

AdCare Health Systems, Inc. (AMEX: ADK)

AdCare HEALTH SYSTEMS, INC.

AdCare Health Systems, Inc., founded in 1988 and headquartered in Springfield, OH, is an elderly care management company providing long-term healthcare services in the state of Ohio. The company develops, owns and manages assisted living facilities, nursing homes and retirement communities and provides home-based care services.



With 920 employees, the company currently manages fifteen for-profit and non-profit facilities, comprised of seven assisted living residences, six skilled nursing centers and two independent living senior housing facilities, totaling over 800 beds. The company has an ownership interest in seven of these facilities, comprised of 100% ownership of two of the skilled nursing centers and one assisted living facility, as well as a 50% ownership of four of the assisted living facilities, which operate under the name Hearth & Home®, with the tag line “Home is where the hearth is...” The company also provides development, consulting, and accounting services to hospitals, churches, universities and other parties interested in pursuing long-term care initiatives.

Focused on achieving higher occupancy rates in its facilities, as well as increasing the number of centers it owns and/or manages, the company is positioned to capitalize on favorable demographic trends and limited supply of senior living facilities in one of the most rapidly growing healthcare sectors.



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CURRENT PRICE: \$0.63
 52-WEEK RANGE: \$0.50 - \$2.85
 AVG DAILY VOLUME (90-DAY): 11,938
 FLOAT: 3.0 million
 OUTSTANDING SHARES: 3.8 million
MARKET CAPITALIZATION: \$2.4 million

INCOME STATEMENT HIGHLIGHTS

REVENUE: \$23.5 million
 QTR REVENUE GROWTH: 4.3%
 GROSS PROFIT: \$8.3 million
 EBITDA: \$1.4 million
 NET INCOME: (\$1.0 million)
 EPS (Diluted): (\$0.13)

All figures twelve months trailing as of September 30, 2007

BALANCE SHEET HIGHLIGHTS

CASH & EQUIVALENTS: \$1.2 million
 WORKING CAPITAL: (\$247.4 thousand)
 TOTAL ASSETS: \$24.6 million
 TOTAL DEBT: \$14.3 million
 NET WORTH: \$5.1 million

All figures as of September 30, 2007

RECENT NEWS HEADLINES

Tue, Dec 4, 2007

AdCare Health Systems announced the refinancing of one of its nursing homes, The Pavilion, a 50-bed facility located in Sidney, Ohio. Red Mortgage Capital, Inc., an FHA/MAP lender, processed and funded the \$2,108,800 223(a)(7) refinance, which reduced the mortgage interest rate and generated annual debt service savings.

Tue, Oct 16, 2007

AdCare Health Systems announced that its home health care agency, Assured Health Care, has been named one of the top tier Health Care Agencies on the 2007 Home Care Elite list, an annual prestigious review of the most successful Medicare-certified homecare providers in the U.S., published by Seattle-based Outcome Concept Systems.

HEADQUARTERS

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