4Q'17 Earnings Results

February 26, 2018

SAFE HARBOR

This presentation contains forward-looking statements regarding the future business expectations of 2U, Inc. ("2U"), 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 press release, including statements regarding future results of the 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. 2U 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, 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; 2U's ability to comply with evolving regulations and legal obligations related to data privacy, data protection and information security; 2U's expectations about the potential benefits of our cloud-based software-as-a-service ("SaaS") technology and technology-enabled services to university clients and students; 2U's dependence on third parties to provide certain technological services or components used in its solutions; 2U's ability to meet the anticipated launch dates of its graduate programs and short courses; 2U's expectations about the predictability, visibility and recurring nature of its business model; 2U's ability to acquire new university clients and expand its graduate programs and short courses with existing university clients; 2U's ability to successfully integrate the operations of GetSmarter, achieve the expected benefits of the acquisition and manage, expand and grow the combined company; 2U's ability to execute its growth strategy in the international, undergraduate and non-degree alternative markets; 2U's ability to continue to acquire prospective students for its graduate programs and short courses; 2U's ability to affect or increase student retention in its graduate programs; 2U's expectations regarding the scalability of its cloud-based SaaS technology; 2U's expectations regarding future expenses in relation to future revenue; potential changes in regulations applicable to 2U or its university clients; and 2U's expectations regarding the amount of time its cash balances and other available financial resources will be sufficient to fund its operations.

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, 2016 and other reports filed with the Securities and Exchange Commission. 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.

You should not rely upon forward-looking statements as predictions of future events. Although 2U believes that the expectations reflected in the forward-looking statements are reasonable, 2U cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither 2U nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. Except as required by law, 2U undertakes no obligation to update publicly any forward-looking statements for any reason after the date of this presentation, to conform these statements to actual results or to changes in 2U's expectations.

