

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): April 28, 2015

Acadia Healthcare Company, Inc.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-35331
(Commission
File Number)

46-2492228
(IRS Employer
Identification No.)

830 Crescent Centre Drive, Suite 610, Franklin, Tennessee 37067
(Address of Principal Executive Offices)

(615) 861-6000
(Registrant's Telephone Number, including Area Code)

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 April 28, 2015, Acadia Healthcare Company, Inc. (“Acadia”) issued a press release announcing, among other things, Acadia’s operating and financial results for the first quarter ended March 31, 2015. The press release is furnished herewith as Exhibit 99 hereto and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99 Press Release of Acadia Healthcare Company, Inc., dated April 28, 2015.

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 hereunto duly authorized.

ACADIA HEALTHCARE COMPANY, INC.

Date: April 28, 2015

By: /s/ Christopher L. Howard
Christopher L. Howard
Executive Vice President and
General Counsel

EXHIBIT INDEX

**Exhibit
No.**

Description

99

Press Release of Acadia Healthcare Company, Inc., dated April 28, 2015

Acadia Healthcare First Quarter Adjusted EPS Increases 53.6% to \$0.43**Revenue Grows 81.6%****Increases Guidance for 2015 Adjusted Earnings per Diluted Share to Range of \$2.11 to \$2.15 from Previous Range of \$2.03 to \$2.10**

FRANKLIN, Tenn.--(BUSINESS WIRE)--April 28, 2015--Acadia Healthcare Company, Inc. (NASDAQ: ACHC) today announced financial results for the first quarter ended March 31, 2015. Revenue increased 81.6% to \$365.8 million from \$201.4 million for the first quarter of 2014. Income from continuing operations was \$14.6 million, or \$0.23 per diluted share, for the first quarter of 2015 compared with \$13.0 million, or \$0.26 per diluted share, for the first quarter of 2014. Adjusted income from continuing operations increased 93.5% to \$27.1 million for the first quarter of 2015 from \$14.0 million for the first quarter of 2014, while adjusted income from continuing operations per diluted share increased 53.6% to \$0.43 from \$0.28. The adjusted results exclude transaction-related expenses of \$18.4 million and \$1.6 million for the first quarter of 2015 and 2014, respectively, and exclude a slight gain on foreign currency derivatives for the first quarter of 2015. Weighted average shares outstanding increased 24.6% for the first quarter of 2015 from the first quarter of 2014, primarily due to the issuance of common stock in June 2014 and February 2015 related to acquisitions. A reconciliation of all GAAP and non-GAAP financial results in this release is on pages 7 and 8.

“Acadia produced strong first quarter growth in revenue and adjusted EPS, primarily reflecting the acquisitions of CRC Health Group in the latest quarter and Partnerships in Care (PiC) in July 2014,” said Joey Jacobs, Chairman and Chief Executive Officer of Acadia. “In aggregate, we completed six acquisitions over the latest 12 months ended March 31, 2015, bringing 61 inpatient behavioral health facilities to Acadia with more than 3,800 beds, as well as 88 comprehensive treatment facilities (CTCs). These acquisitions include our purchase of Quality Addiction Management, also in the first quarter of 2015, which operated seven CTCs.

“We are also pleased to report three additional acquisitions thus far in the second quarter, Pastoral Healthcare, Choice Lifestyle and Vista Healthcare, which added five facilities and 180 beds to our operations in the United Kingdom. As a result of these transactions, we now operate a total of 29 facilities in the U.K., with approximately 1,500 beds.

“In addition to the accretive impact of acquisitions, our first quarter results reflected our continued strong organic growth, driven by the addition of 441 beds primarily to existing facilities during the latest 12 months ended March 31, 2015. We added 185 of these beds during the first quarter, which included the opening of a 90-bed de novo facility in the U.S. and the addition of 39 beds to existing facilities in the U.K.

