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Aspen Group Announces 811 New Student Enrollments in Q2 FY’17; Surpassing Previous Quarterly Record by 31%

New Class Starts Increase 67% Y/O/Y

NEW YORK, Nov. 15, 2016 (GLOBE NEWSWIRE) -- Aspen Group, Inc. (OTCQB:ASPU), a nationally accredited online postsecondary education company (Aspen University), today announced the university achieved a record of 811 new student enrollments for the fiscal 2017 second quarter ending October 31, 2016, surpassing last quarter’s previous record of 621 by 31%. From a year-over-year perspective, new student enrollments increased 46%, from 557 to 811.

Aspen’s Cost-Per-Enrollment (CPE) Continues to Decline
Aspen’s rolling six-month average CPE improved by 16% year-over-year, declining from $852 to $718. This is particularly noteworthy given the university increased marketing spending by 32% year-over-year. On a sequential basis, Aspen’s rolling six-month average CPE dropped from $759 to $718, a 5% improvement.

Aspen’s marketing efficiency ratio (revenue-per-enrollment/cost-per-enrollment) increased sequentially from 9.2X to 9.7X, meaning that Aspen is now projecting to earn a 9.7X return on its marketing investments. Investors are encouraged to review the Company’s most recent Form 10-Q for a further description of this projected ratio.

Student Body New Class Starts Up 67% Y/O/Y
Aspen’s student body began 3,730 new classes during the fiscal 2017 second quarter, compared to 2,238 a year earlier, an increase of 67% year-over-year. Additionally, the average tuition price for new class starts rose to $819 in Q2 FY’17, a 4% increase year-over-year from $786.

“Aspen is rapidly proving that a fully-online university can thrive without relying on federal financial aid as the predominant payment method for students. This quarter 59% of our new class starts were paid through a monthly payment method, up from 56% in the previous quarter, while our federal financial aid revenues dropped below 25%,” said Chairman & CEO, Michael Mathews. “This ‘pay-as-you-go’ business model is without question a critical ingredient to Aspen’s rapid growth, in contrast to the rest of the sector that is principally suffering from growth stagnation,” continued Mathews.

About Aspen Group, Inc. (OTCQB:ASPU)

Aspen Group, Inc. is an online postsecondary education company. Aspen University’s mission is to offer any motivated college-worthy student the opportunity to receive a highquality, responsibly priced distance-learning education for the purpose of achieving sustainable economic and social benefits for themselves and their families. Aspen is dedicated to providing the highest quality education experiences taught by top-tier faculty – 61 percent of our adjunct faculty hold doctoral degrees. To learn more about Aspen University, visit www.aspen.edu.

Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements, including statements regarding the Company's projected marketing efficiency ratio. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. Important factors that could cause actual results to differ from those in the forward-looking statements include unexpected regulatory issues, competition, increases in our marketing costs, declines in enrollment, changes in our students' academic preferences, and errors in the assumptions underlying the calculation of our marketing efficiency ratio. Our marketing efficiency ratio is described in further detail in our Quarterly Report on Form 10-Q filed with the SEC on September 14, 2016. In addition, further information on our risk factors is contained in our filings with the SEC, including the Annual Report filed July 27, 2016. Any forward-looking statement made by us herein speaks only as of the date on which it is made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

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