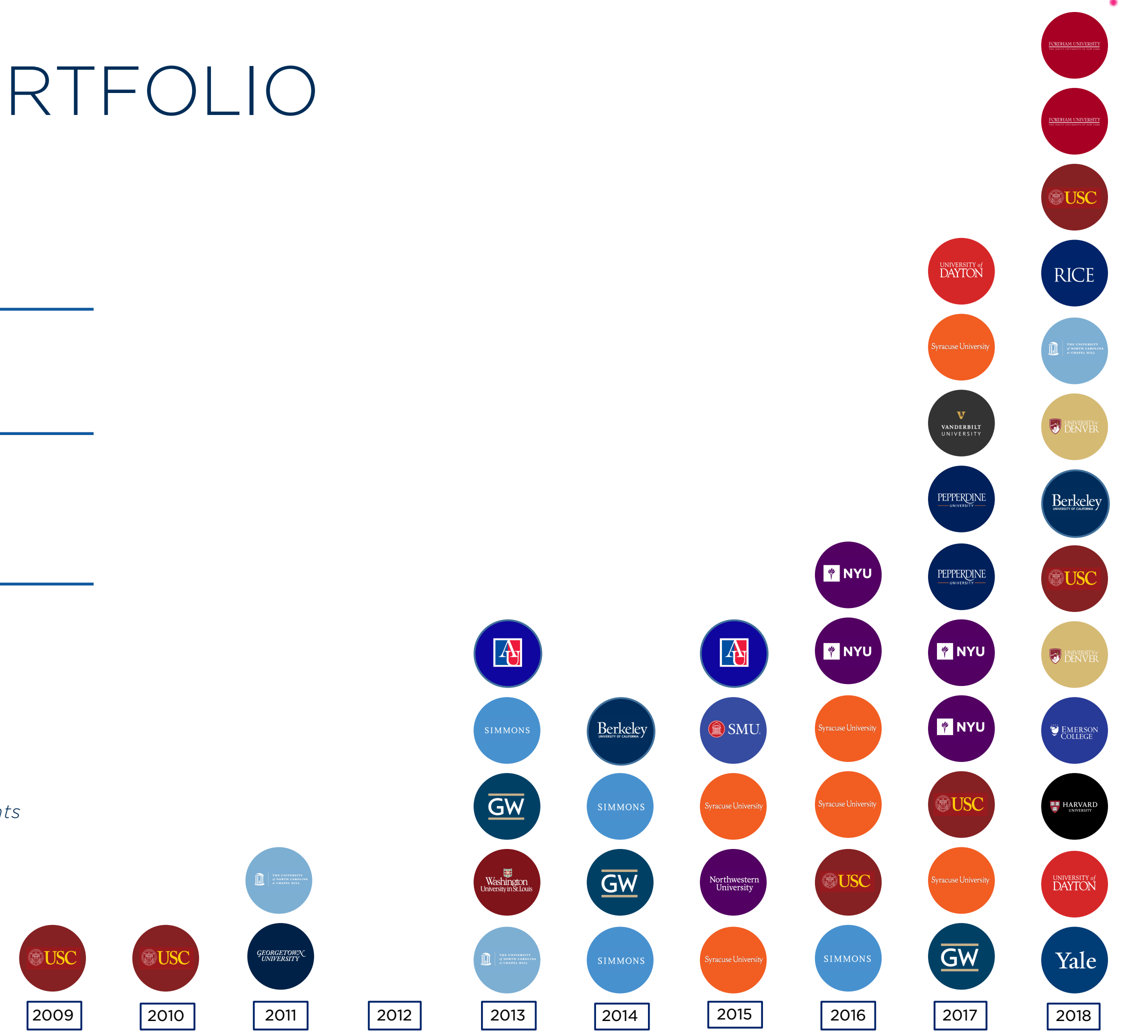
PARTNERING WITH TOP GLOBAL UNIVERSITIES

AMERICAN UNIVERSITY WASHINGTON, DC	Emerson COLLEGE	FORDHAM UNIVERSITY THE JESUIT UNIVERSITY OF NEW YORK	THE GEORGE WASHINGTON UNIVERSITY WASHINGTON, DC	GEORGETOWN UNIVERSITY	HARVARD UNIVERSITY
LSE THE LONDON SCHOOL OF ECONOMICS AND POLITICAL SCIENCE	MIT Massachusetts Institute of Technology	NYU	Northwestern University	UNIVERSITY OF OXFORD	PEPPERDINE UNIVERSITY
RICE	SIMMONS COLLEGE	SMU	Syracuse University	Tecnológico de Monterrey	UCL
Berkeley UNIVERSITY OF CALIFORNIA	UCDAVIS UNIVERSITY OF CALIFORNIA	UNIVERSITY OF CAMBRIDGE	UNIVERSITY OF CAPE TOWN IYUNIVESITHI YASEKAPA • UNIVERSITEIT VAN KAAPSTAD	THE UNIVERSITY OF CHICAGO	UNIVERSITY of DAYTON
UNIVERSITY of DENVER	THE UNIVERSITY of NORTH CAROLINA at CHAPEL HILL	USC	UNIVERSITEIT STELLENBOSCH UNIVERSITY	UNIVERSITY OF THE WITWATERSRAND, JOHANNESBURG	VANDERBILT UNIVERSITY
Washington University in St.Louis	Yale				

GRAD SEGMENT - PORTFOLIO

Universities	24
Programs	51
Verticals	23
Multiple Program Verticals	15

Note: Universities, Programs, Verticals, and Multiple Program Verticals counts as of February 26, 2018.



