

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): October 30, 1996

TOTAL RENAL CARE HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

DELAWARE

1-4034

51-0354549

(State or other
jurisdiction of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

21250 HAWTHORNE BOULEVARD, SUITE 800, TORRANCE, CALIFORNIA

90503-5517

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code: (310) 792-2600

NOT APPLICABLE

(Former name or former address, if changed since last report.)

ITEM 5. OTHER EVENTS.

The Company is filing unaudited pro forma financial statements to reflect as of September 30, 1996 certain insignificant acquisitions consummated since October 1, 1996 and probable acquisitions as of October 30, 1996 and the retirement of the Registrant's 12% Senior Subordinated Discount Notes.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(a)(i) Unaudited Pro Forma Combined Balance Sheet of Total Renal Care Holdings, Inc. as of September 30, 1996;

(ii) Unaudited Pro Forma Combined Statement of Income of Total Renal Care Holdings, Inc. for the nine months ended September 30, 1996;

(iii) Unaudited Pro Forma Combined Statement of Income of Total Renal Care Holdings, Inc. for the seven months ended December 31, 1995; and

(iv) Unaudited Pro Forma Combined Statement of Income of Total Renal Care Holdings, Inc. for the year ended May 31, 1995.

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.

TOTAL RENAL CARE HOLDINGS, INC.
(Registrant)

/s/ John E. King

Dated: October 30, 1996

By: _____
John E. King
Vice President and Chief
Financial Officer

TOTAL RENAL CARE HOLDINGS, INC.

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TOTAL RENAL CARE HOLDINGS, INC.

UNAUDITED PRO FORMA COMBINED BALANCE SHEET

SEPTEMBER 30, 1996
(IN THOUSANDS)

	THE COMPANY (HISTORICAL)	OTHER COMBINED ACQUISITIONS (HISTORICAL)	PRO FORMA ADJUSTMENTS	COMBINED
	-----	-----	-----	-----
Cash and cash equivalents....	\$ 5,440	\$ 435	\$(1,045)(a)	\$ 4,395
			(435)(b)	
Accounts receivable, net.....	95,636	3,640	(445)(d)	98,831
Other current assets.....	14,855	155	(24)(d)	14,986
	-----	-----	-----	-----
Total current assets.....	115,931	4,230	(1,949)	118,212
Property and equipment, net..	49,443	3,522	(302)(b)	52,663
Intangible assets, net.....	151,279	820	25,506 (a)	177,605
Other assets.....	3,768	79	(79)(b)	3,768
	-----	-----	-----	-----
	\$320,421	\$8,651	\$23,176	\$352,248
	=====	=====	=====	=====
Current liabilities.....	\$ 30,677	\$1,996	\$ (380)(d)	\$ 32,293
Long-term debt.....	78,225	2,644	(2,644)(b)	109,515
			31,290 (a)	
Other long-term liabilities..	1,834	456		2,290
Minority interest.....	5,326	--	(1,535)(d)	3,791
Common stock.....	26	50	(50)(c)	26
Additional paid-in capital...	236,433	1,281	(1,281)(c)	236,433
Notes receivable from stockholders.....	(2,783)	--	--	(2,783)
Retained earnings (deficit)..	(29,317)	2,224	(2,224)(c)	(29,317)
	-----	-----	-----	-----
	\$320,421	\$8,651	\$23,176	\$352,248
	=====	=====	=====	=====

TOTAL RENAL CARE HOLDINGS, INC.

NOTES TO UNAUDITED PRO FORMA COMBINED BALANCE SHEET

1. BASIS OF PRESENTATION

The Unaudited Pro Forma Combined Balance sheet of Total Renal Care Holdings, Inc. as of September 30, 1996 gives effect to the acquisition of individually insignificant acquisitions consummated during the period October 1, 1996 to October 30, 1996 and individually insignificant acquisitions which were probable as of October 30, 1996, in each case as if such acquisitions were consummated on September 30, 1996. The pro forma adjustments are based on consideration exchanged, including the estimated fair value of assets acquired and liabilities assumed. The actual adjustments, which will be based on valuations of fair value as of the date of acquisition, may differ from those made herein.

2. PRO FORMA ADJUSTMENTS

(a) To record the combined acquisitions as follows (in thousands):

Purchase price.....	\$32,335
Net book value of assets acquired.....	6,009

Purchase price allocated to intangible assets.....	\$26,326
	=====

The purchase prices of the consummated and probable combined acquisitions will be paid with cash of \$1,045,000 and borrowings of \$31,290,000.

