EMORY UNIVERSITY

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

AUGUST 31, 2025 AND 2024

(WITH INDEPENDENT AUDITORS' REPORT THEREON)

KPMG LLP
Suite 2000
303 Peachtree Street, N.E.
Atlanta, GA 30308-3210

Independent Auditors' Report

Board of Trustees
Emory University:

Opinion

We have audited the consolidated financial statements of Emory University and its subsidiaries (the University), which comprise the consolidated statements of financial position as of August 31, 2025 and 2024, and the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the University as of August 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in schedules 1 through 3 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

Atlanta, Georgia
December 12, 2025

EMORY UNIVERSITY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AUGUST 31, 2025 AND 2024 (Dollars in thousands)

	August 31, 2025	August 31, 2024
ASSETS:		
Cash and cash equivalents	$ 1,638,560	$ 845,459
Patient accounts receivable, net	959,306	769,299
Student accounts receivable, net	20,682	19,886
Loans receivable, net	16,904	14,524
Contributions receivable, net	122,642	150,498
Other receivables, net	484,274	389,184
Prepaid expenses, deferred charges, and other assets	628,510	517,116
Investments	12,946,696	11,678,888
Interests in perpetual funds held by others	2,050,386	2,013,211
Operating lease right-of-use assets	174,480	180,933
Property and equipment, net	4,777,813	4,707,332
Total assets	**$ 23,820,253**	**$ 21,286,330**
LIABILITIES AND NET ASSETS:		
Accounts payable and accrued liabilities	$ 1,467,809	$ 1,211,079
Deferred revenue	367,595	360,164
Interest payable	59,759	53,624
Liability for derivative instruments	22,682	32,604
Bonds and notes payable	4,168,013	3,304,279
Accrued liabilities for benefit obligations and professional liabilities	929,194	791,494
Operating lease liabilities	199,063	206,925
Finance lease liabilities	16,559	16,498
Funds held in trust for others	1,269,348	1,183,408
Annuities payable	13,889	13,737
Government advances for federal loan programs	12,554	13,281
Asset retirement obligations	98,743	97,167
Total liabilities	**8,625,208**	**7,284,260**
Net assets without donor restrictions, controlled by Emory	6,932,118	6,171,010
Net assets without donor restrictions related to noncontrolling interests	11,577	119,822
Net assets without donor restrictions	6,943,695	6,290,832
Net assets with donor restrictions	8,251,350	7,711,238
Total net assets	**15,195,045**	**14,002,070**
TOTAL LIABILITIES AND NET ASSETS	**$ 23,820,253**	**$ 21,286,330**

See accompanying notes to consolidated financial statements.

EMORY UNIVERSITY
CONSOLIDATED STATEMENTS OF ACTIVITIES

YEAR ENDED AUGUST 31, 2025 (WITH SUMMARIZED COMPARATIVE INFORMATION FOR AUGUST 31, 2024) (Dollars in thousands)

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total August 31, 2025	Total August 31, 2024
OPERATING REVENUE				
Tuition and fees, net of scholarship allowance	$ 567,217	-	$ 567,217	$ 532,165
Sales and services of auxiliary enterprises, net of scholarship allowance	75,598	-	75,598	83,169
Endowment spending distribution	300,466	-	300,466	280,141
Distribution from perpetual funds	66,700	-	66,700	49,094
Other investment income designated for current operations	112,732	-	112,732	112,778
Gifts and contributions for current use	49,938	19,433	69,371	62,152
Grants and contracts	804,058	-	804,058	793,137
Indirect cost recoveries	241,537	-	241,537	235,529
Net patient service revenue	7,330,173	-	7,330,173	6,258,326
Medical services	409,399	-	409,399	359,413
Independent operations	21,584	-	21,584	23,695
Other revenue	836,639	-	836,639	676,976
Net assets released from restrictions	45,123	(17,218)	27,905	30,045
Total operating revenue	**10,861,164**	**2,215**	**10,863,379**	**9,496,620**
OPERATING EXPENSES				
Salaries	5,265,449	-	5,265,449	4,672,130
Fringe benefits	1,259,151	-	1,259,151	1,080,649
Student financial aid	26,697	-	26,697	24,248
Other operating expenses	3,533,612	-	3,533,612	3,213,549
Interest on indebtedness	113,892	-	113,892	110,286
Depreciation and amortization	379,158	-	379,158	398,179
Total operating expenses	**10,577,959**	**-**	**10,577,959**	**9,499,041**
NET OPERATING ACTIVITIES	**283,205**	**2,215**	**285,420**	**(2,421)**
NONOPERATING ACTIVITIES, NET				
Investment return	427,841	413,712	841,553	555,687
Change in undistributed income from perpetual funds held by others	-	41,400	41,400	285,135
Gifts and contributions for capital and long-term investment	16,694	98,992	115,686	113,314
Other losses	(1,210)	-	(1,210)	(2,844)
Gain on retirement of debt	-	-	-	5,982
Change in fair value of derivative instruments	9,922	-	9,922	(12,361)
Net periodic benefit cost other than service cost	(1,976)	-	(1,976)	(5,443)
Changes in pension and other postretirement obligations	6,512	-	6,512	5,808
Inherent contribution received in business combination	195,609	-	195,609	-
Other nonoperating items, net	5,180	22,784	27,964	55,677
Net assets released from restrictions	11,086	(38,991)	(27,905)	(30,045)
Total nonoperating activities, net	**669,658**	**537,897**	**1,207,555**	**970,910**
OTHER ACTIVITY				
Purchase of membership interests from noncontrolling interests	(300,000)	-	(300,000)	-
CHANGE IN NET ASSETS	**652,863**	**540,112**	**1,192,975**	**968,489**
BEGINNING NET ASSETS	**6,290,832**	**7,711,238**	**14,002,070**	**13,033,581**
ENDING NET ASSETS	**$ 6,943,695**	**8,251,350**	**$ 15,195,045**	**$ 14,002,070**

See accompanying notes to consolidated financial statements.

EMORY UNIVERSITY
CONSOLIDATED STATEMENT OF ACTIVITIES

YEAR ENDED AUGUST 31, 2024 (Dollars in thousands)

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total August 31, 2024
OPERATING REVENUE			
Tuition and fees, net of scholarship allowance	$ 532,165	-	$ 532,165
Sales and services of auxiliary enterprises, net of scholarship allowance	83,169	-	83,169
Endowment spending distribution	280,141	-	280,141
Distribution from perpetual funds	49,094	-	49,094
Other investment income designated for current operations	112,778	-	112,778
Gifts and contributions for current use	51,402	10,750	62,152
Grants and contracts	793,137	-	793,137
Indirect cost recoveries	235,529	-	235,529
Net patient service revenue	6,258,326	-	6,258,326
Medical services	359,413	-	359,413
Independent operations	23,695	-	23,695
Other revenue	676,976	-	676,976
Net assets released from restrictions	46,178	(16,133)	30,045
Total operating revenue	**9,502,003**	**(5,383)**	**9,496,620**
OPERATING EXPENSES			
Salaries	4,672,130	-	4,672,130
Fringe benefits	1,080,649	-	1,080,649
Student financial aid	24,248	-	24,248
Other operating expenses	3,213,549	-	3,213,549
Interest on indebtedness	110,286	-	110,286
Depreciation and amortization	398,179	-	398,179
Total operating expenses	**9,499,041**	**-**	**9,499,041**
NET OPERATING ACTIVITIES	**2,962**	**(5,383)**	**(2,421)**
NONOPERATING ACTIVITIES, NET			
Investment return	276,743	278,944	555,687
Change in undistributed income from perpetual funds held by others	-	285,135	285,135
Gifts and contributions for capital and long-term investment	9,127	104,187	113,314
Other losses	(2,844)	-	(2,844)
Gain on defeasance of debt	5,982	-	5,982
Change in fair value of derivative instruments	(12,361)	-	(12,361)
Net periodic benefit cost other than service cost	(5,443)	-	(5,443)
Changes in pension and other postretirement obligations	5,808	-	5,808
Other nonoperating items, net	50,105	5,572	55,677
Net assets released from restrictions	19,200	(49,245)	(30,045)
Total nonoperating activities, net	**346,317**	**624,593**	**970,910**
CHANGE IN NET ASSETS	**349,279**	**619,210**	**968,489**
Less change in net assets related to noncontrolling interests	2,944	-	2,944
CHANGE IN NET ASSETS CONTROLLED BY EMORY	**346,335**	**619,210**	**965,545**
BEGINNING NET ASSETS	**5,941,553**	**7,092,028**	**13,033,581**
ENDING NET ASSETS	**$ 6,290,832**	**7,711,238**	**$ 14,002,070**

See accompanying notes to consolidated financial statements.

EMORY UNIVERSITY
CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED AUGUST 31, 2025 AND 2024 (Dollars in thousands)

	August 31, 2025	August 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$ 1,192,975	$ 968,489
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Contributions and pledge payments restricted for long-term investment and capital projects	(91,326)	(96,173)
Contributions of donated securities	(60,226)	(37,991)
Proceeds from sale of donated securities	6,279	5,051
Equity in gains of joint ventures	(1,930)	(1,535)
Net realized and unrealized gain on investments	(1,127,219)	(817,537)
Inherent contribution received in business combination	(195,609)	-
Purchase of noncontrolling interest	300,000	-
Loss on disposal of property and equipment	5,786	2,844
Change in undistributed income from perpetual funds held by others	(41,400)	(285,135)
Depreciation and amortization	375,552	395,537
Amortization of bond premiums and issuance costs	(28,068)	(27,110)
Amortization of right-of-use assets	33,526	37,062
Change in pension and other postretirement	(3,736)	448
Change in fair value of derivative instruments	(9,922)	(7,060)
Change in operating assets:		
Accounts and other receivables, net	(263,870)	(110,132)
Contributions receivable for operations	28,924	12,133
Prepaid expenses, deferred charges, and other assets	(87,910)	(88,618)
Interests in perpetual funds	4,225	6,000
Change in operating liabilities:		
Accounts payable, accrued liabilities, and interest payable	81,629	102,511
Asset retirement obligations	1,576	3,647
Accrued liabilities for benefit obligations and professional liabilities	126,245	128,544
Lease liabilities, net	(33,385)	(36,840)
Deferred revenue	7,431	(98,346)
Net cash provided by operating activities	**219,547**	**55,789**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash received from acquisition	70,761	-
Distributions from partnerships	1,000	500
Disbursements for loans to students	(4,668)	(1,874)
Repayment of loans from students	2,288	2,493
Proceeds from sales and maturities of investments	3,286,297	11,665,594
Purchases of investments	(3,392,753)	(11,349,851)
Purchases of property, plant, and equipment	(308,038)	(412,389)
Decrease in funds held in trust for others	(51,836)	(28,921)
Net cash used in investing activities	**$ (396,949)**	**$ (124,448)**

YEARS ENDED AUGUST 31, 2025 AND 2024 (Dollars in thousands)

		August 31, 2025		August 31, 2024
CASH FLOWS FROM FINANCING ACTIVITIES:				
Contributions and pledge payments restricted for long-term investment and capital projects	$	90,258	$	94,743
Proceeds from sale of donated securities restricted for long-term investment and capital projects		53,947		32,940
Proceeds from bonds payable, including commercial paper		1,184,430		350,000
Principal repayments of bonds payable, including commercial paper		(289,410)		(361,450)
Payments on finance lease obligations		(1,240)		(1,194)
Change in annuities payable		152		492
Debt issuance costs		(3,218)		(442)
Change in government advances for federal loan programs		(727)		(553)
Purchase of noncontrolling interest		(167,945)		-
Net cash provided by financing activities		**866,247**		**114,536**
Net change in cash, cash equivalents, and restricted cash		688,845		45,877
Cash, cash equivalents, and restricted cash at beginning of year		1,011,522		965,645
Cash, cash equivalents, and restricted cash at end of year (Note 2a)	**$**	**1,700,367**	**$**	**1,011,522**
Supplemental disclosures:				
Cash paid for interest	$	136,830	$	112,703
Accrued liabilities for property, plant, and equipment purchases		4,273		11,765
Accrued acquisition of noncontrolling interest		132,055		-

See accompanying notes to consolidated financial statements.