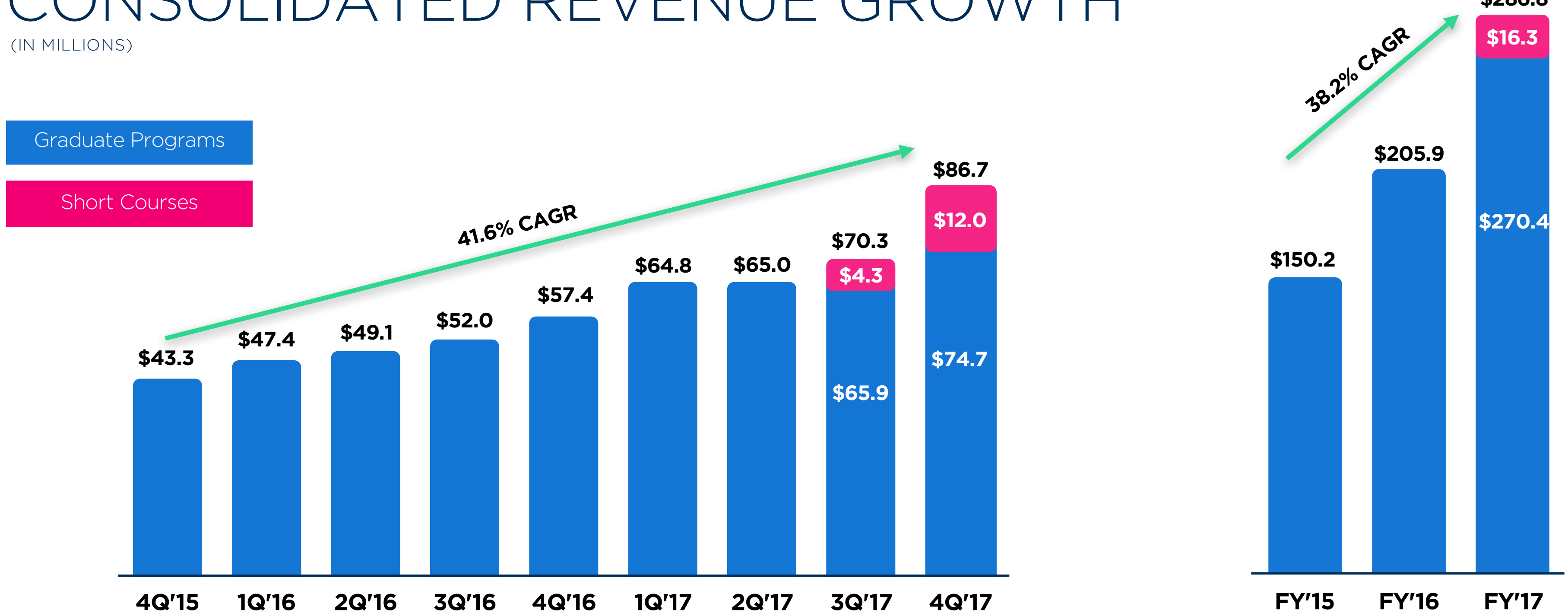
GRAD SEGMENT - TOP 15 PROGRAMS

BY NEW STUDENT ENROLLMENT FOR 2017

	University	2U-Enabled Program	Launch
1	The University of Southern California	MSW@USC	October 2010
2	Simmons College	Nursing@Simmons	October 2013
3	Simmons College	MSW@Simmons	July 2014
4	The University of North Carolina at Chapel Hill	MBA@UNC	July 2011
5	Syracuse University	MBA@Syracuse	January 2015
6	The George Washington University	MPH@GW	June 2013
7	The University of Southern California	USC Rossier Online	April 2009
8	American University	Business@American	October 2015
9	Georgetown University	Nursing@Georgetown	March 2011
10	University of California, Berkeley	datascience@Berkeley	January 2014
11	New York University	Speech@NYU	September 2016
12	Washington University in St. Louis	@WashULaw	January 2013
13	Southern Methodist University	DataScience@SMU	January 2015
14	Syracuse University	iSchool@Syracuse	October 2016
15	Simmons College	Simmons Enterprise Program	March 2016

CONSOLIDATED REVENUE GROWTH

(IN MILLIONS)

