

The image features a large white circular graphic in the center, overlaid on a scenic background of a green field, a large tree, and hills. The Pepperdine University logo is positioned at the top of the circle, with the word "PEPPERDINE" in a blue serif font and "UNIVERSITY" in a smaller blue sans-serif font below it, separated by two horizontal lines. The background shows a concrete wall with "Pepperdine University" engraved on it, a path, and a tall white tower in the distance under a clear sky.

PEPPERDINE
UNIVERSITY

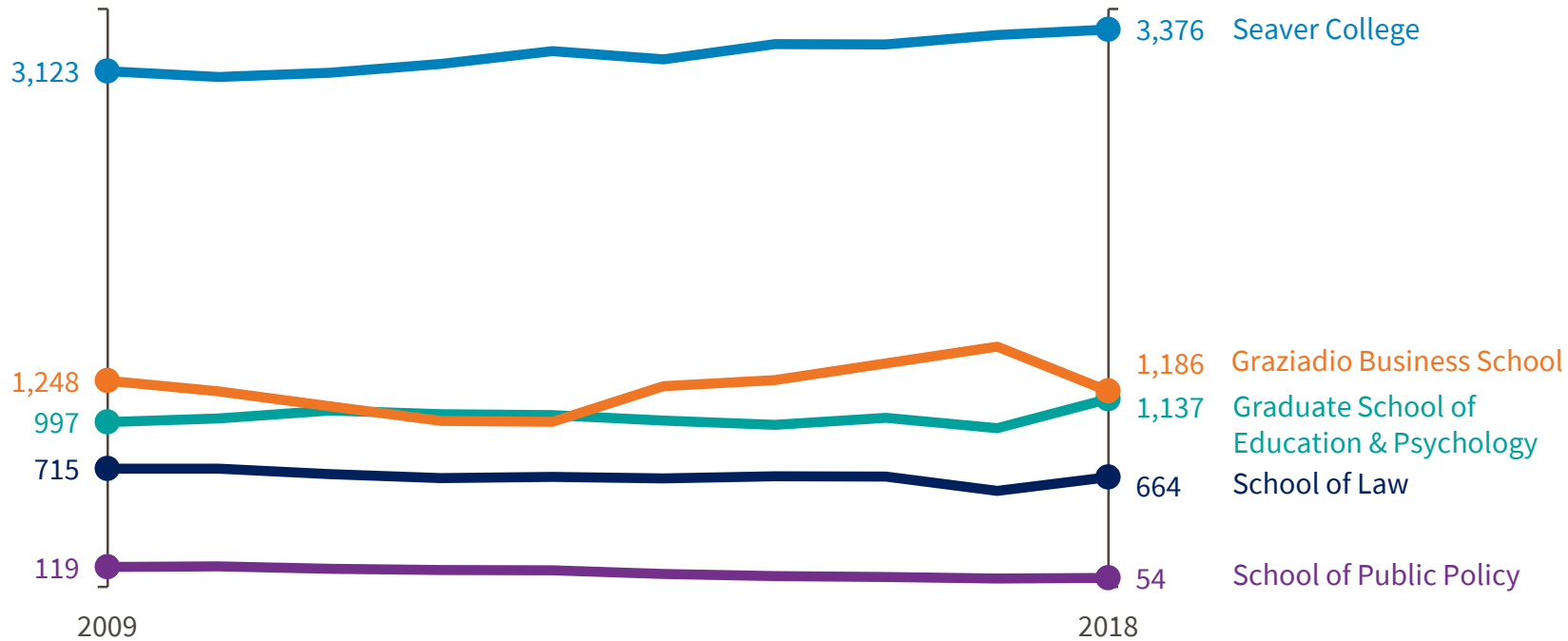
Financial Overview

FISCAL 2018



Admissions & Enrollments

Full-Time Equivalent (FTE) Enrolled Students by School, Fall Term



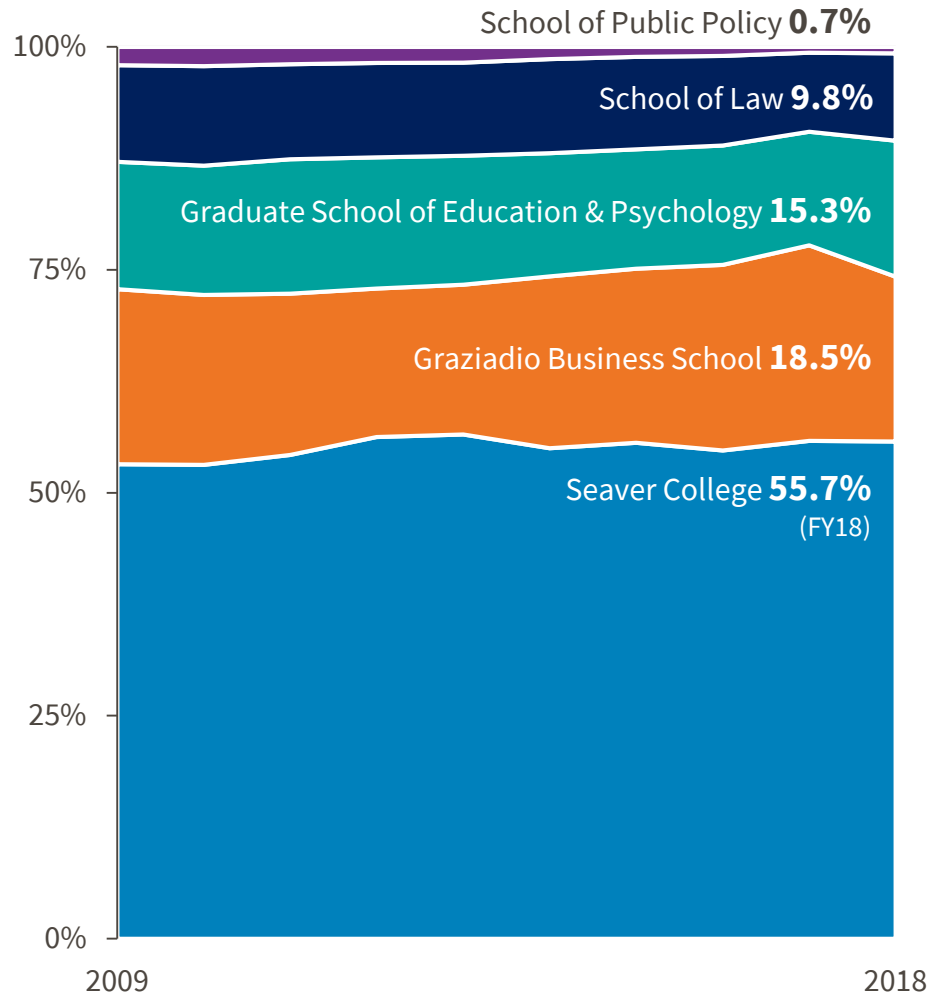
	2009	2014	2017	2018	1-Yr % Chg	5-Yr % Chg	10-Yr % Chg
Seaver College	3,123	3,195	3,343	3,376	1.0%	5.7%	8.1%
Graziadio Business School	1,248	1,215	1,455	1,186	-18.5%	-2.4%	-5.0%
Graduate School of Education & Psychology	997	1,007	961	1,137	18.3%	12.9%	14.0%
School of Law	715	657	580	664	14.5%	1.1%	-7.1%
School of Public Policy	119	77	50	54	8.0%	-29.9%	-54.6%
Total University	6,202	6,151	6,389	6,417	0.4%	4.3%	3.5%



