
**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): May 5, 2025



BRIGHT HORIZONS FAMILY SOLUTIONS INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-35780
(Commission
File Number)

80-0188269
(I.R.S. Employer
Identification Number)

2 Wells Avenue
Newton, Massachusetts
(Address of principal executive offices)

02459
(Zip code)

Registrant's telephone number, including area code: **(617) 673-8000**

Not Applicable

(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 (see General Instruction A.2. below):

- 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, \$0.001 par value per share	BFAM	New York Stock Exchange

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.

Item 2.02 Results of Operations and Financial Condition

On May 5, 2025, Bright Horizons Family Solutions Inc. issued a press release announcing its financial results for the fiscal quarter ended March 31, 2025 and updated financial guidance for the year 2025. A copy of the press release is furnished as Exhibit 99.1 hereto and is incorporated herein by reference.

The information contained in this Item, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed “filed” for any purpose, and shall not be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, regardless of any general incorporation language in any such filing.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- | | |
|------|---|
| 99.1 | Press Release of Bright Horizons Family Solutions Inc. dated May 5, 2025. |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document). |
-

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.

BRIGHT HORIZONS FAMILY SOLUTIONS INC.

Date: May 5, 2025

By: /s/ Elizabeth Boland
Elizabeth Boland
Chief Financial Officer

Bright Horizons Family Solutions Reports Financial Results for the First Quarter of 2025

NEWTON, MA - (BUSINESS WIRE) - May 5, 2025 - Bright Horizons Family Solutions[®] Inc. (NYSE: BFAM) today announced financial results for the first quarter of 2025 and provided updated financial guidance for 2025. Bright Horizons is a leading provider of high-quality early education and child care, family care solutions, and workforce education services designed to support working families and client employees across life and career stages.

First Quarter 2025 Highlights (compared to First Quarter 2024):

- Revenue of \$666 million (increase of 7%)
- Income from operations of \$62 million (increase of 56%)
- Net income of \$38 million and diluted earnings per common share of \$0.66 (increases of 124% and 128%, respectively)

Non-GAAP financial measures

- Adjusted EBITDA* of \$92 million (increase of 23%)
- Adjusted income from operations* of \$62 million (increase of 56%)
- Adjusted net income* of \$45 million and diluted adjusted earnings per common share* of \$0.77 (increases of 51%)

“We are pleased with our solid start to the year,” said Stephen Kramer, Chief Executive Officer. “Our first quarter results reflect continued growth across our service portfolio, including 7% revenue and more than 50% adjusted EPS growth. In an environment marked by macroeconomic uncertainty, our unique model and exceptional team continue to drive strong execution. As we look ahead, we remain focused on delivering high-quality education and care while deepening our impact across the clients and communities we serve.”

First Quarter 2025 Results

Revenue increased by \$42.8 million, or 7%, in the first quarter of 2025 from the first quarter of 2024, due to enrollment gains and tuition price increases at our centers, as well as increased utilization of back-up care and educational advisory services.

Income from operations was \$62.3 million for the first quarter of 2025 compared to \$39.9 million for the first quarter of 2024, an increase of 56%. The increase in income from operations is primarily related to incremental gross profit contributions resulting from higher utilization of services in our back-up care segment, as well as enrollment growth in our full service center-based child care segment. Net income was \$38.0 million for the first quarter of 2025 compared to \$17.0 million for the first quarter of 2024, an increase of 124%, due to the increase in income from operations noted above, lower interest expense and a lower effective tax rate. Diluted earnings per common share was \$0.66 for the first quarter of 2025 compared to \$0.29 for the first quarter of 2024.

In the first quarter of 2025, adjusted EBITDA* increased by \$17.3 million, or 23%, to \$92.3 million, and adjusted income from operations* increased by \$22.3 million, or 56%, to \$62.3 million from the first quarter of 2024, due to increased contributions from both the back-up care segment and full service center-based child care segment. Adjusted net income* increased by \$15.1 million, or 51%, to \$44.7 million, as a result of the increase in adjusted income from operations and lower interest expense. Diluted adjusted earnings per common share* was \$0.77 for the first quarter of 2025 compared to \$0.51 for the first quarter of 2024.

As of March 31, 2025, the Company operated 1,023 early education and child care centers with the capacity to serve approximately 115,000 children.