(1) Organization

Emory University (the University or Emory) is a private, coeducational, not-for-profit institution, located in Atlanta, Georgia. Founded in 1836, Emory owns and operates educational, research, and healthcare facilities to support its mission. Emory provides educational services to approximately 8,300 undergraduate students and 8,200 graduate and professional students within its nine schools and colleges. Included within the University are the Emory Healthcare System (Emory Healthcare), Emory Medical Care Foundation, and Emory Innovations, LLC.

Emory Healthcare consists of Emory Healthcare, Inc. (EHC) and its controlled operating companies, including Emory University Hospital Midtown (EUHM), Emory University Hospital (EUH), Emory Saint Joseph's Hospital (ESJH), EHCA Johns Creek Hospital, LLC (EJCH), Emory Rehabilitation Hospital (ERH), DeKalb Medical Center, Inc. (DMC), Decatur Health Resources, Inc. (DHR), DeKalb Medical Center Foundation (DMCF), The Emory Clinic, Inc. (TEC), Emory Specialty Associates, LLC (ESA), Emory Specialty Associates, LLC (ESA), The Medical Group of Saint Joseph's LLC (ESA-JOC), Wesley Woods Center of Emory University, Inc. (WWC), Clifton Casualty Insurance Company, Ltd. (CCIC), and Houston Healthcare System, Inc. (HHSI). EUHM, EUH, ESJH, EJCH, ERH, DMC, DHR, EHP, and EHW are sometimes referred to herein, collectively, as "the Hospitals."

In fiscal year 2025, Emory Healthcare purchased CHE Trinity Health's 49% membership interest in Emory/Saint Joseph's Inc. (JOC) for $300.0 million. As of August 31, 2025, $132.1 million was recognized as an accrued liability and will be paid in increments ending in March 2027.

Changes in net assets without donor restrictions for fiscal years 2025 and 2024, are summarized below:

		Controlled by Emory	Noncontrolling Interest	Total
Balance as of August 31, 2023	**$**	**5,824,675**	**116,878**	**5,941,553**
Change in net assets from operating and non-operating activities		346,335	2,944	349,279
Balance as of August 31, 2024	**$**	**6,171,010**	**119,822**	**6,290,832**
Change in net assets from operating and non-operating activities		912,345	40,518	952,863
Redemption of Trinity's membership interest		(151,237)	(148,763)	(300,000)
Balance as of August 31, 2025	**$**	**6,932,118**	**11,577**	**6,943,695**

On June 1, 2025, Emory Healthcare became the sole and controlling member of Houston Healthcare System, Inc. (HHSI) and its affiliates, which is comprised of two hospitals: Emory Hospital Perry (EHP), operating a 45-bed acute care hospital in Perry, Georgia and Emory Hospital Warner Robins (EHW), operating a 237-bed acute care hospital in Warner Robins, Georgia, and multiple outpatient facilities, and physicians. This acquisition integrates the innovation of Emory's academic medical center within the Central Georgia community (note 10).

The consolidated financial statements include the University and all other entities in which Emory has a significant financial interest and control. All significant inter-entity accounts and transactions have been eliminated in consolidation.

(2) Summary of Significant Accounting Policies

The consolidated financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP).

Net assets and revenue, gains, and losses are classified based on the existence or absence of externally imposed restrictions. Accordingly, net assets of the University are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations.

Noncontrolling interests in net assets are reported in the accompanying consolidated statements of financial position as a separate component of net assets without donor restrictions.

Net assets with donor restrictions – Net assets that are subject to donor-imposed stipulations that will or may be met either by actions of the University and/or the passage of time. These net assets include donor-restricted endowments, unconditional pledges, split-interest agreements, and interests in perpetual trusts held by others. Generally, the donors of these assets permit the University to use all, or part, of the income earned and net appreciation on related investments for general or specific purposes.

Revenue is reported as an increase in net assets without donor restrictions unless its use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless restricted by explicit donor stipulation or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions and shown as reclassifications among the applicable classes of net assets.

The University considers the following items to be nonoperating activities: gifts and contributions for capital and long-term investment and the related net assets released from restrictions, investment return, change in fair value of derivative instruments, pension and postretirement related changes and net periodic benefit cost other than service cost, and other activities, net.

(a) Cash, Cash Equivalents, and Restricted Cash

Cash and cash equivalents consist primarily of bank balances and short-term money market mutual funds and treasury bills with original maturities generally three months or less that are not invested as part of the long-term investments. These amounts are carried at cost, which approximates fair value. Cash and cash equivalents that are part of the long-term pool are shown within investments as those funds generally are not used for daily operating purposes. For purposes of the statements of cash flows, activity related to liabilities with original maturities of three months or less is presented net.

Restricted cash consists of cash on hand that is restricted for a specific purpose under various capital financing arrangements or cash held for others and, therefore, not available to Emory for immediate or general business use. Restricted cash appears separately from the cash and cash equivalents on the University's accompanying consolidated statements of financial position.

The following table is a reconciliation of cash, cash equivalents, and restricted cash reported within the accompanying consolidated statements of financial position to the amounts shown in the accompanying consolidated statements of cash flows as of August 31 (in thousands):

		2025		2024
Cash and cash equivalents	$	1,638,560	$	845,459
Restricted cash included in investments		61,807		166,063
Total cash, cash equivalents, and restricted cash	**$**	**1,700,367**	**$**	**1,011,522**

Included within the 2025 and 2024 cash and cash equivalents balance is $432.6 million and $52.3 million of bond proceeds, respectively (note 12).

(b) Contributions Receivable, Net

Contributions to be received after one year, net of an allowance for uncollectible amounts, are discounted to their present value at credit-adjusted rates. Amortization of discounts is recorded as additional contribution revenue. An allowance for uncollectible contributions receivable is recorded to reduce the contributions receivable balance to the amount reasonably expected to be collected and is based on management’s judgment, considering such factors as prior collection history, type of contribution, relationship with donor, and other relevant factors.

(c) Loans Receivable, Net

Loans receivable represent the outstanding loan balance due under Emory-funded and various federal government loan programs offered to graduate and undergraduate students less allowances for bad debt. Loans to students are carried at the estimated net realizable value. Interest earned on these loan programs is recognized as operating revenue in the accompanying consolidated statements of activities. Loans receivable from students under certain government loan programs, carried at cost, can only be assigned to the federal government or its designees. In addition to federal direct loans (which are not reported in the accompanying consolidated financial statements), loans to qualified students are funded principally with government advances to Emory under the Perkins, Nursing, and Health Professions Student Loan Programs.

(d) Student Accounts and Other Receivables, Net

Student accounts and other receivables are recorded at net realizable value and include receivables from students, sponsors, other organizations, and reinsurers. Allowances for uncollectible amounts are recorded based on management’s assessment of expected net collections considering historical trends and current economic factors.

(e) Investments

Investments are reported at fair value. Investments in securities and listed funds are valued using quoted prices in active markets if available; otherwise, if the market is inactive, fair value is determined by the University in accordance with its valuation policy.

Investments in alternative investment fund structures are valued using the net asset value (NAV) per share of the investment (or its equivalent), as a practical expedient, if (a) the underlying investment manager’s calculation of NAV is fair value based and

(b) the University does not currently have plans to sell the investment for an amount different from NAV. Valuations provided by the general partners and investment managers are evaluated by Emory Investment Management as of August 31, 2025 and 2024.

Investments are exposed to several risks, which may include (but are not limited to) interest rate, liquidity, tax, regulatory, currency, market, and credit risks. The University attempts to manage these risks through diversification, ongoing due diligence of fund managers, and monitoring of economic conditions, though it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the University's consolidated financial statements.

Investment transactions are accounted for on a trade-date basis. Dividend income is recognized on the ex-dividend date, and interest income is recognized on an accrual basis. Investment return, including realized and unrealized gains and losses, is recognized when earned and reported in the accompanying consolidated statements of activities, net of external and direct internal investment expenses. Investment return, if restricted, is reported in the accompanying consolidated statements of activities as increases or decreases in net assets with donor restrictions until amounts have been appropriated and the donor-imposed or statutory time restrictions have been satisfied.

(f) Fair Value Measurements

The University uses valuation approaches that maximize the use of observable inputs and minimize the use of unobservable input to the extent possible. The University determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

Level 2 – Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Unobservable inputs for the asset and liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

(g) Split-Interest Agreements

The University's split-interest agreements with donors consist primarily of gift annuity agreements and irrevocable charitable remainder trusts for which the University serves as trustee. Assets held in the trusts are included in investments. Contribution revenue is recognized when trusts (or annuity agreements) are established, after recording liabilities for the present value of the estimated future payments to be made to beneficiaries. The liabilities are adjusted annually for changes in the value of assets, accretion of the discount, and other changes in the estimates of future benefits.

(h) Interests in Perpetual Funds Held by Others

The University is also the beneficiary of certain perpetual funds held and administered by others. The value of the funds' net assets (or Emory's share when there are other beneficiaries) is considered a reasonable estimate of the present value of the estimated future cash flows from these funds and is recognized in change in undistributed income from perpetual funds held by others and as contribution revenue at the date such funds are established. The carrying value of Emory's interest in such perpetual funds is adjusted for changes in fair value.

(i) Property and Equipment, Net

Land, buildings, and equipment are recorded at cost at the date of acquisition or fair value at the date of gift to the University. Depreciation expense is based on the straight-line method over the estimated useful lives of the assets. Useful lives are as follows: buildings – 10 to 60 years, land improvements and infrastructure – 5 to 40 years, movable equipment – 3 to 20 years, fixed equipment – 3 to 30 years, software and enterprise systems – 3 to 10 years, leasehold improvements – term of the lease, and library books – 10 years. Certain assets totaling $131.6 million and $128.6 million, such as art, museum assets, and rare books, are included in property and equipment, net, as of August 31, 2025 and 2024, respectively, but are not depreciated.

If circumstances require property and equipment to be tested for impairment, the University compares undiscounted cash flows expected to be generated by the property and equipment to its carrying amount. If the carrying amount exceeds the undiscounted cash flows, an impairment is recognized to the extent that the carrying amount exceeds its fair value. There were no asset impairments for fiscal years 2025 or 2024.

(j) Health Insurance Plan

The University is self-insured for employee and student health insurance costs, with losses insured in excess of a maximum amount on both a per claim and annual aggregate claim amount. The self-insurance liability is based on claims filed and an estimate of claims incurred but not yet reported. Self-insurance claims are reported as net of insurance premiums collected from employees and students.

(k) Patient Accounts Receivable and Concentrations

Patient accounts receivable are reported at the estimated net realizable amounts due from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments due to future audits, reviews, and investigations. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations.

Emory Healthcare analyzes contractually due amounts and provides an allowance for implicit price concessions. Accounts receivable are written off after collection efforts have been undertaken in accordance with Emory's policies.

The mix of net receivables from patients and third-party payors for the years ended August 31 is as follows:

	2025	2024
Managed care and other third-party payors	67%	62%
Medicare	27	30
Medicaid	2	4
Patients	4	4
	100%	**100%**

(l) Leases

The University determines whether an arrangement is a lease (operating or finance) at inception by evaluating whether the contract conveys the right to use an identified asset and whether Emory obtains substantially all of the economic benefits from and has the right to control the asset. Right-of-use (ROU) assets represent the University's right to use an underlying asset for the lease term and lease liabilities represent the University's obligation to make lease payments arising from the lease. Operating and finance lease ROU assets and liabilities are recognized at the lease commencement date based on the present value of the lease payments over the lease term discounted using the interest rate implicit in the lease agreement or Emory's relevant incremental borrowing rate. The University's current discount rates range from 1.0% to 5.6% depending on the term of the arrangement.

(m) Income Taxes

The University is recognized as a tax-exempt organization as defined in Section 501(c)(3) of the U.S. Internal Revenue Code of 1986, as amended (the Code), and is generally exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. The University is, however, subject to federal and state income tax on unrelated business income and provision for such taxes is included in the accompanying consolidated statements of activities.

