved profitability supported by increased production activity
- **International** revenue growth supported by publishing and franchise activity
- **Overhead** to reflect full-year sale-leaseback impact, partly offset by continued cost discipline



Peter Warwick

President and Chief Executive Officer



Q&A



Appendix

Fourth Quarter and Full Year Adjusted EBITDA

In \$ Millions	Fourth Quarter		Full Year	
	Fiscal 2026	Fiscal 2025	Fiscal 2026	Fiscal 2025
Earnings (loss) before income taxes as reported	\$ 14.5	\$ 48.9	\$ 85.2	\$ (1.3)
One-time items before income taxes	42.6	9.9	(50.6)	20.0
Earnings (loss) before income taxes excluding one-time items	57.1	58.8	34.6	18.7
Interest (income) expense ⁽¹⁾	0.9	4.5	11.6	16.4
Depreciation and amortization	26.7	27.9	105.3	110.3
Adjusted EBITDA ⁽²⁾	\$ 84.7	\$ 91.2	\$ 151.5	\$ 145.4

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.

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

In \$ Millions (except per share data)	Fourth Quarter Fiscal 2026			Fourth Quarter Fiscal 2025		
	As Reported	One-Time Items	Excluding One-Time Items	As Reported	One-Time Items	Excluding One-Time Items
Diluted earnings (loss) per share ⁽¹⁾	\$ 0.45	\$ 1.79	\$ 2.19	\$ 0.59	\$ 0.29	\$ 0.87
Net income (loss) ⁽²⁾	\$ 9.4	\$ 36.5	\$ 45.9	\$ 15.4	\$ 7.5	\$ 22.9
Earnings (loss) before income taxes ⁽³⁾	\$ 14.5	\$ 42.6	\$ 57.1	\$ 48.9	\$ 9.9	\$ 58.8
Children's Book Publishing and Distribution ⁽⁴⁾	\$ 60.3	\$ —	\$ 60.3	\$ 57.6	\$ 0.6	\$ 58.2
Education ⁽⁵⁾	27.0	0.9	27.9	30.7	0.6	31.3
Entertainment ⁽⁶⁾	0.4	0.4	0.8	(3.0)	0.9	(2.1)
International ⁽⁷⁾	2.9	0.2	3.1	3.7	2.4	6.1
Overhead ⁽⁸⁾	(39.2)	5.4	(33.8)	(35.5)	5.4	(30.1)
Operating income (loss)	\$ 51.4	\$ 6.9	\$ 58.3	\$ 53.5	\$ 9.9	\$ 63.4

- 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 May 31, 2026 and 2025, the Company recognized a benefit of \$6.1 and \$2.4, respectively, for income taxes in respect to one-time pretax items.
- In the three months ended May 31, 2026 the Company recognized a pretax loss of \$17.2 related to the sale of its 26.2% equity interest in a U.K.-based children's book publishing business and an adjustment of \$18.5 to the pretax gain related to the sale-leaseback transactions involving its facilities in New York City and Jefferson City, Missouri.
- In the three months ended May 31, 2025, the Company recognized a pretax asset impairment charge of \$0.6 related to a digital product.
- In the three months ended May 31, 2026 and May 31, 2025, the Company recognized pretax asset impairment charges of \$0.9 and \$0.6, respectively, related to certain education and digital products.
- In the three months ended May 31, 2026, the Company recognized other pretax expense of \$0.4. In the three months ended May 31, 2025, the Company recognized pretax severance of \$0.3 related to cost-savings initiatives, pretax costs of \$0.4 related to the acquisition of 9 Story Media Group and pretax asset impairment charges of \$0.2 related to the early exit of certain leased office space in Canada and Ireland.
- In the three months ended May 31, 2026, the Company recognized pretax severance of \$0.2 related to cost-savings initiatives. In the three months ended May 31, 2025, the Company recognized pretax severance of \$1.3 related to cost-savings initiatives and a pretax impairment charge of \$1.1 related to the reorganization of China.
- In the three months ended May 31, 2026, the Company recognized pretax severance of \$3.7 related to cost-savings initiatives and other pretax expenses of \$1.7. In the three months ended May 31, 2025, the Company recognized pretax severance of \$3.4 related to cost-savings initiatives and other pretax expenses of \$1.9 and an asset impairment charge of \$0.1 related to an early exit of an office lease.



FY26 YTD Earnings (before and after one-time items)

In \$ Millions (except per share data)	Fiscal 2026			Fiscal 2025		
	As Reported	One-Time Items	Excluding One-Time Items	As Reported	One-Time Items	Excluding One-Time Items
Diluted earnings (loss) per share ⁽¹⁾	\$ 2.34	\$ (0.47)	\$ 1.87	\$ (0.07)	\$ 0.55	\$ 0.48
Net income (loss) ⁽²⁾	\$ 56.7	\$ (11.3)	\$ 45.4	\$ (1.9)	\$ 15.2	\$ 13.3
Earnings (loss) before income taxes ⁽³⁾	\$ 85.2	\$ (50.6)	\$ 34.6	\$ (1.3)	\$ 20.0	\$ 18.7
Children's Book Publishing and Distribution ⁽⁴⁾	\$ 142.9	\$ 0.8	\$ 143.7	\$ 130.7	\$ 0.6	\$ 131.3
Education ⁽⁵⁾	(4.1)	4.3	0.2	6.3	0.6	6.9
Entertainment ⁽⁶⁾	(16.1)	6.8	(9.3)	(12.1)	4.9	(7.2)
International ⁽⁷⁾	6.4	0.7	7.1	(1.0)	3.9	2.9
Overhead ⁽⁸⁾	(113.9)	19.3	(94.6)	(108.1)	10.0	(98.1)
Operating income (loss)	\$ 15.2	\$ 31.9	\$ 47.1	\$ 15.8	\$ 20.0	\$ 35.8

