

DAVITA HEALTHCARE PARTNERS INC.  
Form 8-K  
May 02, 2014

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**Form 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d)**  
**of the Securities Exchange Act of 1934**

**Date of Report (date of earliest event reported): May 1, 2014**

**DAVITA HEALTHCARE PARTNERS INC.**

**(Exact name of registrant as specified in its charter)**

**Delaware**  
**(State or other jurisdiction**

**of incorporation)**

**1-14106**  
**(Commission**

**File Number)**  
**2000 16<sup>th</sup> Street**

**No. 51-0354549**  
**(IRS Employer**

**Identification No.)**

**Denver, CO 80202**

**(Address of principal executive offices including Zip Code)**

**(303) 405-2100**

**(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 240.425)
- .. 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))

**Item 2.02 Results of Operations and Financial Condition.**

On May 1, 2014, DaVita HealthCare Partners Inc. disclosed the following financial results for the three months ended March 31, 2014:

**DAVITA HEALTHCARE PARTNERS INC.****RECONCILIATIONS FOR NON-GAAP MEASURES****(unaudited)****(dollars in millions)**

DaVita HealthCare Partners Inc. (the Company) uses Adjusted EBITDA and adjusted operating income (loss) for HCP's legacy and new markets, and similar calculations as measures to assess operating and financial performance of HCP for these markets. Adjusted EBITDA for HCP is defined as net income before income taxes, net debt expense, depreciation and amortization, and other unusual charges for a potential loss contingency reserve. Adjusted EBITDA and adjusted operating income (loss) are not measures of financial performance computed in accordance with United States generally accepted accounting principles (GAAP) and should not be considered in isolation or as a substitute for operating income, net income, cash flows from operations, or other statement of operations or cash flow data prepared in conformity with GAAP, or as measures of profitability or liquidity. In addition, the calculation of Adjusted EBITDA and adjusted operating income (loss) are susceptible to varying interpretations and calculation, and the amounts presented may not be comparable to similarly titled measures of other companies. Adjusted EBITDA and adjusted operating income (loss) may not be indicative of historical operating results, and the Company does not mean for it to be predictive of future results of operations or cash flows for HCP for these markets. The reconciliation of Adjusted EBITDA and adjusted operating income (loss) of HCP is as follows:

|   | <b>Three months<br/>ended<br/>March 31, 2014</b> |
|---|--|
| <b>Consolidated operating income:</b>               |  |
| Net income  | \$ 183   |
| Net income attributable to noncontrolling interests | 29   |
| Income tax expense                                  | 125  |
| Debt expense  | 106  |
| Other income  | (2)  |
| <b>Consolidated operating income</b>                | <b>\$ 441</b>                                    |

|                                      | <b>Three months<br/>ended<br/>March 31, 2014</b> |
|--------------------------------------|--|
| <b>Operating income by division:</b> |  |
| Kidney Care                          | \$ 387   |
| HCP                                  | 54   |
| <b>Total</b>                         | <b>\$ 441</b>                                    |

|                                  | <b>Three months ended<br/>March 31, 2014</b> |                        |              |
|----------------------------------|--|------------------------|--------------|
|                                  | <b>Legacy<br/>Markets</b>                    | <b>New<br/>Markets</b> | <b>Total</b> |
| <b>Adjusted EBITDA for HCP:</b>  |  |                        |              |
| Operating income (loss)          | \$ 73  | \$ (19)                | \$ 54        |
| Loss contingency reserve         | 3  |                        | 3            |
| Adjusted operating income (loss) | 76   | (19)                   | 57           |
| Depreciation and amortization    | 40   | 2                      | 42           |
| Adjusted EBITDA for HCP          | \$ 116                                       | \$ (17)                | \$ 99        |

The information contained in this Form 8-K is being furnished and shall not be deemed to be filed for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities of that section and shall not be incorporated by reference in any filing under the Securities Act of 1933, as amended or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**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.

DAVITA HEALTHCARE PARTNERS INC.

By: */s/ James K. Hilger*

Date: May 2, 2014

James K. Hilger  
Chief Accounting Officer