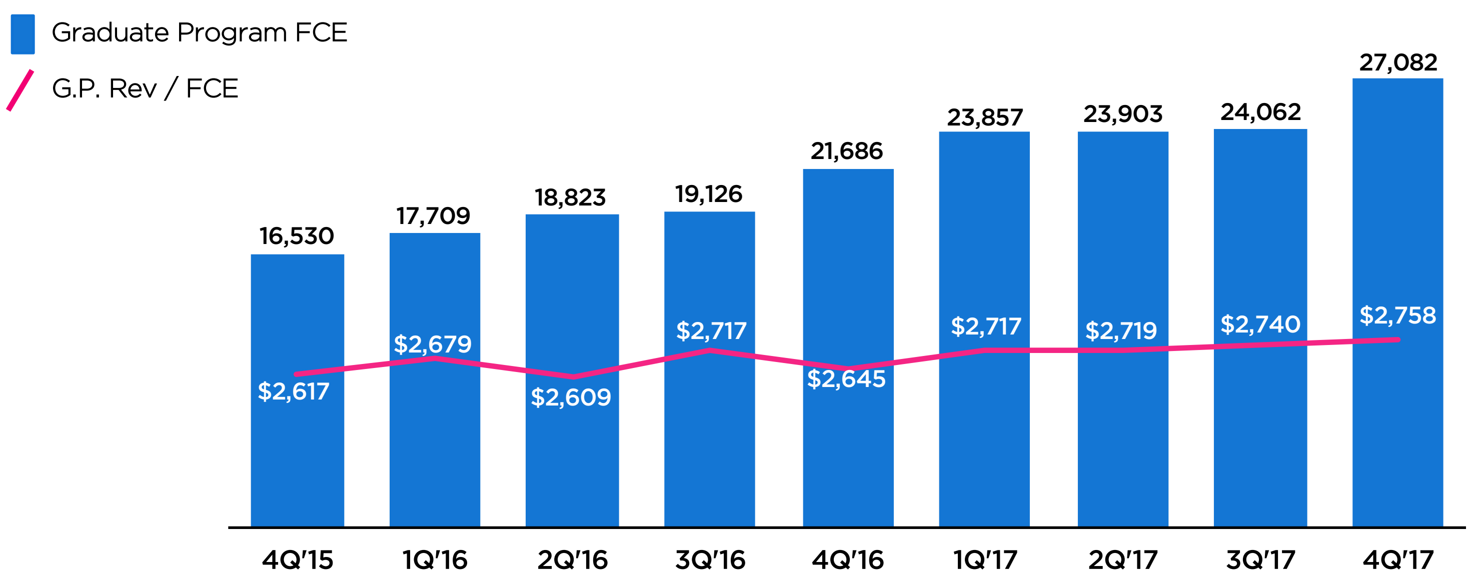


	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17
Y/Y Growth	40.6%	37.1%	39.4%	40.1%	32.6%	36.6%	32.3%	35.2%	51.1%
G.P. Growth*	40.6%	37.1%	39.4%	40.1%	32.6%	36.6%	32.3%	26.9%	30.2%

	FY'15	FY'16	FY'17
Y/Y Growth	36.2%	37.1%	39.3%
G.P. Growth	36.2%	37.1%	31.4%

*Graduate Program Segment revenue growth.

FULL COURSE EQUIVALENT* ENROLLMENTS



Note: We acquired GetSmarter, now our Short Course Segment, on July 1, 2017.

In 4Q'17, Short Course FCE was 6,751 at an average Rev/FCE of $1,777.

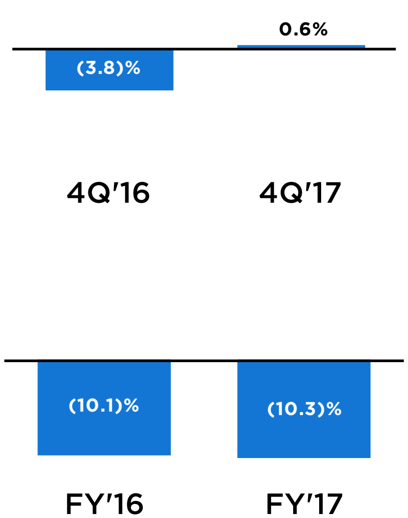
In 3Q'17 Short Course FCE was 4,079 at an average Rev/FCE of $1,232.

	4Q'15	1Q'16	2Q'16	3Q'16	4Q'16	1Q'17	2Q'17	3Q'17	4Q'17
G.P. FCE Y/Y Growth	43.7%	35.3%	38.8%	38.2%	31.2%	34.7%	27.0%	25.8%	24.9%
G.P. Rev/FCE Y/Y Growth	(2.1)%	1.3%	0.4%	1.4%	1.1%	1.4%	4.2%	0.8%	4.3%

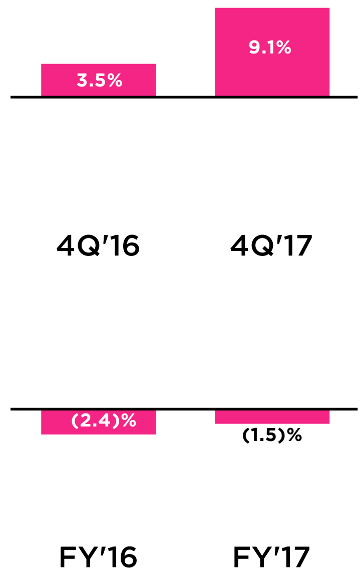
*Full Course Equivalents is defined as the number of students enrolled in all of the courses offered during a particular period, multiplied by the percentage of each course completed during that period.

