Safe Harbor.

This presentation contains forward-looking statements regarding 2U, Inc.'s future business expectations, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this presentation, including statements regarding future results of operations and financial position of 2U, including financial targets, business strategy, and plans and objectives for future operations, are forward-looking statements. 2U has based these forward-looking statements largely on its estimates of its financial results and its current expectations and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs as of the date of this presentation. The company undertakes no obligation to update these statements as a result of new information or future events. These forward-looking statements are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from the results predicted, including, but not limited to:

- trends in the higher education market and the market for online education, and expectations for growth in those markets;
- the acceptance, adoption and growth of online learning by colleges and universities, faculty, students, employers, accreditors and state and federal licensing bodies;
- the impact of competition on the company's industry and innovations by competitors;
- the company's ability to comply with evolving regulations and legal obligations related to data privacy, data protection and information security;
- the company's expectations about the potential benefits of its cloud-based software-as-a-service technology and technology-enabled services to university clients and students;
- the company's dependence on third parties to provide certain technological services or components used in its platform;
- the company's expectations about the predictability, visibility and recurring nature of its business model;
- the company's ability to meet the anticipated launch dates of its degree programs, short courses and boot camps;
- the company's ability to acquire new university clients and expand its degree programs, short courses and boot camps with existing university clients;
- the company's ability to successfully integrate the operations of its acquisitions, including Trilogy, to achieve the expected benefits of its acquisitions and manage, expand and grow the combined company;
- the company's ability to refinance its indebtedness on attractive terms, if at all, to better align with its focus on profitability;
- the company's ability to service its substantial indebtedness and comply with the covenants and conversion obligations contained in the indenture governing its convertible senior notes and the credit agreement governing its revolving credit facility;
- the company's ability to generate sufficient future operating cash flows from recent acquisitions to ensure related goodwill is not impaired;
- the company's ability to execute its growth strategy in the international, undergraduate and non-degree alternative markets;
- the company's ability to continue to recruit prospective students for its offerings;
- the company's ability to maintain or increase student retention rates in its degree programs;
- the company's ability to attract, hire and retain qualified employees;
- the company's expectations about the scalability of its cloud-based platform;
- potential changes in regulations applicable to the company or its university clients;
- the company's expectations regarding the amount of time its cash balances and other available financial resources will be sufficient to fund its operations;
- the impact and cost of stockholder activism;
- the impact of any natural disasters or public health emergencies, such as the coronavirus disease 2019 ("COVID-19") pandemic;
- the company's expectations regarding the effect of the capped call transactions and regarding actions of the option counterparties and/or their respective affiliates; and
- other factors beyond the company's control.

These and other potential risks and uncertainties that could cause actual results to differ from the results predicted are more fully detailed under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2020. Moreover, 2U operates in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for 2U management to predict all risks, nor can 2U assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements 2U may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated.
2U, Inc. is the trusted brand steward and the partner of choice to the world’s top universities.

*As of April 28, 2021*
Investment Thesis.

Leading position in multi-trillion dollar\(^1\) market with accelerating digital adoption

Uniquely positioned to develop high-quality educational offerings across the Career Curriculum Continuum

Preferred digital transformation partner for top global institutions

Sizable and scalable platform delivering strong growth

Sustainable, resilient business model with financial flexibility to execute strategy and drive to cash generation

\(^{1}\) Source: HolonIQ, April 2020: The $7B Global OPM and Academic PPP Market
2U is Positioned Across the Spectrum of Higher Education.

**Career: Life of the student**
- University’s role in a student’s life

**Curriculum: University’s role in a student’s life**
- 2U product strategy

**Continuum: 2U product strategy**
- MOOCs
- YouTube Library
- Free
- Short Courses
- Course Stacks
- Boot Camps
- Professional Certificates
- Grad & Undergrad Degrees
- Lower Cost
- Higher Cost

**Reporting Segment:**
- Degree Program
- Alternative Credential
Our scalable platform, 2UOS, is a comprehensive suite of tech-enabled capabilities powering market-relevant products across the CCC.
Our Product Offerings.
No one has more experience and data to lead a digital learning revolution than 2U.