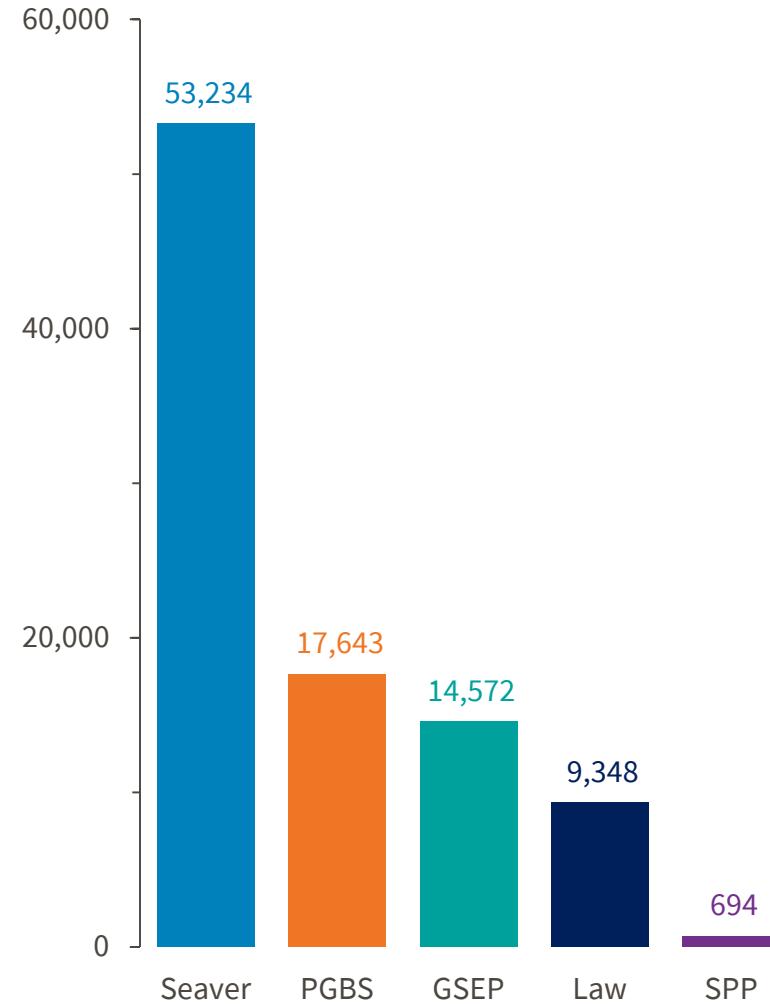


Credit Hours Sold by School, Fall Term

Distribution of Credit Hours by School

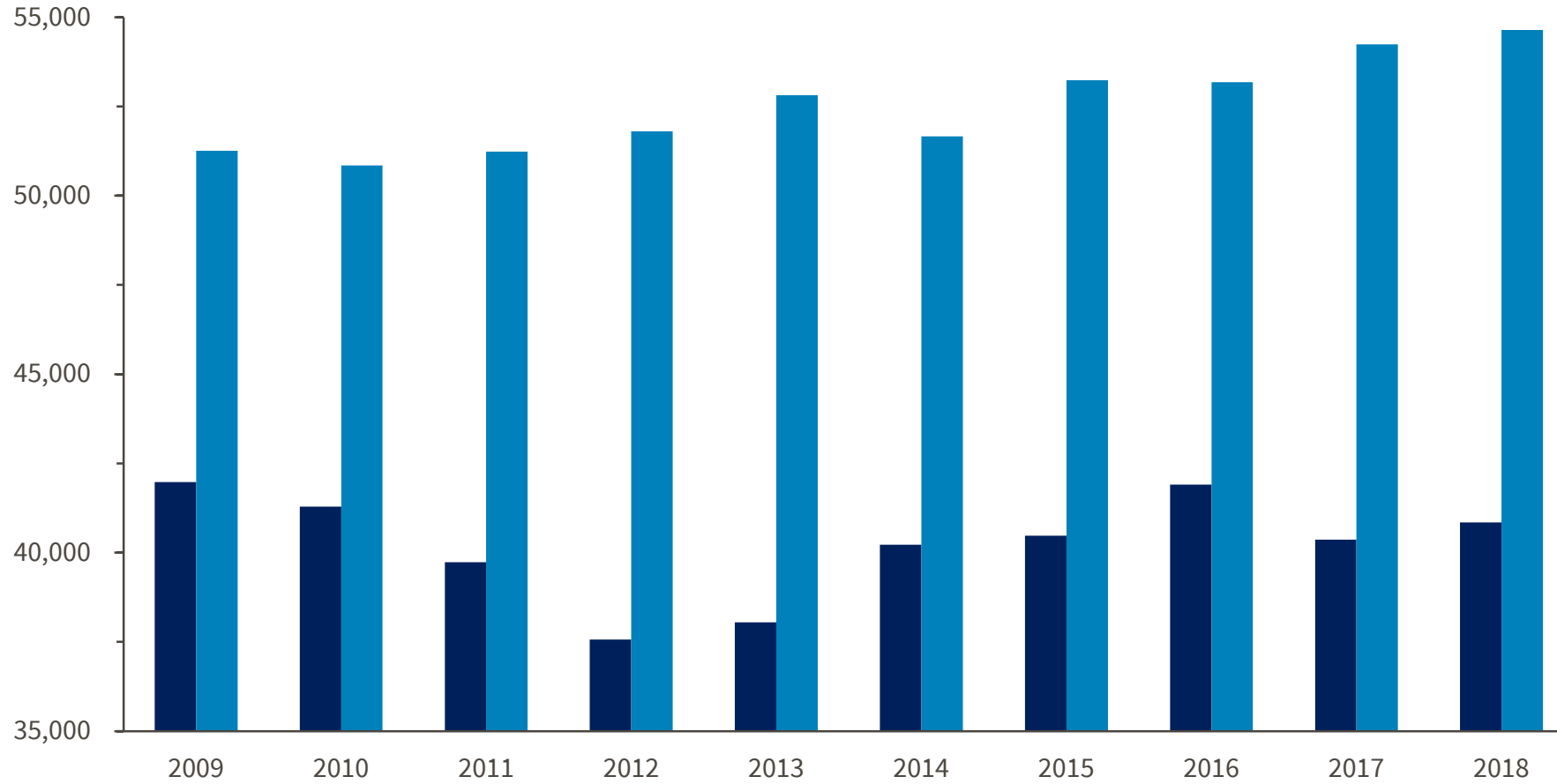


Fall 2018 Credit Hours Sold by School





Fall Term Credit Hours Sold



▲ 3,384
+0.7% CAGR
 Ten-Year Change in Undergraduate Credit Hours

▼ 1,126
-0.3% CAGR
 Ten-Year Change in Graduate Credit Hours

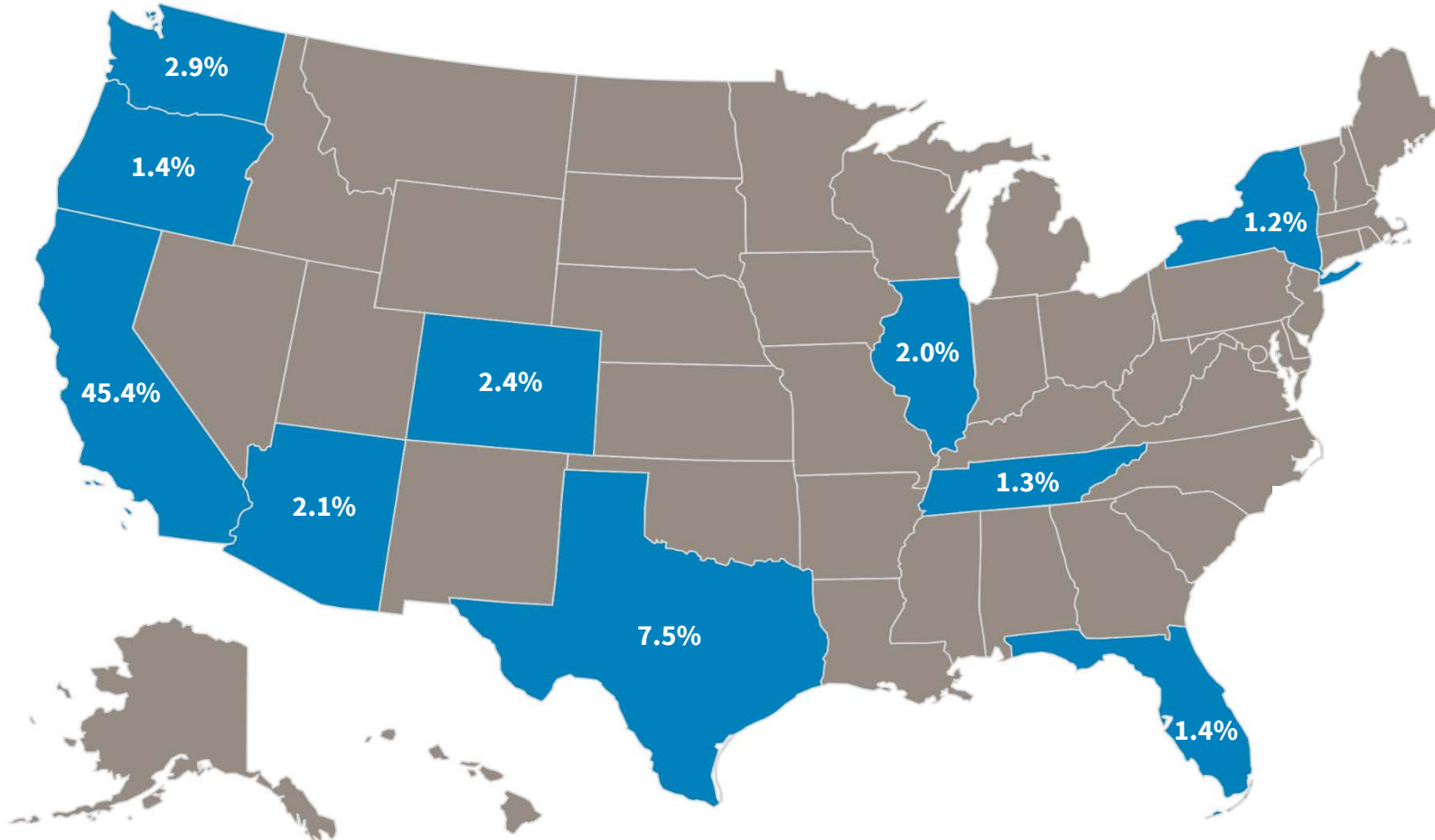
51,258	50,848	51,232	51,800	52,816	51,660	53,237	53,180	54,236	54,642	Undergraduate
41,975	41,286	39,733	37,569	38,050	40,221	40,472	41,908	40,368	40,849	Graduate
93,233	92,134	90,965	89,369	90,866	91,881	93,709	95,088	94,604	95,491	Total