“Acadia’s same facility revenue increased 8.5% for the quarter, primarily due to new beds added to the same facility base over the previous 12 months, as well as to our continuing initiatives to build revenue at each facility. Same facility patient days grew 9.9% for the first quarter, and revenue per patient day decreased 1.2%. The growth in same facility revenue produced additional operating leverage, which, combined with our efforts to improve facility productivity and efficiency, resulted in a 40 basis point increase in our same facility EBITDA margin to 24.1% for the quarter. Acadia’s consolidated adjusted EBITDA for the first quarter increased 100.4% to \$78.7 million from \$39.3 million for the first quarter of 2014, while our consolidated adjusted EBITDA margin increased 200 basis points to 21.5%.”

Acadia today increased its guidance for 2015 adjusted earnings per diluted share to a range of \$2.11 to \$2.15 from the previous range of \$2.03 to \$2.10. The Company’s guidance does not include the impact of any future acquisitions or transaction-related expenses.

Acadia will hold a conference call to discuss its first quarter financial results at 9:00 a.m. Eastern Time on Wednesday, April 29, 2015. A live webcast of the conference call will be available at www.acadiahealthcare.com in the “Investor Relations” section of the website. The webcast of the conference call will be available through May 14, 2015.

Risk Factors

This news release contains forward-looking statements. Generally words such as “may,” “will,” “should,” “could,” “anticipate,” “expect,” “intend,” “estimate,” “plan,” “continue,” and “believe” or the negative of or other variation on these and other similar expressions identify forward-looking statements. These forward-looking statements are made only as of the date of this news release. We do not undertake to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements are based on current expectations and involve risks and uncertainties and our future results could differ significantly from those expressed or implied by our forward-looking statements. Factors that may cause actual results to differ materially include, without limitation, (i) Acadia’s ability to complete acquisitions and successfully integrate the operations of acquired facilities, including the PiC and CRC facilities; (ii) Acadia’s ability to add beds, expand services, enhance marketing programs and improve efficiencies at its facilities; (iii) potential reductions in payments received by Acadia from the government and third-party payors; (iv) the occurrence of patient incidents, which could adversely affect the price of our common stock and result in incremental regulatory burdens and governmental investigations; (v) the risk that Acadia may not generate sufficient cash from operations to service its debt and meet its working capital and capital expenditure requirements; and (vi) potential operating difficulties, client preferences, changes in competition and general economic or industry conditions that may prevent Acadia from realizing the expected benefits of its business strategy. These factors and others are more fully described in Acadia’s periodic reports and other filings with the SEC.

About Acadia

Acadia is a provider of inpatient behavioral healthcare services. Acadia operates a network of 208 behavioral healthcare facilities with approximately 8,600 beds in 37 states, the United Kingdom and Puerto Rico. Acadia provides psychiatric and chemical dependency services to its patients in a variety of settings, including inpatient psychiatric hospitals, residential treatment centers, outpatient clinics and therapeutic school-based programs.

Acadia Healthcare Company, Inc.
Condensed Consolidated Statements of Income
(Unaudited)

| | Three Months Ended March 31, | |
|---|---|------------------|
| | 2015 | 2014 |
| | (In thousands, except per share amounts) | |
| Revenue before provision for doubtful accounts | \$ 374,158 | \$ 206,119 |
| Provision for doubtful accounts | (8,375) | (4,701) |
| Revenue | <u>365,783</u> | <u>201,418</u> |
| Salaries, wages and benefits (including equity-based compensation expense of \$3,894 and \$1,764, respectively) | 205,871 | 117,575 |
| Professional fees | 22,427 | 10,382 |
| Supplies | 16,254 | 10,064 |
| Rents and leases | 5,886 | 2,769 |
| Other operating expenses | 40,527 | 23,110 |
| Depreciation and amortization | 13,104 | 5,436 |
| Interest expense, net | 22,146 | 9,707 |
| Gain on foreign currency derivatives | (53) | - |
| Transaction-related expenses | 18,416 | 1,579 |
| Total expenses | <u>344,578</u> | <u>180,622</u> |
| Income from continuing operations before income taxes | 21,205 | 20,796 |
| Provision for income taxes | 6,613 | 7,775 |
| Income from continuing operations | <u>14,592</u> | <u>13,021</u> |
| Income from discontinued operations, net of income taxes | 2 | 37 |
| Net income | <u>\$ 14,594</u> | <u>\$ 13,058</u> |
| Basic earnings per share: | | |
| Income from continuing operations | \$ 0.23 | \$ 0.26 |
| Income from discontinued operations | - | - |
| Net income | <u>\$ 0.23</u> | <u>\$ 0.26</u> |
| Diluted earnings per share: | | |
| Income from continuing operations | \$ 0.23 | \$ 0.26 |
| Income from discontinued operations | - | - |
| Net income | <u>\$ 0.23</u> | <u>\$ 0.26</u> |
| Weighted-average shares outstanding: | | |
| Basic | 62,530 | 50,120 |
| Diluted | 62,894 | 50,486 |