PERFORMANCE MEASURES*

Net Income (Loss) Margin



Adj. Net Income (Loss) Margin



Adj. EBITDA Margin

** Adjusted Net Income (Loss) and Adjusted EBITDA are non-GAAP financial measures. Refer to the Appendix for an explanation of non-GAAP financial measures, and why we believe these measures can be useful, as well as a reconciliation of non-GAAP financial measures to the most comparable GAAP measures, when applicable. Net Income (Loss) Margin, Adjusted Net Income (Loss) Margin and Adjusted EBITDA Margin represent Adjusted EBITDA, Adjusted Net Income (Loss) and Net Income (Loss),, respectively, as a percentage of consolidated revenue in the applicable reporting period.*

PROFITABILITY MARGIN BY LAUNCH COHORT*

(GRADUATE PROGRAM SEGMENT)

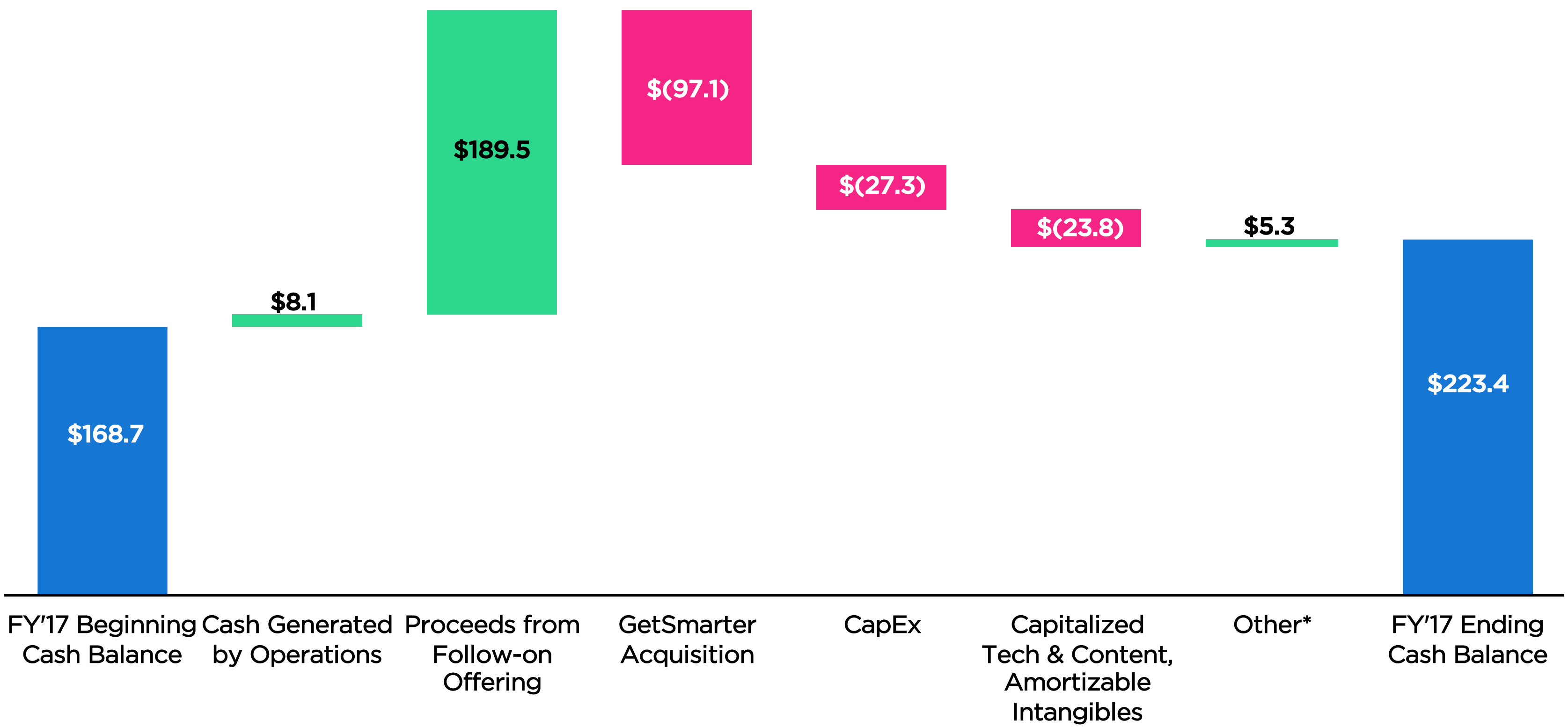
	Less than 2 Years	2 – 3 Years	3 - 4 Years	Greater than 4 Years	Total
Calendar Year 2015	(158)%	4%	-	27%	(4)%
Calendar Year 2016	(130)%	(6)%	18%	36%	2%
Calendar Year 2017	**(400)%**	**14%**	**25%**	**39%**	**5%**

