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

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 5, 2025

**Grand Canyon Education, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other Jurisdiction of  
Incorporation)

**001-34211**  
(Commission File Number)

**20-3356009**  
(IRS Employer Identification No.)

**2600 W. Camelback Road**  
**Phoenix, Arizona**  
(Address of Principal Executive Offices)

**85017**  
(Zip Code)

Registrant's telephone number, including area code: **(602) 247-4400**

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(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	LOPE	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02. Results of Operations and Financial Condition.**

On November 5, 2025, Grand Canyon Education, Inc. reported its results for the quarter ended September 30, 2025. The press release dated November 5, 2025 is furnished as Exhibit 99.1 to this report.

**Item 9.01. Consolidated Financial Statements and Exhibits.**

99.1 [Press Release dated November 5, 2025](#)

104 Cover Page Interactive Data File (imbedded within the Inline XBRL document)

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EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	<a href="#">Press Release dated November 5, 2025</a>
104	Cover Page Interactive Data File (imbedded within the XBRL document)

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GRAND CANYON EDUCATION, INC.

Date: November 5, 2025

By: /s/ Daniel E. Bachus

\_\_\_\_\_  
Daniel E. Bachus  
Chief Financial Officer  
(Principal Financial Officer)

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**FOR IMMEDIATE RELEASE****Investor Relations Contact:**

Daniel E. Bachus  
Chief Financial Officer  
Grand Canyon Education, Inc.  
602-639-6648  
[Dan.bachus@gce.com](mailto:Dan.bachus@gce.com)

**GRAND CANYON EDUCATION, INC. REPORTS  
THIRD QUARTER 2025 RESULTS**

**PHOENIX, AZ., November 5, 2025**—**Grand Canyon Education, Inc.** (NASDAQ: LOPE), (“GCE” or the “Company”), is a publicly traded education services company that currently provides services to 20 university partners. GCE provides a full array of support services in the post-secondary education sector and has developed significant technological solutions, infrastructure and operational processes to provide superior services in these areas on a large scale. GCE today announced financial results for the quarter ended September 30, 2025.

(more)

For the three months ended September 30, 2025:

- Service revenue for the three months ended September 30, 2025 was \$261.1 million, an increase of \$22.8 million, or 9.6%, as compared to service revenue of \$238.3 million for the three months ended September 30, 2024. The increase year over year in service revenue was primarily due to an increase in partner enrollments of 7.9% to 138,073 at September 30, 2025 as compared to 127,977 at September 30, 2024. Revenue per student decreased slightly between years primarily due to contract modifications for some of our university partners in which the revenue share percentage was reduced in exchange for us no longer reimbursing these partners for certain faculty costs which had the effect of reducing revenue per student and a slight decline year over year in revenue per student for online students due to the continued mix shift to students that have a slightly lower net tuition rate. These decreases were partially offset by an additional day of revenue for the ground campus at Grand Canyon University (“GCU”), our most significant partner, due to the start date shifting one day of revenue from the fourth quarter to the third quarter in 2025 which had a \$0.9 million impact as well as the service revenue per student for accelerated Bachelor of Science in Nursing (“ABS/N”) students at our off-campus classroom and laboratory sites generating a significantly higher revenue per student than we earn under our agreement with GCU as these agreements generally provide us with a higher revenue share percentage, the partners have higher tuition rates than GCU and the majority of our partners’ students take more credits on average per semester.
- GCU enrollments increased to 132,486 at September 30, 2025, an increase of 7.7% over enrollments at September 30, 2024. University partner enrollments at our off-campus classroom and laboratory sites were 6,912, an increase of 17.4% over enrollments at September 30, 2024, which includes 1,325 and 913 GCU students at September 30, 2025 and 2024, respectively. Excluding sites closing in 2024 to new enrollments, total enrollments at our off-campus classroom and laboratory sites increased 19.3% between years. We opened six sites in the year ended December 31, 2024 and opened five new sites in the nine months ended September 30, 2025 while closing two sites at which we stopped recruiting new students in 2024 and merged two sites that were located in the same market bringing the total number of these off-campus sites to 47 at September 30, 2025, which has also positively impacted the enrollment growth. Enrollments for GCU ground students were 24,671 at September 30, 2025 up from 24,657 at September 30, 2024. GCU online enrollments were 107,815 at September 30, 2025, up from 98,345 at September 30, 2024, an increase of 9.6% between years.
- Operating income for the three months ended September 30, 2025 was \$18.0 million, a decrease of \$30.2 million, or 62.6%, as compared to \$48.2 million for the same period in 2024. The operating margin for the three months ended September 30, 2025 and 2024 was 6.9% and 20.2%, respectively. Operating income and operating margin were materially impacted in the third quarter of 2025 by a reserve for litigation settlement of \$35.0 million related to the settlement of the qui tam lawsuit; lease termination, impairment and other in the amount of \$2.4 million due to the Company executing its lease termination provision on an office lease and the impairment of two off-campus classroom and laboratory site leases as the teach out at those locations has completed; loss on disposal of assets of \$0.4 million for assets; and \$0.3 million of severance costs. Excluding these costs and the amortization of intangible assets of \$2.1 million in both the three months ended September 30, 2025 and 2024, adjusted operating income and adjusted operating margin were \$58.2 million and 22.3%, respectively, for the three months ended September 30, 2025 compared to adjusted operating income and adjusted operating margin of \$50.3 million and 21.1%, respectively for the three months ended September 30, 2024. The third quarter operating income and operating margin were positively impacted on a year over year basis by an additional day of ground traditional student revenue at GCU shifting from the fourth quarter to the third quarter, a \$0.9 million impact, and contract modifications for some of our university partners in which the revenue share percentage was reduced in exchange for us no longer reimbursing the partner for certain faculty costs which had the effect of reducing operating expenses and revenue per student.
- Income tax expense for the three months ended September 30, 2025 was \$5.4 million, a decrease of \$5.5 million, or 50.4%, as compared to income tax expense of \$10.9 million for the three months ended September 30, 2024. The decrease in income tax expense is due to the decrease in income before taxes partially offset by a higher effective tax rate. Our effective tax rate was 24.9% during the three months ended September 30, 2025 compared to 20.8% during the three months ended September 30, 2024. The effective tax rate increased year over year due to the tax treatment of the litigation settlement recorded in the third quarter and changes in state income taxes partially offset by an increase in the contributions made in lieu of state income taxes from \$4.5 million in the third quarter of 2024 to \$5.0 million in the third quarter of 2025.

- Net income for the three months ended September 30, 2025 was \$16.3 million, a decrease of \$25.2 million, or 60.8% as compared to \$41.5 million for the same period in 2024. As adjusted net income was \$49.7 million and \$43.2 million for the third quarters of 2025 and 2024, respectively.
- Diluted net income per share was \$0.58 and \$1.42 for the third quarters of 2025 and 2024, respectively. As adjusted diluted net income per share was \$1.78 and \$1.48 for the third quarters of 2025 and 2024, respectively.
- Adjusted EBITDA increased 14.4% to \$75.9 million for the third quarter of 2025, compared to \$66.3 million for the same period in 2024.

For the nine months ended September 30, 2025:

- Service revenue for the nine months ended September 30, 2025 was \$798.0 million, an increase of \$57.6 million, or 7.8%, as compared to service revenue of \$740.4 million for the nine months ended September 30, 2024. The increase year over year in service revenue was primarily due to an increase in partner enrollments of 7.9% to 138,073 at September 30, 2025 as compared to 127,977 at September 30, 2024. Revenue per student decreased slightly between years primarily due to the additional day for leap year in 2024 which added additional service revenue of \$1.5 million as compared to the current year and contract modifications for some of our university partners in which the revenue share percentage was reduced in exchange for us no longer reimbursing these partners for certain faculty costs, both of which had the effect of reducing revenue per student and a slight decline year over year in revenue per student for online students due to the continued mix shift to students that have a slightly lower net tuition rate. These decreases were partially offset by an additional day of revenue for the ground campus at GCU due to the start date shifting one day of revenue from the fourth quarter to the third quarter in 2025 which had a \$0.9 million impact and the service revenue per student for ABSN students at off-campus classroom and laboratory sites generating a significantly higher revenue per student than we earn under our agreement with GCU, as these agreements generally provide us with a higher revenue share percentage, the partners have higher tuition rates than GCU and the majority of our partners' students take more credits on average per semester.
- Operating income for the nine months ended September 30, 2025 was \$157.8 million, a decrease of \$17.6 million, or 10.0%, as compared to \$175.4 million for the same period in 2024. The operating margin for the nine months ended September 30, 2025 and 2024 was 19.8% and 23.7%, respectively. Operating income and operating margin were materially impacted in the nine months ended September 30, 2025 by a reserve for litigation settlement of \$35.0 million related to the settlement of the qui tam lawsuit; lease termination, impairment and other in the amount of \$2.4 million due to the Company executing its lease termination provision on an office lease and the impairment of two off-campus classroom and laboratory site leases as the teach out at those locations has completed; loss on disposal of assets of \$0.5 million; and \$0.3 million of severance costs. Excluding these costs and the amortization of intangible assets of \$6.3 million in both the nine months ended September 30, 2025 and 2024, adjusted operating income and adjusted operating margin were \$202.3 million and 25.4%, respectively, for the nine months ended September 30, 2025 compared to adjusted operating income and adjusted operating margin of \$181.7 million and 24.5%, respectively for the nine months ended September 30, 2024. The operating income and operating margin for the nine months ended September 30, 2025 were positively impacted by an additional day of ground traditional student revenue at GCU shifting from the fourth quarter to the third quarter, a \$0.9 million impact, and contract modifications for some of our university partners in which the revenue share percentage was reduced in exchange for us no longer reimbursing the partner for certain faculty costs which had the effect of reducing operating expenses and revenue per student and \$1.1 million recorded in the second quarter related to an executive officer that resigned effective June 30, 2024, partially offset by the additional day for leap year in 2024 which added additional service revenue of \$1.5 million as compared to the current year.
- Income tax expense for the nine months ended September 30, 2025 was \$38.6 million, a decrease of \$4.4 million, or 10.2%, as compared to income tax expense of \$43.0 million for the nine months ended September 30, 2024. This decrease is primarily due to the decrease in our income before taxes between years. Our effective tax rate was 23.0% during the nine months ended September 30, 2025 compared to 23.0% during the nine months ended September 30, 2024. The effective tax rate was favorably impacted year over year primarily due to an increase in excess tax benefits of \$2.7 million as compared to \$1.5 million in the nine months ended September 30, 2025 and 2024, respectively. The effective tax rate was also favorably impacted by an increase in contributions made in lieu of state income taxes to \$5.0 million as compared to \$4.5 million in the prior year. These increases were offset by a higher effective tax rate due to the tax treatment of the litigation settlement recorded in the third quarter and changes in state income taxes.

- Net income for the nine months ended September 30, 2025 was \$129.4 million, a decrease of \$15.0 million, or 10.3% as compared to \$144.4 million for the same period in 2024. As adjusted net income was \$166.1 million and \$150.1 million for the nine months ended September 30, 2025 and 2024, respectively.
- Diluted net income per share was \$4.60 and \$4.91 for the nine months ended September 30, 2025 and 2024, respectively. As adjusted diluted net income per share was \$5.90 and \$5.11 for the nine months ended September 30, 2025 and 2024, respectively.
- Adjusted EBITDA increased 9.8% to \$245.3 million for the nine months ended September 30, 2025, compared to \$223.4 million for the same period in 2024.

#### **Liquidity and Capital Resources**

Our liquidity position, as measured by cash and cash equivalents and investments decreased by \$47.6 million between December 31, 2024 and September 30, 2025, which was largely attributable to cash expended for investing activities, capital expenditures and share repurchases exceeding our cash provided by operations during the nine months ended September 30, 2025. Our unrestricted cash and cash equivalents and investments were \$277.0 million and \$324.6 million at September 30, 2025 and December 31, 2024, respectively.