Acadia Healthcare Company, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

| | March 31, 2015 | December 31, 2014 |
|--|---------------------------|------------------------------|
| | (In thousands) | |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 38,032 | \$ 94,040 |
| Accounts receivable, net of allowance for doubtful accounts of \$24,096 and \$22,449, respectively | 172,938 | 118,378 |
| Deferred tax assets | 36,812 | 20,155 |
| Other current assets | 77,596 | 41,570 |
| Total current assets | <u>325,378</u> | <u>274,143</u> |
| Property and equipment, net | 1,229,677 | 1,069,700 |
| Goodwill | 1,904,055 | 802,986 |
| Intangible assets, net | 58,508 | 21,636 |
| Deferred tax assets - noncurrent | 40,494 | 13,141 |
| Other assets | 69,033 | 41,984 |
| Total assets | <u>\$ 3,627,145</u> | <u>\$ 2,223,590</u> |
| LIABILITIES AND EQUITY | | |
| Current liabilities: | | |
| Current portion of long-term debt | \$ 35,309 | \$ 26,965 |
| Accounts payable | 64,918 | 48,696 |
| Accrued salaries and benefits | 68,711 | 59,317 |
| Other accrued liabilities | 61,722 | 30,956 |
| Total current liabilities | <u>230,660</u> | <u>165,934</u> |
| Long-term debt | 2,018,681 | 1,069,305 |
| Deferred tax liabilities - noncurrent | 46,635 | 63,880 |
| Other liabilities | 81,382 | 43,506 |
| Total liabilities | <u>2,377,358</u> | <u>1,342,625</u> |
| Equity: | | |
| Common stock | 654 | 592 |
| Additional paid-in capital | 1,230,856 | 847,301 |
| Accumulated other comprehensive loss | (97,759) | (68,370) |
| Retained earnings | 116,036 | 101,442 |
| Total equity | <u>1,249,787</u> | <u>880,965</u> |
| Total liabilities and equity | <u>\$ 3,627,145</u> | <u>\$ 2,223,590</u> |