(b) To reflect assets and liabilities not acquired by the Company.

(c) To eliminate the equity of the acquired businesses.

(d) To eliminate the minority interest related to the acquisition of the remaining interest in a facility. The facility balances are included in both the Company historical totals and the Other Combined Acquisitions historical totals and, therefore, are adjusted in the Pro Forma Adjustments column.

TOTAL RENAL CARE HOLDINGS, INC.

UNAUDITED PRO FORMA COMBINED STATEMENT OF INCOME

NINE MONTHS ENDED SEPTEMBER 30, 1996
(IN THOUSANDS)

	THE COMPANY 9 MONTHS ENDED SEPTEMBER 30, 1996 (HISTORICAL)	DEBT RETIREMENT(a)	CAREMARK FACILITIES 2 MONTHS ENDED FEBRUARY 28, 1996 (HISTORICAL)	SOUTH CAROLINA FACILITIES 2 MONTHS ENDED FEBRUARY 28, 1996 (HISTORICAL)	OTHER COMBINED ACQUISITIONS (HISTORICAL)	PRO FORMA ADJUSTMENTS	COMBINED
Net operating revenues..	\$188,153		\$7,805	\$1,133	\$37,236	\$(1,425) (b)	\$231,753
Operating expenses.....	153,921		8,250	1,055	31,408	(1,149) (p) 3,326 (c) (1,068) (p)	196,892
Operating income.....	34,232		(445)	78	5,828	(4,832)	34,861
Interest expense, net...	3,862	\$(804)	127	(1)	244	(370) (d) 3,961 (e)	7,019
Income before income taxes, minority interests and extraordinary item.....	30,370	804	(572)	79	5,584	(8,423)	27,842
Income taxes.....	11,537		(232)		37	(736) (f)	10,606
Income before minority interest and extraordinary item.....	18,833	804	(340)	79	5,547	(7,687)	17,236
Minority interest in income of consolidated subsidiaries.....	2,295					274 (g) (40) (p)	2,529
Income before extraordinary item.....	\$ 16,538	\$ 804	\$ (340)	\$ 79	\$ 5,547	\$(7,921)	\$ 14,707
Income per share before extraordinary item.....	\$ 0.65						\$ 0.56
Weighted average number of common shares and equivalents outstanding.....	25,409					937 (h)	26,346

TOTAL RENAL CARE HOLDINGS, INC.

UNAUDITED PRO FORMA COMBINED STATEMENT OF INCOME

SEVEN MONTHS ENDED DECEMBER 31, 1995
(IN THOUSANDS)

	THE COMPANY 7 MONTHS ENDED DECEMBER 31, 1995 (HISTORICAL)	INITIAL PUBLIC OFFERING(i)	DEBT RETIREMENT(j)	MIAMI FACILITIES 1 MONTH ENDED JUNE 30, 1995 (HISTORICAL)	SOUTHWEST FACILITIES 6 MONTHS ENDED NOVEMBER 30, 1995 (HISTORICAL)	CAREMARK FACILITIES 7 MONTHS ENDED DECEMBER 31, 1995 (HISTORICAL)	SOUTH CAROLINA FACILITIES 7 MONTHS ENDED DECEMBER 31, 1995 (HISTORICAL)	OTHER COMBINED ACQUISITIONS (HISTORICAL)
Net operating revenues.....	\$89,711			\$526	\$2,224	\$27,340	\$3,957	\$41,928
Operating expenses.....	71,245	\$ (64)		449	2,071	29,657	3,682	35,887
Operating income.....	18,466	64		77	153	(2,317)	275	6,041
Interest expense, net...	5,584	(2,505)	\$(587)	--	41	452	--	311
Income before income taxes, minority interests and extraordinary item.....	12,882	2,569	587	77	112	(2,769)	275	5,730
Income taxes....	4,631	1,028	--	--	--	(1,140)	--	87
Income before minority interest and extraordinary item.....	8,251	1,541	587	77	112	(1,629)	275	5,643
Minority interest in income of consolidated subsidiaries...	1,784	--	--	--	--	--	--	--
Income before extraordinary item.....	\$ 6,467	\$ 1,541	\$ 587	\$ 77	\$ 112	\$(1,629)	\$ 275	\$ 5,643
Income per share before extraordinary item.....	\$ 0.36							
Weighted average number of common shares and equivalents outstanding....	17,824							
	PRO FORMA ADJUSTMENTS	COMBINED						
Net operating revenues.....	\$ (351)(b) (891)(p)	\$164,444						
Operating expenses.....	4,819 (c) (830)(p)	146,916						
Operating income.....	(5,231)	17,528						
Interest expense, net...	(683)(d) 3,617 (e)	6,230						
Income before income taxes, minority interests and extraordinary item.....	(8,165)	11,298						
Income taxes....	(522)(f)	4,084						

