

ITT EDUCATIONAL SERVICES INC  
Form 4  
February 28, 2003

**FORM 4**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

Filed By  
Romeo and Dye's  
Section 16 Filer  
www.section16.net

1. Name and Address of Reporting Person* <b>Champagne, Rene R.</b> (Last) (First) (Middle) <b>5975 Castle Creek Parkway, North Drive</b> (Street) <b>Indianapolis, IN 46250</b> (City) (State) (Zip)			2. Issuer Name and Ticker or Trading Symbol <b>ITT Educational Services, Inc. ESI</b>			6. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director — <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) — Other (specify below) <b>Chairman and Chief Executive Officer</b>				
3. I.R.S. Identification Number of Reporting Person, if an entity (voluntary)			4. Statement for Month/Day/Year <b>02-27-03</b>		7. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person					
			5. If Amendment, Date of Original (Month/Day/Year)							
Table I Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned										
1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 & 5)			5. Amount of Securities Beneficially Owned Following Reported Transactions(s) (Instr. 3 & 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	02-27-03		M		28,100 <sup>(1)</sup>	A	\$2.223 <sup>(2)</sup>			
Common Stock	02-27-03		S		28,100	D	\$26.50	101,188 <sup>(3)</sup>	D	
								10,113 <sup>(4)</sup>	I	By 401(k) Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

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**FORM 4 (continued) Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative	2. Conversion or	3. Transaction	3A. Deemed	4. Trans-	5. Number of	6. Date Exercisable and Expiration	7. Title and Amount of	8. Price of Derivative	9. Number of Derivative	10. Owner-	11. Natu
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Security (Instr. 3)	Exercise Price of Derivative Security	Date (Month/ Day/ Year)	Execution Date, if any (Month/ Day/ Year)	Action			Date (Month/Day/ Year)	Underlying		Security (Instr. 5)	Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	ship Form of Deriv- ative Security: Direct (D) or Indirect (I) (Instr. 4)	Benefici- Owners (Instr. 4)
				Code (Instr. 8)	(A)	(D)		Date Exer- cisable	Expira- tion Date				
<b>Stock Option (Right to Buy)</b>	<b>\$2.223</b>	<b>02-27-03</b>		<b>M</b>		<b>28,100</b>	<sup>(5)</sup>	<b>12-22-04</b>	<b>Common Stock</b>	<b>28,100</b>	<b>106,900</b>	<b>D</b>	

Explanation of Responses:

(1) Represents a portion of: (a) 30,000 shares subject to a stock option (right to buy) granted on December 20, 1994 ("1994 Option"); (b) the increase of 15,000 shares subject to the 1994 Option pursuant to the 3-for-2 split of the ESI common stock on April 16, 1996 ("April 1996 Split"); (c) the increase of 22,500 shares subject to the 1994 Option pursuant to the 3-for-2 split of the ESI common stock on November 5, 1996 ("November 1996 Split"); and (d) the increase of 67,500 shares subject to the 1994 Option pursuant to the 2-for-1 split of the ESI common stock on June 6, 2002 ("June 2002 Split").

(2) Represents an original exercise price of \$10.00 for the shares of ESI common stock subject to the 1994 Option: (a) reduced to \$6.667 pursuant to the April 1996 Split; (b) reduced to \$4.445 pursuant to the November 1996 Split; and (c) reduced to \$2.223 pursuant to the June 2002 Split.

(3) Total represents 50,594 shares beneficially owned as of May 31, 2002; (b) the acquisition of 50,594 shares pursuant to the June 2002 Split; and (c) the acquisition and disposition of 28,100 shares on February 27, 2003 as reported in this Form 4.

(4) Total represents: (a) 4,978 shares beneficially owned on May 31, 2002 under the ESI 401(k) plan; (b) 4,978 shares acquired under the ESI 401(k) plan pursuant to the June 2002 Split; and (c) 157 shares acquired under the ESI 401(k) plan from June 1, 2002 through February 15, 2003.

(5) The option vested in three equal installments on December 20, 1995, 1996 and 1997.

By: /s/ **Clark D. Elwood** **February 28, 2003**  
**Attorney-In-Fact for Rene R. Champagne** Date  
 \*\*Signature of Reporting Person

\*\*Intentional misstatements or omissions of facts constitute Federal Criminal Violations.  
 See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed.  
 If space is insufficient, See Instruction 6 for procedure.

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