Seaver College Fall Term Enrollment by Geographic Region, All Programs

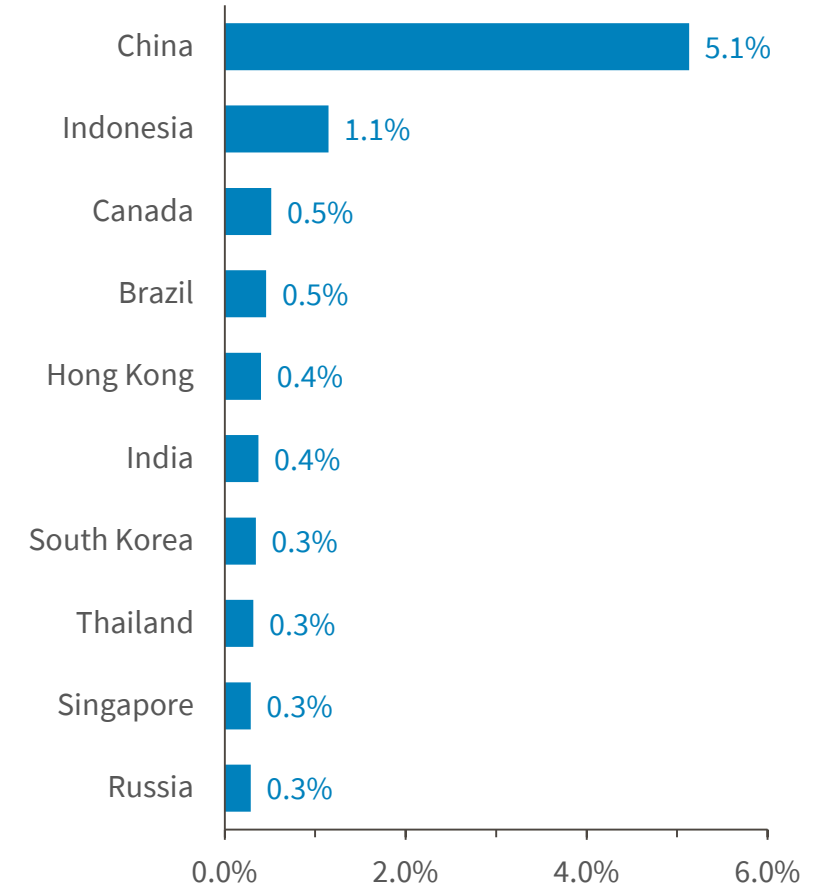
Top 10 States

As a % of Total Student Body



Top 10 Foreign Countries

As a % of Total Student Body





Fall Term Admissions & Enrollments, All Programs

Legend

Ratios

Acceptance Rate

Yield Rate

Statistics

Applied

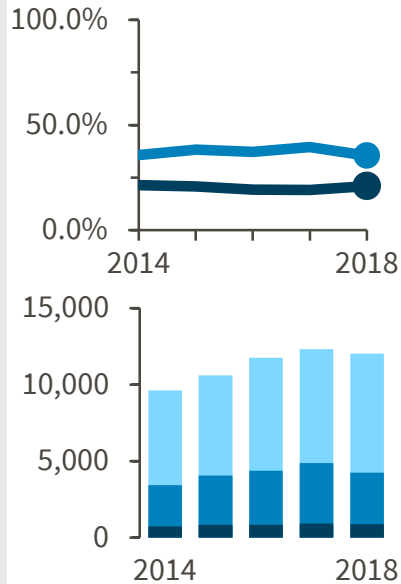
Accepted

Enrolled

Reference Table

	2014	2018
Applied	9,621	12,033
Accepted	3,432	4,256
Enrolled	733	894
Acceptance %	35.7%	35.4%
Yield %	21.4%	21.0%

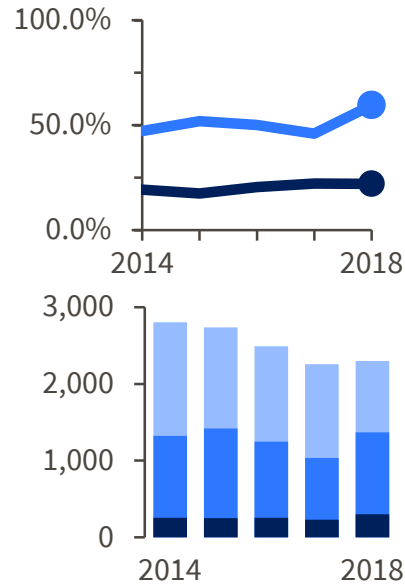
Seaver College¹



¹axis scaled for representation

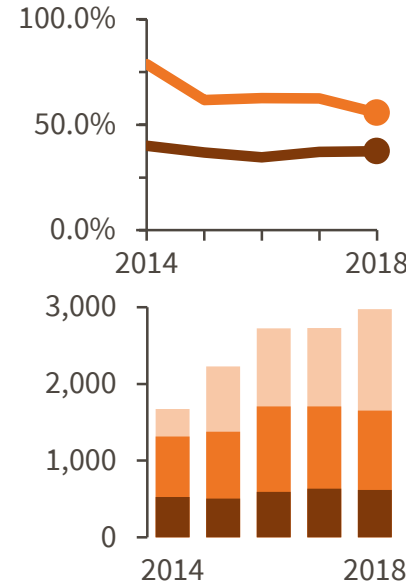
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School of Law



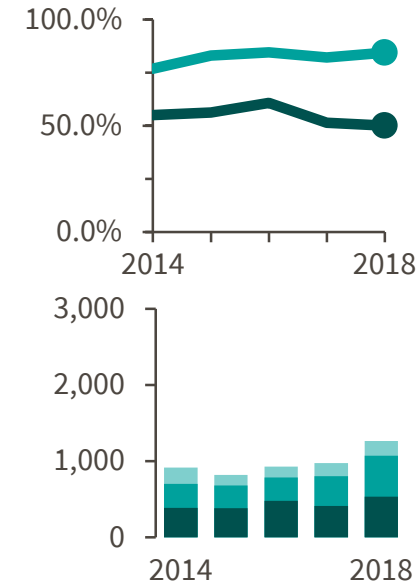
	2014	2018
Applied	2,802	2,297
Accepted	1,322	1,368
Enrolled	255	301
Acceptance %	47.2%	59.6%
Yield %	19.3%	22.0%

Graziadio Business School



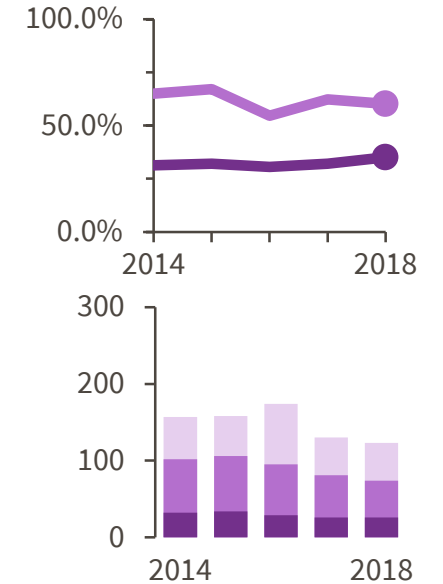
	2014	2018
Applied	1,671	2,976
Accepted	1,315	1,654
Enrolled	527	619
Acceptance %	78.7%	55.6%
Yield %	40.1%	37.4%