The University is subject to an excise tax on net investment income and excess compensation as well as unrelated business income taxes. In July 2025, Congress enacted spending legislation which included changes to the net investment income and excess compensation taxes. Emory has reflected the tax assets and liabilities in the accompanying consolidated financial statements based on reasonable estimates and based on the expected tax rates upon realization of these tax liabilities. The University also has a net operating loss carryforward related to unrelated business income aggregating $140.0 million, for which a valuation allowance of $58.5 million is recorded as of August 31, 2025. As of August 31, 2024, the University had a net operating loss carryforward of $170.9 million, with a valuation allowance of $117.0 million.

The University regularly evaluates its tax positions and as of August 31, 2025 and 2024, does not believe it has any material uncertain tax positions that require disclosure or adjustment to the accompanying consolidated financial statements.

(n) Derivative Instruments

Certain investment strategies used by the University and its investment managers incorporate various derivative financial instruments to reduce volatility, manage market risk, and enhance investment returns. Such instruments are reflected at fair value and included in either investments or liability for derivative instruments within the accompanying consolidated statements of financial position. Changes in the fair value of investment-related derivative instruments are included in investment return on the accompanying consolidated statements of activities. The University also utilizes interest rate swap agreements to hedge interest rate market exposure of variable rate debt. The difference between amounts paid and received under such agreements is reported in interest expense. Changes in the fair value of these swap agreements or any gains or losses that result from the termination of these swap agreements are recognized as nonoperating activities in the accompanying consolidated statements of activities.

(o) Pension and Postretirement Benefit Plans

The University recognizes the funded status of its defined-benefit pension and postretirement benefit plans as an asset or liability and recognizes changes in funded status during the year in which the changes occur as changes in net assets without donor restrictions.

(p) Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions affecting the reported amounts of assets, liabilities, revenue, and expenses, as well as disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Significant items in the University's consolidated financial statements subject to such estimates and assumptions include valuations for certain investments without readily determinable fair values, the determination of the allowances for price concessions for medical services, reserves for employee and student healthcare and workers' compensation claims, accrued professional and general liability costs, estimated third-party settlements, and actuarially determined benefit liabilities.

(q) Conflict of Interest Policies (Related Parties)

University trustees, directors, principal officers, and key employees may periodically be directly or indirectly associated with companies doing business with the University. The University requires annual disclosure of significant financial interests in, or employment or board service with, entities doing business with the University. The annual disclosures cover these key officials and their immediate family members.

When such relationships exist, measures are taken to appropriately manage the actual or perceived conflict. The written conflict of interest policy for the University requires, among other things, that no member of a governing board may participate in any decision in which he or she (or an immediate family member) has a material financial interest.

(r) Investments in Joint Ventures

Emory accounts for certain operating investments in joint ventures over which it has significant influence but not a controlling interest, using the equity method. Investments in joint ventures are generally included in investments in the accompanying consolidated statements of financial position and equity income/loss is recorded within other nonoperating activities in the accompanying consolidated statements of activities. One of these joint ventures owns a medical office tower that was funded by an $83.0 million loan, which is secured by the constructed building. Emory, which owns a 50% investment, and its joint venture partner, jointly and severally fully guarantee the loan obligations of the company in the event of the company's bankruptcy, insolvency, or related circumstances. The loan is due June 1, 2032.

(3) Contributions Receivable

Contributions receivable as of August 31 consist of the following (in thousands):

	2025	2024
UNCONDITIONAL PROMISES EXPECTED TO BE COLLECTED IN:		
Less than one year	$ 71,818	$ 67,999
One year to five years	60,732	94,816
Over five years	1,145	3,563
Gross contributions receivable	133,695	166,378
Less:		
Allowance for uncollectible amounts	(4,544)	(5,638)
Discount to present value	(6,509)	(10,242)
Contributions receivable, net	**$ 122,642**	**$ 150,498**

At August 31, 2025 and 2024, the five largest outstanding donor pledge balances represented 41.0% and 37.0%, respectively, of Emory's total contributions receivable, net. Contribution receivables are discounted at rates ranging from 4.15% to 4.25%.

As of August 31, 2025, the University had received bequest intentions and conditional promises of approximately $67.0 million. These intentions to give are not recognized as assets or revenue and, if received, will generally be restricted for purposes stipulated by the donor.

(4) Revenue Recognition

(a) Net Tuition and Fees

Tuition and fees revenue is derived from degree programs and continuing education programs. Tuition and fees are recognized in the fiscal year in which the academic programs are provided. Revenue is reflected in the accompanying consolidated statements of activities for the portion of the program or service that is completed by the end of the fiscal year. The remaining performance obligation that will be completed in the following fiscal year remains a liability and is recorded within deferred revenue on the accompanying consolidated statements of financial position.

Most undergraduate students receive institutional financial aid based upon academic promise and demonstrated financial need. Graduate students often receive tuition support in connection with research assistant, teaching assistant, and fellowship appointments. Student financial aid provided by the University for tuition and fees is reflected as a reduction of tuition and fees revenue from published rates. Institutional resources provided in excess of amounts owed by the students to Emory are recorded as scholarship expenses.

(b) Sales and Services of Auxiliary Enterprises

An auxiliary enterprise is a nonacademic entity that exists predominantly to furnish goods and services to students, faculty, and staff. Auxiliary enterprises revenue primarily includes residential services, parking, and the bookstore. Residential services and parking revenue are recognized over time, as the services are performed. Sales of goods occur as a point-of-sale transaction, and the revenue is recognized as the sale occurs. Any discounts are factored into the selling price at the point of sale.

The following table provides the components of tuition and fees and student-related auxiliary enterprises revenue for the year ended August 31, 2025 (in thousands):

		Tuition and Fees	Auxiliary Enterprises	Total
Undergraduate programs	$	544,255	59,985	604,240
Graduate and professional programs		404,533	1,637	406,170
Total at published rates		**948,788**	**61,622**	**1,010,410**
Less institutional aid for undergraduate programs		(194,947)	(12,773)	(207,720)
Less institutional aid for graduate and professional programs		(195,463)	(385)	(195,848)
Tuition and fees and auxiliary enterprises, net of institutional aid		**558,378**	**48,464**	**606,842**
Other academic programs		8,839	–	8,839
Total tuition and fees and auxiliary enterprises	**$**	**567,217**	**48,464**	**615,681**

The following table provides the components of tuition and fees and student-related auxiliary enterprises revenue for the year ended August 31, 2024 (in thousands):

		Tuition and Fees	Auxiliary Enterprises	Total
Undergraduate programs	$	515,423	56,986	572,409
Graduate and professional programs		373,749	1,418	375,167
Total at published rates		**889,172**	**58,404**	**947,576**
Less institutional aid for undergraduate programs		(181,101)	(10,262)	(191,363)
Less institutional aid for graduate and professional programs		(184,688)	(298)	(184,986)
Tuition and fees and auxiliary enterprises, net of institutional aid		**523,383**	**47,844**	**571,227**
Other academic programs		8,782	–	8,782
Total tuition and fees and auxiliary enterprises	**$**	**532,165**	**47,844**	**580,009**

(c) Gifts and Contributions Revenue

Contributions, including unconditional promises to give, are recognized as revenue in the period the contribution is received, or in the period in which the unconditional promise was made. Unconditional promises to give, with payments due in future periods, are recorded as increases in net assets with donor restrictions at the estimated present value of future cash flows, net of an allowance for uncollectible pledges. Contributions of assets other than cash are recorded at their estimated fair value at the date of the gift.

Donor-restricted contributions are reported as revenue with donor restrictions, which increases this net asset class. If the donor stipulation is met in the year of the gift, the contribution is reflected in net assets without donor restrictions. Restrictions on gifts to acquire long-lived assets are considered met in the period when the asset is placed in service. Conditional promises to give are not recognized until they become unconditional.

(d) Grants and Contracts Revenue

Emory receives funding from federal, state, corporate, and private foundations (sponsors). The agreement with the sponsor may take the form of a contract, grant, or cooperative agreement. If resource providers do not receive commensurate benefit (only indirect benefit because the research findings serve the general public), such grants and contracts are considered contributions.

Most Emory nonexchange, sponsored research agreements are conditional contributions as the agreements include both a right of return or release of assets and a barrier that Emory must overcome to be entitled to the consideration. The University recognizes revenue associated with these sponsored agreements as qualifying allowable expenses are incurred or a measurable performance-related barrier is achieved in accordance with the terms and conditions of the agreements. Conditional agreements with sponsor-imposed restrictions that expire simultaneously with the satisfaction of the specified conditions are reported as net assets without donor restrictions. Deferred revenue is recognized when cash is received from sponsors in advance of revenue being earned. Amounts recorded in other receivable, net are for services rendered or expenditures incurred in advance of the receipt of funds.

Emory considers revenue from most clinical trial agreements to be exchange transactions where revenue is recognized as services are performed, billed, and the University has contractual right to consideration. Revenue related to clinical trial agreements included in grants and contracts revenue in the accompanying consolidated statements of activities for the years ended August 31, 2025 and 2024 totaled $82.6 million and $71.6 million, respectively.

Indirect cost recoveries are based on negotiated rates with grantor agencies and represent recoveries of facilities and administrative costs incurred under grant and contract agreements.

The following table presents Emory's sources of grants and contracts revenue (including indirect cost recoveries) for the years ended August 31 (in thousands):

	2025		2024	
	Grants	Contracts	Grants	Contracts
Federal government	$ 807,106	3,878	$ 784,397	2,829
Other government	2,109	–	2,967	–
Corporate	16,780	69,199	23,984	59,634
Private institutions	136,982	9,541	145,761	9,094
Total	**$ 962,977**	**82,618**	**$ 957,109**	**71,557**

As of August 31, 2025 and 2024, Emory had unexpended grant awards of $956.9 million and $1.0 billion, respectively, for which revenue will be recognized when conditions have been met, or performance obligations have been satisfied.

(e) Royalties Revenue

The University recognizes revenue from nonrefundable, up-front fees allocated to a license at a point in time when the license is transferred to the licensee and the licensee is able to use and benefit from the license. Sales-based royalties revenue, including milestone payments based on the level of sales, and the license is deemed to be the predominant item to which the royalties relate, is recognized over the licensing agreement.

(f) Medical Services and Other Revenue

Medical services revenue is recognized as services are performed, and the customer receives and uses the benefits of the services. The University has contractual agreements with Grady Memorial Hospital where practicing interns and medical residents of the Emory School of Medicine receive clinical training and faculty provide teaching, medical care, and hospitalization services. The School of Medicine is reimbursed for expenses incurred for interns and medical residents based on the costs for labor and reimbursed for the faculty teaching, administrative, and clinical services based on the number of interns and residents trained and time spent performing clinical and administrative services.

The University also has affiliation and administrative services agreements with Children's Healthcare of Atlanta and the Emory + Children's Pediatric Institute, where it provides various administrative services. Revenue is recognized over time and is recorded as other revenue in the accompanying consolidated statements of activities.

Retail pharmaceutical sales are recognized at a point in time when the customer receives the product.

The major components of other sources of operating revenue for the years ended August 31 are as follows (in thousands):

	2025	2024
Retail pharmaceutical sales	$ 489,480	$ 360,145
Royalties	48,625	64,785
Other	298,534	252,046
Other revenue	**$ 836,639**	**$ 676,976**

(g) Independent Operations Revenue

Independent operations are activities independent of its mission, including an externally managed conference center, hotel, and fitness center. Fee charges are based on market rates for the services provided and revenue is recognized at a point in time or over time as the services are rendered.

(h) Net Patient Service Revenue

Emory Healthcare has agreements with government and other third-party payors that provide for reimbursement to Emory Healthcare at amounts different from established rates.