For calendar year 2017, “greater than 4 years” includes programs launched prior to 2014, “3 to 4 years” includes programs launched in 2014, “2 to 3 years” includes programs launched in 2015, and “less than 2 years” includes programs launched in 2016 or later.

** This table presents Graduate Program Segment profitability by launch cohort as a percentage of the applicable launch cohort revenue, or Graduate Program Segment profitability margin, for the years ended December 31, 2017, December 31, 2016 and December 31, 2015. We provide segment profitability information in connection with our segment financial reporting. Graduate program launch cohorts are grouped by the length of time since program launch, as of December 31, 2017. Because we incur graduate program marketing and sales expenses prior to generating the revenue related to those expenses, graduate programs typically show losses for several years prior to reaching profitability. Our measure of Graduate Program Segment profitability margin by launch cohort applies our measure of Graduate Program Segment profitability margin on a launch cohort basis. Our measure of Graduate Program Segment profitability margin is net income or net loss, as applicable, before net interest income (expense), taxes, depreciation and amortization, foreign currency gains or losses, acquisition-related gains or losses and stock-based compensation expense. Some or all of these items may not be applicable in any given reporting period.*

FY'17 CASH WALK

(IN MILLIONS)



*Other includes proceeds from stock option exercise, net of tax, net proceeds from debt, tax withholding payments associated with settlement of restricted stock units, advances to university clients, and the effect of FX on cash.

1Q AND FY'18 GUIDANCE

(in millions, except per share amounts)	1Q'18	FY'18
Revenue	$91.1 - $91.6	$397.7 - $402.7
Net Loss	$(14.9) - $(14.5)	$(45.0) - $(42.8)
Net Loss Per Share	$(0.28) - $(0.27)	$(0.84) - $(0.80)
Adjusted Net Loss	$(7.3) - $(6.9)	$(7.7) - $(5.6)
Adjusted Net Loss Per Share	$(0.14) - $(0.13)	$(0.14) - $(0.10)
Weighted-Average Shares of Common Stock Outstanding, Basic	52.8	53.5
Adjusted EBITDA	$(2.3) - $(1.9)	$15.0 - $17.3
Stock-Based Compensation Expense	$6.2 - $6.3	$31.6 - $32.1

- ~54% of FY'18 revenue expected to be recognized in 2H'18, and of 2H'18 revenue, we now expect ~49% will be recognized in 3Q'18
- Meaningful margin variability driven by revenue growth combined with cost seasonality, with expected distribution as follows:
  - Net loss margin of (19.8)% - (19.1)% for 1H'18, and (4.1)% - (3.4)% for 2H'18
  - Adjusted net loss margin of (10.3)% - (9.7)% for 1H'18, and adjusted net income margin of 5.2% - 5.7% for 2H'18
  - Adjusted EBITDA loss margin of (4.5)% - (3.9)% for 1H'18, and adjusted EBITDA margin of 10.9% - 11.3% for 2H'18
- Note that cost seasonality in the second and fourth quarters typically reduces margins in the first half of each year and improves margins in the second half of each year, so second-half margins should not be viewed as a run rate for the first half of the following year
- This guidance assumes exchange rates as of December 31, 2017, including a US Dollar / South African Rand rate of 12.39

** Refer to the Appendix for an explanation of non-GAAP financial measures, and why we believe these measures can be useful, as well as a reconciliation of non-GAAP financial measures to the most comparable GAAP measures, when applicable.*

APPENDIX

Non-GAAP Financial Measures and GAAP to Non-GAAP Financial Reconciliation

NON-GAAP FINANCIAL MEASURES

To supplement the Company's consolidated financial statements, which are prepared and presented in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation includes adjusted EBITDA, adjusted EBITDA margin, adjusted net income (loss) and adjusted net income (loss) per share, which are non-GAAP financial measures.