Graduate School of Education & Psychology



	2014	2018
Applied	916	1,266
Accepted	704	1,070
Enrolled	387	536
Acceptance %	76.9%	84.5%
Yield %	55.0%	50.1%

School of Public Policy¹



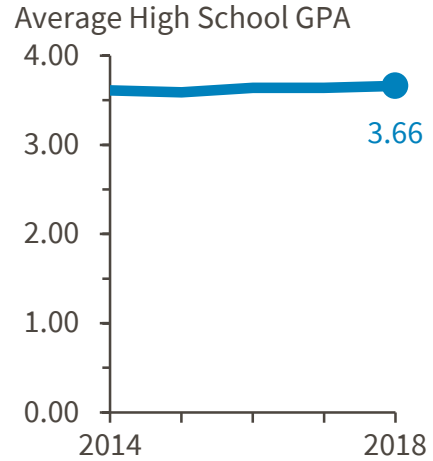
¹axis scaled for representation

	2014	2018
Applied	157	123
Accepted	102	74
Enrolled	32	26
Acceptance %	65.0%	60.2%
Yield %	31.4%	35.1%



Student Quality, Fall Admit Cohorts

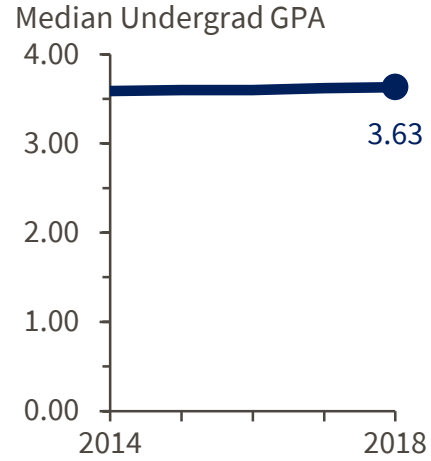
Seaver College First-Time, First-Year Students



1317

Average SAT Score¹
1294 (Fall 2017)

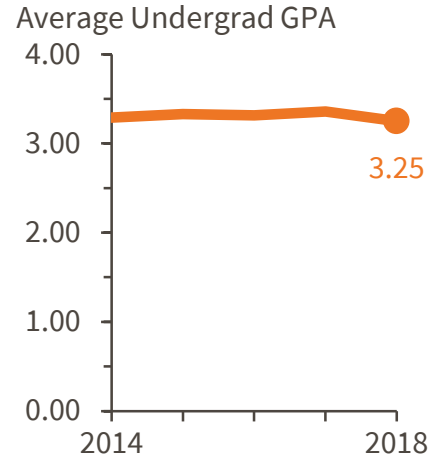
School of Law JD Program



160

Median LSAT Score
160 (Fall 2017)

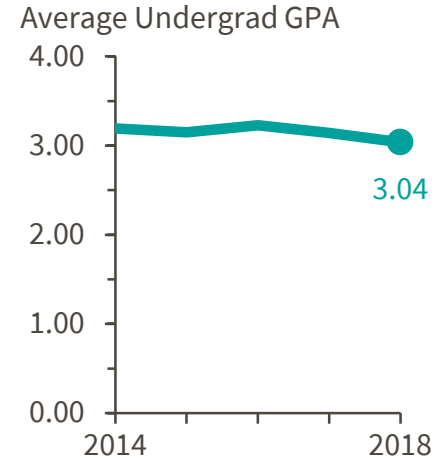
Graziadio Business School Full-Time Programs



623

Average GMAT Score
663 (Fall 2017)

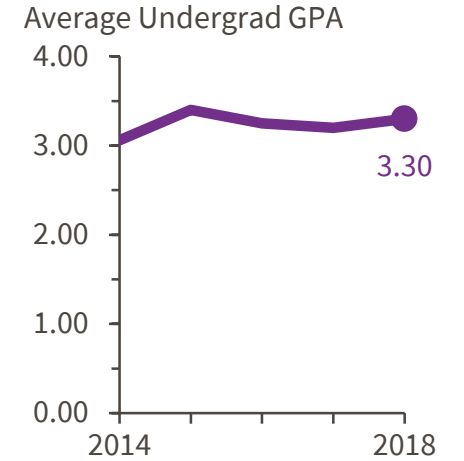
Graduate School of Education & Psychology All Programs



1000

Average GRE Score²
1010 (Fall 2017)

School of Public Policy All Programs



1120

Average GRE Score²
1150 (Fall 2017)