Revenue is recognized as performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected (or actual) charges. Emory Healthcare believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients in Emory Healthcare's hospitals receiving inpatient, outpatient, or emergency services. Emory Healthcare measures the performance obligation from admission, or the commencement of an outpatient service, to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. Revenue for performance obligations satisfied at a point in time is generally recognized when services are provided to Emory Healthcare's patients.

Emory Healthcare determines the transaction price based on standard charges for goods and services provided, reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients in accordance with Emory Healthcare policy, and implicit price concessions provided to patients. Emory Healthcare determines its estimates of contractual adjustments and discounts based on contractual agreements, its discount policies, and historical experience.

Emory Healthcare provides care to patients regardless of their ability to pay. Emory Healthcare has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances (e.g., co-pays and deductibles).

The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts Emory Healthcare expects to collect based on its collection history with those patients considering business and economic conditions, trends in healthcare coverage, and other collection indicators. Periodically, management assesses the adequacy of the allowance for implicit price concessions based upon historical write-off experience by payor category and adjusts the allowance as appropriate.

Patient service revenues, net of contractual adjustments, implicit price concessions, and other discounts recognized from major payor sources for the years ended August 31 are as follows (in thousands):

		2025		2024
Medicare	$	2,259,529	$	2,070,112
Medicaid		321,990		250,520
Managed care and other third-party payors		4,663,307		3,848,254
Patients		85,347		89,440
Net patient service revenue	**$**	**7,330,173**	**$**	**6,258,326**

Included within Medicare revenue in fiscal year 2024 is a $75.4 million payment from the Centers for Medicare and Medicaid Services to compensate for an invalid payment rate utilized during the period from 2018 to 2022 for drugs acquired under Section 340B of the Public Health Service Act.

The composition of net patient service revenue based on the Emory Healthcare lines of business for the years ended August 31 is as follows (in thousands):

		2025		2024
Services lines:				
Hospital – inpatient	$	3,001,929	$	2,571,358
Hospital – outpatient		2,925,120		2,404,706
Physician services		1,403,124		1,282,262
Net patient service revenue	**$**	**7,330,173**	**$**	**6,258,326**

Emory Healthcare provides care to patients who meet certain criteria under its financial assistance policy without charge or at amounts less than their established rates and such amounts are not included in net patient service revenue.

Data is maintained to identify and monitor the level of charity care provided, including the amount of charges foregone and actual costs for services furnished under its charity and indigent care policies.

The cost of charity care provided totaled $163.0 million and $160.9 million for the years ended August 31, 2025 and 2024, respectively. Emory Healthcare estimated these costs by applying a ratio of cost to gross charges to the gross uncompensated charges associated with providing care to the charity patients.

(5) Liquidity and Availability

Emory regularly monitors the liquidity required to meet its operating needs and other contractual commitments, while also maximizing the investment of its available funds.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the University considers all expenditures related to its ongoing mission-related activities as well as the conduct of services undertaken to support those activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the University operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

As of August 31, 2025 and 2024, the following financial assets could readily be made available within one year of the statements of financial position date to meet cash needs for general expenditures (in thousands):

	2025	2024
TOTAL ASSETS	**$ 23,820,253**	**$ 21,286,330**
Less:		
Property and equipment, net	(4,777,813)	(4,707,332)
Interest in perpetual trusts held by others	(2,050,386)	(2,013,211)
Donor-restricted and board-designated endowment funds	(8,926,229)	(8,088,842)
Other investments	(3,681,770)	(3,290,671)
Prepaid expenses, deferred charges, and other assets	(628,510)	(517,116)
Operating lease right-of-use assets	(174,480)	(180,933)
Contributions receivable, net	(122,642)	(150,498)
Loans receivable, net	(16,904)	(14,524)
Add:		
Endowment payout in following year	272,454	257,306
Contributions receivable due within one year for operations	71,818	67,999
Financial assets	**$ 3,785,791**	**$ 2,648,508**

The University has $3.8 billion of financial assets as of August 31, 2025 to meet cash needs for general expenditures, consisting of cash and cash equivalents of $1.6 billion, accounts receivable of $1.5 billion, contributions receivable, less than one year of $71.8 million, unrestricted payout on endowment funds of $272.5 million, and other operating investments of $338.7 million.

(6) Investments

The following table summarizes investments as of August 31 (in thousands):

	2025	2024
Short-term investments and cash equivalents [(a)]	$ 578,579	$ 458,413
Public equity [(b)]	4,208,594	3,903,838
Absolute return/fixed income [(c)]	2,980,135	2,691,485
Private equity/venture capital [(d)]	4,280,074	3,714,144
Real assets [(e)]	899,824	911,097
Derivative instruments [(f)]	(2,319)	(898)
Total investments at fair value	12,944,887	11,678,079
Joint ventures (equity method)	1,809	809
Total investments	**$ 12,946,696**	**$ 11,678,888**

a) Includes short-term U.S. and non-U.S. Treasury securities with original maturities of less than one year, as well as funds that invest in these types of investments.

b) Includes domestic and international stocks, as well as interests in funds that invest in both long only and long/short equity-based strategies; certain investments in funds may be subject to restrictions that limit the University's ability to withdraw capital until (i) a certain "lock-up period" has expired or (ii) until certain underlying investments designated as "illiquid" or "side pockets" are sold. In addition, fund investments in this category may be subject to restrictions limiting the amount the University is able to withdraw as of a given redemption date. Certain fund investments in this category may not be eligible for redemption and instead issue distributions received through liquidation of the funds' underlying assets, which is expected to occur over the next seven years.

c) Includes directly-held actively traded global fixed-income securities (such as government bonds and corporate bonds) or commingled funds holding such securities of $1.8 billion and $1.8 billion and investments in multistrategy or credit funds, as well as opportunistic absolute return funds intended to enhance diversification and reduce correlation to public equity of $1.2 billion and $881.0 million as of August 31, 2025 and 2024, respectively; certain fund investments included in this category may hold marketable securities and be subject to redemption terms governed by the respective fund agreement or may contain illiquid investments and, therefore, offer no liquidity over the fund life. Such funds holding illiquid investments are expected to yield liquidating distributions over the next 10 years.

d) Includes illiquid investments in private and public companies, both domestically and internationally; the majority of these investments are held through funds and also include buyout, venture capital, private debt, high yield, and subordinated debt strategies. The nature of the investments in this category is such that distributions are received through liquidation of the funds' underlying assets, which are expected to occur over the next 14 years.

e) Includes investments in oil and gas, commodities, timber, and real estate, the majority of which are held through funds. The nature of the investments in this category is such that distributions are received through liquidation of the underlying assets of the funds, which are expected to occur over the next 10 years.

f) Includes investments in foreign exchange contracts valued at fair value of each underlying investment.

As of August 31, 2025, the related unfunded commitments of the University's alternative investments valued using the practical expedient and limitations and restrictions on the University's ability to redeem or sell are summarized as follows (in thousands):

	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Absolute return	$ 448,046	0 - 90 days or not eligible	45 - 92 days
Private equity/ venture capital	1,304,576	180-360 days or not eligible	90-120 days
Public equity	7,498	0-720 days or not eligible	0-180 days
Real assets	454,000	not eligible	not eligible
	$ 2,214,120		

Unfunded commitments are generally expected to be called by funds within five years of fund inception.

(7) Endowment Net Assets

The University's endowed assets (the Endowment) consist of approximately 2,500 individual funds established for various purposes, including with donor restriction endowment funds and without donor restrictions funds designated by the Board of Trustees to function as endowments. The Endowment provides stable financial support to a wide variety of programs and activities in perpetuity, playing a critical role in enabling the University to achieve its mission. Net assets associated with these endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

(a) Interpretation of Relevant Law

The University follows the State of Georgia's Uniform Prudent Management of Institutional Funds Act (UPMIFA), which provides standards for managing investments of institutional funds and spending from endowments. The University classifies as donor-restricted historical value net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made under the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund is classified as restricted appreciation until those amounts are appropriated for expenditures by the University in a manner consistent with the standard of prudence prescribed by UPMIFA. Per UPMIFA, the University considers several factors in deciding to appropriate or accumulate donor-restricted endowment funds, including the duration and preservation of the fund, the purposes of the fund, general economic conditions, the possible effect of inflation and deflation, the expected total return from income and the appreciation of investments, other resources of the University, and the investment policies of the University. The endowment funds subject to UPMIFA are true endowments and do not include perpetual funds held by others, long-term investments, annuity funds, funds held in trust for others, and miscellaneous investments. As of August 31, 2025, 72.9% of the investments described in note 6 are classified as endowed net assets.

Endowment funds are categorized in the following net asset classes as of August 31 (in thousands):

		2025				2024	
		Without Donor Restrictions	With Donor Restrictions	Total		Without Donor Restrictions	With Donor Restrictions	Total
Donor-restricted endowment funds							
Appreciation	$	–	4,495,711	4,495,711	$	–	4,089,078	4,089,078
Historical value		–	1,488,818	1,488,818		–	1,389,120	1,389,120
Total donor restricted		**–**	**5,984,529**	**5,984,529**		**–**	**5,478,198**	**5,478,198**
Funds functioning as endowments or board-designated		2,941,700	–	2,941,700		2,610,644	–	2,610,644
Total endowment net assets	**$**	**2,941,700**	**5,984,529**	**8,926,229**	**$**	**2,610,644**	**5,478,198**	**8,088,842**

The following table represents endowment net asset composition by purpose as of August 31 (in thousands):

		2025				2024		
		Without Donor Restrictions	With Donor Restrictions	Total		Without Donor Restrictions	With Donor Restrictions	Total
Academic and research [1]	$	1,889,956	5,858,092	7,748,048	$	1,719,946	5,366,490	7,086,436
Capital maintenance, infrastructure, and real estate		1,051,744	126,437	1,178,181		890,698	111,708	1,002,406
Total endowment net assets	**$**	**2,941,700**	**5,984,529**	**8,926,229**	**$**	**2,610,644**	**5,478,198**	**8,088,842**

[1] Academic and research includes endowment net assets for student financial aid of $2.4 billion as of August 31, 2025 as well as program support.

Changes in endowment funds by net asset classification for the years ended August 31 are summarized as follows (in thousands):

		Without Donor Restrictions	With Donor Restrictions	Total
Balance as of August 31, 2023	**$**	**2,367,757**	**5,126,203**	**7,493,960**
Endowment investment return, net		231,168	502,217	733,385
Gifts and additions to endowment, net		124,382	82,312	206,694
Withdrawal of board-designated funds for strategic initiatives		(10,504)	–	(10,504)
Endowment spending distributions		(102,159)	(232,534)	(334,693)
Balance as of August 31, 2024	**$**	**2,610,644**	**5,478,198**	**8,088,842**
Endowment investment return, net		313,513	655,092	968,605
Gifts and additions to endowment, net		142,015	99,698	241,713
Withdrawal of board-designated funds for strategic initiatives		(11,357)	–	(11,357)
Endowment spending distributions		(113,115)	(248,459)	(361,574)
Balance as of August 31, 2025	**$**	**2,941,700**	**5,984,529**	**8,926,229**

(b) Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level of the donor's original contribution. Deficiencies of this nature were $0.0 million and $1.6 million as of August 31, 2025 and 2024, respectively.

(c) Return Objectives and Risk Parameters

The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment and seek to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Trustees, the endowment assets are invested within the risk tolerances of the University to provide an expected total return and inflation over the long term.

(d) Strategies Employed for Achieving Objectives

To satisfy its long-term return objectives, the University relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The University employs a diversified asset allocation strategy across public equity, absolute return/fixed income, private equity/venture capital, and real assets to achieve its long-term return objectives within a prudent risk framework. The Endowment's long-term target asset allocation is approved by the Investment Committee of the Board of Trustees. The portfolio is periodically rebalanced to the target weightings for each asset class.

(e) Relationship between Investment Objectives and Spending Policy

The University's Board of Trustees has established a spending policy that determines how endowment distributions are made. The University employs a total return endowment spending policy that establishes the amount of endowment investment return available to support current operating and capital needs while preserving the purchasing power of the endowment over the long term. The distribution of endowment investment return was based on 5.0% of the average fair value of the endowment over the previous 60 months. The University considers the historical average market value in setting the annual appropriation amount. Accordingly, the University expects the current spending policy to allow its endowment to maintain its purchasing power if projected growth rates are achieved. Additional real growth will be provided through new gifts and any excess investment return. The payout rate is approved annually by the Board of Trustees as part of the budget process.

