

ADCARE HEALTH SYSTEMS, INC
Form 8-K
August 20, 2013

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 or 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): **August 14, 2013**

AdCare Health Systems, Inc.

(Exact Name of Registrant as Specified in Charter)

Ohio
(State or Other Jurisdiction of
Incorporation)

001-33135
(Commission File Number)

31-1332119
(I.R.S. Employer
Identification No.)

1145 Hembree Road

Roswell, GA 30076

(Address of Principal Executive Offices)

(678) 869-5116

(Registrant's telephone number, including area code)

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Not applicable.

(Former Name or Former Address, if Changed Since Last Report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02. Results of Operations and Financial Condition.

On August 14, 2013, AdCare Health Systems, Inc. (the Company) issued a press release reporting its financial results and held an earnings conference call to discuss its financial results for the quarter ended June 30, 2013. The press release and conference call transcript are listed as Exhibit 99.1 and Exhibit 99.2 to this Current Report, respectively.

The information provided pursuant to this Item 2.02, including Exhibit 99.1 and Exhibit 99.2, is furnished and shall not be deemed to be filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities of such section, and shall not be incorporated by reference in any filing made by the Company under the Exchange Act or the Securities Act of 1933, as amended, except to the extent expressly set forth by specific reference in any such filings.

In addition to reporting financial results in accordance with U.S. generally accepted accounting principles (GAAP), the Company presents certain non-GAAP financial measures. Specifically, the Company presents Adjusted EBITDAR from continuing operations and Adjusted EBITDA from continuing operations. The Company defines: (i) Adjusted EBITDAR from continuing operations as net income (loss) from continuing operations before interest expense, income tax expense, depreciation and amortization (including amortization of non-cash stock-based compensation), acquisition costs (net of gains), loss on extinguishment of debt, derivative loss and other non-routine adjustments; and (ii) Adjusted EBITDA from continuing operations as net income (loss) from continuing operations before interest expense, income tax expense, depreciation and amortization (including amortization of non-cash stock-based compensation), acquisition costs (net of gains), loss on extinguishment of debt, derivative loss or gain, and other non-routine adjustments.

Adjusted EBITDAR from continuing operations and Adjusted EBITDA from continuing operations should not be considered in isolation or as a substitute for net income, income from operations or cash flows provided by, or used in, operations, as determined in accordance with GAAP. Adjusted EBITDAR from continuing operations and Adjusted EBITDA from continuing operations are used by the Company's management to focus on operating performance and management without mixing in items of income and expense that relate to the financing and capitalization of the business, fixed rent or lease payments of facilities, derivative loss or gain, certain acquisition related charges and other non-routine adjustments. The Company believes these non-GAAP financial measures are useful to investors in evaluating the Company's performance, results of operations and financial position for the following reasons:

- They are helpful in identifying trends in the Company's day-to-day performance because the items excluded have little or no significance to the Company's day-to-day operations;
- They provide an assessment of controllable expenses and afford management the ability to make decisions which are expected to facilitate meeting current financial goals as well as achieve optimal financial performance; and
- They provide data that assists management to determine whether or not adjustments to current spending decisions are needed.

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The Company believes that the use of these non-GAAP financial measures provide a meaningful and consistent comparison of the Company's underlying business between periods by eliminating certain items required by GAAP, which have little or no significance in the Company's day-to-day operations.

Quantitative reconciliations of Adjusted EBITDAR from continuing operations and Adjusted EBITDA from continuing operations to the most directly comparable GAAP financial measures are included in the press release and conference call transcript listed as Exhibit 99.1 and Exhibit 99.2 to this Current Report, respectively.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release, dated August 14, 2013 (Incorporated by reference to Exhibit 99.1 to the Registrant's Current Report on Form 8-K filed August 14, 2013).

99.2 Earnings Conference Call Transcript, dated August 14, 2013.

SIGNATURES

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

Date: August 20, 2013

ADCARE HEALTH SYSTEMS, INC.

By:	/s/ Ronald W. Fleming
Name:	Ronald W. Fleming
Title:	Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Exhibit Description
99.1	Press Release, dated August 14, 2013 (Incorporated by reference to Exhibit 99.1 to the Registrant's Current Report on Form 8-K filed August 14, 2013).
99.2	Earnings Conference Call Transcript, dated August 14, 2013.