

March 31, 2017



Legacy Education Alliance, Inc. Announces Fiscal Year 2016 Results

- *Increase in Net Income of \$6.6 million or \$0.31 per basic and \$0.30 per diluted common share YoY*

Company to hold Conference Call on Wednesday, April 5, 2017

CAPE CORAL, Fla.--(BUSINESS WIRE)-- Legacy Education Alliance, Inc. (OTCQB:LEAI) (www.legacyeducationalalliance.com), a leading international provider of practical, high-quality, and value-based educational training on the topics of personal finance, entrepreneurship, real estate, and financial markets investing strategies and techniques, today announced financial results for the fiscal year ended December 31, 2016.

Fiscal Year 2016 Overview

- Net income was \$3.9 million or \$0.18 per basic and \$0.17 per diluted common share for the year ended December 31, 2016 compared to a net loss of (\$2.7) million or (\$0.13) per basic and diluted common share for the year ended December 31, 2015, an increase in net income of \$6.6 million or \$0.31 per basic and \$0.30 per diluted common share.
- Revenue was \$89.2 million for the year ended December 31, 2016 compared to \$87.2 million for the year ended December 31, 2015, an increase of \$2.0 million or 2.3%.
- Non-U.S. revenue was \$34.4 million for the year ended December 31, 2016 compared to \$28.9 million for the year ended December 31, 2015, an increase of \$5.5 million or 19.0%.
- Cash sales were \$86.8 million for the year ended December 31, 2016 compared to \$94.1 million for the year ended December 31, 2015, a decrease of \$7.3 million or 7.8%.
- Total operating costs and expenses were \$86.7 million for the year ended December 31, 2016 compared to \$90.3 million for the year ended December 31, 2015, a decrease of \$3.6 million or 4.0%.
- Revenue from attendance was \$74.4 million for the year ended December 31, 2016 compared to \$66.9 million for the year ended December 31, 2015, an increase of \$7.5 million or 11.2%.

"2016 proved to be a strong and transitional year for Legacy Education Alliance in many respects," said Anthony Humpage, Legacy Education Alliance CEO. "We generated significant year-over-year improvement in net income, EPS and our international expansion continued to yield impressive performance. Our core focus has remained improving our

continuing international growth and our brand penetration while diversifying our course offerings through our proprietary online portal. We have also invested in our IT infrastructure with the ongoing implementation of a new ERP system which will drive operational efficiencies while enabling sales, marketing and customer service improvements which we envision will drive improved operating results. We anticipate cash sales to increase throughout 2017, particularly as our new brands gain greater traction and as we continue to expand internationally and hone our selling and marketing strategies in new markets. We expect these developments will continue to enhance shareholder value,” Mr. Humpage added.

FY 2016 VERSUS FY 2015 RESULTS

Revenue was \$89.2 million for the year ended December 31, 2016 compared to \$87.2 million for the year ended December 31, 2015, an increase of \$2.0 million or 2.3%. The increase was due to increased attendance (i.e. fulfillment) of \$7.5 million or 11.2% and the increase in recognition of revenue from expired contracts of \$1.1 million or 8.5%, partially offset by the decline in recognition of revenue of \$6.6 million or 95.3%, due to the change in our revenue recognition policy with regards to DVD fulfillment. Cash sales were \$86.8 million for the year ended December 31, 2016 compared to \$94.1 million for the year ended December 31, 2015, a decrease of \$7.3 million or 7.8%. The decrease was driven primarily by a \$12.8 million decrease in our U.S. segment related to the effects of a sluggish U.S. economy and a \$2.5 million decrease in our U.K. segment, which was partially offset by an \$8.2 million increase in our Other Foreign Markets segment.

Total operating costs and expenses were \$86.7 million for the year ended December 31, 2016 compared to \$90.3 million for the year ended December 31, 2015, a decrease of \$3.6 million or 4.0%. The decrease was due to a \$1.2 million decrease in general and administrative expenses, a \$1.2 million decrease in royalty expense, a \$0.8 million decrease in advertising and sales expenses, and a \$0.4 million decrease in direct course expenses.