(8) Fair Values of Assets and Liabilities

The following table summarizes the valuation of the University's assets and liabilities according to the fair value hierarchy levels as of August 31, 2025 (in thousands):

			Fair Value Hierarchy			
		Investments Measured at NAV [1]	**Level 1**	**Level 2**	**Level 3**	**Total Fair Value**
FINANCIAL ASSETS:						
Short-term investments and cash equivalents	$	–	483,867	94,712	–	578,579
Public equity		2,937,723	1,142,074	128,579	218	4,208,594
Absolute return/fixed income		1,200,404	1,321,377	458,354	–	2,980,135
Private equity/venture capital		4,238,679	100	–	41,295	4,280,074
Real assets		894,141	2,667	1,375	1,641	899,824
Derivative instruments		–	(1,542)	(777)	–	(2,319)
Total investments at fair value		9,270,947	2,948,543	682,243	43,154	12,944,887
Interests in perpetual funds held by others		–	–	–	2,050,386	2,050,386
Total assets at fair value		**9,270,947**	**2,948,543**	**682,243**	**2,093,540**	**14,995,273**
FINANCIAL LIABILITIES:						
Derivative instruments – interest rate swaps		–	–	(22,682)	–	(22,682)
Funds held in trust for others [2]		(1,269,348)	–	–	–	(1,269,348)
Total liabilities at fair value	**$**	**(1,269,348)**	**–**	**(22,682)**	**–**	**(1,292,030)**

The following table summarizes the valuation of the University's assets and liabilities according to the fair value hierarchy levels as of August 31, 2024 (in thousands):

			Fair Value Hierarchy			
		Investments Measured at NAV [1]	Level 1	Level 2	Level 3	Total Fair Value
FINANCIAL ASSETS:						
Short-term investments and cash equivalents	$	–	306,155	152,258	–	458,413
Public equity		3,016,609	887,226	–	3	3,903,838
Absolute return/fixed income		881,389	1,486,413	323,683	–	2,691,485
Private equity/venture capital		3,676,543	82	–	37,519	3,714,144
Real assets		904,317	3,639	1,500	1,641	911,097
Derivative instruments		–	(898)	–	–	(898)
Total investments at fair value		8,478,858	2,682,617	477,441	39,163	11,678,079
Interests in perpetual funds held by others		–	–	–	2,013,211	2,013,211
Total assets at fair value		**8,478,858**	**2,682,617**	**477,441**	**2,052,374**	**13,691,290**
FINANCIAL LIABILITIES:						
Derivative instruments – interest rate swaps		–	–	(32,604)	–	(32,604)
Funds held in trust for others [2]		(1,183,408)	–	–	–	(1,183,408)
Total liabilities at fair value	**$**	**(1,183,408)**	**–**	**(32,604)**	**–**	**(1,216,012)**

[1] Certain investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the accompanying consolidated statements of financial position.

[2] Emory uses net asset value of units held in endowment pool as an estimate for fair value.

The following tables present a summary of the University's activity for investments categorized as Level 3 for the years ended August 31, 2025 and 2024 (in thousands):

2025		Purchases	Sales	Transfers out [1]
Private equity/venture capital	$	40	(1)	–
Real assets		–	–	–
Total Investments		**40**	**(1)**	**–**
Interests in perpetual funds held by others		–	–	(4,225)
Total assets	**$**	**40**	**(1)**	**(4,225)**

2024		Purchases	Sales	Transfers out [1]
Private equity/venture capital	$	93	(37)	–
Real assets		1	(207)	–
Total Investments		**94**	**(244)**	**–**
Interests in perpetual funds held by others		17,500	–	(6,000)
Total assets	**$**	**17,594**	**(244)**	**(6,000)**

[1] Transfers of interests in perpetual funds held by others is due to funds released from operations.

(9) Derivative Instruments and Hedging Activities

(a) Debt

Historically, as a component of the debt portfolio, the University entered into interest rate swap agreements that effectively convert a portion of variable rate debt to fixed rates and are used to manage interest rate risk. Since the inception of the interest rate swap agreements, the debt portfolio has changed to incorporate fixed rate debt not associated with derivatives. The University's exchange arrangements are exposed to credit loss in the event of nonperformance by the counterparty and to interest rate risk driven by any potential basis risk with variable rate debt. Certain of the University's derivative instruments contain provisions requiring long-term, unsecured debt to be maintained at specified credit ratings from Moody's Investors Service and Standard and Poor's Ratings Service. If the ratings of the University's debt were to fall below certain benchmarks, the counterparty could request immediate payment on derivative instruments in net liability positions. As of August 31, 2025, the University's long-term debt ratings exceeded these benchmarks.

At August 31, 2025, Emory had four interest rate swap agreements expiring on various dates ranging from September 1, 2035 through December 1, 2042. These agreements require Emory to pay fixed interest rates to the counterparties varying from 3.2% to 3.6% in exchange for variable rate payments from the counterparties based on a percentage of Term Secured Overnight Financing Rate (SOFR) plus a spread.

Net settlement transactions related to the agreements described above resulted in interest expense of $0.4 million and interest revenue of $2.0 million in fiscal year 2025 and 2024, respectively. During fiscal year 2024 the University terminated four interest rate swap agreements resulting in a gain of $6.0 million recorded within non-operating activities, net on the accompanying consolidated statements of activities. The fair value of each of the remaining exchange agreements is estimated based on pricing models that utilize significant observable inputs, such as relevant current interest rates, which reflect assumptions on the amount the University would receive or pay to terminate the agreement at the reporting date. As such, the University's exchange agreements are categorized as Level 2 in the fair value hierarchy.

The following table summarizes the debt-related derivative instruments as of and for the years ended August 31 (in thousands):

Interest Rate Swaps			2025		2024	
Inception	Maturity	Notional Amount [1]	Liability Fair Value	Unrealized Gain	Liability Fair Value	Unrealized Loss
December 1, 2007	September 1, 2035	75,000	(5,405)	1,589	(6,994)	(1,553)
May 1, 2008	September 1, 2038	75,000	(6,460)	2,252	(8,712)	(1,400)
December 1, 2008	December 1, 2042	100,000	(5,197)	4,474	(9,671)	(2,408)
December 1, 2009	September 1, 2035	75,000	(5,620)	1,607	(7,227)	(1,546)
Total		**$ 325,000**	**(22,682)**	**9,922**	**$ (32,604)**	**(6,907)**

[1] The notional amount is the predetermined dollar amount on which the exchanged interest payments are based.

Emory is exposed to financial loss in the event of nonperformance by a counterparty to any of the financial instruments described above. General market conditions could impact the credit standing of the counterparties and therefore, potentially impact the value of the instruments. Emory management, with consultation from third-party financial advisers, controls this counterparty credit risk by considering the credit rating, business risk, and reputation of any counterparty before entering into a transaction, monitoring for any change in the credit standing of its counterparty during the life of the transaction, and requiring collateral be posted when predetermined thresholds are crossed.

(10) Property and Equipment, Net

Property and equipment, net as of August 31 is summarized as follows (in thousands):

	2025	2024
Land and improvements	$ 291,127	$ 253,178
Buildings and improvements	5,613,825	5,397,810
Equipment	4,153,429	3,678,621
Finance lease ROU assets (note 11)	26,588	25,248
Library and museum assets	604,815	579,064
Construction in progress	149,408	249,121
	10,839,192	10,183,042
Less: accumulated depreciation	(6,046,571)	(5,462,688)
Less: accumulated amortization of finance leases	(14,808)	(13,022)
Total property, plant, and equipment, net	**$ 4,777,813**	**$ 4,707,332**

In June 2025, Emory Healthcare acquired 100% of the membership interests in the Houston Healthcare system and its affiliates (note 1). At the acquisition date, Emory Healthcare recorded $138.2 million of property and equipment (estimated fair value), within the accompanying consolidated statements of financial position.

No cash consideration was paid for the assets and liabilities and a gain of approximately $195.6 million, representing the fair value of the net assets acquired and liabilities assumed, was recognized by Emory Healthcare in other non-operating activities, net, within the accompanying consolidated statements of activities.

A depreciation study was completed in fiscal year 2025 and the applicable remaining useful lives for certain Emory Healthcare buildings, improvements and equipment were revised beginning as of September 1, 2024. This change in estimate was due to revised useful life assumptions for assets in service. These changes generally increased the remaining useful lives and reduced depreciation expenses by $27.1 million for fiscal year 2025.

The University has identified asset retirement obligations predominantly from commitments to remove asbestos and lead paint in the University's facilities at the time of major renovation or demolition. The liability was estimated using an inflation rate of 5.0% and a discount rate of 4.25%.

(11) Leases

The University has operating and finance leases for office buildings, research and development facilities, hospital and educational buildings, and certain equipment. Leases have remaining lease terms of 1 year to 25 years, some of which include purchase options or options to extend the leases.

Operating leases except for leases with an initial term of less than 12 months for which the University made the short-term election are included in operating lease right-of-use assets and operating lease liabilities in the accompanying consolidated statements of financial position. Finance leases are included in property, plant, and equipment, net, and finance lease liabilities in the accompanying consolidated statements of financial position.

Operating lease liabilities represent the remaining fixed lease payments discounted to present value, while the right-of-use (ROU) assets include any lease payments made, lease incentives received and are amortized over the term of the lease. Renewal options are excluded from the calculation of lease liabilities unless it is reasonably assured that the renewal option will be exercised. Lease costs associated with operating lease assets are recognized on a straight-line basis within operating expenses over the term of the lease.

Finance lease ROU assets are amortized within operating expenses on a straight-line basis over the shorter of the estimated useful lives of the assets or the lease term. The interest component of a finance lease is included in interest expense and recognized using the effective interest-method over the lease term. Variable lease costs, such as common area maintenance, property taxes, and insurance are expensed as incurred.

Emory has lease agreements with lease and nonlease components. The University elected a practical expedient, primarily for its copier leases, whereby nonlease components are not separated from the lease component. This results in all of the lease and nonlease components being combined, and accounted for, as a single lease component and included in the measurement of the ROU assets and lease liabilities.

The components of lease expense for the year ended August 31 are as follows (in thousands):

	2025	2024
Finance lease cost	$ 2,444	$ 2,368
Amortization of ROU assets	1,786	1,686
Interest on lease liabilities	658	682
Operating lease cost	36,688	41,201
Short-term lease cost	26,342	25,518
Total lease expense	**$ 65,474**	**$ 69,087**

Aggregate future payments under noncancelable operating and finance leases as of August 31, 2025 are as follows (in thousands):

	Operating Leases	Finance Leases
2026	$ 34,214	1,990
2027	29,195	1,429
2028	24,254	1,214
2029	22,335	1,120
2030	21,221	1,110
Thereafter	91,262	16,138
Total lease payments	222,481	23,001
Less: amounts representing interest	(23,418)	(6,442)
Total obligation	**$ 199,063**	**16,559**

Supplemental cash flow information related to leases for the year ended August 31 is as follows (in thousands):

	2025	2024
Other information		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$ 33,926	$ 35,376
Operating cash flows from finance leases	1,786	1,686
Financing cash flows from finance leases	1,240	1,194
Right-of-use assets obtained in exchange for new lease obligations		
Operating leases	26,658	1,407
Finance leases	1,341	407
Weighted-average remaining lease term -- finance lease	18 years	19 years
Weighted-average remaining lease term -- operating lease	9 years	10 years
Weighted-average discount rate -- finance lease	3.95%	3.93%
Weighted-average discount rate -- operating lease	2.43%	2.21%

Emory is the lessor in a long-term noncancelable operating sublease for space to serve as an expanded point of entry for imaging and surgical cases for Emory Healthcare at its Executive Park property. The lease agreement's underlying asset will continue to be classified as the original lessor's fixed asset.

