



Technology Crossover Ventures to Invest \$125M in K12 Inc. to Accelerate Expansion

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HERNDON, Va., Apr 15, 2011 (BUSINESS WIRE) --

K12 Inc. (NYSE: LRN), the nation's largest provider of proprietary curriculum and online school programs for students in kindergarten through high school, today announced that Technology Crossover Ventures (TCV), a leading provider of growth capital to late-stage private and public companies, has agreed to purchase a minority stake in K12 to support the company's accelerated expansion strategy. The investment of \$125 million was structured as a private placement of 4 million shares of common stock at a price of \$31.46 per share. The transaction will close promptly upon obtaining clearance under the Hart-Scott-Rodino Antitrust Improvements Act of 1976.

K12's growth strategy builds on its \$200 million investment in online curriculum and its proprietary technology platform. Healthy organic growth of its core online individualized learning programs has been further enhanced by development of new sales channels, alliances with leading educational institutions, targeted acquisitions, strategic investments and international expansion. TCV's investment will provide K12 with the financial resources and expertise to accelerate its growth. Jake Reynolds, a general partner of TCV, will join K12's board. Mr. Reynolds has extensive strategy, technology, acquisition and investment expertise that will complement an already strong board and benefit K12 management as the Company executes its mission of providing any child with a quality education, regardless of geographic, financial or demographic circumstance.

"As one of the largest private equity and venture capital firms, TCV brings both established expertise in the online education market and a strong track record of success," said Ron Packard, CEO and Founder of K12. "The confidence TCV has shown in our current and future business models is a firm endorsement of K12's strategy. Our alignment with TCV is a clear indicator of our intention to move forward aggressively with our expansion plans as a leading player in the online education sector, and I look forward to working with TCV on our future strategy."

K12 provides its curriculum and academic services to public and private online schools, traditional classrooms, blended school programs, and directly to families. With its acquisition of KC Distance Learning in 2010, the Company now provides the educational products and services of Aventa LearningTM, the KeystoneTM School and iQ Academies^(R). It also has become a leading provider of instructional and assessment software for kindergarten through adult learners through its acquisition of The American Education Corporation. Students graduating from K12^(R) virtual schools have been accepted to hundreds of higher education institutions including many of the nation's top-ranked colleges and universities.

For the 2010-2011 school year, K12 serves online public schools in 27 states. K12 also operates online private schools including the accredited K12 International AcademyTM, the KeystoneTM School, and the recently launched the George Washington University Online High School. K12 also partnered with Middlebury College in a joint venture called Middlebury Interactive Languages to create and distribute innovative online language courses for pre-college students. Most recently, K12 entered into a strategic investment to acquire a minority interest in Web International English, a leader in English language training for thousands of students in China.

"K12 is an innovative education technology company with tremendous growth potential that exemplifies the leadership we look for in our portfolio companies," said Jake Reynolds. "We believe K12 is now well positioned to build on its proven success in expanding the global markets for its popular online education solutions. I look forward to working with Ron, the K12 Board and management in helping K12 to achieve its full potential."

About TCV

Technology Crossover Ventures (TCV), founded in 1995, is a leading provider of growth capital to technology companies, providing funds to later-stage private and public companies. With \$7.7 billion in capital under management, TCV has made growth equity, PIPE and recapitalization investments in over 170 companies leading to 47 initial public offerings and more than 30 strategic sales or mergers. Representative investments include Altiris, Capella Education Company, C|NET, eHarmony, Embanet-Compass Knowledge Group, Expedia, Facebook, Fandango, Groupon, HomeAway, Netflix, Orbitz, RealNetworks, TechTarget, Travelport, Webroot and Zillow. TCV has 12 partners and is headquartered in Palo Alto, California with offices in New York, NY. For more information about TCV, visit www.tcv.com.

About K12 Inc.

K12 Inc. (NYSE:LRN), a technology-based education company, is America's largest provider of proprietary curriculum and online education programs for students in kindergarten through high school. Founded in 2000, K12 has provided over 2 million courses to students worldwide. K12 offers its curriculum and academic services to public and private online schools, traditional classrooms, hybrid school programs, and directly to families. K12 also operates online public and private schools serving tens of thousands of students in the U.S. and worldwide. More information can be found at www.K12.com

Statements contained in this news release not related to historical facts may be deemed forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to risks and uncertainties (described in the Company's SEC filings) that could cause actual results to differ.

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SOURCE: K12 Inc.

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