¹Combined reading + math averages

²Combined verbal + quantitative averages, converted to old scoring format

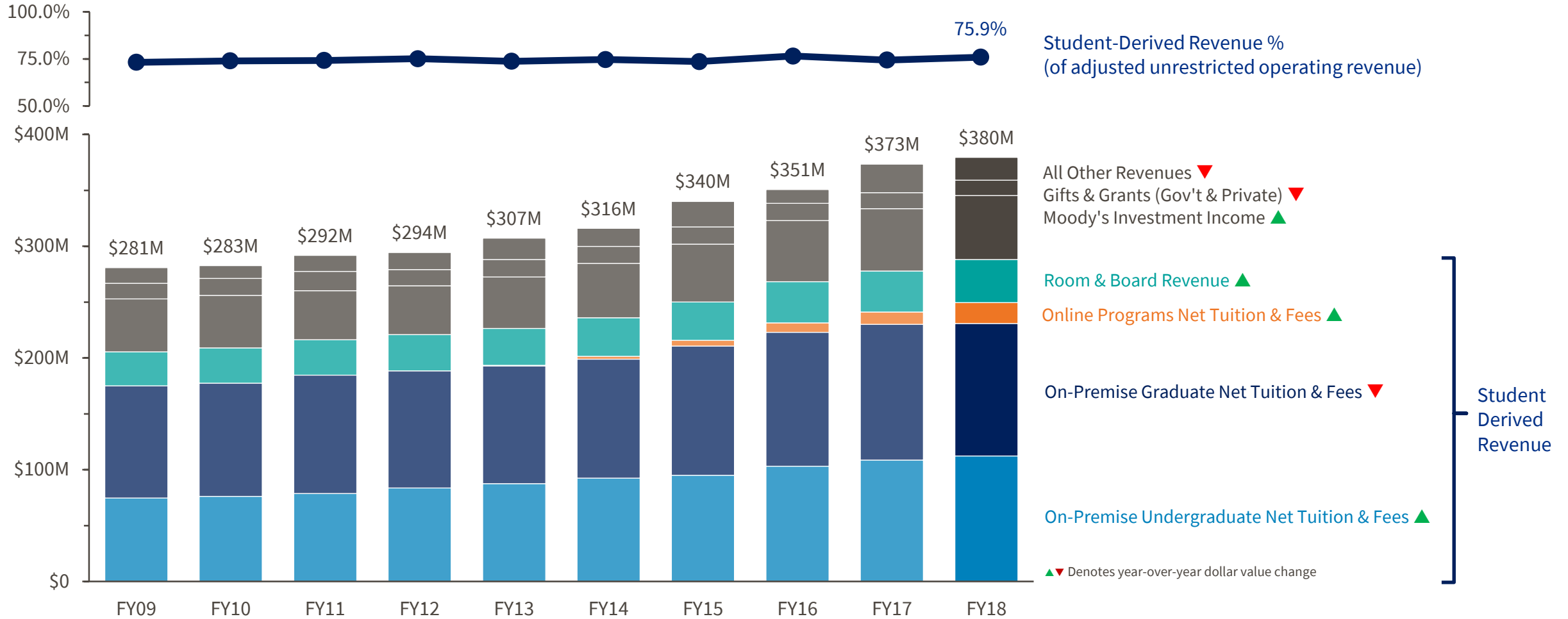


Net Tuition
Revenue &
Financial Aid



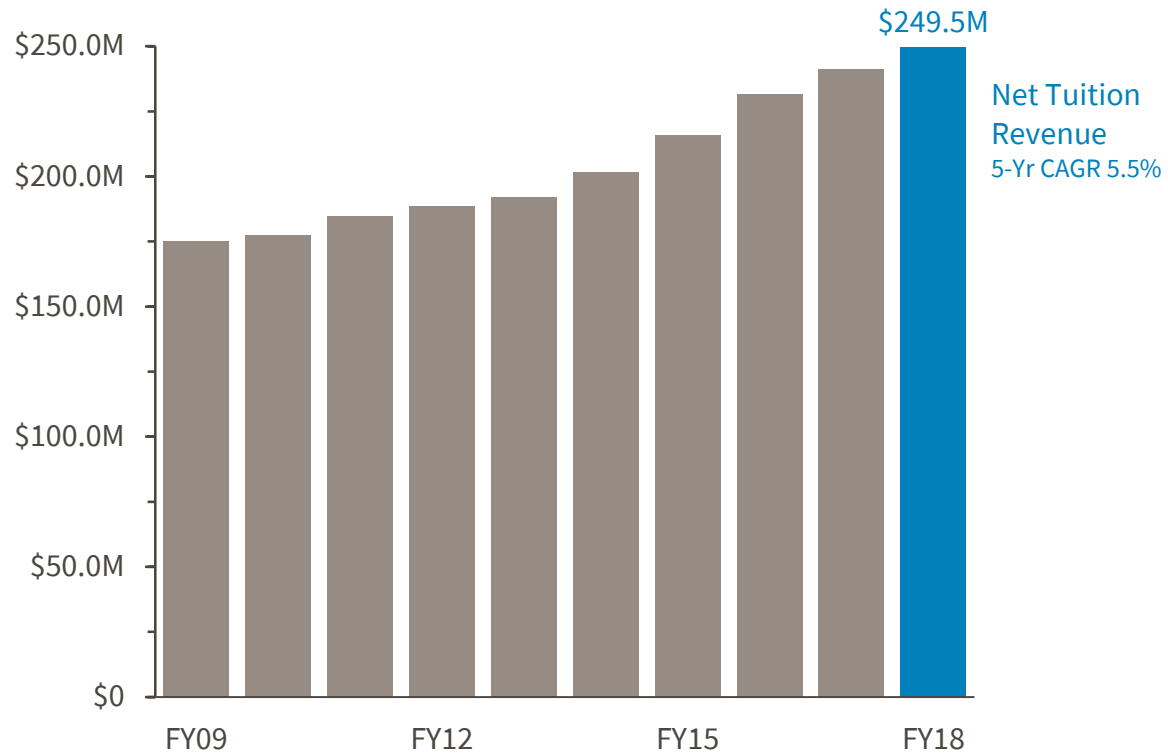
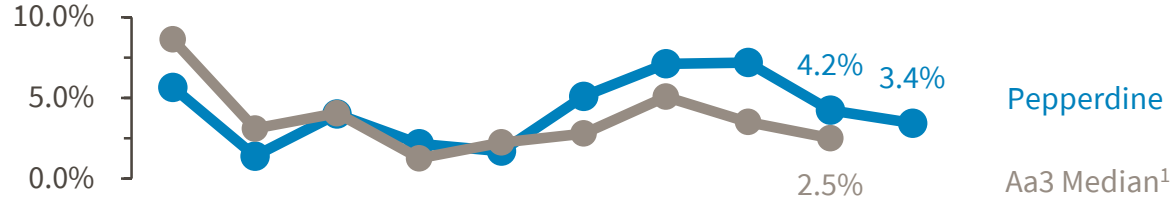
Diversification of Adjusted Unrestricted Operating Revenue

Online programs accounted for 4.6% of net tuition & fees revenue in FY17 and 7.5% of net tuition & fees revenue in FY18, respectively.

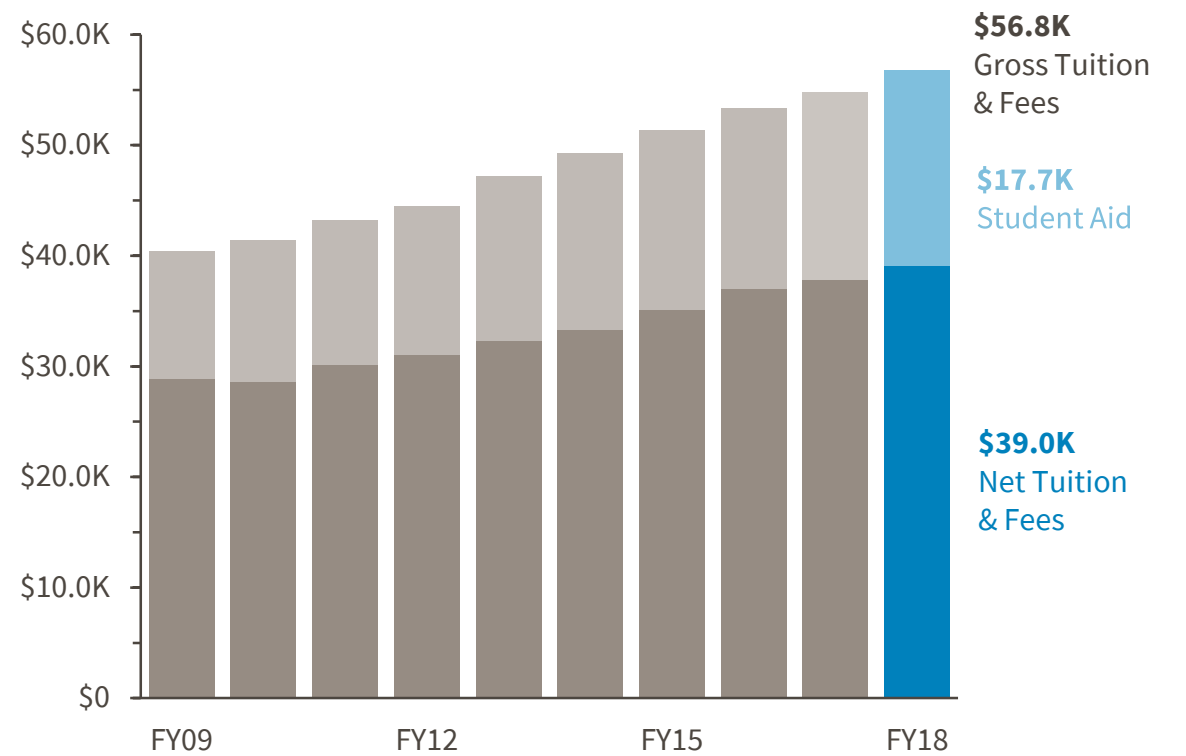
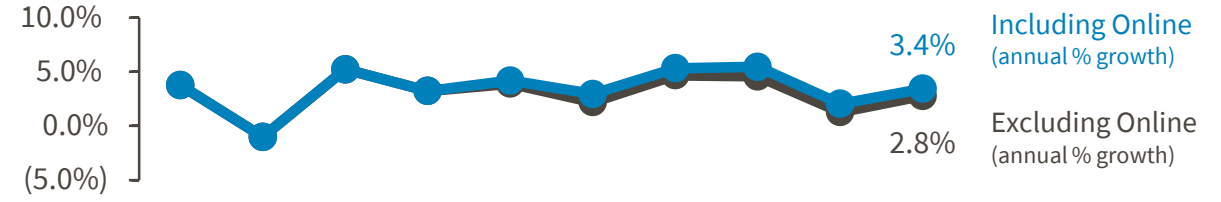