(12) Bonds and Notes Payable

Bonds and notes payable, including unamortized premiums, discounts, and issuance costs, consisted of the following as of August 31 (dollars in thousands):

	Average Interest Rate	Final Maturity	Outstanding Principal 2025	Outstanding Principal 2024
Tax-exempt, fixed-rate revenue bonds:				
2025 Series A	5.10%	September 1, 2045	$ 862,700	$ –
2023 Series A	5.00	September 1, 2033	142,500	142,500
2023 Series B	5.00	September 1, 2033	234,750	234,750
2022 Series A	5.00	September 1, 2032	212,055	212,055
2020 Series B	4.49	September 1, 2041	351,090	486,470
2019 Series A	5.00	September 1, 2039	181,225	187,085
2019 Series B	5.00	September 1, 2048	39,725	39,725
2016 Series A	4.62	October 1, 2046	130,030	130,030
2016 Series B	4.14	October 1, 2043	183,465	186,770
2013 Series A	5.00	October 1, 2043	177,850	177,850
Total tax-exempt, fixed-rate revenue bonds			**2,515,390**	**1,797,235**
Tax-exempt, variable-rate revenue bonds:				
2022 Series B	2.92	September 1, 2052	110,380	110,380
Total tax-exempt, variable-rate revenue bonds			**110,380**	**110,380**
Taxable, fixed-rate revenue bonds:				
2020 Series A	2.56	September 1, 2050	799,710	943,750
1994 Series C	0.00	October 1, 2024	–	825
Total taxable, fixed-rate revenue bonds			**799,710**	**944,575**
Taxable, variable-rate revenue bonds:				
2022 Series C-1 [1]	4.85	September 1, 2052	110,450	110,450
2022 Series C-2 [1]	4.82	September 1, 2052	110,445	110,445
Total taxable, variable-rate revenue bonds			**220,895**	**220,895**
Commercial papers:				
2008 Program 1 - Taxable	4.38	April 1, 2047	250,000	–
Total commercial papers			**250,000**	**–**
Unamortized bond premiums			284,513	241,856
Bond issuance costs			(12,875)	(10,662)
Total bonds and notes payable			**$ 4,168,013**	**$ 3,304,279**

(1) Average reset rates taken from Electronic Municipal Market Access (EMMA), plus credit facility and remarketing fees.

The University incurred interest expenses of $113.9 million and $110.3 million in 2025 and 2024, respectively, net of capitalized interest of $0.0 million and $17.5 million in 2025 and 2024, respectively. During 2025, the average interest rate on the University's tax-exempt variable demand bonds, including fees, was 2.92% and the average interest rate on taxable variable bonds, including fees, was 4.84%. Related indices for this period were 2.88% for tax-exempt debt Securities Industry and Financial Markets Association Index (SIFMA), and 4.35% for taxable debt.

As of August 31, 2025 the aggregate annual maturities of bonds and notes payable for the next five years and thereafter are as follows (in thousands):

		2025
PAYABLE IN FISCAL YEAR:		
2026	$	11,190
2027		11,825
2028		12,185
2029		12,845
2030		360,290
Thereafter		3,488,040
		3,896,375
Unamortized net premium		284,513
Unamortized net bond issuance costs		(12,875)
	$	**4,168,013**

In June 2025, the University issued $862.7 million in par value of 2025 Series A bonds and received $934.4 million in proceeds from the issuance. From the proceeds, $279.4 million was used to refund par value on the 2020 Series A and 2020 Series B bonds.

The 2008 taxable Commercial Paper program of $350.0 million had an outstanding balance of $250.0 million and $0.0 million as of August 31, 2025 and 2024, respectively, under this program.

The University has three credit facilities to enable the University to purchase tendered variable rate debt in the event of a failed remarketing. It has a direct-pay letter of credit of $112.0 million supporting the 2022 C-1 bonds of $110.5 million, a standby bond purchase agreement supporting 2022 C-2 bonds totaling $110.5 million, and a revolving credit agreement supporting any self-liquidity debt totaling $175.0 million. These credit facilities are committed for the sole purpose of supporting these debt instruments and cannot be used for operating needs of the University. There were no draws against any of these facilities in 2025 or 2024.

The University has a syndicated line of credit of $750.0 million that expires in April 2026. During fiscal year 2025, the University borrowed $575.0 million against the line of credit, which was paid back in full prior to year-end. There is no outstanding balance as of August 31, 2025, and 2024.

The University has a letter of credit with a commercial bank totaling $1.1 million. There were no outstanding balances as of August 31, 2025 or 2024. The letter of credit agreement expires in March 2026.

The terms of the University's long-term debt provide for certain financial and nonfinancial covenants, including provisions as to the use of the proceeds, limits as to arbitrage and bond issuance costs, and various other administrative requirements.

(13) Net Assets

The following is a summary of net assets as of August 31 (in thousands):

	2025			2024		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Emory undesignated funds	$ 3,094,577	–	3,094,577	$ 2,418,671	–	2,418,671
Endowment funds	2,941,700	5,984,529	8,926,229	2,610,644	5,478,198	8,088,842
Investment in plant	907,418	–	907,418	1,261,517	–	1,261,517
Interest in perpetual funds held by others	–	2,050,386	2,050,386	–	2,013,211	2,013,211
Contributions receivable, net	–	122,642	122,642	–	150,498	150,498
Annuity and other split-interest agreements	–	9,741	9,741	–	11,292	11,292
Capital maintenance, infrastructure, and other donor purposes	–	84,052	84,052	–	58,039	58,039
	$ 6,943,695	**8,251,350**	**15,195,045**	**$ 6,290,832**	**7,711,238**	**14,002,070**

(14) Retirement and Deferred Compensation Plans

The University has a defined-contribution plan under the Code, Section 403(b), covering eligible employees. The University contributes an amount equal to 6% of each eligible employee's compensation to the plan as well as a supplemental contribution of 3% based on a 1.5 to 1 match of employee contributions of up to 2% of compensation. Employer contributions cliff vest after three years of service.

Emory Healthcare sponsors a retirement plan, covering most full-time employees, under which annuities are purchased with contributions made by Emory Healthcare. Benefits to eligible employees were based on a formula defined in the plan. Benefits are paid as a monthly annuity at age 65 or an eligible employee can elect a reduced benefit as early as age 55. The benefits are vested only to the extent of the annuities purchased. Benefits were frozen as of 12/31/2011. Emory Healthcare also has a defined-contribution plan under the Code, Section 403(b), covering eligible employees. Emory Healthcare contributes an amount equal to 2% of each eligible employee's compensation to the plan as well as a supplemental contribution based on a 1 to 1 match of employee contributions of up to 4% for eligible employees with less than 10 years of service and up to 5% for eligible employees with 10 or more years of service. Employer contributions cliff vest after three years of service.

TEC sponsors a defined-contribution plan under the Code, Section 403(b), The Emory Clinic, Inc. Retirement Savings Plan covering eligible employees. TEC contributes an amount equal to 6% of each eligible employee's compensation to the plan as well as a supplemental contribution of 3% based on a 1.5 to 1 match of employee contributions of up to 2% of compensation. Employer contributions cliff vest after three years of service.

Retirement expenses for these plans totaled $258.6 million and $227.5 million during 2025 and 2024, respectively, and are included in fringe benefits expense in the accompanying consolidated statements of activities.

The University sponsors the Code Section 457(b) Deferred Compensation Plan primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees who are eligible for participation and elect to make salary deferrals under the Deferred Compensation Plan. These assets are fully vested and available to the participating employees at the time of termination of employment from the University. As of August 31, 2025 and 2024, respectively, the University held assets of $309.6 million and $270.7 million under the Retirement Plan. These assets are included in other assets, which are designated by the University to pay future salary deferral plan payments. The assets are held in separate investment funds for which the majority are classified as Level 1 in the fair value hierarchy. Associated liabilities for the obligations of $309.6 million and $270.7 million as of August 31, 2025 and 2024, respectively, are included in accrued liabilities for benefit obligations and professional liabilities and considered Level 2 in the fair value hierarchy.

(15) Pension Plans – Emory Healthcare

Emory Healthcare sponsors a defined-benefit pension plan (the Plan). The Plan was curtailed effective December 31, 2011. The terms of the curtailment generally provide that no further benefit accrual under the Plan is provided for service after the effective date nor will new entrants into the Plan be permitted after the effective date.

The Plan's investment objectives related to its defined benefit plan are to protect long-term asset value by applying prudent, low-risk, high-quality investment disciplines and to enhance the values by maximizing investment returns through active security management within the Plan's investment policy framework. Asset allocation strategies and investment management structure are designed to meet the Plan's investment objectives.

The Plan's expected long-term rate of return on assets is determined by reviewing the historical return of each asset category comprising the Plan's target asset allocation.

The Joint Operating Company (JOC) assumed certain defined-benefit pension liabilities covering certain employees of the entities contributed to the JOC by Saint Joseph's Health System SJHS (the SJHS Pension Plan). The plan was curtailed, effective December 31, 2011, and the JOC has agreed to provide for funding of the plan, generally over 10 years, beginning in fiscal year 2015, subject to certain terms and conditions. In March 2025, Emory Healthcare acquired the noncontrolling membership interest of 49% previously held by CHE Trinity Health in the Emory/Saint Joseph's Inc. (JOC) (note 1). Subsequent to the acquisition of the remaining membership interest, the SJHS Pension Plan was merged into the Plan.

Emory Healthcare, effective with the definitive agreement with HHSI (note 1), assumed certain defined-benefit pension liabilities covering eligible employees of HHSI under the HHSI Pension Plan. The HHSI Pension Plan had been curtailed in 2023 and merged into the Plan effective June 30, 2025.

On December 10, 2025, EHC entered into a group annuity contract covering certain participants of the Plan. Under the terms of the contract, the purchaser has assumed responsibility for paying future benefits to these participants.

The annuity buyout was executed as part of EHC's ongoing strategy to reduce pension obligations and associated risks. The transaction resulted in the transfer of approximately $125.0 million of plan assets to the purchaser.

The changes in the projected benefit obligations as of and for the years ended August 31 are as follows (in thousands):

	2025	2024
	Emory Healthcare	**Emory Healthcare**
Projected benefit obligation, beginning of year	$ 445,524	$ 427,798
Interest cost	21,959	23,059
Actuarial (gain) loss	(14,633)	16,237
Benefits paid	(22,882)	(21,570)
Plan combinations	89,983	–
Projected benefit obligation, end of year	**$ 519,951**	**$ 445,524**

The changes in the fair value of plan assets, funded status of the plans, and the status of amounts recognized in the accompanying consolidated statements of financial position as of and for the years ended August 31 are as follows (in thousands):

	2025		2024	
	Emory Healthcare		Emory Healthcare	
Fair Value of plan assets, beginning of year	$	408,449	$	390,070
Actual return on plan assets		12,694		39,374
Employer contributions		2,116		575
Benefits paid		(22,882)		(21,570)
Plan combinations		92,865		–
Fair value of plan assets, end of year	**$**	**493,242**	**$**	**408,449**
Funded status - accrued pension cost recognized in the consolidated statements of financial position	$	(26,709)	$	(37,075)

The components of net periodic pension cost for the years ended August 31 are as follows (in thousands):

	2025		2024	
	Emory Healthcare		Emory Healthcare	
Interest cost	$	21,959	$	23,059
Expected return on assets		(22,579)		(21,064)
Amortization of prior service cost		(438)		(438)
Amortization of net loss		2,146		1,898
Net periodic pension cost	**$**	**1,088**	**$**	**3,455**

Net periodic pension costs are recognized as employees render the services necessary to earn the pension benefits.

Weighted average assumptions used to determine benefit obligations in the accompanying consolidated statements of financial position as of August 31 are as follows:

	2025	2024
	Emory Healthcare	Emory Healthcare [1]
Discount rate	5.58%	5.25%
Expected long-term rate of return on plan assets	5.00	4.50

[1] In 2024 the discount rate and expected long-term rate of return on plan assets for the SJHS plan were 5.21% and 5.95%, respectively.