## 2025 Outlook

### Q4 2025:

- Service revenue of between \$305.0 million and \$310.0 million;
- Operating margin of between 35.1% and 35.8%;
- Effective tax rate of 22.8%;
- Diluted EPS of between \$3.07 and \$3.18; and
- 27.7 million diluted shares.

The diluted EPS guidance includes non-cash amortization of intangible assets net of taxes of \$1.6 million, which equates to a \$0.06 impact on diluted EPS. Thus, as adjusted, non-GAAP diluted income per share of between \$3.13 and \$3.24.

### Full Year 2025:

- Service revenue of between \$1,103.0 million and \$1,108.0 million;
- Operating margin of between 24.0% and 24.3%;
- Effective tax rate of 22.9%;
- Diluted EPS between \$7.66 and \$7.77; and
- 28.0 million diluted shares.

The diluted EPS guidance includes non-cash amortization of intangible assets net of taxes of \$6.6 million, \$29.2 million reserve for litigation, \$1.9 million for lease termination and impairment costs, \$0.2 million for severance costs and \$0.4 million for loss on disposal of assets, which equates to a \$1.36 impact on diluted EPS. Thus, as adjusted, non-GAAP diluted income per share of between \$9.02 and \$9.13.

## Forward-Looking Statements

This news release contains “forward-looking statements” within the meaning of federal securities laws which includes information relating to future events, future financial performance, strategies expectations, competitive environment, regulation, and availability of resources. These forward-looking statements include, without limitation, statements regarding: proposed new programs; whether regulatory, economic, or business developments or other matters may or may not have a material adverse effect on our financial position, results of operations, or liquidity; projections, predictions, expectations, estimates, and forecasts as to our business, financial and operating results, and future economic performance; and management’s goals and objectives and other similar expressions concerning matters that are not historical facts. Words such as “may,” “should,” “could,” “would,” “predicts,” “potential,” “continue,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates” and similar expressions, the negative of these expressions, as well as statements in future tense, identify forward-looking statements.

Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking statements are based on information available at the time those statements are made or management’s good faith belief as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. Important factors that could cause our actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements include, but are not limited to: (i) legal and regulatory actions taken against us related to our services business, or against our university partners that impact their businesses and that directly or indirectly reduce the service revenue we can earn under our master services agreements; (ii) the occurrence of any event, change or other circumstance that could give rise to the termination of any of the key university partner agreements; (iii) our ability to properly manage risks and challenges associated with strategic initiatives, including potential acquisitions or divestitures of, or investments in, new businesses, acquisitions of new properties and new university partners, and expansion of services provided to our existing university partners; (iv) our ability to comply with the extensive regulatory framework applicable to us either directly as a third-party service provider or indirectly through our university partners; (v) our ability to manage risks associated with epidemics, pandemics, or public health crises; (vi) our ability to manage risks resulting from system disruptions, interruptions, or outages associated with our technology platforms or those of third-party service providers; (vii) the ability of our university partners’ students to obtain federal Title IV funds, state financial aid, and private financing; (viii) potential damage to our reputation or other adverse effects as a result of negative publicity in the media, in the industry or in connection with governmental reports or investigations or otherwise; (ix) risks associated with changes in applicable federal and state laws and regulations and accrediting commission standards; (x) competition from other education service companies in our geographic region and market sector; (xi) our ability to hire and train new, and develop and train existing employees; (xii) the pace of growth of our

university partners' enrollment and its effect on the pace of our own growth; (xiii) fluctuations in our revenues due to seasonality; (xiv) our ability to, on behalf of our university partners, convert prospective students to enrolled students and to retain active students to graduation; and (xv) other risks and uncertainties identified from time to time in documents filed with the Securities and Exchange Commission (the "SEC") by us, including our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, filed on February 19, 2025.