Net Tuition Revenue

Net Tuition Revenue Growth



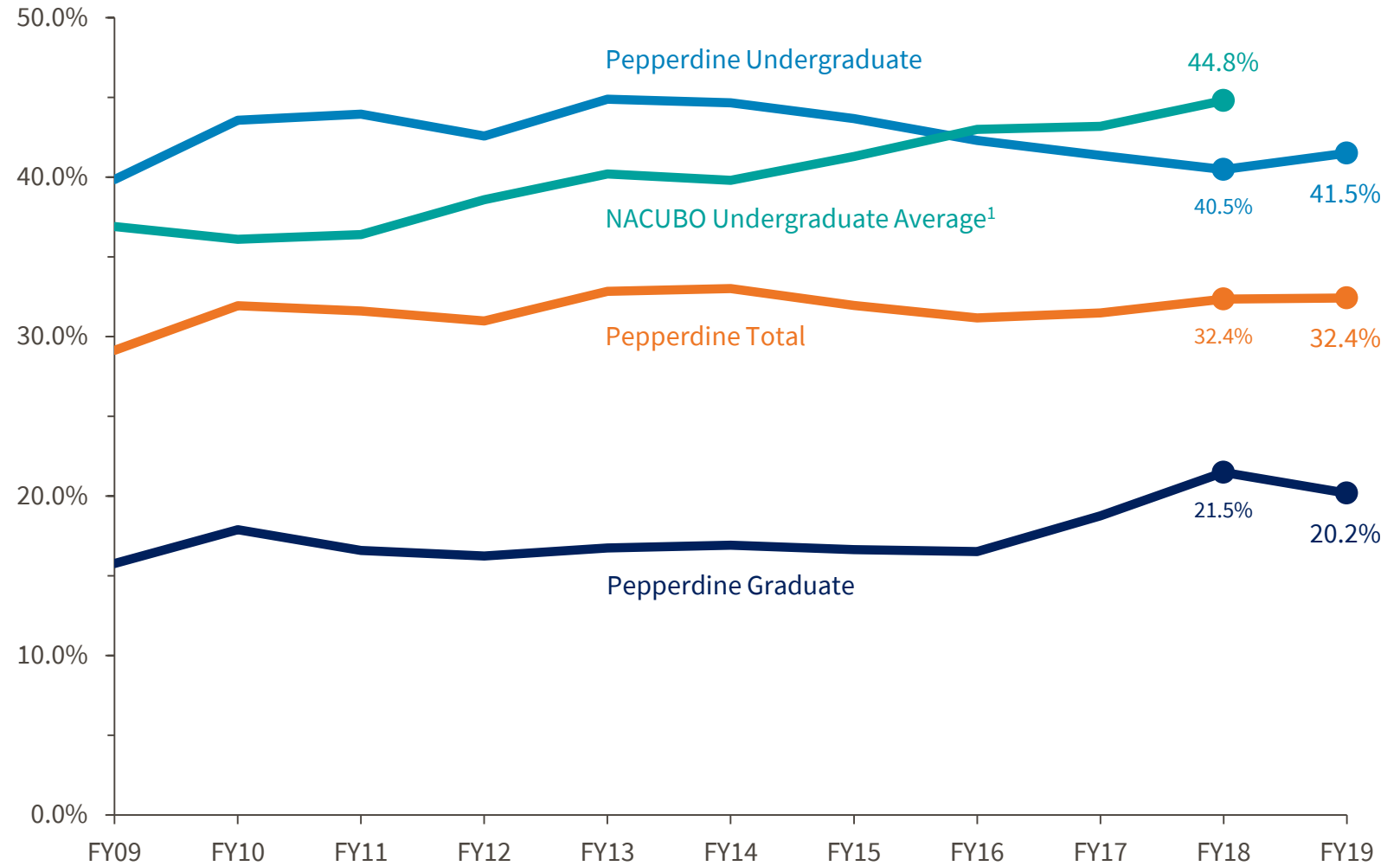
Net Tuition Revenue Per FTE Student



¹Moody's Investors Service data, private institutions



Fall Term Tuition Discount Rate



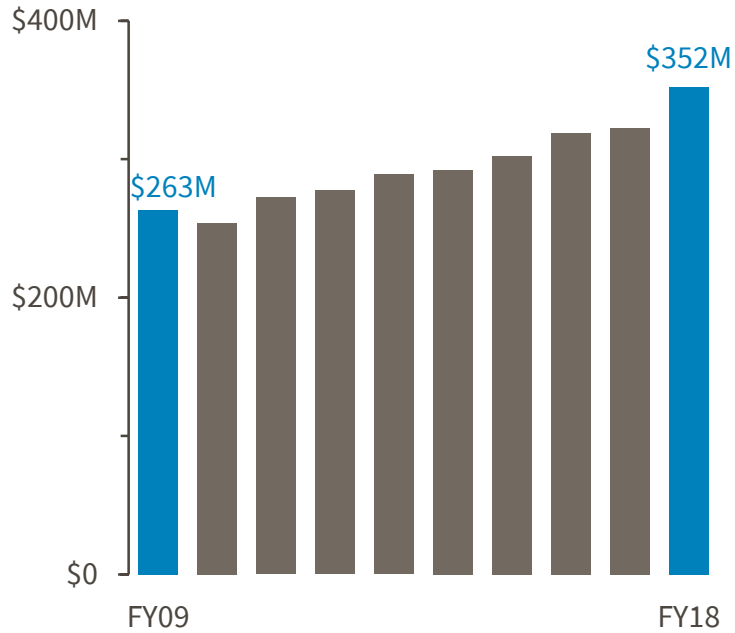
¹Based on the 2017 NACUBO Tuition Discounting Study. FY19 value is a preliminary estimate.



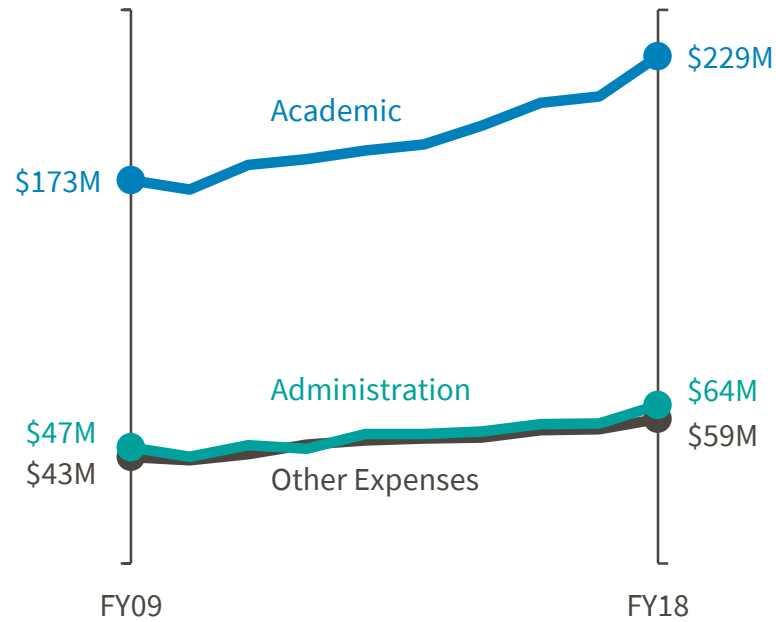
Fiscal
Performance &
Budget Outlook

Income Statement by Expenses

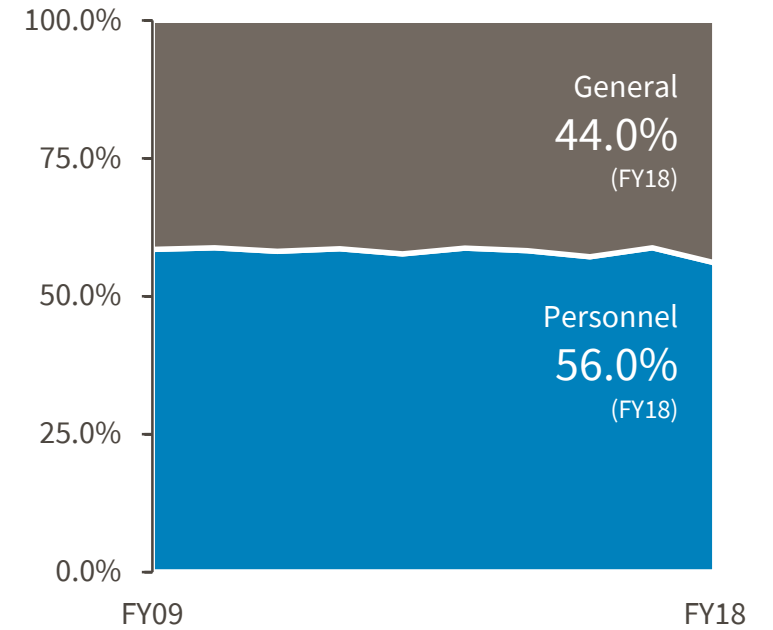
Annual Total Expenses



Annual Expenses by Classification



Annual Expenses by Functional Category



3.3% Ten-Year Compound Annual Growth Rate (CAGR)

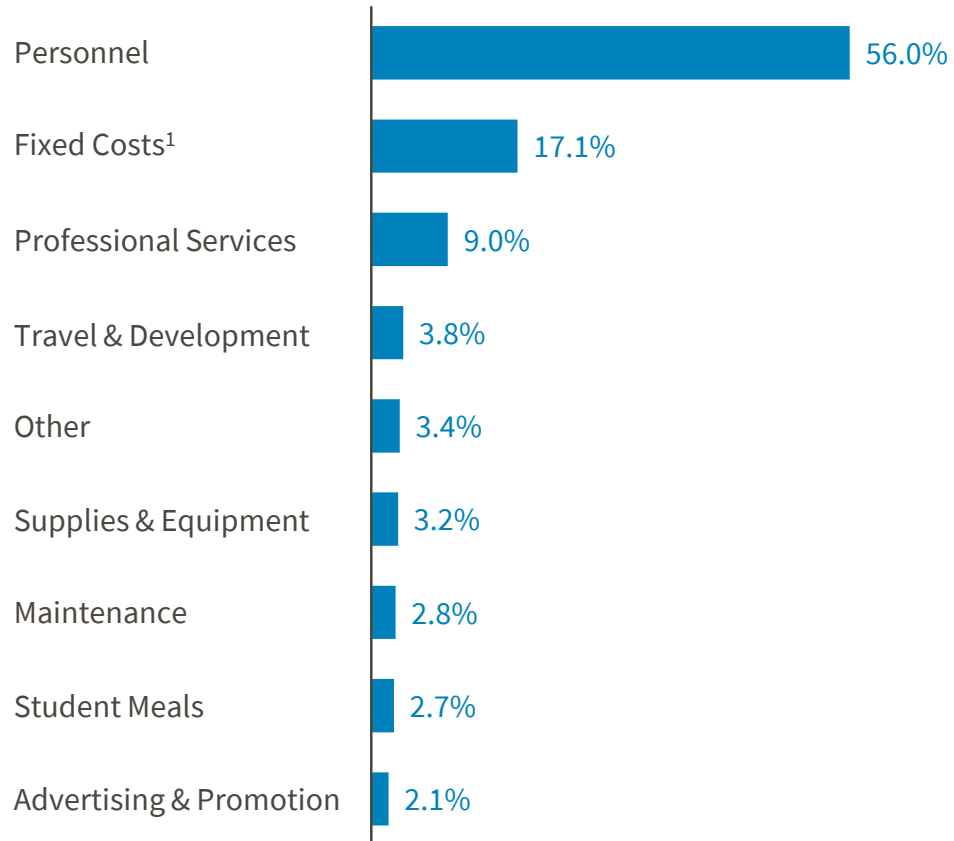
3.6X Academic to Administration Ratio (FY18)