- **3,000** Boot Camp Instructors
- **>3,000** Registered Students
- **>67,000** Field Placements
- **540+** Offerings
- **80** University Partners
- **872,000+** Live Classes
- **240,000+** Graduates

(Inception to date, as of March 31, 2021)
Financial Highlights
First Quarter Results Show Continued Momentum.

1. **Strong 1Q’21 revenue growth**
   - Revenue of $232.5M, up 32% year-over-year
   - Degree Program revenue up 23% to $145.9M
   - Alternative Credential revenue up 52% to $86.6M

2. **1Q’21 adjusted EBITDA margin of 6%\(^1\)**
   - Adjusted EBITDA of $13.7M\(^1\)
   - $18.1M improvement vs. 1Q’20

3. **TTM unlevered FCF positive for the first time**
   - 1Q’21 total ending cash balance of $505.1M
   - TTM unlevered FCF of $9.0M\(^1\)
   - $67.5M improvement over the past year

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\(^1\) Adjusted EBITDA, adjusted EBITDA margin, and unlevered free cash flow are non-GAAP financial measures. Refer to the Appendix for a reconciliation of non-GAAP financial measures to the most comparable GAAP measures.
Full Course Equivalent (FCE) Enrollments.

FCE growth driven by strong new enrollments across all products, helped by retention improvements in Degree Program Segment.

Note: We measure full course equivalent enrollments for each of the courses offered during a particular period by taking the number of students enrolled in that course and multiplying it by the percentage of the course completed during that period.
Consolidated Revenue Growth.
*(in $ millions)*

<table>
<thead>
<tr>
<th>Period</th>
<th>Alternative Credential Revenue</th>
<th>Degree Program Revenue</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1Q'19</td>
<td>122.2</td>
<td>104.2</td>
<td>226.4</td>
</tr>
<tr>
<td>2Q'19</td>
<td>135.5</td>
<td>101.4</td>
<td>236.9</td>
</tr>
<tr>
<td>3Q'19</td>
<td>153.8</td>
<td>103.4</td>
<td>257.2</td>
</tr>
<tr>
<td>4Q'19</td>
<td>163.2</td>
<td>108.2</td>
<td>271.4</td>
</tr>
<tr>
<td>1Q'20</td>
<td>175.5</td>
<td>118.5</td>
<td>294.0</td>
</tr>
<tr>
<td>2Q'20</td>
<td>182.7</td>
<td>115.7</td>
<td>308.4</td>
</tr>
<tr>
<td>3Q'20</td>
<td>201.1</td>
<td>122.0</td>
<td>323.1</td>
</tr>
<tr>
<td>4Q'20</td>
<td>215.3</td>
<td>130.5</td>
<td>345.8</td>
</tr>
<tr>
<td>1Q'21</td>
<td>232.5</td>
<td>145.9</td>
<td>378.4</td>
</tr>
</tbody>
</table>

**Y/Y Growth**
- **1Q'19**: 32%
- **2Q'19**: 39%
- **3Q'19**: 44%
- **4Q'19**: 42%
- **1Q'20**: 44%
- **2Q'20**: 35%
- **3Q'20**: 31%
- **4Q'20**: 32%
- **1Q'21**: 32%

**D.P. Y/Y Growth**
- **1Q'19**: 29%
- **2Q'19**: 25%
- **3Q'19**: 15%
- **4Q'19**: 12%
- **1Q'20**: 14%
- **2Q'20**: 14%
- **3Q'20**: 18%
- **4Q'20**: 21%
- **1Q'21**: 23%

**A.C. Y/Y Growth**
- **1Q'19**: 54%
- **2Q'19**: 110%
- **3Q'19**: 192%
- **4Q'19**: 202%
- **1Q'20**: 216%
- **2Q'20**: 97%
- **3Q'20**: 57%
- **4Q'20**: 54%
- **1Q'21**: 52%

**Organic Y/Y Growth**
- **1Q'19**: 32%
- **2Q'19**: 27%
- **3Q'19**: 17%
- **4Q'19**: 13%
- **1Q'20**: 15%
- **2Q'20**: 18%
- **3Q'20**: 31%
- **4Q'20**: 32%
- **1Q'21**: 32%

*(1)* Organic growth for each quarter excludes all revenue from acquisitions completed since the start of the prior-year quarter where applicable. The acquisition of Trilogy was completed May 22, 2019.
Unlevered Free Cash Flow.
*(in millions on a trailing twelve-month basis)*

Unlevered free cash flow is a non-GAAP financial measure. Refer to the Appendix for a reconciliation of non-GAAP financial measures to their most comparable GAAP measure.
Key Takeaways.