Net income was \$3.9 million or \$0.18 per basic and \$0.17 per diluted common share for the year ended December 31, 2016 compared to a net loss of (\$2.7) million or (\$0.13) per basic and diluted common share for the year ended December 31, 2015, an increase in net income of \$6.6 million or \$0.31 per basic and \$0.30 per diluted common share. Net income for the year ended December 31, 2016 was positively impacted by the increase in revenue primarily due to increased attendance (i.e. fulfillment) of \$7.5 million or 11.2% and decreases in operating costs and expenses of \$3.6 million or 4.0%, due to decreases in general and administrative expenses of \$1.2 million, royalty expense of \$1.2 million, advertising and sales expenses of \$0.8 million, direct course expenses of \$0.4 million and a \$0.9 million increase in income tax benefit related to the release of certain valuation allowances against certain deferred tax assets in the U.S. and U.K. segments.

CASH FLOW AND CAPITAL STRUCTURE

Net cash used in operating activities was \$1.6 million in the year ended December 31, 2016 compared to net cash provided by operating activities of \$2.8 million in the year ended December 31, 2015, representing a period-over-period decrease of \$4.4 million. This decrease was primarily the result of a decrease in current liabilities for deferred revenue in 2016 as a result of increased revenue recognition related to the previously-mentioned increase in fulfillment.

Our consolidated capital structure as of December 31, 2016 and December 31, 2015 was 100.0% equity.

CONFERENCE CALL

Legacy Education Alliance, Inc. will hold a conference call on Wednesday, April 5, 2017 at 4:30p.m. ET to discuss its financial results for the fiscal year ended December 31, 2016.

To listen to the conference call, interested parties within the U.S. should dial 1-877-852-6561 or 719-325-4758 for international calls, approximately 10 minutes prior to the scheduled start time. Conference ID: 6160582. The conference call will also be available through a live webcast, which can be accessed at <http://public.viavid.com/index.php?id=123366> or through the company's website at <http://ir.legacyeducationalliance.com/ir-calendar>. Management will answer pre-submitted questions gathered prior to the earnings conference call in the Question and Answer period of the call. Interested parties may submit questions for Management's review prior to the call by submitting them in writing to Legacy Education Alliance Investor Relations at scottg@coreir.com.

A replay of the call will be available for two weeks from 7:30 p.m. ET on April 5, 2017 until 11:59 p.m. ET on April 19, 2017. The number for the replay is (844) 512-2921 (US), or (412) 317-6671 for international calls; the passcode for the replay is 6160582. The replay will also be available via the internet at <http://public.viavid.com/index.php?id=123366> or through the company's website at <http://ir.legacyeducationalliance.com/ir-calendar>.

About Legacy Education Alliance Inc.

Legacy Education Alliance, Inc. (<http://www.legacyeducationalliance.com>) is a leading international provider of practical, high-quality, and value-based educational training on the topics of personal finance, entrepreneurship, real estate, and financial markets investing strategies and techniques. Legacy Education Alliance was founded in 1996. Today we are a global company with approximately 200 employees that has cumulatively served more than two million students from more than 150 countries and territories over the course of our operating history.

We offer our training through a variety of brands including Rich Dad® Education; Rich Dad® Stock Education; Making Money from Property with Martin Roberts™; Brick Buy Brick™; Building Wealth 5PC; Robbie Fowler Property Academy™; Women in Wealth™; The Independent Woman™; Trade Up Investor Education™; and Elite Business Star™. For more information, please visit our website at www.legacyeducationalliance.com.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act") (which Sections were adopted as part of the Private Securities Litigation Reform Act of 1995). Statements preceded by, followed by or that otherwise include the words "believe," "anticipate," "estimate," "expect," "intend," "plan," "project," "prospects," "outlook," and similar words or expressions, or future or conditional verbs such as "will," "should," "would," "may," and "could," are generally forward-looking in nature and not historical facts. These forward-looking statements involve known and

unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from any anticipated results, performance or achievements. The Company disclaims any intention to, and undertakes no obligation to, revise any forward-looking statements, whether as a result of new information, a future event, or otherwise. For additional risks and uncertainties that could impact the Company's forward-looking statements, please see the Company's Annual Report on Form 10-K (including but not limited to the discussion under "Risk Factors" therein) filed with the SEC on March 31, 2017 and which may be viewed at <http://www.sec.gov>.

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Source: Legacy Education Alliance, Inc.