Income before minority interest and extraordinary item.....	(7,643)	7,214
Minority interest in income of consolidated subsidiaries...	190 (g) (31)(p)	1,943
	-----	-----
Income before extraordinary item.....	\$(7,802)	\$ 5,271
	=====	=====
Income per share before extraordinary item.....		\$ 0.19
		=====
Weighted average number of common shares and equivalents outstanding....	9,654 (k)	27,478
	=====	=====

TOTAL RENAL CARE HOLDINGS, INC.

UNAUDITED PRO FORMA COMBINED STATEMENT OF INCOME

YEAR ENDED MAY 31, 1995
(IN THOUSANDS)

	THE COMPANY YEAR ENDED MAY 31, 1995 (HISTORICAL)	AUGUST 1, 1994 TRANSACTION(L)	INITIAL PUBLIC OFFERING(M)	DEBT RETIREMENT(N)	CHICAGO FACILITIES 11 MONTHS ENDED APRIL 30, 1995 (HISTORICAL)	MIAMI FACILITIES 12 MONTHS ENDED MAY 31, 1995 (HISTORICAL)	CAREMARK FACILITIES 12 MONTHS ENDED MAY 31, 1995 (HISTORICAL)	SOUTH CAROLINA FACILITIES 12 MONTHS ENDED MAY 31, 1995 (HISTORICAL)
Net operating revenues.....	\$ 98,968				\$ 9,691	\$ 6,311	\$ 45,599	\$ 6,306
Operating expenses.....	81,809	\$ 772	\$ (100)		8,587	5,385	45,456	5,746
Operating income.....	17,159	(772)	100		1,104	926	143	560
Interest expense, net...	7,203	1,811	(3,141)	\$(1,116)	28	--	866	--
Income before income taxes, minority interests and extraordinary item.....	9,956	(2,583)	3,241	1,116	1,076	926	(723)	560
Income taxes....	3,511	(1,032)	1,329		115		(298)	
Income before minority interest and extraordinary item.....	6,445	(1,551)	1,912	1,116	961	926	(425)	560
Minority interest in income of consolidated subsidiaries...	1,593							
Income before extraordinary item.....	\$ 4,852	\$(1,551)	\$ 1,912	\$ 1,116	\$ 961	\$ 926	\$ (425)	\$ 560
Income per share before extraordinary item.....	\$ 0.22							
Weighted average number of common shares and equivalents outstanding....	15,316							
	OTHER COMBINED ACQUISITIONS (HISTORICAL)	PRO FORMA ADJUSTMENTS	COMBINED					
Net operating revenues.....	\$ 79,912	\$ (209)(b) (1,533)(p)	\$ 245,045					
Operating expenses.....	72,063	9,713 (c) (1,424)(p)	228,007					
Operating income.....	7,849	(10,031)	17,038					
Interest expense, net...	628	(1,253)(d) 5,455 (e)	10,481					
Income before income taxes, minority interests and extraordinary item.....	7,221	(14,233)	6,557					

Income taxes....	120	(1,394)(f)	2,351

Income before minority interest and extraordinary item.....	7,101	(12,839)	4,206
Minority interest in income of consolidated subsidiaries...		161 (g) (53)(p)	1,701

Income before extraordinary item.....	\$ 7,101	\$ (12,947)	\$ 2,505
=====			
Income per share before extraordinary item.....			\$ 0.09
=====			
Weighted average number of common shares and equivalents outstanding....		11,404 (o)	26,720
=====			

TOTAL RENAL CARE HOLDINGS, INC.

NOTES TO UNAUDITED PRO FORMA COMBINED STATEMENTS OF INCOME

1. BASIS OF PRESENTATION

The Unaudited Pro Forma Combined Statement of Income for the nine months ended September 30, 1996 gives effect to the acquisition by the Company of the Nephrology Services Business of Caremark International Inc. on March 15, 1996 (the "Caremark Facilities"), two facilities located in South Carolina on March 15, 1996 (the "South Carolina Facilities") and individually insignificant acquisitions consummated during the period January 1, 1996 through October 30, 1996, and individually insignificant acquisitions which were probable as of October 30, 1996, in each case as if such acquisitions were consummated on January 1, 1996. The Unaudited Pro Forma Combined Statement of Income for the nine months ended September 30, 1996 also gives effect to the retirement of all outstanding 12% Senior Subordinated Discount Notes in July and September 1996 (the "Debt Retirement") as if it occurred on January 1, 1996.