1. Delivered strong results for the first quarter with continued revenue growth and expanding adjusted EBITDA margin.

2. Crossed over into unlevered FCF positive on a TTM basis, driven by improvement in adjusted EBITDA margin, net working capital initiatives, and reduced CapEx.

3. Adoption of high-quality digital education is accelerating, as evidenced by increasing demand for our offerings and services.
Non-GAAP Measures.

To provide investors and others with additional information regarding 2U’s results, the company has disclosed the following non-GAAP financial measures: adjusted EBITDA (loss), adjusted EBITDA margin, unlevered free cash flow, adjusted net income (loss), and adjusted net income (loss) per share. The company has provided a reconciliation of each non-GAAP financial measure used in this earnings presentation to the most directly comparable GAAP financial measure. The company defines adjusted EBITDA (loss) as net income or net loss, as applicable, before net interest income (expense), foreign currency gains or losses, taxes, depreciation and amortization expense, deferred revenue fair value adjustments, transaction costs, integration costs, restructuring-related costs, stockholder activism costs, certain litigation-related costs, consisting of fees for certain non-ordinary course litigation and other proceedings, impairment charges, losses on debt extinguishment, and stock-based compensation expense. The company defines adjusted EBITDA margin as adjusted EBITDA divided by revenue. The company defines unlevered free cash flow as net cash provided by (used in) operating activities, less capital expenditures, payments to university clients, certain non-ordinary cash payments, and cash interest payments on debt. The company defines adjusted net income (loss) as net income or net loss, as applicable, before foreign currency gains or losses, acquisition-related gains or losses, deferred revenue fair value adjustments, transaction costs, integration costs, restructuring-related costs, stockholder activism costs, certain litigation-related costs, consisting of fees for certain non-ordinary course litigation and other proceedings, impairment charges, losses on debt extinguishment, and stock-based compensation expense. Adjusted net income (loss) per share is calculated as adjusted net income (loss) divided by diluted weighted-average shares of common stock outstanding for periods that result in adjusted net income, and basic weighted-average shares outstanding for periods that result in an adjusted net loss. Some of the adjustments described in the definitions of adjusted EBITDA (loss), unlevered free cash flow, and adjusted net income (loss) may not be applicable in any given reporting period and they may vary from period to period.

The company’s management uses these non-GAAP financial measures to understand and compare operating results across accounting periods, to understand cash that is generated by or available for operational expenses and investment in the business after capital expenditures, for internal budgeting and forecasting purposes, for short- and long-term operating plans, and to evaluate the company’s financial performance. Management believes these non-GAAP financial measures reflect the company’s ongoing business in a manner that allows for meaningful period-to-period comparisons and analysis of trends in the company’s business as they exclude expenses that are not reflective of ongoing operating results. Management also believes that these non-GAAP financial measures provide useful information to investors and others in understanding and evaluating the company’s operating results and prospects in the same manner as management and in comparing financial results across accounting periods and to those of peer companies.

The use of adjusted EBITDA (loss), adjusted EBITDA margin, unlevered free cash flow, adjusted net income (loss), and adjusted net income (loss) per share measures has certain limitations, as they do not reflect all items of income and expense that affect the company’s operations. The company compensates for these limitations by reconciling the non-GAAP financial measures to the most directly comparable GAAP financial measures. These non-GAAP financial measures should be considered in addition to, not as a substitute for or in isolation from, measures prepared in accordance with GAAP. Further, these non-GAAP measures may differ from the non-GAAP information used by other companies, including peer companies, and therefore comparability may be limited. Management encourages investors and others to review the company’s financial information in its entirety and not rely on a single financial measure.
# Adjusted EBITDA Reconciliation.

