

GEO GROUP INC
Form 8-K
August 16, 2006

**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 10, 2006
THE GEO GROUP, INC.

(Exact Name of Registrant as Specified in its Charter)

Florida

1-14260

65-0043078

(State or Other Jurisdiction of
Incorporation)

(Commission File Number)

(IRS Employer
Identification No.)

621 NW 53rd Street, Suite 700, Boca Raton, Florida

33487

(Address of Principal Executive Offices)

(Zip Code)

(Registrant's Telephone Number, Including Area Code) (561) 893-0101

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

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

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

Item 2.02 Results of Operations and Financial Condition.

On August 10, 2006, The GEO Group, Inc. ("GEO") issued a press release (the "Earnings Press Release") announcing its financial results for the quarter ended July 2, 2006, a copy of which is incorporated herein by reference and attached hereto as Exhibit 99.1. GEO also held a conference call on August 11, 2006 to discuss its financial results for the quarter, a transcript of which is incorporated herein by reference and attached hereto as Exhibit 99.2.

In the Earnings Press Release, GEO provided certain pro forma financial information for the quarter ended July 2, 2006 that was not calculated in accordance with Generally Accepted Accounting Principles (the "Non-GAAP Information"). Generally, for purposes of Regulation G under the Securities Exchange Act of 1934, Non-GAAP Information is any numerical measure of a company's performance, financial position, or cash flows that either excludes or includes amounts that are not normally excluded or included in the most directly comparable measure calculated and presented in accordance with GAAP. The press release presents the financial measure calculated and presented in accordance with GAAP which is most directly comparable to the Non-GAAP Information with a prominence equal to or greater than its presentation of the Non-GAAP Information. The Earnings Press Release also contains a reconciliation of the Non-GAAP Information to the financial measure calculated and presented in accordance with GAAP which is most directly comparable to the Non-GAAP Information.

The Earnings Press Release includes three non-GAAP measures, Pro Forma Income from Continuing Operations, Adjusted EBITDA, and EBITDAR, that are presented as supplemental disclosures and are reconciled to GAAP net income in the financial schedules accompanying the press release. Pro Forma Income from Continuing Operations is defined as income from continuing operations excluding start-up expenses and deferred financing fees. Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, excluding start-up expenses and deferred financing fees. EBITDAR is defined as Adjusted EBITDA before lease rental expense. In calculating these adjusted financial measures, GEO excludes certain expenses which it believes are unusual or non-recurring in nature, in order to facilitate an understanding of GEO's operating performance. GEO's management uses these adjusted financial measures in conjunction with GAAP financial measures to monitor and evaluate its operating performance and to facilitate internal and external comparisons of the historical operating performance of GEO and its business units.

GEO's management believes that these adjusted financial measures are useful to investors to provide them with disclosures of GEO's operating results on the same basis as that used by GEO's management. Additionally, GEO's management believes that these adjusted financial measures provide useful information to investors about the performance of GEO's overall business because such financial measures eliminate the effects of unusual or non-recurring charges that are not directly attributable to GEO's underlying operating performance. GEO's management believes that because it has historically provided similar non-GAAP Financial Information in its earnings releases, continuing to do so provides consistency in its financial reporting and continuity to investors for comparability purposes.

Also included in the Earnings Press Release is Adjusted Free Cash Flow, a non-GAAP measure that is presented as a supplemental disclosure and is reconciled to GAAP income from operations in the financial schedules accompanying the Earnings Press Release. Adjusted Free Cash Flow is defined as income from continuing operations, before certain non-cash items set forth in the Earnings Press Release, including depreciation and amortization, income tax provision and write-off of deferred financing fees. GEO's management believes this non-GAAP measure provides useful information to GEO's management and investors regarding cash that GEO's operating business generates before taking into account certain cash and non-cash items that are non-operational in nature.

The information in this Form 8-K is being furnished and shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Form 8-K shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

Section 8 Other Events

Item 8.01 Other Events.

On August 10, 2006, GEO announced that its Board of Directors has declared a 3-for-2 stock split of GEO's common stock. The stock split will take effect on October 2, 2006 with respect to stockholders of record on September 15, 2006. Following the stock split, GEO's diluted shares outstanding will increase from approximately 12.9 million to approximately 19.5 million. A copy of the press release announcing the stock split is incorporated herein by reference and attached hereto as Exhibit 99.3.

Section 9 Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits

- 99.1 Press Release, dated August 10, 2006, announcing the financial results of The GEO Group, Inc. for the quarter ended July 2, 2006
- 99.2 Transcript of Conference Call discussing the financial results of The GEO Group, Inc. for the quarter ended July 2, 2006
- 99.3 Press Release, dated August 10, 2006, announcing the 3-for-2 stock split

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.

THE GEO GROUP, INC.

August 15, 2006

Date

By: /s/ John G. O Rourke

John G. O Rourke

Senior Vice President -- Finance and
Chief

Financial Officer

(Principal Financial Officer and duly
authorized signatory)

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EXHIBIT INDEX

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