	FY09	FY18	CAGR
General	\$109M	\$155M	3.9%
Personnel	\$154M	\$197M	2.8%
Total	\$263M	\$352M	3.3%



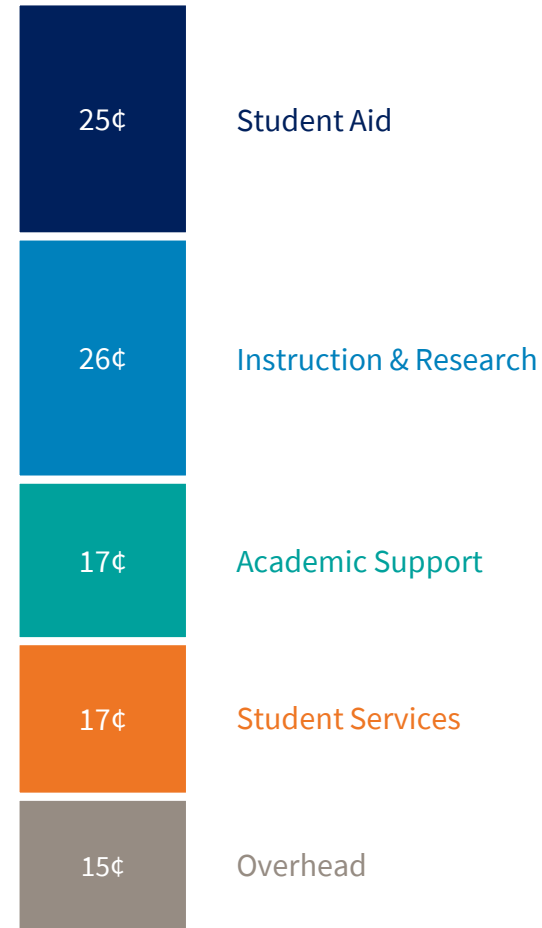
Income Statement by Expenses

FY18 Expenses by Natural Category



¹Fixed Costs include Depreciation, Insurance, Interest, Rentals, & Utilities

FY18 Spending Breakdown per Dollar of Gross Tuition¹



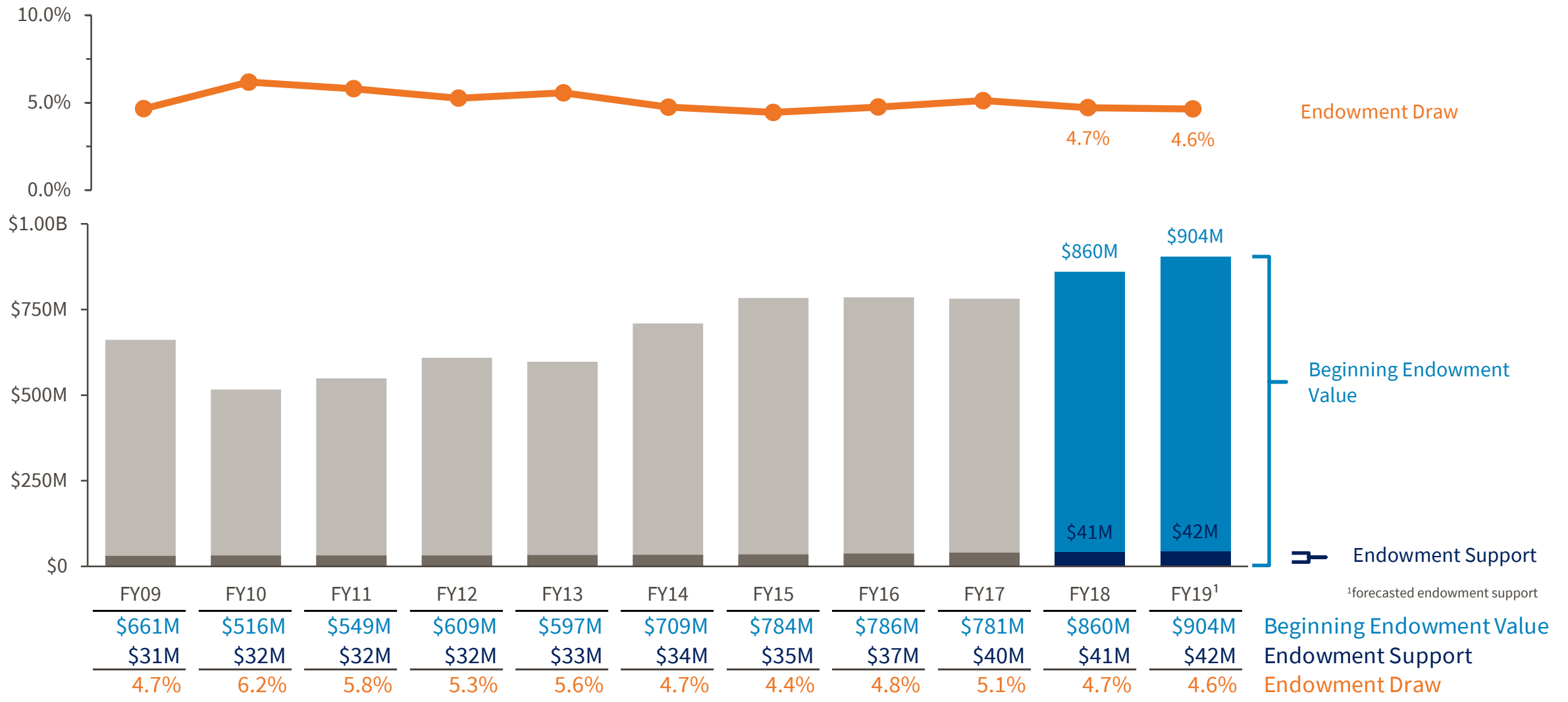
¹Excludes spending out of designated funds



Investments & Debt Structure

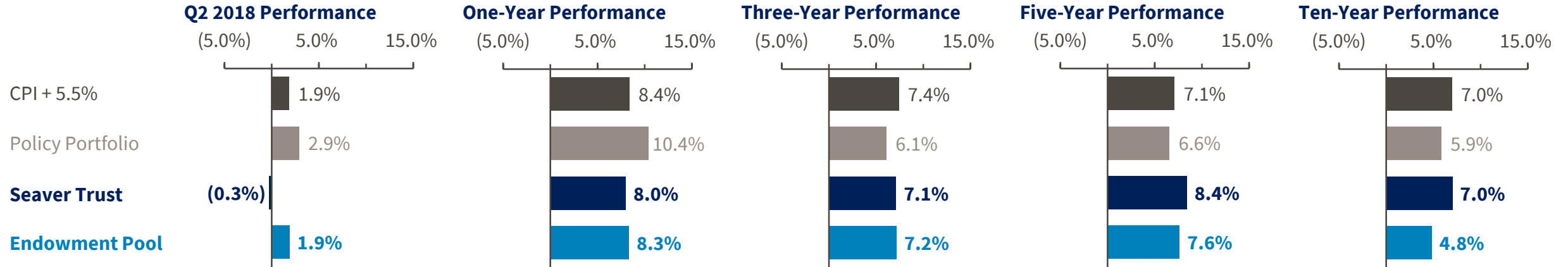


Endowment Draw





Performance of the Endowment Pool at June 30, 2018.