We define adjusted EBITDA as net income or net loss, as applicable, before net interest income (expense), taxes, depreciation and amortization, foreign currency gains or losses, acquisition-related gains or losses and stock-based compensation expense. Some or all of these items may not be applicable in any given reporting period. Adjusted EBITDA margin represents adjusted EBITDA as a percentage of revenue.

We define adjusted net income (loss) as net income or net loss, as applicable, before foreign currency gains or losses, acquisition-related gains or losses 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 which result in adjusted net income, and basic weighted-average shares outstanding for periods which result in an adjusted net loss.

The principal limitation of these non-GAAP financial measures is that they exclude significant expenses that are required by GAAP to be recorded in the Company's financial statements. These non-GAAP measures are key metrics Company management uses to compare the Company's performance to that of prior periods for trend analyses and for budgeting and planning purposes. These measures also provide useful information to investors and analysts relating to 2U's financial condition and results of operations. These financial measures are not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP. In addition, these financial measures may be different from non-GAAP financial measures used by other companies, limiting their usefulness for comparison purposes.

GAAP TO NON-GAAP FINANCIAL RECONCILIATIONS

Reconciliation of Non-GAAP Adjusted EBITDA to GAAP Net Income	Three Months Ended December 31,		Year Ended December 31,	
	2017	2016	2017	2016
Net Income (Loss)	509	(2,209)	(29,423)	(20,684)
Adjustments:				
Interest income	(104)	(163)	(371)	(383)
Interest expense	50	-	87	35
Foreign currency (gain) loss	(106)	-	866	-
Depreciation and amortization expense	6,306	2,690	19,624	9,750
Income tax (benefit)	(323)	-	(1,297)	-
Stock-based compensation Expense	6,393	4,230	21,930	15,823
Total Adjustments	12,216	6,757	40,839	25,225
Adjusted EBITDA (loss)	12,725	4,548	11,416	4,541

Reconciliation of Non-GAAP Adjusted EBITDA to GAAP Net Income	Three Months Ended December 31,		Year Ended December 31,	
	2017	2016	2017	2016
Net Income (Loss)	509	(2,209)	(29,423)	(20,684)
Adjustments:				
Foreign currency (gain) loss	(106)	-	866	-
Amortization of acquired intangible assets	1,416	-	3,014	-
Income tax benefit on amortization of acquired intangible assets	(333)	-	(708)	-
Stock-based compensation expense	6,393	4,230	21,930	15,823
Total Adjustments	7,370	4,230	25,102	15,823
Adjusted Net Income (Loss)	7,879	2,021	(4,321)	(4,861)

GAAP TO NON-GAAP RECONCILIATIONS – 2018 GUIDANCE

Reconciliation of Non-GAAP Adjusted Net Income and Adjusted EBITDA Guidance to GAAP Net Income Guidance	Three Months Ending March 31, 2018 $	Three Months Ending March 31, 2018 $/Share	Year Ending December 31, 2018 $	Year Ending December 31, 2018 $/Share
	(in thousands, except per share amounts)			
Net Loss	**(14,700)**	**(0.28)**	**(43,875)**	**(0.82)**
Foreign Currency Loss	-	*	-	*
Amortization of Acquired Intangible Assets	1,575	0.03	6,300	0.12
Income Tax Benefit on Amortization of Acquired Intangible Assets	(275)	-	(1,100)	(0.02)
Stock-Based Compensation Expense	6,300	0.12	32,025	0.60
Adjusted Net Loss	**(7,100)**	**(0.13)**	**(6,650)**	**(0.12)**
Net Interest Income	(50)	*	(200)	*
Depreciation and Amortization Expense	5,050	*	23,000	*
Income Tax Benefit	-	*	-	*
Adjusted EBITDA (Loss)	**(2,100)**	*****	**16,150**	*****
Projected Weighted-Average Shares of Common Stock Outstanding, Basic		52,754		53,465

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* *Not Provided.*

Note: This table presents (i) a reconciliation of net loss guidance to adjusted net income (loss) guidance and adjusted EBITDA(loss) guidance and (ii) a reconciliation of net loss per share guidance to adjusted net income (loss) per share guidance, each at the midpoint of the ranges provided by the Company, for each of the periods indicated.