

First Marblehead (NYSE: FMD) Announces Agreement to be Acquired for \$5.05 Per Share in Cash

Deal Value: Approximately \$65.5 million

Sandler O'Neill acted as exclusive financial advisor to First Marblehead's independent committee and rendered a fairness opinion in association with the transaction. Overall, this represents Sandler O'Neill's 105th financial services transaction since January 1, 2015, more than any other investment bank during that time period. ¹

MEDFORD, MA, June 2, 2016 — The First Marblehead Corporation (NYSE: FMD) today announced that it has entered into a merger agreement to be acquired by FP Resources USA Inc., an entity beneficially owned by John Carter Risley of Nova Scotia, Canada, for \$5.05 per share in cash, in a transaction valued at approximately \$65.5 million. As of the date of the merger agreement, Mr. Risley beneficially owned approximately 14.9% of the outstanding shares of the Company's common stock.

The per share merger consideration represents a premium of approximately 30.5% over today's closing price per share of the Company's common stock on the New York Stock Exchange and a premium of approximately 43.9% over the closing price per share of the Company's common stock on the New York Stock Exchange on March 24, 2016, the last full trading day before the public disclosure of exploratory discussions between Mr. Risley and the Company regarding Mr. Risley's potential acquisition of the Company.

The transaction was unanimously approved on June 2, 2016 by the Company's board of directors, acting on the unanimous recommendation of a committee of independent directors.

Completion of the transaction is subject to customary closing conditions, including approval of the Company's stockholders, and is expected to occur in the third calendar quarter of 2016.

About The First Marblehead Corporation

First Marblehead helps meet the need for education financing by offering national and regional financial institutions and educational institutions the Monogram[®] platform, an integrated suite of design, implementation and credit risk management services for private label, customizable private education loan programs. First Marblehead also offers outsourced tuition planning, billing, payment technology services and refund management services through its subsidiary Tuition Management Systems LLC.

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