



K12 Inc. Announces Strategic Investment in China-based Company, Web International English

November 8, 2010

Move positions K12 to significantly expand its global reach and distribution.

HERNDON, Va., Nov 08, 2010 (BUSINESS WIRE) -- K12 Inc. (NYSE: LRN), one of the largest providers of proprietary curriculum and online school programs for students in kindergarten through high school in the U.S., announced today that its Board of Directors has approved a strategic investment in Web International English ("Web"), a leading education provider in China.

The \$10 million investment gives K12(R) a 20% minority interest in Web, with the option to acquire the remaining ownership interests in the company.

Since 1998, Web (www.webi.com.cn/en) has been a leader in English language training for thousands of learners of all ages throughout China, including university students, government workers, and employees of international companies. Web has a network of 67 learning centers in 45 cities covering most of the country. It currently serves more than 45,000 students.

Web's learning centers provide sophisticated computer-based instruction with classroom sessions to develop and improve students' English skills. The centers allow students to set a flexible schedule around their professional or personal needs.

The proceeds of the investment will primarily be used to expand Web's learning center network into more Chinese cities. Web's core training business has increased by more than 50 percent through the nine month period ended September 30, 2010. Web expects to produce unaudited revenue of approximately \$44 million for the calendar year ended December 31, 2010.

"The strategic investment in Web International English is the most significant international move by K12 since its founding, and I'm very excited about the potential it brings," said Ron Packard, founder and CEO of K12 Inc. "With increased global competition, the demand for high quality language instruction is strong and will continue to grow. This is especially true in China and East Asia. Web is an established company in China with trusted brand recognition, thousands of customers, and a wide distribution network. We're confident this investment will simultaneously strengthen Web's ability to scale and provide a distribution platform for K12's learning products in one of the world's most exciting markets. By expanding Web's product line, we expect they will be able to grow even faster than the already high rate they are growing now."

In recent years, K12 has established global reach through its online private school, K12International Academy™. K12 now serves students in 59 countries and the United States. K12 recently acquired the Keystone™ School which also serves students widely overseas. K12 has developed partnerships with more than 42 private international schools and overseas school associations.

Clark Gao, CEO of Web, said, "We are very excited by our new relationship with K12. Together we can enhance Web's English education business with additional products and services from K12. The investment will allow us to accelerate our growth. K12's experience with young learners will help us expand our services to a broader range of students."

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. K12 provides its curriculum and academic services to public and private online schools, traditional classrooms, hybrid school programs, and directly to families.

Founded in 2000, K12 has provided over 1.5 million courses - core subjects, AP(R), world languages, credit recovery, and electives - to more than 200,000 students worldwide. Over 90 percent of parents surveyed are satisfied with the K12 program and agree that their children have benefited academically with K12. Students graduating from K12 virtual schools have been accepted to hundreds of higher education institutions including many of the nation's top-ranked colleges and universities.

In April 2010, K12 joined with Middlebury College to form a new venture called Middlebury Interactive Languages to create and distribute innovative online language courses for pre-college students. In July, K12 acquired KC Distance Learning, Inc., a nationally recognized leader in online learning with brands that provide high quality education products and online school solutions: Aventa Learning™, The Keystone™ School and iQ Academies(R). In November, K12 announced its agreement to acquire American Education Corporation, a leading provider of instructional and assessment software for kindergarten through adult learners.

K12 is accredited through AdvancED, the world's largest education community. More information on K12 can be found at: www.k12.com

Forward-Looking Statements:

This press release contains forward-looking statements within the meaning of federal securities regulations. These forward-looking statements are identified by their use of terms and phrases such as "anticipate," "believe," "could," "estimate," "expect," "intend," "may," "plan," "predict," "project," "will," "continue" and other similar terms and phrases, including references to assumptions and forecasts of future results. Forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors which may cause the actual results to differ materially from those anticipated at the time the forward-looking statements are made. These risks include, but are not limited to: the reduction of per pupil funding amounts at the schools we serve; reputation harm resulting from poor performance or misconduct of other virtual school operators; challenges from virtual public school opponents; failure of the schools we serve to comply with regulations resulting in a loss of funding; discrepancies in interpretation of legislation by regulatory agencies that may lead to payment or funding disputes; termination of our contracts with schools due to a loss of authorizing charter; failure to renew existing contracts with schools; increased competition; and other risks and uncertainties associated with

our business described in the Company's filings with the Securities and Exchange Commission. Although the Company believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that the expectations will be attained or that any deviation will not be material. All information in this release is as of November 8, 2010, and the Company undertakes no obligation to update any forward-looking statement to conform the statement to actual results or changes in the Company's expectations except as required by law.

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