The Unaudited Pro Forma Combined Statement of Income for the seven months ended December 31, 1995 gives effect to the acquisition by the Company of three facilities located in the Miami area on July 17, 1995 (the "Miami Facilities"), two facilities located in Texas on December 1, 1995 (the "Southwest Facilities"), the Caremark Facilities, the South Carolina Facilities and individually insignificant acquisitions consummated during the period June 1, 1995 through October 30, 1996, and individually insignificant acquisitions which were probable as of October 30, 1996, in each case as if such acquisitions were consummated on June 1, 1995. The Unaudited Pro Forma Combined Statement of Income for the seven months ended December 31, 1995 also gives effect to the Company's initial public offering on October 30, 1995 (the "Initial Public Offering"), the Company's secondary offering on April 3, 1996 (the "Secondary Offering") and the Debt Retirement as if such transactions occurred on June 1, 1995.

The Unaudited Pro Forma Combined Statement of Income for the fiscal year ended May 31, 1995 gives effect to the acquisition by the Company of five facilities located in the Chicago area on May 1, 1995 (the "Chicago Facilities"), the Miami Facilities, the Caremark Facilities, the South Carolina Facilities and individually insignificant acquisitions consummated during the period June 1, 1994 through October 30, 1996, and individually insignificant acquisitions which were probable as of October 30, 1996, in each case as if such acquisitions were consummated on June 1, 1994. The Southwest Facilities, which commenced operations in April 1995, had de minimis operations during the twelve months ended May 31, 1995 and, therefore, are not included in the Unaudited Pro Forma Combined Statement of Income for the fiscal year ended May 31, 1995. The Unaudited Pro Forma Combined Statement of Income for the fiscal year ended May 31, 1995 also gives effect to the sale by Tenet Healthcare Corporation of approximately 75% of its ownership interest in the Company to DLJ Merchant Banking Partners, L.P. and certain of its affiliates in August 1994 (the "August 1994 Transaction"), the Initial Public Offering, the Secondary Offering and the Debt Retirement as if such transactions occurred on June 1, 1994.

The pro forma adjustments are based on consideration exchanged, including the estimated fair value of assets acquired, liabilities assumed and common stock issued. The actual adjustments, which will be based on valuations of fair value as of the date of acquisition, may differ from those made herein.

Net income per common share data and weighted average number of shares and equivalents outstanding for the nine months ended September 30, 1996, for the seven months ended December 31, 1995 and for the fiscal year ended May 31, 1995 assume that any shares issued in connection with the acquisitions were outstanding from January 1, 1996 and June 1, 1995 and 1994, respectively.

2. PRO FORMA ADJUSTMENTS

(a) To reflect the redemption of 12% Senior Subordinated Discount Notes as if it occurred on January 1, 1996. Specifically to reduce interest expense assuming the redemption, offset by borrowings under the Senior Credit Facility and further offset by interest income foregone.

During the quarter ended September 30, 1996, the Company repurchased \$65 million, at maturity, of the 12% Senior Subordinated Discount Notes for \$67.3 million resulting in an extraordinary loss, net of tax, of \$7.7 million which is not included in the Unaudited Pro Forma Combined Statement of Income.

TOTAL RENAL CARE HOLDINGS, INC.

NOTES TO UNAUDITED PRO FORMA COMBINED STATEMENTS OF INCOME--(CONTINUED)

(b) To eliminate management fees earned by the combined entities.

(c) To amortize goodwill, non-compete agreements and patient charts resulting from the acquisitions on a straight-line basis over 25, 10 or 5 years, respectively.

(d) To eliminate interest expense on borrowings not assumed by the Company.

(e) To record interest expense resulting from acquisitions funded in whole or in part by borrowings from the senior credit facility.

(f) To record income tax effects related to the pro forma adjustments.

(g) To record the minority interest income from five partnerships acquired.

(h) Income per share and weighted average number of common shares and equivalents outstanding assume 62,000 shares and share equivalents issued to purchase the individually insignificant acquisitions were outstanding for the entire nine-month period ended September 30, 1996.

