



# Apollo Education Group, Inc.

## News Release

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### PRELIMINARY COURT APPROVAL OF PROPOSED SETTLEMENT IN *GUINAN V. APOLLO*

PHOENIX – (Business Wire) -- Feb. 10, 2017. Apollo Education Group, Inc. (“Apollo”) today announced that on January 31, 2017, the Superior Court of Arizona entered an order giving preliminary approval to the previously announced settlement of the derivative action captioned *Kevin J. Guinan et. al. v. Apollo Education Group, Inc. et. al.*, Case Number CV2016-005901. The complaint had asserted claims against Apollo’s directors and officers for alleged breaches of fiduciary duties, unjust enrichment, abuse of control and corporate waste relating to recruitment practices, false claims, our new student classroom, share repurchases and other matters (“Pre-Merger Claims”). The complaint also sought an order to terminate or postpone Apollo’s proposed merger with a subsidiary of AP VIII Queso Holdings, L.P. because the indemnification provision for the merger allegedly would have immunized individual defendants from liability for the asserted claims (“Merger Claims”). Apollo and its officers and directors named as defendants have denied and continue to deny that they have committed or attempted to commit any violations of law, any breach of fiduciary duty owed to Apollo, or any wrongdoing whatsoever.

Under the settlement, Apollo and the individual defendants will stipulate that the indemnification provision shall provide officers and directors of Apollo, including the individual defendants, with no more protection than that which was available under the Company’s current articles of incorporation and by-laws. With this stipulation, Plaintiffs have agreed to release all their individual direct claims and their derivative Merger Claims arising from the facts and circumstances related to the Merger Agreement. These released claims shall be dismissed with prejudice. The remaining derivative Pre-Merger Claims shall be dismissed *without* prejudice. In connection with the settlement, Plaintiffs will request an award of attorneys’ fees and expenses in the amount of \$356,000.

A notice more fully describing the terms of the settlement can be found at [www.apollo.edu/investor-relations](http://www.apollo.edu/investor-relations). A hearing to consider final approval of the settlement is scheduled for April 21, 2017 at 1:30 p.m.

#### **About Apollo Education Group, Inc.**

Apollo Education Group, Inc. is a private education provider serving students since 1973. Through its subsidiaries, Apollo Education Group offers undergraduate, graduate, certificate and nondegree educational programs and services, online and on-campus, principally to working adults in the U.S. and abroad. For more information about Apollo Education Group, Inc. and its subsidiaries visit the Company’s website at [www.apollo.edu](http://www.apollo.edu).

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