Acadia Healthcare Company, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

| | Three Months Ended March 31, | |
|---|-------------------------------------|-------------|
| | 2015 | 2014 |
| | (In thousands) | |
| Operating activities: | | |
| Net income | \$ 14,594 | \$ 13,058 |
| Adjustments to reconcile net income to net cash provided by continuing operating activities: | | |
| Depreciation and amortization | 13,104 | 5,436 |
| Amortization of debt issuance costs | 1,468 | 644 |
| Equity-based compensation expense | 3,894 | 1,764 |
| Deferred income tax expense | 19,224 | 2,231 |
| Income from discontinued operations, net of taxes | (2) | (37) |
| Gain on foreign currency derivatives | (53) | - |
| Other | 378 | 13 |
| Change in operating assets and liabilities, net of effect of acquisitions: | | |
| Accounts receivable, net | (6,957) | (8,694) |
| Other current assets | (23,758) | 952 |
| Other assets | (636) | (1,576) |
| Accounts payable and other accrued liabilities | 1,274 | (1,839) |
| Accrued salaries and benefits | (5,022) | (5,407) |
| Other liabilities | 580 | 770 |
| Net cash provided by continuing operating activities | 18,088 | 7,315 |
| Net cash provided by discontinued operating activities | 134 | 31 |
| Net cash provided by operating activities | 18,222 | 7,346 |
| Investing activities: | | |
| Cash paid for acquisitions, net of cash acquired | (49,618) | (10,000) |
| Cash paid for capital expenditures | (52,879) | (21,649) |
| Cash paid for real estate acquisitions | (1,722) | (16,097) |
| Other | (383) | (178) |
| Net cash used in investing activities | (104,602) | (47,924) |
| Financing activities: | | |
| Borrowings on long-term debt | 875,000 | 7,500 |
| Borrowings on revolving credit facility | 93,000 | 40,500 |
| Principal payments on long-term debt | (7,938) | (1,875) |
| Repayment of assumed CRC debt | (904,467) | - |
| Payment of debt issuance costs | (22,191) | (3,491) |
| Common stock withheld for minimum statutory taxes, net | (5,110) | (2,112) |
| Excess tax benefit from equity awards | 4,310 | 2,730 |
| Net cash provided by financing activities | 32,604 | 43,252 |
| Effect of exchange rate changes on cash | (2,232) | - |
| Net (decrease) increase in cash and cash equivalents | (56,008) | 2,674 |
| Cash and cash equivalents at beginning of the period | 94,040 | 4,569 |
| Cash and cash equivalents at end of the period | \$ 38,032 | \$ 7,243 |
| Effect of acquisitions: | | |
| Assets acquired, excluding cash | \$ 1,428,566 | \$ 10,500 |
| Liabilities assumed | (998,738) | - |
| Issuance of common stock in connection with acquisition | (380,210) | - |
| Prior year deposits paid for acquisitions | - | (500) |
| Cash paid for acquisitions, net of cash acquired | \$ 49,618 | \$ 10,000 |

Acadia Healthcare Company, Inc.
Operating Statistics
(Unaudited)
(Revenue in thousands)

| | Three Months Ended March 31, | | |
|-------------------------------|------------------------------|------------|----------|
| | 2015 | 2014 | % Change |
| Same Facility Results | | | |
| Revenue | \$ 217,691 | \$ 200,564 | 8.5% |
| Patient Days | 326,338 | 297,057 | 9.9% |
| Admissions | 21,070 | 17,918 | 17.6% |
| Average Length of Stay (a) | 15.5 | 16.6 | -6.6% |
| Revenue per Patient Day | \$ 667 | \$ 675 | -1.2% |
| EBITDA margin | 24.1% | 23.7% | 40 bps |
| U.S. Facility Results | | | |
| Revenue | \$ 290,507 | \$ 200,564 | 44.8% |
| Patient Days | 424,413 | 297,057 | 42.9% |
| Admissions | 25,444 | 17,918 | 42.0% |
| Average Length of Stay (a) | 16.7 | 16.6 | 0.6% |
| Revenue per Patient Day | \$ 684 | \$ 675 | 1.4% |
| EBITDA margin | 26.3% | 23.7% | 260 bps |
| U.K. Facility Results | | | |
| Revenue | \$ 73,315 | | |
| Patient Days | 103,835 | | |
| Admissions | 249 | | |
| Average Length of Stay (a) | 417.0 | | |
| Revenue per Patient Day | \$ 706 | | |
| EBITDA margin | 25.7% | | |
| Total Facility Results | | | |
| Revenue | \$ 363,822 | \$ 200,564 | 81.4% |
| Patient Days | 528,248 | 297,057 | 77.8% |
| Admissions | 25,693 | 17,918 | 43.4% |
| Average Length of Stay (a) | 20.6 | 16.6 | 24.0% |
| Revenue per Patient Day | \$ 689 | \$ 675 | 2.0% |
| EBITDA margin | 26.2% | 23.7% | 250 bps |

(a) Average length of stay is defined as patient days divided by admissions.