Forward-looking statements speak only as of the date the statements are made. You should not put undue reliance on any forward-looking statements. We assume no obligation to update forward-looking statements to reflect actual results, changes in assumptions, or changes in other factors affecting forward-looking information, except to the extent required by applicable securities laws. If we do update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements. This press release should be read in conjunction with the information included in our other press releases, reports and other filings with the SEC. Understanding the information contained in these filings is important in order to fully understand GCE's reported financial results and our business outlook for future periods.

**Conference Call**

Grand Canyon Education, Inc. will discuss its third quarter 2025 results and full year 2025 outlook during a conference call scheduled for today, November 5, 2025 at 4:30 p.m. Eastern time (ET).

**Live Conference Dial-In:**

Those interested in participating in the question-and-answer session should follow the conference dial-in instructions below. Participants may register for the call [here](#) to receive the dial-in numbers and unique PIN to access the call seamlessly. Please dial in at least ten minutes prior to the start of the call. Journalists are invited to listen only.

**Webcast and Replay:**

Investors, journalists and the general public may access a live webcast of this event at: [Q3 2025 Grand Canyon Education Inc. Earnings Conference Call](#). A webcast replay will be available approximately two hours following the conclusion of the call at the same link.

**About Grand Canyon Education, Inc.**

Grand Canyon Education, Inc. (“GCE”), incorporated in 2008, is a publicly traded education services company that currently provides services to 20 university partners. GCE is uniquely positioned in the education services industry in that its leadership has over 30 years of proven expertise in providing a full array of support services in the post-secondary education sector and has developed significant technological solutions, infrastructure and operational processes to provide superior services in these areas on a large scale. GCE provides services that support students, faculty and staff of partner institutions such as marketing, strategic enrollment management, counseling services, financial services, technology, technical support, compliance, human resources, classroom operations, content development, faculty recruitment and training, among others. For more information about GCE visit the Company's website at [www.gce.com](http://www.gce.com).

Grand Canyon Education, Inc., 2600 W. Camelback Road, Phoenix, AZ 85017, [www.gce.com](http://www.gce.com).

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**GRAND CANYON EDUCATION, INC.**  
**Consolidated Income Statements**  
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
<b>(In thousands, except per share data)</b>				
<b>Service revenue</b>	\$ 261,142	\$ 238,291	\$ 797,951	\$ 740,429
<b>Costs and expenses:</b>				
Technology and academic services	44,908	41,955	129,706	122,081
Counseling services and support	84,405	77,166	254,250	238,157
Marketing and communication	59,145	54,526	175,512	162,774
General and administrative	15,149	14,364	36,926	35,730
Reserve for litigation settlement	35,000	—	35,000	—
Lease termination, impairment and other	2,411	—	2,411	—
Amortization of intangible assets	2,105	2,105	6,315	6,315
<b>Total costs and expenses</b>	<b>243,123</b>	<b>190,116</b>	<b>640,120</b>	<b>565,057</b>
<b>Operating income</b>	<b>18,019</b>	<b>48,175</b>	<b>157,831</b>	<b>175,372</b>
Investment interest and other	3,637	4,154	10,244	11,991
<b>Income before income taxes</b>	<b>21,656</b>	<b>52,329</b>	<b>168,075</b>	<b>187,363</b>
Income tax expense	5,382	10,862	38,637	43,008
<b>Net income</b>	<b>\$ 16,274</b>	<b>\$ 41,467</b>	<b>\$ 129,438</b>	<b>\$ 144,355</b>
<b>Earnings per share:</b>				
<b>Basic income per share</b>	<b>\$ 0.59</b>	<b>\$ 1.43</b>	<b>\$ 4.62</b>	<b>\$ 4.94</b>
<b>Diluted income per share</b>	<b>\$ 0.58</b>	<b>\$ 1.42</b>	<b>\$ 4.60</b>	<b>\$ 4.91</b>
<b>Basic weighted average shares outstanding</b>	<b>27,740</b>	<b>29,003</b>	<b>28,002</b>	<b>29,248</b>
<b>Diluted weighted average shares outstanding</b>	<b>27,897</b>	<b>29,164</b>	<b>28,165</b>	<b>29,405</b>