Weighted average assumptions used to determine net periodic pension cost for the years ended August 31 are as follows:

	2025	2024
	Emory Healthcare	Emory Healthcare [1]
Discount rate	5.25%	5.56%
Expected long-term rate of return on plan assets	5.00	4.50

[1] In 2024 the discount rate and expected long-term rate of return on plan assets for the SJHS plan were 5.55% and 5.95%, respectively.

The following tables summarize the plan assets, which are recorded at fair value as of August 31 as follows (in thousands):

2025							
		Emory	Fair Value Hierarchy			Total	Target
		Healthcare	Level 1	Level 2	NAV	Fair Value	Allocation [1]
INVESTMENTS:							
Short-term investments and cash equivalents	$	21,126	21,126	–	–	21,126	—%
Public equity		169,995	273	169,722	–	169,995	64
Absolute return		16,249	–	–	16,249	16,249	4
Private equity/venture capital		13,675	–	–	13,675	13,675	2
Fixed income		272,197	–	272,197	–	272,197	30
Total investments	**$**	**493,242**	**21,399**	**441,919**	**29,924**	**493,242**	**100%**

2024							
		Emory Healthcare	Fair Value Hierarchy Level 1	Level 2	NAV	Total Fair Value	Target Allocation [1]
INVESTMENTS:							
Short-term investments and cash equivalents	$	5,029	5,006	23	–	5,029	—%
Public equity		110,981	1,427	101,353	8,201	110,981	64
Absolute return		15,668	–	–	15,668	15,668	4
Private equity/venture capital		15,207	–	–	15,207	15,207	2
Fixed income		261,564	–	230,328	31,236	261,564	30
Total investments	**$**	**408,449**	**6,433**	**331,704**	**70,312**	**408,449**	**100%**

[1] While each plan has an individual target asset allocation, the percentage represents the averages for all plans assets.

Cash Flows

Emory Healthcare does not expect to contribute to the Emory Healthcare Pension Plan during fiscal year 2026.

Expected Future Benefit Payments

Emory Healthcare annual future benefit payments, excluding lump-sum settlements, are expected to range from $32.7 million to $37.5 million for the next five years.

Other Items

Emory Healthcare uses the straight-line method to amortize prior service cost for both plans.

(16) Postretirement Healthcare and Life Insurance Benefits

The University sponsors a postretirement life insurance and healthcare benefits plan. Participants hired after 2002 pay the full retiree-specific premium equivalent and are therefore assumed to pay the full cost of their coverage. The University and Emory Healthcare each fund a separate trust (VEBA Trust) for retiree health and life benefits. The assets of the VEBA Trust are invested primarily in equity and fixed-income securities. The University funds these benefits only to the extent of current retiree claims. The University measures its participation in the VEBA Trust at August 31 each fiscal year.

The changes in the accumulated postretirement benefit obligation (APBO) as of August 31 are as follows (in thousands):

	2025				2024
		Emory University	Emory Healthcare	Total		Total
APBO, beginning of year	$	100,006	53,595	153,601	$	144,651
Service cost		648	152	800		814
Interest cost		4,889	2,597	7,486		7,781
Actuarial loss (gains)		110	(2,126)	(2,016)		7,775
Benefits paid		(5,498)	(3,271)	(8,769)		(7,420)
APBO, end of year	**$**	**100,155**	**50,947**	**151,102**	**$**	**153,601**

The discount rate to determine APBO as of August 31, 2025 and 2024 was 5.65% and 5.27%, respectively.

The changes in the fair value of plan assets, funded status of the plan, and the status of the accrued postretirement benefit obligation recognized in the accompanying consolidated statements of financial position as of and for the years ended August 31 are as follows (in thousands):

		2025				2024
		Emory University	Emory Healthcare	Total		Total
Fair value of plan assets, beginning of year	$	103,395	15,547	118,942	$	105,472
Actual return on plan assets		3,276	1,362	4,638		15,843
Benefits paid from plan assets		–	(539)	(539)		(2,373)
Fair value of plan assets, end of year	**$**	**106,671**	**16,370**	**123,041**	**$**	**118,942**
Funded status – accrued postretirement benefit cost recognized in the consolidated statements of financial position	$	**6,516**	**(34,577)**	**(28,061)**	**$**	**(34,659)**

The components of net periodic postretirement benefit cost for the years ended August 31 are as follows (in thousands):

		2025				2024
		Emory University	Emory Healthcare	Total		Total
Service cost of benefits earned	$	648	152	800	$	814
Interest cost on APBO		4,889	2,597	7,486		7,781
Expected return on plan assets		(6,410)	(876)	(7,286)		(6,757)
Recognized net actuarial loss		688	–	688		964
Net periodic postretirement benefit cost	**$**	**(185)**	**1,873**	**1,688**	**$**	**2,802**

The discount rate and expected return on plan assets used to determine net periodic postretirement benefit cost for the years ended August 31, 2025 and 2024 were 5.27% and 5.56%, respectively, and 6.20% and 6.50%, respectively.

The amounts accumulated in net assets without donor restrictions follow as of August 31 (in thousands):

	2025			2024
	Emory University	Emory Healthcare	Total	Total
Net unrecognized actuarial loss	$ (22,526)	(2,207)	(24,733)	$ 24,789
Total	**$ (22,526)**	**(2,207)**	**(24,733)**	**$ 24,789**

In fiscal year 2026, there is no gain or loss expected to be amortized for Emory University or for Emory Healthcare from net assets without donor restrictions into net periodic postretirement benefit cost.

Plan Assets

The Investment Committee of Emory University's Board of Trustees approves the investment guidelines and asset allocation targets for the pension benefits and postretirement benefits plans. The primary objective of the investments is to ensure the solvency of the plans over time to meet plan obligations.

The secondary objective is to meet or exceed the plans' actuarial assumed rate of return over time without taking excess risk. The funds are diversified by asset class in accordance with established allocation targets and rebalanced as needed. Specific investments are apportioned to a combination of institutional pooled funds and mutual funds.

The following table summarizes the VEBA Trust assets for the University and Emory Healthcare as of August 31 (in thousands):

2025		Fair Value Hierarchy			Target
	Total Fair Value	Level 1	Level 2	NAV	Allocation [1]
Fixed income	$ 67,856	13,691	54,165	–	56%
Public equity	33,215	–	31,266	1,949	30
Absolute return	12,360	5,467	–	6,893	9
Private equity/venture capital	5,095	–	–	5,095	5
Short-term investment and cash equivalent	4,515	4,515	–	–	–
Total investments	**$ 123,041**	**23,673**	**85,431**	**13,937**	**100%**

2024		Fair Value Hierarchy			Target
	Total Fair Value	Level 1	Level 2	NAV	Allocation [1]
Fixed income	$ 58,729	603	58,083	43	55%
Public equity	41,818	–	38,362	3,456	30
Absolute return	11,972	5,560	–	6,412	10
Private equity/venture capital	5,661	–	–	5,661	5
Short-term investment and cash equivalent	762	762	–	–	–
Total investments	**$ 118,942**	**6,925**	**96,445**	**15,572**	**100%**

[1] While each plan has an individual target asset allocation, the percentage represents the averages for all plans assets.

Cash Flows

Emory University and Emory Healthcare expect to contribute $0.0 million and $3.2 million, respectively, to the postretirement benefit plan during fiscal year 2026.

Expected Future Benefit Payments

Annual future benefit payments are expected to range from $5.9 million to $6.5 million for Emory University and from $3.2 million to $3.6 million for Emory Healthcare for the next five years.

(17) Functional Expenses

The accompanying consolidated statements of activities present expenses by natural classification. The University also summarizes expenses by functional classification, in accordance with its mission. The University's primary program services are instruction, research, public service, and the delivery of healthcare and medical services. Expenses for academic support, institutional support, and independent operations/auxiliary enterprises are generally incurred in support of these primary program activities, with academic support being related to student financial aid. Capital and plant expenditures, costs for operation and maintenance of plant, interest on indebtedness, and depreciation and amortization are allocated using a variety of cost allocation techniques, such as square footage and time and effort.

The accompanying consolidated statements of activities include the following functional expenses for the years ended August 31 (in thousands, net of the cost allocations and recharges referenced above):

		2025				
		Instruction and Academic Support	Research and Public Service	Non-Academic Operations [1]	Healthcare and Medical Services [2]	Total
Salaries	$	520,394	480,218	365,958	3,898,879	5,265,449
Fringe benefits		138,395	135,297	79,216	906,243	1,259,151
Student financial aid		26,697	–	–	–	26,697
Other operating expenses		150,060	388,708	1,156	2,993,688	3,533,612
Interest on indebtedness		10,146	11,434	18,447	73,865	113,892
Depreciation and amortization		61,341	74,598	51,938	191,281	379,158
Total expenses	**$**	**907,033**	**1,090,255**	**516,715**	**8,063,956**	**10,577,959**

[1] Non-Academic Operations includes $277.5 million of institutional support and $239.2 million of independent operations and auxiliary enterprises.

[2] Healthcare and Medical Services – The portion of patient care services related to Emory Healthcare expense is $7.6 billion. Healthcare administrative costs are $959.9 million, included therein.

2024						
		Instruction and Academic Support	Research and Public Service	Non-Academic Operations (1)	Healthcare and Medical Services (2)	Total
Salaries	$	493,873	453,234	333,865	3,391,158	4,672,130
Fringe benefits		126,704	119,777	92,303	741,865	1,080,649
Student financial aid		24,248	–	–	–	24,248
Other operating expenses		168,372	417,479	20,048	2,607,650	3,213,549
Interest on indebtedness		8,575	9,663	15,484	76,564	110,286
Depreciation and amortization		59,748	72,690	50,714	215,027	398,179
Total expenses	**$**	**881,520**	**1,072,843**	**512,414**	**7,032,264**	**9,499,041**

(1) Non-Academic Operations includes $301.1 million of institutional support and $211.3 million of independent operations and auxiliary enterprises.

(2) Healthcare and Medical Services – The portion of patient care services related to Emory Healthcare expense is $6.7 billion. Healthcare administrative costs are $759.6 million, included therein.

Costs related to the University's operation and maintenance of property, including depreciation of property and equipment and interest on related debt, are allocated to program and supporting activities based upon information reported in the space study and debt financing records. Fundraising costs were approximately $61.2 million and $60.0 million in 2025 and 2024, respectively.

(18) Medical Professional and General Liability Insurance Coverage

CCIC, Emory Healthcare's wholly owned offshore captive insurer, provides claims-made primary and some excess medical professional and general liability coverage for the University, the Hospitals, Emory Clinic, Emory Specialty Associates, and Wesley Woods Center.

As of August 31, 2025 and 2024, the University has recorded an accrual for estimated losses associated with all retained CCIC risks of approximately $492.8 million (discounted at 3.5%) and $382.9 million (discounted at 2.5%), respectively.

Emory has purchased layered excess and umbrella reinsurance coverage beyond the primary and buffer layers retained by CCIC, through various carriers, for a grand total of $232.0 million per claim and in the aggregate for the full program.

The estimated liability for professional and general liability claims will be significantly affected if current and future claims differ from historical trends. While the University monitors reported claims closely and considers potential outcomes as estimated by its actuaries when determining its professional and general liability accruals, the complexity of the claims, the extended period of time to settle the claims, and the wide range of potential outcomes complicate the estimation. The University's management believes adequate provision has been made for the related risk.

(19) Related-Party Transactions

The Carter Center, Inc. (CCI) is a nonprofit corporation founded by former U.S. President Jimmy Carter and Rosalynn Carter, which sponsors various domestic and international programs. The Board of Trustees of CCI is comprised of between 14 and 26 members of which half are elected by the University, including the University's president, and half, one of which shall be a lineal descendant of President and Mrs. Carter, are elected by the Carter Center class trustees. The University's Board of Trustees has the authority to approve amendments to CCI's articles of incorporation and bylaws. Funds held in trust for others include $1.2 billion and $1.1 billion, representing CCI's investment in the University's long-term investment portfolio as of August 31, 2025 and 2024, respectively. CCI is permitted partial withdrawals of up to 10% per year (inclusive of regular spending payouts), with 30 days' written notice prior to a calendar quarter or fiscal year end. A full withdrawal request by CCI requires at least one year's written notice and is subject to a multi-year distribution schedule in line with the duration of the long-term investment portfolio, as agreed upon by both CCI and the University.