Acadia Healthcare Company, Inc.
Reconciliation of Net Income to Adjusted EBITDA
(Unaudited)

| | Three Months Ended March 31, | | | |
|--|-------------------------------------|--------|-------------|--------|
| | 2015 | | 2014 | |
| | (in thousands) | | | |
| Net income | \$ | 14,594 | \$ | 13,058 |
| Income from discontinued operations | | (2) | | (37) |
| Provision for income taxes | | 6,613 | | 7,775 |
| Interest expense, net | | 22,146 | | 9,707 |
| Depreciation and amortization | | 13,104 | | 5,436 |
| EBITDA | | 56,455 | | 35,939 |
| Adjustments: | | | | |
| Equity-based compensation expense (a) | | 3,894 | | 1,764 |
| Gain on foreign currency derivatives (b) | | (53) | | - |
| Transaction-related expenses (c) | | 18,416 | | 1,579 |
| Adjusted EBITDA | \$ | 78,712 | \$ | 39,282 |

See footnotes on page 9.

Acadia Healthcare Company, Inc.
Reconciliation of Adjusted Income from Continuing Operations to Income from
Continuing Operations
(Unaudited)

| | Three Months Ended March 31, | |
|--|---|-------------|
| | 2015 | 2014 |
| | (in thousands, except per share amounts) | |
| Income from continuing operations | \$ 14,592 | \$ 13,021 |
| Provision for income taxes | 6,613 | 7,775 |
| Income from continuing operations before income taxes | 21,205 | 20,796 |
| Adjustments to income from continuing operations: | | |
| Gain on foreign currency derivatives (b) | (53) | - |
| Transaction-related expenses (c) | 18,416 | 1,579 |
| Income tax provision reflecting tax effect of adjustments to income from continuing operations (d) | (12,464) | (8,366) |
| Adjusted income from continuing operations | \$ 27,104 | \$ 14,009 |
| Weighted-average shares outstanding - diluted | 62,894 | 50,486 |
| Adjusted income from continuing operations per diluted share | \$ 0.43 | \$ 0.28 |

See footnotes on page 9.

Acadia Healthcare Company, Inc.
Footnotes

We have included certain financial measures in this press release, including EBITDA, Adjusted EBITDA and Adjusted income from continuing operations, which are “non-GAAP financial measures” as defined under the rules and regulations promulgated by the SEC. We define EBITDA as net income adjusted for loss from discontinued operations, net interest expense, income tax provision and depreciation and amortization. We define Adjusted EBITDA as EBITDA adjusted for equity-based compensation expense, debt extinguishment costs, gain on foreign currency derivatives and transaction-related expenses.

EBITDA, Adjusted EBITDA and Adjusted income from continuing operations are supplemental measures of our performance and are not required by, or presented in accordance with, generally accepted accounting principles in the United States (“GAAP”). EBITDA, Adjusted EBITDA and Adjusted income from continuing operations are not measures of our financial performance under GAAP and should not be considered as alternatives to net income or any other performance measures derived in accordance with GAAP or as an alternative to cash flow from operating activities as measures of our liquidity. Our measurements of EBITDA, Adjusted EBITDA and Adjusted income from continuing operations may not be comparable to similarly titled measures of other companies. We have included information concerning EBITDA, Adjusted EBITDA and Adjusted income from continuing operations in this press release because we believe that such information is used by certain investors as measures of a company’s historical performance. We believe these measures are frequently used by securities analysts, investors and other interested parties in the evaluation of issuers of equity securities, many of which present EBITDA, Adjusted EBITDA and Adjusted income from continuing operations when reporting their results. Our presentation of EBITDA, Adjusted EBITDA and Adjusted income from continuing operations should not be construed as an inference that our future results will be unaffected by unusual or nonrecurring items.

(a) Represents the equity-based compensation expense of Acadia.

(b) Represents the change in fair value of foreign currency derivatives purchased by Acadia related to acquisitions in the U.K. in April 2015.

(c) Represents transaction-related expenses incurred by Acadia related to acquisitions.

(d) Represents the income tax provision adjusted to reflect the tax effect of the adjustments to income from continuing operations based on tax rates of 31.5% for the three months ended March 31, 2015 and 37.4% for the three months ended March 31, 2014.

CONTACT:

Acadia Healthcare Company, Inc.
Brent Turner, 615-861-6000
President