

LEARNING TREE INTERNATIONAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(all amounts in thousands, except per share data)

	Three Months Ended		Twelve Months Ended		
	October 2, 2015	October 3, 2014	October 2, 2015	October 3, 2014	
	(unaudited)	(unaudited)			
Revenues	\$ 25,629	\$ 30,045	\$ 94,884	\$ 107,057	-14.7%
Cost of revenues	13,760	16,090	55,809	60,745	
Gross profit	<u>11,869</u>	<u>13,955</u>	<u>39,075</u>	<u>46,312</u>	46.3%
Operating expenses:					
Course development	1,751	1,827	8,146	7,225	
Sales and marketing	4,592	6,315	21,591	22,790	
General and administrative	4,754	5,512	19,029	22,287	
Total operating expenses	<u>11,097</u>	<u>13,654</u>	<u>48,766</u>	<u>52,302</u>	
Income (loss) from operations before other operating items	772	301	(9,691)	(5,990)	
Gain (loss) on disposal of property, plant and equipment	5	6,310	(4)	6,322	
Income (loss) from operations	<u>777</u>	<u>6,611</u>	<u>(9,695)</u>	<u>332</u>	
Other income (expense), net	<u>(1)</u>	<u>(2)</u>	<u>354</u>	<u>(88)</u>	
Income (loss) from continuing operations before income taxes	776	6,609	(9,341)	244	
Provision (benefit) for income tax	<u>35</u>	<u>(234)</u>	<u>467</u>	<u>261</u>	
Income (loss) from continuing operations	<u>741</u>	<u>6,843</u>	<u>(9,808)</u>	<u>(17)</u>	
Income (loss) from discontinued operations, net of tax	0	(221)	(264)	18	
Loss on disposal of discontinued segment	<u>0</u>	<u>0</u>	<u>(2,501)</u>	<u>0</u>	
Income (loss) from discontinued operations	<u>0</u>	<u>(221)</u>	<u>(2,765)</u>	<u>18</u>	
Net income (loss)	<u>\$ 741</u>	<u>\$ 6,622</u>	<u>\$ (12,573)</u>	<u>\$ 1</u>	
Earnings (loss) per share basic and diluted:					
Continuing operations	\$ 0.06	\$ 0.52	\$ (0.74)	\$ 0.00	
Discontinued operations	0.00	(0.02)	(0.21)	0.00	
Basic and diluted loss per share	<u>\$ 0.06</u>	<u>\$ 0.50</u>	<u>\$ (0.95)</u>	<u>\$ 0.00</u>	

LEARNING TREE INTERNATIONAL, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(all amounts in thousands)

Table 2

	October 2, 2015	October 3, 2014
Cash and cash equivalents	\$ 17,936	\$ 29,881
Trade accounts receivable, net	10,475	13,523
Prepaid expenses and other	5,018	4,968
Current assets of continuing operations	33,429	48,372
Current assets of discontinued operations	0	4,472
Total current assets	<u>33,429</u>	<u>52,844</u>
Depreciable assets, net and other	10,492	12,718
Depreciable assets, net and other of discontinued operations	0	638
Total assets	<u>\$ 43,921</u>	<u>\$ 66,200</u>
Accounts payable and accrued liabilities	\$ 12,409	\$ 14,191
Deferred revenues	22,909	26,572
Current liabilities of continuing operations	35,318	40,763
Current liabilities of discontinued operations	0	2,593
Total current liabilities	<u>35,318</u>	<u>43,356</u>
Other long term liabilities of continuing operations	5,556	6,800
Other long term liabilities of discontinued operations	0	247
Total liabilities	<u>40,874</u>	<u>50,403</u>
Stockholders' equity	3,047	15,797
Total liabilities and stockholders' equity	<u>\$ 43,921</u>	<u>\$ 66,200</u>