Emory University and Children's Healthcare of Atlanta, Inc. (Children's), a Georgia nonprofit corporation, established the Emory + Children's Pediatric Institute (the Institute) effective September 1, 2018 under a Master Affiliation Agreement (the affiliation agreement). Under the terms of the affiliation agreement, approximately 350 Emory University School of Medicine Department of Pediatrics faculty physicians and PhD researchers transferred to the Institute and became employees thereof. The affiliation agreement restructured previous arrangements between the parties for pediatric teaching, research, and related clinical services. The ownership of the Institute is 50% Emory University and 50% Children's, with equal representation on the governing board. The funding obligations of each party are specified by the affiliation agreement, and each party funds its mission-related expenses. The University reports research and teaching expenses provided by the faculty members in salaries, fringe benefits, professional fees and purchased services, and other operating expenses in the accompanying consolidated statements of activities.

(20) Commitments and Contingencies

Purchase Commitments

Emory University and Emory Healthcare are in the process of constructing, renovating, and equipping certain facilities for which the outstanding commitments at August 31, 2025 totaled $112.3 million and $103.8 million, respectively.

Federal and State Regulatory Matters

Expenditures and indirect costs related to federal and state grants and contracts are subject to adjustment based upon review by the granting agencies. The amounts, if any, of expenditures which may be disallowed by the granting agencies, are not expected to have a material effect on the University's consolidated financial statements.

The University is subject to many federal and state regulations, and as a result, there may be one or more pending government investigations ongoing at any time. While the outcome of these actions is not presently determinable, it is the opinion of management that any resulting liability from these actions will not have a material adverse effect on the accompanying consolidated statements of financial position.

Current Regulatory Environment

The University receives significant funding from federal sources, including student financial aid, research grants, and other sponsored programs, as well as Medicare and Medicaid related to patient services. The University is monitoring and assessing the potential impact of proposed legislation, administration actions, and judicial decisions that may affect the higher education and health care sectors. Changes in the federal regulatory environment may impact the availability, timing and terms of federal funding and could have a material impact on the University's financial position.

Laws and regulations governing federal programs, including Medicare and Medicaid, are complex and subject to interpretation. Compliance with such laws and regulations is subject to future government review and interpretation as well as significant regulatory action, including fines, penalties, and exclusion from Federal programs. The University, through its internal processes and various compliance programs, seeks to ensure compliance with the applicable laws and regulations, and to promptly rectify instances of noncompliance with governmental program rules.

While the ultimate outcome of these matters cannot be predicted, the University believes it is taking appropriate steps to mitigate associated risks.

Other Legal Matters

Lawsuits and claims have been filed against the University in the ordinary course of business. As one of the nation's largest research universities and academic medical centers, the University has active litigation that takes several forms. The University's policy is to accrue for litigation and claims when such amounts are probable and can be reasonably estimated based on consultation with external legal counsel and Emory General Counsel. The University also has a comprehensive program of primary and excess insurance.

(21) Subsequent Events

Emory has evaluated subsequent events after the accompanying consolidated statements of financial position date of August 31, 2025 through December 12, 2025, the date the consolidated financial statements were issued. In November 2025, the University finalized the purchase of the land and buildings that were formerly known as the Egleston Children's Hospital, located on the University's campus. Consideration paid for the assets acquired was approximately $57.5 million. Additionally, upon acquisition, the University expects to demolish the existing structure at an estimated cost of $50.0 million and will record these additional costs as property and equipment. Other than this matter, there are no other items to disclose that would have a material impact on the University's accompanying consolidated statements of financial position.

SUPPLEMENTARY INFORMATION

EMORY UNIVERSITY (EXCLUDING EMORY HEALTHCARE)
STATEMENTS OF FINANCIAL POSITION - SUPPLEMENTARY INFORMATION
SCHEDULE 1

AUGUST 31, 2025 AND 2024 (Dollars in thousands)

	August 31, 2025	August 31, 2024
ASSETS:		
Cash and cash equivalents	$ 1,100,259	$ 385,644
Student accounts receivable, net	20,682	19,886
Loans receivable, net	16,904	14,524
Contributions receivable, net	122,642	150,498
Other receivables, net	263,794	268,501
Prepaid expenses, deferred charges, and other assets	220,536	195,325
Investments	12,245,952	11,131,500
Interests in perpetual funds held by others	2,050,386	2,013,211
Operating lease right-of-use assets	67,020	72,498
Property and equipment, net	2,417,027	2,436,750
Due from affiliates	1,684,707	1,577,897
Total assets	**$ 20,209,909**	**$ 18,266,234**
LIABILITIES AND NET ASSETS:		
Accounts payable and accrued liabilities	$ 313,389	$ 275,192
Deferred revenue	348,371	322,433
Interest payable	59,759	53,624
Liability for derivative instruments	22,682	32,604
Bonds and notes payable	4,168,013	3,304,279
Accrued liabilities for benefit obligations and professional liabilities	218,763	200,149
Operating lease liabilities	73,241	79,122
Finance lease liabilities	16,559	16,498
Funds held in trust for others	1,269,348	1,183,408
Annuities payable	13,889	13,737
Government advances for federal loan programs	12,554	13,281
Asset retirement obligations	69,904	69,147
Total liabilities	**6,586,472**	**5,563,474**
Net assets without donor restrictions	5,422,602	5,023,115
Net assets with donor restrictions	8,200,835	7,679,645
Total net assets	**13,623,437**	**12,702,760**
TOTAL LIABILITIES AND NET ASSETS	**$ 20,209,909**	**$ 18,266,234**

See accompanying independent auditors' report.

EMORY UNIVERSITY (EXCLUDING EMORY HEALTHCARE)
STATEMENTS OF ACTIVITIES - SUPPLEMENTARY INFORMATION
SCHEDULE 2

YEAR ENDED AUGUST 31, 2025 (WITH SUMMARIZED COMPARATIVE INFORMATION FOR AUGUST 31, 2024) (Dollars in thousands)

	Net Assets without Donor Restrictions	Net Assets with Donor Restrictions	Total August 31, 2025	Total August 31, 2024
OPERATING REVENUE				
Tuition and fees, net of scholarship allowance	$ 567,217	-	$ 567,217	$ 532,165
Sales and services of auxiliary enterprises, net of scholarship allowance	75,598	-	75,598	83,169
Endowment spending distribution	300,466	-	300,466	280,141
Distribution from perpetual funds	66,700	-	66,700	49,094
Other investment income designated for current operations	88,658	-	88,658	83,112
Gifts and contributions for current use	51,438	17,933	69,371	61,151
Grants and contracts	795,158	-	795,158	790,137
Indirect cost recoveries	241,537	-	241,537	235,529
Medical services	409,399	-	409,399	359,413
Independent operations	21,584	-	21,584	23,695
Other revenue	181,990	-	181,990	172,138
Net assets released from restrictions	35,038	(17,218)	17,820	19,511
Total operating revenue	**2,834,783**	**715**	**2,835,498**	**2,689,255**
Operating support from Emory Healthare	144,176	-	144,176	115,421
Total operating revenue and other support	**2,978,959**	**715**	**2,979,674**	**2,804,676**
OPERATING EXPENSES				
Salaries	1,712,143	-	1,712,143	1,582,886
Fringe benefits	434,582	-	434,582	409,598
Student financial aid	26,697	-	26,697	24,248
Other operating expenses	588,176	-	588,176	603,836
Interest on indebtedness	40,350	-	40,350	33,995
Depreciation and amortization	194,869	-	194,869	189,963
Total operating expenses	**2,996,817**	**-**	**2,996,817**	**2,844,526**
NET OPERATING ACTIVITIES	**(17,858)**	**715**	**(17,143)**	**(39,850)**
NONOPERATING ACTIVITIES, NET				
Investment return	382,819	413,557	796,376	511,821
Change in undistributed income from perpetual funds held by others	-	41,400	41,400	285,135
Gifts and contributions for capital and long-term investment	12,560	100,532	113,092	110,764
Other losses	(858)	-	(858)	(2,020)
Gain on retirement of debt	-	-	-	5,982
Change in fair value of derivative instruments	9,922	-	9,922	(12,361)
Net periodic benefit cost other than service cost	833	-	833	(119)
Changes in pension and other postretirement obligations	(2,556)	-	(2,556)	2,040
Other nonoperating items, net	3,539	(6,108)	(2,569)	(4,808)
Net assets released from restrictions	11,086	(28,906)	(17,820)	(19,511)
Total nonoperating activities, net	**417,345**	**520,475**	**937,820**	**876,923**
CHANGE IN NET ASSETS	**399,487**	**521,190**	**920,677**	**837,073**
BEGINNING NET ASSETS	**5,023,115**	**7,679,645**	**12,702,760**	**11,865,687**
ENDING NET ASSETS	**$ 5,422,602**	**8,200,835**	**$ 13,623,437**	**$ 12,702,760**

See accompanying independent auditors' report.

EMORY UNIVERSITY (EXCLUDING EMORY HEALTHCARE)
STATEMENT OF CASH FLOWS - SUPPLEMENTARY INFORMATION
SCHEDULE 3

YEAR ENDED AUGUST 31, 2025 (Dollars in thousands)

		August 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	$	920,677
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Contributions and pledge payments restricted for long-term investment and capital projects		(73,372)
Contributions of donated securities		(53,106)
Proceeds from sale of donated securities		6,276
Net realized and unrealized gain on investments		(1,087,410)
Loss on disposal of property and equipment		859
Change in undistributed income from perpetual funds held by others		(41,400)
Depreciation and amortization		191,263
Amortization of bond premiums and issuance costs		(28,068)
Amortization of right-of-use assets		9,133
Change in pension and other postretirement		2,371
Change in fair value of derivative instruments		(9,922)
Change in operating assets:		
Accounts and other receivables, net		3,911
Contributions receivable for operations		28,924
Prepaid expenses, deferred charges, and other assets		(25,211)
Interests in perpetual funds		4,225
Due to/from affiliates		(106,810)
Change in operating liabilities:		
Accounts payable, accrued liabilities, and interest payable		40,059
Asset retirement obligations		757
Accrued liabilities for benefit obligations and professional liabilities		16,243
Lease liabilities, net		(7,790)
Deferred revenue		25,938
Net cash used in operating activities		**(182,453)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Disbursements of loans to students		(4,668)
Repayment of loans from students		2,288
Proceeds from sales and maturities of investments		2,955,881
Purchases of investments		(2,845,147)
Purchases of property, plant, and equipment		(168,571)
Decrease in funds held in trust for others		(51,836)
Net cash used in investing activities	$	**(112,053)**

(Continued)

EMORY UNIVERSITY (EXCLUDING EMORY HEALTHCARE)
STATEMENT OF CASH FLOWS - SUPPLEMENTARY INFORMATION
SCHEDULE 3

YEAR ENDED AUGUST 31, 2025 (Dollars in thousands)

		August 31, 2025
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions and pledge payments restricted for long-term investment and capital projects	$	72,304
Proceeds from sale of donated securities restricted for long-term investment and capital projects		46,830
Proceeds from bonds payable, including commercial paper		1,184,430
Principal repayments of bonds payable, including commercial paper		(289,410)
Payments on finance lease obligations		(1,240)
Debt issuance costs		(3,218)
Change in annuities payable		152
Change in government advances for federal loan programs		(727)
Net cash provided by financing activities		**1,009,121**
Net change in cash, cash equivalents, and restricted cash		714,615
Cash, cash equivalents, and restricted cash at beginning of year		385,644
Cash, cash equivalents, and restricted cash at end of year	$	**1,100,259**

See accompanying independent auditor's report.