**GRAND CANYON EDUCATION, INC.**  
**Consolidated Balance Sheets**

(In thousands, except par value)	As of September 30, 2025	As of December 31, 2024
<b>ASSETS:</b>	<b>(Unaudited)</b>	
<b>Current assets</b>		
Cash and cash equivalents	\$ 97,284	\$ 324,623
Investments	179,691	—
Accounts receivable, net	122,041	82,948
Income taxes receivable	22,679	490
Other current assets	12,299	11,915
<b>Total current assets</b>	433,994	419,976
Property and equipment, net	180,013	176,823
Right-of-use assets	99,871	99,541
Amortizable intangible assets, net	153,647	159,962
Goodwill	160,766	160,766
Other assets	4,501	1,357
<b>Total assets</b>	<b>\$ 1,032,792</b>	<b>\$ 1,018,425</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY:</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 19,284	\$ 26,721
Accrued compensation and benefits	28,766	33,183
Accrued liabilities	70,539	29,620
Income taxes payable	144	8,559
Deferred revenue	3,801	—
Current portion of lease liability	14,204	12,883
<b>Total current liabilities</b>	136,738	110,966
Deferred income taxes, noncurrent	40,195	26,527
Other long-term liabilities	1,494	1,444
Lease liability, less current portion	96,324	95,635
<b>Total liabilities</b>	<b>274,751</b>	<b>234,572</b>
Commitments and contingencies		
<b>Stockholders' equity</b>		
Preferred stock, \$0.01 par value, 10,000 shares authorized; 0 shares issued and outstanding at September 30, 2025 and December 31, 2024	—	—
Common stock, \$0.01 par value, 100,000 shares authorized; 54,178 and 54,090 shares issued and 28,004 and 28,858 shares outstanding at September 30, 2025 and December 31, 2024, respectively	542	541
Treasury stock, at cost, 26,174 and 25,232 shares of common stock at September 30, 2025 and December 31, 2024, respectively	(2,190,582)	(2,024,370)
Additional paid-in capital	347,146	336,736
Accumulated other comprehensive gain	551	—
Retained earnings	2,600,384	2,470,946
<b>Total stockholders' equity</b>	<b>758,041</b>	<b>783,853</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 1,032,792</b>	<b>\$ 1,018,425</b>

**GRAND CANYON EDUCATION, INC.**  
**Consolidated Statements of Cash Flows**  
(Unaudited)

(In thousands)	Nine Months Ended September 30,	
	2025	2024
<b>Cash flows provided by operating activities:</b>		
Net income	\$ 129,438	\$ 144,355
Adjustments to reconcile net income to net cash provided by operating activities:		
Share-based compensation	10,411	10,855
Depreciation and amortization	23,323	20,707
Amortization of intangible assets	6,315	6,315
Deferred income taxes	13,497	(560)
Reserve for litigation settlement	35,000	—
Lease termination, impairment and other	2,411	—
Other, including fixed asset disposals	(444)	(743)
Changes in assets and liabilities:		
Accounts receivable from university partners	(39,093)	(37,577)
Other assets	(3,218)	1,239
Right-of-use assets and lease liabilities	576	1,296
Accounts payable	(8,477)	10,710
Accrued liabilities	70	1,747
Income taxes receivable/payable	(30,604)	(10,623)
Deferred revenue	3,801	6,420
<b>Net cash provided by operating activities</b>	<b>143,006</b>	<b>154,141</b>
<b>Cash flows (used in) provided by investing activities:</b>		
Capital expenditures	(27,225)	(27,501)
Additions of amortizable content	(47)	(227)
Purchase of equity investment	(1,000)	—
Loss on equity investment	500	—
Purchases of investments	(224,715)	(48,594)
Proceeds from sale or maturity of investments	46,872	147,619
<b>Net cash (used in) provided by investing activities</b>	<b>(205,615)</b>	<b>71,297</b>
<b>Cash flows used in financing activities:</b>		
Repurchase of common shares and shares withheld in lieu of income taxes	(164,730)	(108,329)
<b>Net cash used in financing activities</b>	<b>(164,730)</b>	<b>(108,329)</b>
<b>Net (decrease) increase in cash and cash equivalents and restricted cash</b>	<b>(227,339)</b>	<b>117,109</b>
<b>Cash and cash equivalents and restricted cash, beginning of period</b>	<b>324,623</b>	<b>146,475</b>
<b>Cash and cash equivalents and restricted cash, end of period</b>	<b>\$ 97,284</b>	<b>\$ 263,584</b>
<b>Supplemental disclosure of cash flow information</b>		
Cash paid for interest	\$ —	\$ 4
Cash paid for income taxes	\$ 53,748	\$ 51,420
<b>Supplemental disclosure of non-cash investing and financing activities</b>		
Purchases of property and equipment included in accounts payable	\$ 798	\$ 1,604
ROU Asset and Liability recognition	\$ 330	\$ 6,395
Excise tax on treasury stock repurchases	\$ 1,482	\$ 815