**Adjusted EBITDA, adjusted income from operations, adjusted net income and diluted adjusted earnings per common share are financial measures that are not calculated in accordance with generally accepted accounting principles in the United States (“GAAP”), which are commonly referred to as “non-GAAP financial measures.” Adjusted EBITDA represents EBITDA (which is net income, as determined in accordance with GAAP, before interest expense, income tax expense, depreciation, and amortization) adjusted to exclude stock-based compensation expense and non-recurring costs, as applicable, such as transaction costs and impairment costs. Adjusted income from operations represents income from operations, as determined in accordance with GAAP, adjusted to exclude non-recurring costs, as applicable, such as transaction costs and impairment costs. Adjusted net income represents net income, as determined in accordance with GAAP, adjusted to exclude amortization, stock-based compensation expense, and non-recurring costs, as applicable, such as transaction costs, impairment costs, interest on deferred consideration, and the income tax provision (benefit) thereon. Diluted adjusted earnings per common share is calculated using adjusted net income. These non-GAAP financial measures are more fully described and are reconciled from the respective measures determined under GAAP in “Presentation of Non-GAAP Financial Measures” and the attached table “Bright Horizons Family Solutions Inc. Non-GAAP Reconciliations,” respectively.*

Balance Sheet and Liquidity

At March 31, 2025, the Company had \$112.0 million of cash and cash equivalents and \$384.8 million available for borrowing under our revolving credit facility. In the three months ended March 31, 2025, we generated \$86.2 million of cash from operations, compared to \$116.3 million for the same period in 2024, and made net investments totaling \$14.5 million, compared to \$38.1 million for the same period in the prior year.

2025 Outlook

Based on current trends and expectations, we currently expect fiscal year 2025 revenue to be in the range of \$2.865 billion to \$2.915 billion and diluted adjusted earnings per common share to be in the range of \$3.95 to \$4.15. The Company will provide additional information on its outlook during its earnings conference call.

Conference Call

Bright Horizons Family Solutions will host an investor conference call today at 5:00 pm ET to discuss the results for the first quarter of 2025, as well as the Company’s updated business outlook and strategy. Interested parties are invited to listen to the conference call by dialing 1-844-539-3703, or for international callers, 1-412-652-1273, and asking for the Bright Horizons Family Solutions conference call moderated by Chief Executive Officer Stephen Kramer. Replays of the entire call will be available through May 19, 2025 at 1-844-512-2921, or for international callers, at 1-412-317-6671, conference ID #13752640. A link to the audio webcast of the conference call and a copy of this press release are also available through the Investor Relations section of the Company’s web site, investors.brighthorizons.com.

Forward-Looking Statements

This press release includes forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The Company's actual results may vary significantly from the results anticipated in these forward-looking statements, which can generally be identified by the use of forward-looking terminology, including the terms "believes," "expects," "may," "will," "should," "seeks," "projects," "approximately," "intends," "plans," "estimates" or "anticipates," or, in each case, their negatives or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts, including statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, our results of operations, financial condition, liquidity, operating expectations, execution and delivery of our services and solutions, business trends, our future growth opportunities, enrollment levels, back-up care use, long-term growth strategy, estimated effective tax rate, tax expense, our future business and financial performance, impact of our services, and our 2025 financial guidance. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. The Company believes that these risks and uncertainties include, but are not limited to, changes in the demand for child care, dependent care and other workplace solutions, including variations in enrollment trends and lower than expected demand from employer sponsor clients as well as variations in workforce demographics and work environments; the constrained labor market for teachers and staff and ability to hire and retain talent, including the impact of increased compensation and labor costs; the availability or lack of government support programs, and the impact of available government child care benefit programs; our ability to respond to changing client and customer needs; competition in our industry, the possibility that acquisitions may disrupt our operations and expose us to additional risk; our ability to pass on our increased costs; our indebtedness and the terms of such indebtedness; our ability to withstand seasonal fluctuations in the demand for our services; our ability to implement our growth strategies successfully; changes in general economic, political, business and financial market conditions and other macroeconomic events and uncertainty, including the impact of inflation and interest rate fluctuations; fluctuations in currency exchange rates; the effects of a cyber-attack, data breach or other security incident on our information technology system or software or those of our third party vendors; changes in tax rates or policies; impacts to our brand or reputation; litigation-related and insurance risks, changes in laws and regulations; and other risks and uncertainties more fully described in the "Risk Factors" section of our Annual Report on Form 10-K filed on February 27, 2025, and other factors disclosed from time to time in our other filings with the Securities and Exchange Commission. These forward-looking statements speak only as of the time of this release and we do not undertake to publicly update or revise them, whether as a result of new information, future events or otherwise, except as required by law.

Presentation of Non-GAAP Financial Measures

In addition to the results provided in accordance with GAAP throughout this press release, the Company has provided certain non-GAAP financial measures that present operating results on a basis adjusted for certain items. The Company uses these non-GAAP financial measures as key performance indicators for the purpose of evaluating performance internally, and in connection with determining incentive compensation for Company management, including executive officers. Adjusted EBITDA is also used in connection with the determination of certain ratio requirements under our credit agreement. We believe that these non-GAAP financial measures provide investors with useful information with respect to our historical operations. These non-GAAP financial measures are not intended to replace, and should not be considered superior to, the presentation of our financial results in accordance with GAAP. The use of the terms adjusted EBITDA, adjusted income from operations, adjusted net income and diluted adjusted earnings per common share may differ from similar measures reported by other companies and may not be comparable to other similarly titled measures.