45.6% of endowment value can be easily converted to cash in less than 30 days

Endowment Liquidity

Total endowment value has increased 75.2% since FY10

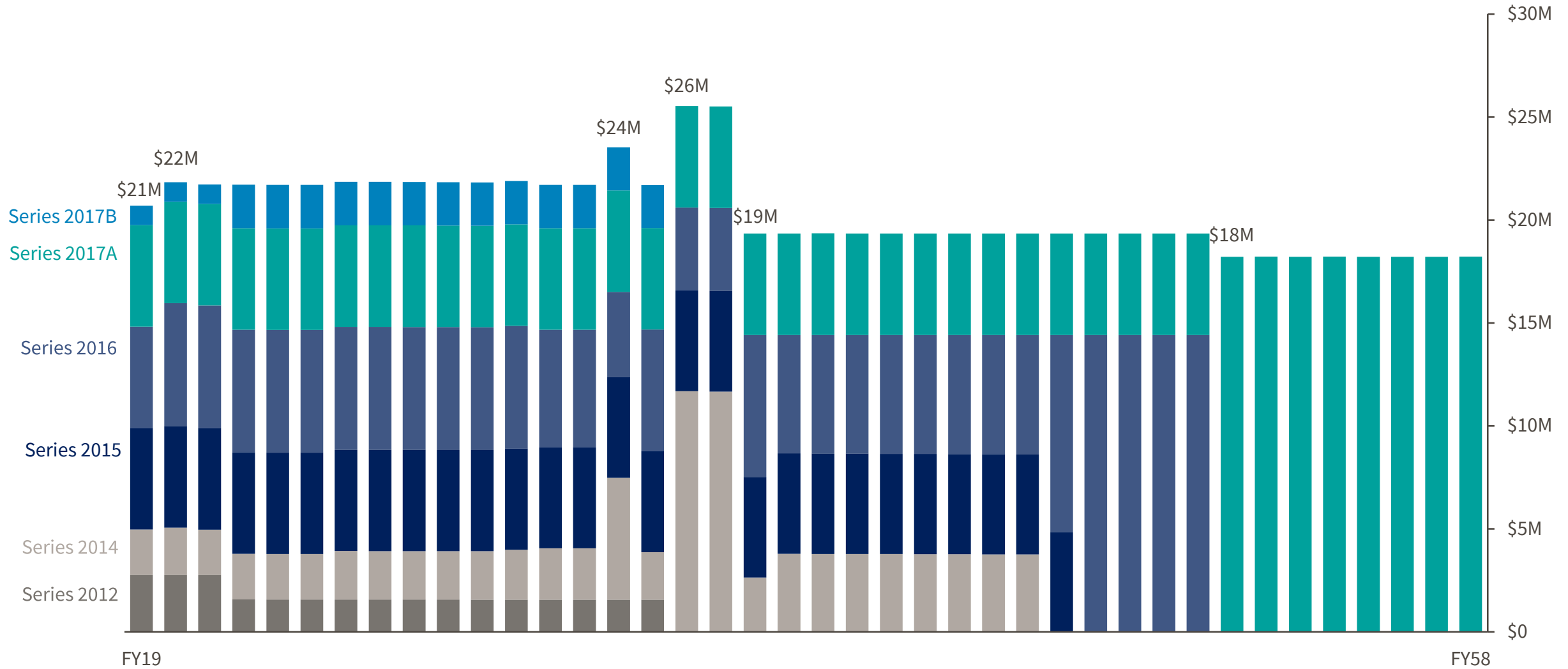
Endowment Growth

Domestic equities, emerging market equities, and commodities compose 57.5% of the endowment pool

Endowment Allocation



Debt Service Profile



A wide-angle landscape photograph capturing a sunset over a body of water. The sun is low on the horizon, creating a bright orange and yellow glow that reflects on the water and illuminates the sky. The sky is filled with soft, wispy clouds in shades of blue and white. In the foreground, a lush green field stretches across the bottom. On the right side, a large, mature tree with dense foliage stands prominently. In the background, a residential area with houses is visible on a slight rise. A white circle is overlaid on the right side of the image, containing the word 'Appendix' in a simple, orange font.

Appendix



Credit Hours Sold

Credit Hours Sold, Undergraduate & Graduate

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Undergraduate	51,258	50,848	51,232	51,800	52,816	51,660	53,237	53,180	54,236	54,642
Graduate	41,975	41,286	39,733	37,569	38,050	40,221	40,472	41,908	40,368	40,849
Total	93,233	92,134	90,965	89,369	90,866	91,881	93,709	95,088	94,604	95,491

Credit Hours Sold by School

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Seaver	49,605	48,943	49,341	50,268	51,367	50,539	52,102	52,039	52,822	53,234
PGBS	18,282	17,564	16,458	14,884	15,261	17,696	18,294	19,792	20,734	17,643
GSEP	13,326	13,340	13,686	13,138	13,149	12,684	12,528	12,723	12,055	14,572
Law	10,114	10,289	9,710	9,449	9,489	9,690	9,735	9,562	8,358	9,348
SPP	1,906	1,998	1,770	1,630	1,600	1,272	1,050	972	635	694
Total	93,233	92,134	90,965	89,369	90,866	91,881	93,709	95,088	94,604	95,491

Credit Hours Sold by On-Premise vs. Online

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
On-Premise	93,233	92,126	90,948	89,302	90,477	90,797	92,033	93,039	92,428	90,782
Online	-	8	17	67	389	1,084	1,676	2,049	2,176	4,709
Total	93,233	92,134	90,965	89,369	90,866	91,881	93,709	95,088	94,604	95,491

Admissions Statistics

Seaver College

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Applications Received	6,963	8,479	9,897	9,232	10,486	9,621	10,620	11,758	12,326	12,033
Acceptances	2,817	2,568	3,066	3,515	3,896	3,432	4,070	4,377	4,878	4,256
Acceptance Rate	40.5%	30.3%	31.0%	38.1%	37.2%	35.7%	38.3%	37.2%	39.6%	35.4%
Enrollment	859	703	739	877	899	733	849	841	932	894
Yield Rate	30.5%	27.4%	24.1%	25.0%	23.1%	21.4%	20.9%	19.2%	19.1%	21.0%

School of Law

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Applications Received	3,356	3,448	3,323	2,538	2,303	2,802	2,735	2,492	2,255	2,297
Acceptances	971	1,002	1,190	1,097	1,230	1,322	1,419	1,249	1,036	1,368
Acceptance Rate	28.9%	29.1%	35.8%	43.2%	53.4%	47.2%	51.9%	50.1%	45.9%	59.6%
Enrollment	303	240	278	229	224	255	249	257	230	301
Yield Rate	31.2%	24.0%	23.4%	20.9%	18.2%	19.3%	17.5%	20.6%	22.2%	22.0%

Graziadio Business School

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Applications Received	1,290	1,200	808	1,059	1,067	1,671	2,227	2,725	2,728	2,976
Acceptances	768	803	694	885	917	1,315	1,376	1,707	1,706	1,654
Acceptance Rate	59.5%	66.9%	85.9%	83.6%	85.9%	78.7%	61.8%	62.6%	62.5%	55.6%
Enrollment	499	557	472	435	467	527	507	591	634	619
Yield Rate	65.0%	69.4%	68.0%	49.2%	50.9%	40.1%	36.8%	34.6%	37.2%	37.4%



Admissions Statistics

Graduate School of Education & Psychology

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Applications Received	822	843	847	1,065	869	916	821	931	976	1,266
Acceptances	613	612	764	652	776	704	682	788	802	1,070
Acceptance Rate	74.6%	72.6%	90.2%	61.2%	89.3%	76.9%	83.1%	84.6%	82.2%	84.5%
Enrollment	449	473	460	429	452	387	384	479	412	536
Yield Rate	73.2%	77.3%	60.2%	65.8%	58.2%	55.0%	56.3%	60.8%	51.4%	50.1%

School of Public Policy

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Applications Received	166	168	195	213	196	157	158	174	130	123
Acceptances	142	156	149	151	125	102	106	95	81	74
Acceptance Rate	85.5%	92.9%	76.4%	70.9%	63.8%	65.0%	67.1%	54.6%	62.3%	60.2%
Enrollment	72	66	60	53	55	32	34	29	26	26
Yield Rate	50.7%	42.3%	40.3%	35.1%	44.0%	31.4%	32.1%	30.5%	32.1%	35.1%

The image features a large, semi-transparent white circle in the center, which serves as a backdrop for the university's branding and the main title. The background is a scenic photograph of a campus with a large tree, a grassy field, and hills in the distance. A concrete wall with the university's name is visible in the foreground.

PEPPERDINE
UNIVERSITY

Financial Overview

FISCAL 2018