Income per share and weighted average number of common shares and equivalents outstanding also assume that shares issued in the Secondary Offering to the extent that cash generated from such shares were used to purchase facilities and were outstanding from January 1, 1996 to the date of the Secondary Offering as follows:

Caremark Facilities.....	1,741,000
All other acquisitions.....	926,000

(i) To reflect the Initial Public Offering and subsequent use of proceeds to redeem 12% Senior Subordinated Discount Notes as if it occurred on June 1, 1995. Specifically, to reduce interest expense assuming paydown of a portion of the 12% Senior Subordinated Discount Notes and amounts outstanding under the line of credit. On December 7, 1995 the Company redeemed 35% of the accreted value of the 12% Senior Subordinated Discount Notes equaling \$28,749,000 at a redemption premium of 111% for a redemption price of \$31,912,000. An extraordinary loss of \$2,555,000 (net of income tax effect) resulted from this transaction which is not included on the Unaudited Pro Forma Combined Statement of Income. The additional reduction in interest expense incurred under the line of credit assumes that cash generated by the stock offering was used to purchase all facilities acquired and that the line of credit was not drawn for these acquisitions.

(j) To reflect the Debt Retirement as if it occurred on June 1, 1995. See note (a) above.

(k) Income per share and weighted average number of common shares and equivalents outstanding assume the following shares and share equivalents issued to purchase facilities were outstanding for the entire seven month period ended December 31, 1995:

Miami Facilities.....	333,000
Southwest Facilities.....	35,000
All other acquisitions.....	471,000

Income per share and weighted average number of common shares and equivalents outstanding also assume that shares issued in the Initial Public Offering and Secondary Offering to the extent that cash generated from

TOTAL RENAL CARE HOLDINGS, INC.

NOTES TO UNAUDITED PRO FORMA COMBINED STATEMENT OF INCOME--(CONTINUED)

such shares (instead of the senior credit facility) would have been used to purchase facilities were outstanding from June 1, 1995 to the date of the Initial Public Offering or December 31, 1995, respectively, as follows:

Chicago Facilities.....	505,000
Miami Facilities.....	345,000
South Carolina Facilities.....	803,000
Caremark Facilities.....	1,741,000
All other acquisitions.....	2,630,000

Income per share and weighted average number of common shares and equivalents also assume that 2,233,000 shares issued in the Initial Public Offering to redeem the 12% Senior Subordinated Discount Notes were outstanding from June 1, 1995 to the date of the Initial Public Offering.

(l) To reflect the August 1994 Transaction as if it occurred on June 1, 1994. Specifically, to reflect an increase in general and administrative expenses (\$625,000) for estimated incremental costs of the Company as a stand-alone entity, increases in interest expense (\$1,811,000), amortization expenses (\$105,000) and bank fees (\$42,000) related to the issuance of the 12% Senior Subordinated Discount Notes and a corresponding decrease in income taxes (\$1,032,000) for the tax effect of the pro forma adjustments.

(m) To reflect the Initial Public Offering and subsequent use of proceeds to redeem subordinated debt as if it occurred on June 1, 1994. See note (i) above.

(n) To reflect the Debt Retirement as if it occurred on June 1, 1994. See note (a) above.

(o) Income per share in the audited financial statements for the year ended May 31, 1995 was computed as if the August 1994 Transaction had occurred on June 1, 1994. Income per common share and weighted average number of common shares and equivalents outstanding computed using such assumptions were \$0.22 and 15,316,000, respectively.

Income per share and weighted average number of common shares and equivalents outstanding assume the following shares and share equivalents issued to purchase facilities were outstanding for the entire year:

Chicago Facilities.....	515,000
Miami Facilities.....	333,000
All other acquisitions.....	1,029,000

Income per share and weighted average number of common shares and equivalents outstanding also assume that shares issued in the Initial Public Offering and Secondary Offering to the extent that cash generated from such shares (instead of the senior credit facility) would have been used to purchase facilities were outstanding for the entire year as follows:

Chicago Facilities.....	707,000
Miami Facilities.....	483,000
South Carolina Facilities.....	803,000
Caremark Facilities.....	1,741,000
All other acquisitions.....	2,991,000

Income per share and weighted average number of common shares and equivalents also assume that 2,233,000 shares issued in the Initial Public Offering to redeem the 12% Senior Subordinated Discount Notes were outstanding for the entire period.

(p) To eliminate the minority interest related to the acquisition of the remaining interest in a facility. The facility balances are included in both the Company historical totals and the Other Combined Acquisitions historical totals and, therefore, are adjusted in the Pro Forma Adjustments column.