With respect to our outlook for diluted adjusted earnings per common share, we do not provide the most directly comparable GAAP financial measure or corresponding reconciliation to such GAAP financial measure on a forward-looking basis. We are unable to predict with reasonable certainty and without unreasonable effort certain items such as the timing and amount of net excess income tax benefits, future impairments, transaction costs, and other non-recurring costs, as well as gains or losses from the early retirement of debt and the outcome from legal proceedings. These items are uncertain, depend on various factors outside our management's control, and could significantly impact, either individually or in the aggregate, our future period earnings per common share as calculated and presented in accordance with GAAP.

For more information regarding adjusted EBITDA, adjusted income from operations, adjusted net income and diluted adjusted earnings per common share, refer to the reconciliation of GAAP financial measures to the non-GAAP financial measures in the attached table "Bright Horizons Family Solutions Inc. Non-GAAP Reconciliations."

About Bright Horizons Family Solutions Inc.

Bright Horizons® is a leading global provider of high-quality early education and child care, back-up care, and workforce education services. For more than 35 years, we have partnered with employers to support workforces by providing services that help working families and employees thrive personally and professionally. Bright Horizons operates more than 1,000 early education and child care centers in the United States, the United Kingdom, the Netherlands, Australia and India, and serves more than 1,450 of the world's leading employers. Bright Horizons' early education and child care centers, back-up child and senior care, and workforce education programs help employees succeed at each life and career stage. For more information, go to www.brighthorizons.com.

Contacts:

Investors:

Elizabeth Boland
Chief Financial Officer - Bright Horizons
eboland@brighthorizons.com
617-673-8125

Michael Flanagan
Vice President - Investor Relations - Bright Horizons
michael.flanagan@brighthorizons.com
617-673-8720

Media:

Ilene Serpa
Vice President - Communications - Bright Horizons
iserpa@brighthorizons.com
617-673-8044

BRIGHT HORIZONS FAMILY SOLUTIONS INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In thousands, except share data)
(Unaudited)

	Three Months Ended March 31,			
	2025	%	2024	%
Revenue	\$ 665,527	100.0 %	\$ 622,709	100.0 %
Cost of services	509,790	76.6 %	487,581	78.3 %
Gross profit	155,737	23.4 %	135,128	21.7 %
Selling, general and administrative expenses	91,861	13.8 %	87,546	14.1 %
Amortization of intangible assets	1,604	0.2 %	7,645	1.2 %
Income from operations	62,272	9.4 %	39,937	6.4 %
Interest expense — net	(10,351)	(1.6)%	(13,681)	(2.2)%
Income before income tax	51,921	7.8 %	26,256	4.2 %
Income tax expense	(13,872)	(2.1)%	(9,267)	(1.5)%
Net income	\$ 38,049	5.7 %	\$ 16,989	2.7 %
Earnings per common share:				
Common stock — basic	\$ 0.66		\$ 0.29	
Common stock — diluted	\$ 0.66		\$ 0.29	
Weighted average common shares outstanding:				
Common stock — basic	57,383,787		57,878,401	
Common stock — diluted	57,950,748		58,310,405	

BRIGHT HORIZONS FAMILY SOLUTIONS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

	March 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 112,047	\$ 110,327
Accounts receivable — net	239,196	283,336
Prepaid expenses and other current assets	97,235	102,368
Total current assets	448,478	496,031
Fixed assets — net	575,138	572,939
Goodwill	1,779,245	1,762,683
Other intangible assets — net	196,404	197,575
Operating lease right-of-use assets	731,384	725,897
Other assets	92,708	95,194
Total assets	\$ 3,823,357	\$ 3,850,319
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt	\$ 25,000	\$ 28,500
Accounts payable and accrued expenses	273,420	304,541
Current portion of operating lease liabilities	103,348	102,090
Deferred revenue	308,589	305,098
Other current liabilities	33,897	39,170
Total current liabilities	744,254	779,399
Long-term debt — net	872,745	918,449
Operating lease liabilities	746,494	743,562
Other long-term liabilities	111,675	110,214
Deferred income taxes	24,218	20,299
Total liabilities	2,499,386	2,571,923
Total stockholders' equity	1,323,971	1,278,396
Total liabilities and stockholders' equity	\$ 3,823,357	\$ 3,850,319