*(in millions)*

<table>
<thead>
<tr>
<th>Reconciliation of non-GAAP adjusted EBITDA to GAAP net loss</th>
<th>Quarter Ended 3/31/2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net loss</strong></td>
<td>$(45.6)</td>
</tr>
<tr>
<td><strong>Adjustments:</strong></td>
<td></td>
</tr>
<tr>
<td>Stock-based compensation expense</td>
<td>24.9</td>
</tr>
<tr>
<td>Foreign currency loss</td>
<td>0.9</td>
</tr>
<tr>
<td>Amortization of acquired intangible assets</td>
<td>10.5</td>
</tr>
<tr>
<td>Income tax benefit on amortization of acquired intangible assets</td>
<td>(0.3)</td>
</tr>
<tr>
<td>Other*</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Adjusted net loss</strong></td>
<td>(8.6)</td>
</tr>
<tr>
<td>Net interest expense</td>
<td>7.5</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>0.3</td>
</tr>
<tr>
<td>Depreciation and amortization expense</td>
<td>14.5</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td>$13.7</td>
</tr>
<tr>
<td>Adjusted EBITDA Margin</td>
<td>6%</td>
</tr>
</tbody>
</table>

*Includes (i) transaction and integration expense of $0.1 million, (ii) restructuring-related expense of $0.5 million, and (iii) stockholder activism and litigation-related expense of $0.4 million, for the three months ended March 31, 2021.*
## Unlevered Free Cash Flow Reconciliation.

*(in millions)*

<table>
<thead>
<tr>
<th></th>
<th>1Q'19</th>
<th>2Q'19</th>
<th>3Q'19</th>
<th>4Q'19</th>
<th>1Q'20</th>
<th>2Q'20</th>
<th>3Q'20</th>
<th>4Q'20</th>
<th>1Q'21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net cash provided by (used in) operating activities</strong></td>
<td>$(16.8)</td>
<td>$(30.8)</td>
<td>$(62.7)</td>
<td>$(52.0)</td>
<td>$(29.3)</td>
<td>$(10.7)</td>
<td>$26.8</td>
<td>$29.6</td>
<td>$47.1</td>
</tr>
<tr>
<td>Additions to amortizable intangible assets</td>
<td>(57.0)</td>
<td>(57.6)</td>
<td>(64.4)</td>
<td>(64.9)</td>
<td>(67.2)</td>
<td>(65.0)</td>
<td>(60.7)</td>
<td>(62.8)</td>
<td>(61.2)</td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td>(13.3)</td>
<td>(15.0)</td>
<td>(15.3)</td>
<td>(13.4)</td>
<td>(12.7)</td>
<td>(9.5)</td>
<td>(7.6)</td>
<td>(6.5)</td>
<td>(4.9)</td>
</tr>
<tr>
<td>Payments on acquisition of amortizable intangible assets</td>
<td>(6.2)</td>
<td>(6.2)</td>
<td>(1.3)</td>
<td>(2.2)</td>
<td>(0.9)</td>
<td>(0.9)</td>
<td>(0.9)</td>
<td>--</td>
<td>--</td>
</tr>
<tr>
<td>Payments to university clients</td>
<td>20.0</td>
<td>24.7</td>
<td>26.5</td>
<td>26.1</td>
<td>14.9</td>
<td>7.5</td>
<td>4.1</td>
<td>5.8</td>
<td>6.6</td>
</tr>
<tr>
<td>Non-ordinary cash payments*</td>
<td>-</td>
<td>4.0</td>
<td>11.0</td>
<td>14.0</td>
<td>19.6</td>
<td>17.9</td>
<td>17.1</td>
<td>19.4</td>
<td>15.5</td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>(73.3)</td>
<td>(80.9)</td>
<td>(106.2)</td>
<td>(92.4)</td>
<td>(75.6)</td>
<td>(60.7)</td>
<td>(21.2)</td>
<td>(14.5)</td>
<td>3.1</td>
</tr>
<tr>
<td>Cash interest payments on debt</td>
<td>-</td>
<td>1.9</td>
<td>7.1</td>
<td>12.1</td>
<td>17.1</td>
<td>16.5</td>
<td>11.3</td>
<td>10.8</td>
<td>5.9</td>
</tr>
<tr>
<td><strong>Unlevered free cash flow</strong></td>
<td>$(73.3)</td>
<td>$(79.0)</td>
<td>$(99.1)</td>
<td>$(80.3)</td>
<td>$(58.5)</td>
<td>$(44.2)</td>
<td>$(9.9)</td>
<td>$(3.7)</td>
<td>$9.0</td>
</tr>
</tbody>
</table>

*Includes transaction, integration, restructuring-related, stockholder activism, and litigation-related costs.