GRAND CANYON EDUCATION, INC.

**Adjusted EBITDA (Non-GAAP Financial Measure)**

Adjusted EBITDA is defined as net income plus interest expense, less interest income and other gain (loss) recognized on investments, plus income tax expense, and plus depreciation and amortization (EBITDA), as adjusted for (i) contributions to private Arizona school tuition organizations in lieu of the payment of state income taxes; (ii) share-based compensation; and (iii) unusual charges or gains, such as litigation and regulatory reserves, impairment charges and asset write-offs, severance costs, and exit or lease termination costs. We present Adjusted EBITDA because we consider it to be an important supplemental measure of our operating performance. We also make certain compensation decisions based, in part, on our operating performance, as measured by Adjusted EBITDA. All of the adjustments made in our calculation of Adjusted EBITDA are adjustments to items that management does not consider to be reflective of our core operating performance. Management considers our core operating performance to be that which can be affected by our managers in any particular period through their management of the resources that affect our underlying revenue and profit generating operations during that period and does not consider the items for which we make adjustments (as listed above) to be reflective of our core performance.

We believe Adjusted EBITDA allows us to compare our current operating results with corresponding historical periods and with the operational performance of other companies in our industry because it does not give effect to potential differences caused by variations in capital structures (affecting relative interest expense, including the impact of write-offs of deferred financing costs when companies refinance their indebtedness), tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), the book amortization of intangibles (affecting relative amortization expense), and other items that we do not consider reflective of underlying operating performance. We also present Adjusted EBITDA because we believe it is frequently used by securities analysts, investors, and other interested parties as a measure of performance.

In evaluating Adjusted EBITDA, investors should be aware that in the future we may incur expenses similar to the adjustments described above. Our presentation of Adjusted EBITDA should not be construed as an inference that our future results will be unaffected by expenses that are unusual, non-routine, or non-recurring. Adjusted EBITDA has limitations as an analytical tool in that, among other things, it does not reflect:

- cash expenditures for capital expenditures or contractual commitments;
- changes in, or cash requirements for, our working capital requirements;
- interest expense, or the cash required to replace assets that are being depreciated or amortized; and
- the impact on our reported results of earnings or charges resulting from the items for which we make adjustments to our EBITDA, as described above and set forth in the table below.

In addition, other companies, including other companies in our industry, may calculate these measures differently than we do, limiting the usefulness of Adjusted EBITDA as a comparative measure. Because of these limitations, Adjusted EBITDA should not be considered as a substitute for net income, operating income, or any other performance measure derived in accordance with and reported under GAAP, or as an alternative to cash flow from operating activities or as a measure of our liquidity. We compensate for these limitations by relying primarily on our GAAP results and only use Adjusted EBITDA as a supplemental performance measure.