- 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 twelve months ended May 31, 2026, the Company recognized a provision of \$39.3 for income taxes in respect to one-time pretax items. In the twelve months ended May 31, 2025, the Company recognized a benefit of \$4.8 for income taxes in respect to one-time pretax items.
- In the twelve months ended May 31, 2026, the Company recognized a pretax loss of \$17.2 related to the sale of its 26.2% equity interest in a U.K.-based children's book publishing business and a pretax gain of \$99.7 related to sale-leaseback transactions involving its facilities in New York City and Jefferson City, Missouri.
- In the twelve months ended May 31, 2026, the Company recognized a pretax asset impairment charge of \$0.8 related to a certain product. In the twelve months ended May 31, 2025, the Company recognized a pretax asset impairment charge of \$0.6 related to a digital product.
- In the twelve months ended May 31, 2026 and May 31, 2025, the Company recognized pretax asset impairment charges of \$4.3 and \$0.6, respectively, related to certain education and digital products.
- In the twelve months ended May 31, 2026, the Company recognized pretax severance of \$0.2 related to cost-savings initiatives, other pretax expense of \$1.4 and a pretax asset impairment charge of \$5.2 primarily related to certain film and television programs in development. In the twelve months ended May 31, 2025, the Company recognized pretax severance of \$1.4 related to cost-savings initiatives, pretax costs of \$3.0 related to the acquisition of 9 Story Media Group and pretax asset impairment of \$0.5 related to the early exit of certain leased office space in Canada and Ireland.
- In the twelve months ended May 31, 2026, the Company recognized pretax severance of \$0.7 related to cost-savings initiatives. In the twelve months ended May 31, 2025, the Company recognized pretax severance of \$2.8 related to cost-savings initiatives and a pretax impairment charge of \$1.1 related to the reorganization of China.
- In the twelve months ended May 31, 2026, the Company recognized pretax severance of \$15.5 related to cost-savings initiatives and other pretax expenses of \$3.8. In the twelve months ended May 31, 2025, the Company recognized pretax severance of \$7.6 related to cost-savings initiatives and other pretax expenses of \$2.3 and an asset impairment charge of \$0.1 related to an early exit of an office lease.



Pro Forma Supplemental Information

In \$ Millions	Fourth Quarter		Change		Full Year		Change	
	Fiscal 2026	Fiscal 2025	\$	%	Fiscal 2026	Fiscal 2025	\$	%
Adjusted unallocated overhead	\$ (33.8)	\$ (30.1)	\$ (3.7)	(12)%	\$ (94.6)	\$ (98.1)	\$ 3.5	4 %
Incremental full-year impact of sale-leaseback transactions	—	(3.9)	3.9		(11.8)	(15.9)	4.1	
Pro forma Adjusted unallocated overhead ⁽¹⁾	\$ (33.8)	\$ (34.0)	\$ 0.2	1 %	\$ (106.4)	\$ (114.0)	\$ 7.6	7 %
Adjusted operating income	\$ 58.3	\$ 63.4	\$ (5.1)	(8)%	\$ 47.1	\$ 35.8	\$ 11.3	32 %
Incremental full-year impact of sale-leaseback transactions	—	(3.9)	3.9		(11.8)	(15.9)	4.1	
Pro forma Adjusted operating income ^{(1) (2)}	\$ 58.3	\$ 59.5	\$ (1.2)	(2)%	\$ 35.3	\$ 19.9	\$ 15.4	77 %
Adjusted EBITDA	\$ 84.7	\$ 91.2	\$ (6.5)	(7)%	\$ 151.5	\$ 145.4	\$ 6.1	4 %
Incremental full-year impact of sale-leaseback transactions	—	(7.5)	7.5		(19.1)	(30.1)	11.0	
Pro forma Adjusted EBITDA ^{(1) (2)}	\$ 84.7	\$ 83.7	\$ 1.0	1 %	\$ 132.4	\$ 115.3	\$ 17.1	15 %

1. Pro forma Adjusted unallocated overhead, Pro forma Adjusted operating income and Pro forma Adjusted EBITDA reflect the net impacts of the sale-leaseback transactions as if the transactions had occurred on June 1, 2024, the beginning of fiscal 2025. Fiscal 2026 reported results include the actual impact beginning upon completion of the transactions in December 2025. The incremental adjustments shown above reflect the additional impact for the portion of fiscal 2026 prior to completion of the transactions. Fiscal 2025 reported results include no impact from the transactions.
2. For fiscal 2026, the full-year pro forma cost impact was \$19.0 on Adjusted operating income, consisting of \$7.2 recognized in reported fiscal 2026 results and \$11.8 of incremental adjustments. For fiscal 2026, the full-year pro forma cost impact on Adjusted EBITDA was \$33.6, consisting of \$14.5 recognized in reported fiscal 2026 results and \$19.1 of incremental adjustments. For fiscal 2025, the full-year pro forma cost impacts were \$15.9 on Adjusted operating income and \$30.1 on Adjusted EBITDA.