BRIGHT HORIZONS FAMILY SOLUTIONS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 38,049	\$ 16,989
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	21,875	27,633
Stock-based compensation expense	8,157	7,411
Deferred income taxes	5,012	(1,707)
Non-cash interest and other — net	(113)	5,447
Changes in assets and liabilities	13,198	60,528
Net cash provided by operating activities	<u>86,178</u>	<u>116,301</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of fixed assets — net	(15,231)	(19,371)
Purchases of debt securities and other investments	(4,185)	(27,076)
Proceeds from debt securities and other investments	4,874	10,900
Payments and settlements for acquisitions — net of cash acquired	—	(2,503)
Net cash used in investing activities	<u>(14,542)</u>	<u>(38,050)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal payments of long-term debt	(49,500)	(4,000)
Purchase of treasury stock	(19,573)	—
Proceeds from issuance of common stock upon exercise of options	8,251	5,509
Taxes paid related to the net share settlement of stock options and restricted stock	(12,587)	(1,488)
Payments of deferred consideration for acquisitions	—	(97,653)
Net cash used in financing activities	<u>(73,409)</u>	<u>(97,632)</u>
Effect of exchange rates on cash, cash equivalents and restricted cash	2,026	(670)
Net increase (decrease) in cash, cash equivalents and restricted cash	253	(20,051)
Cash, cash equivalents and restricted cash — beginning of period	123,715	89,451
Cash, cash equivalents and restricted cash — end of period	<u>\$ 123,968</u>	<u>\$ 69,400</u>

BRIGHT HORIZONS FAMILY SOLUTIONS INC.
SEGMENT INFORMATION
(In thousands)
(Unaudited)

	Full service center-based child care	Back-up care	Educational advisory services	Total
Three Months Ended March 31, 2025				
Revenue	\$ 510,547	\$ 128,612	\$ 26,368	\$ 665,527
Income from operations	33,254	26,384	2,634	62,272
Adjusted income from operations	33,254	26,384	2,634	62,272
As a percentage of revenue	7 %	21 %	10 %	9 %
Three Months Ended March 31, 2024				
Revenue	\$ 483,640	\$ 114,672	\$ 24,397	\$ 622,709
Income from operations	21,444	15,983	2,510	39,937
Adjusted income from operations	21,444	15,983	2,510	39,937
As a percentage of revenue	4 %	14 %	10 %	6 %

BRIGHT HORIZONS FAMILY SOLUTIONS INC.
NON-GAAP RECONCILIATIONS
(In thousands, except share data)
(Unaudited)

	Three Months Ended March 31,	
	2025	2024
Net income	\$ 38,049	\$ 16,989
Interest expense — net	10,351	13,681
Income tax expense	13,872	9,267
Depreciation	20,271	19,988
Amortization of intangible assets ^(a)	1,604	7,645
EBITDA	84,147	67,570
<i>As a percentage of revenue</i>	<i>13%</i>	<i>11%</i>
<i>Additional adjustments:</i>		
Stock-based compensation expense ^(b)	8,157	7,411
Total adjustments	8,157	7,411
Adjusted EBITDA	\$ 92,304	\$ 74,981
<i>As a percentage of revenue</i>	<i>14 %</i>	<i>12 %</i>
Income from operations	\$ 62,272	\$ 39,937
Adjusted income from operations	\$ 62,272	\$ 39,937
<i>As a percentage of revenue</i>	<i>9 %</i>	<i>6 %</i>
Net income	\$ 38,049	\$ 16,989
Income tax expense	13,872	9,267
Income before income tax	51,921	26,256
Amortization of intangible assets ^(a)	1,604	7,645
Stock-based compensation expense ^(b)	8,157	7,411
Adjusted income before income tax	61,682	41,312
Adjusted income tax expense ^(c)	(16,963)	(11,691)
Adjusted net income	\$ 44,719	\$ 29,621
<i>As a percentage of revenue</i>	<i>7 %</i>	<i>5 %</i>
Weighted average common shares outstanding — diluted	57,950,748	58,310,405
Diluted adjusted earnings per common share	\$ 0.77	\$ 0.51

- (a) Amortization of intangible assets represents amortization expense, including amortization expense of \$5.0 million for the three months ended March 31, 2024, associated with intangible assets recorded in connection with our going private transaction in May 2008.
- (b) Stock-based compensation expense represents non-cash stock-based compensation expense in accordance with Accounting Standards Codification Topic 718, *Compensation-Stock Compensation*.
- (c) Adjusted income tax expense represents income tax expense calculated on adjusted income before income tax at an effective tax rate of approximately 28% for both the three months ended March 31, 2025 and 2024. The jurisdictional mix of the expected adjusted income before income tax for the full year will affect the estimated effective tax rate for the year.