The following table provides a reconciliation of net income to Adjusted EBITDA, which is a non-GAAP measure for the periods indicated:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(Unaudited, in thousands)		(Unaudited, in thousands)	
Net income	\$ 16,274	\$ 41,467	\$ 129,438	\$ 144,355
Less: investment interest and other	(3,637)	(4,154)	(10,244)	(11,991)
Plus: income tax expense	5,382	10,862	38,637	43,008
Plus: amortization of intangible assets	2,105	2,105	6,315	6,315
Plus: depreciation and amortization	8,063	7,126	23,323	20,707
EBITDA	28,187	57,406	187,469	202,394
Plus: contributions in lieu of state income taxes	5,000	4,500	5,000	4,500
Plus: share-based compensation	3,293	3,375	10,411	10,855
Plus: litigation and regulatory costs	36,318	1,017	39,220	4,488
Plus: lease termination, impairment and other	2,411	—	2,411	—
Plus: severance costs	299	—	299	1,133
Plus: loss on fixed asset disposal	392	27	470	71
Adjusted EBITDA	<u>\$ 75,900</u>	<u>\$ 66,325</u>	<u>\$ 245,280</u>	<u>\$ 223,441</u>

#### Non-GAAP Net Income and Non-GAAP Diluted Income Per Share

The Company believes the presentation of non-GAAP net income and non-GAAP diluted income per share information that excludes amortization of intangible assets, reserve for litigation settlement, lease termination costs, impairments and other costs, severance costs and loss on disposal of fixed assets allows investors to develop a more meaningful understanding of the Company's performance over time. Accordingly, for the three and nine months ended September 30, 2025 and 2024, the table below provides reconciliations of these non-GAAP items to GAAP net income and GAAP diluted income per share, respectively:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(Unaudited, in thousands except per share data)			
GAAP Net income	\$ 16,274	\$ 41,467	\$ 129,438	\$ 144,355
Amortization of intangible assets	2,105	2,105	6,315	6,315
Reserve for litigation settlement	35,000	—	35,000	—
Lease termination, impairment and other	2,411	—	2,411	—
Severance costs	299	—	299	1,133
Loss on disposal of fixed assets	392	27	470	71
Income tax effects of adjustments (1)	(6,796)	(443)	(7,848)	(1,726)
As Adjusted, Non-GAAP Net income	<u>\$ 49,685</u>	<u>\$ 43,156</u>	<u>\$ 166,085</u>	<u>\$ 150,148</u>
GAAP Diluted income per share	\$ 0.58	\$ 1.42	\$ 4.60	\$ 4.91
Amortization of intangible assets (2)	0.06	0.06	0.17	0.17
Reserve on litigation settlement (3)	1.05	-	1.05	-
Lease termination, impairment and other (4)	0.07	-	0.06	-
Severance costs (5)	0.01	-	0.01	0.03
Loss on disposal of fixed assets (6)	0.01	0.00	0.01	0.00
As Adjusted, Non-GAAP Diluted income per share	<u>\$ 1.78</u>	<u>\$ 1.48</u>	<u>\$ 5.90</u>	<u>\$ 5.11</u>

- (1) The income tax effects of adjustments are based on the effective income tax rate applicable to adjusted (non-GAAP) results. The tax effect for the reserve for litigation was 16.49% for both the three and nine months ended September 30, 2025, due to non-deductible components.
- (2) The amortization of acquired intangible assets per diluted share is net of an income tax benefit of \$0.01 for both of the three months ended September 30, 2025 and 2024, and net of an income tax benefit of \$0.05 for both of the nine months ended September 30, 2025 and 2024.

- (3) The reserve for litigation settlement per diluted share is net of an income tax benefit of \$0.21 and \$0.20 for the three and nine months ended September 30, 2025, respectively.
- (4) The lease termination, impairment and other per diluted share is net of an income tax benefit of \$0.02 for both the three and nine months ended September 30, 2025.
- (5) The severance costs per diluted share is net of an income tax benefit of nil for the three and nine months ended September 30, 2025 and net of an income tax benefit of \$0.01 for the nine months ended September 30, 2024.
- (6) The loss on disposal of fixed assets per diluted share is net of an income tax benefit of nil for both the three months ended September 30, 2025 and 2024 and nil for both the nine months ended September 30, 2025 and 2024.