

**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): March 19, 2013

Carriage Services, Inc.

(Exact name of registrant as specified in its charter)

Delaware
*(State or other jurisdiction
of incorporation)*

1-11961
*(Commission
File Number)*
3040 Post Oak Boulevard, Suite 300
Houston, Texas 77056
(Address, including zip code, of principal executive offices)

76-0423828
*(IRS Employer
Identification No.)*

Registrant's telephone number, including area code:
(713) 332-8400

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- Written communication 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))

ITEM 7.01 Regulation FD

In accordance with General Instruction B.2 of Form 8-K, the information presented herein under Item 7.01 and set forth in the attached Exhibit 99.1 is deemed to be “furnished” solely pursuant to Item 7.01 of this report and shall not be deemed “filed” for 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, nor shall such information or the exhibit be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act.

From March 19 through March 21, 2013, representatives of Carriage Services, Inc. will be participating in meetings with investors in Chicago, IL, Milwaukee, WI and Minneapolis, MN. The information included as part of this current report on Form 8-K as Exhibit 99.1 includes graphic images or slides that will be made available at this meeting. These slides are available for viewing at our website, www.carriageservices.com, although we reserve the right to discontinue that availability at any time.

Cautionary Statements

This filing includes “forward-looking statements.” All statements other than statements of historical facts included or incorporated herein may constitute forward-looking statements. Actual results could vary significantly from those expressed or implied in such statements and are subject to a number of risks and uncertainties. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. The forward-looking statements involve risks and uncertainties that affect our operations, financial performance, and other factors as discussed in our filings with the Securities and Exchange Commission. Among the factors that could cause results to differ materially are those risks discussed in the periodic reports we file with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2012. You are urged to carefully review and consider the cautionary statements and other disclosures made in those filings, specifically those under the heading “Risk Factors.” We do not undertake any duty to update any forward-looking statement except as required by law.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits. The following are furnished as part of this current report on Form 8-K:

99.1 Investor Presentation.

Carriage Services Investor Presentation

2013



Forward-Looking Statements

Certain statements made herein or elsewhere by, or on behalf of, the Company that are not historical facts are intended to be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements are based on assumptions that the Company believes are reasonable; however, many important factors, as discussed under “Forward-Looking Statements” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2012, could cause the Company’s results in the future to differ materially from the forward-looking statements made herein and in any other documents or oral presentations made by, or on behalf of, the Company. Forward-looking statements contained herein regarding acquisitions include assumptions about the pricing, timing, and terms and conditions of such acquisitions. We can provide no assurances that our growth strategy will be successfully implemented. In particular, we can provide no assurances that we will find attractive acquisition targets, that we will succeed in negotiating the terms and conditions reflected in the model, or that we will execute any acquisitions during the next five years (including 2013). Forward-looking statements contained herein regarding the performance of our acquisition and same store businesses include assumptions related to future revenue growth. We can provide are no assurances that our acquisition and same store businesses will generate the revenue growth set forth herein, or any revenue growth at all. The Company assumes no obligation to update or publicly release any revisions to forward-looking statements made herein or any other forward-looking statements made by, or on behalf of, the Company. A copy of the Company’s Form 10-K, and other Carriage Services information and news releases, are available at www.carriageservices.com.”



Who is Carriage?

- A national funeral home and cemetery operating company
- Founded in 1991 by Chairman and CEO Mel Payne
- Carriage operates 167 funeral homes and 33 cemeteries in 26 states
- Funeral home and cemetery field operations drives success under a decentralized operating framework
- Carriage's success has and will continue to be defined by three strategic models
 - Standards Operating Model
 - 4 E Leadership Model
 - Strategic Acquisition Model

Map of Operations



Focus on 10 – 15 geographically diverse markets with attractive demographic profiles

Leveraged Investment Returns

- **Operating Leverage**

- Relatively fixed regional and corporate overhead allows for modest increases in Same Store Sales to have greater impact on Consolidated EBITDA
- A majority of Acquired Field EBITDA (Gross Profit excluding Depreciation & Unallocated Expenses) falls to Consolidated EBITDA due to operating leverage

Capital Structure

- Carriage Services, Inc. has raised \$235 million through Senior Secured Credit Facilities due 2017
 - \$105 million 5-year Revolver with a \$40 million accordion
 - \$130 million 5-year Term Loan A
- Proceeds from the transaction were used to refinance Carriage's Revolver and redeem its outstanding \$130 million of 7.875% Senior Notes
- The transaction reduces the Company's overall cost of capital, extends debt maturities and increases liquidity for future growth opportunities
- Cost of Equity reduced with increasing size and improved performance - Cost of Debt reduced with new credit facility
- Improving capital structure notwithstanding significant increase in acquisitions.

Our Growth Strategy

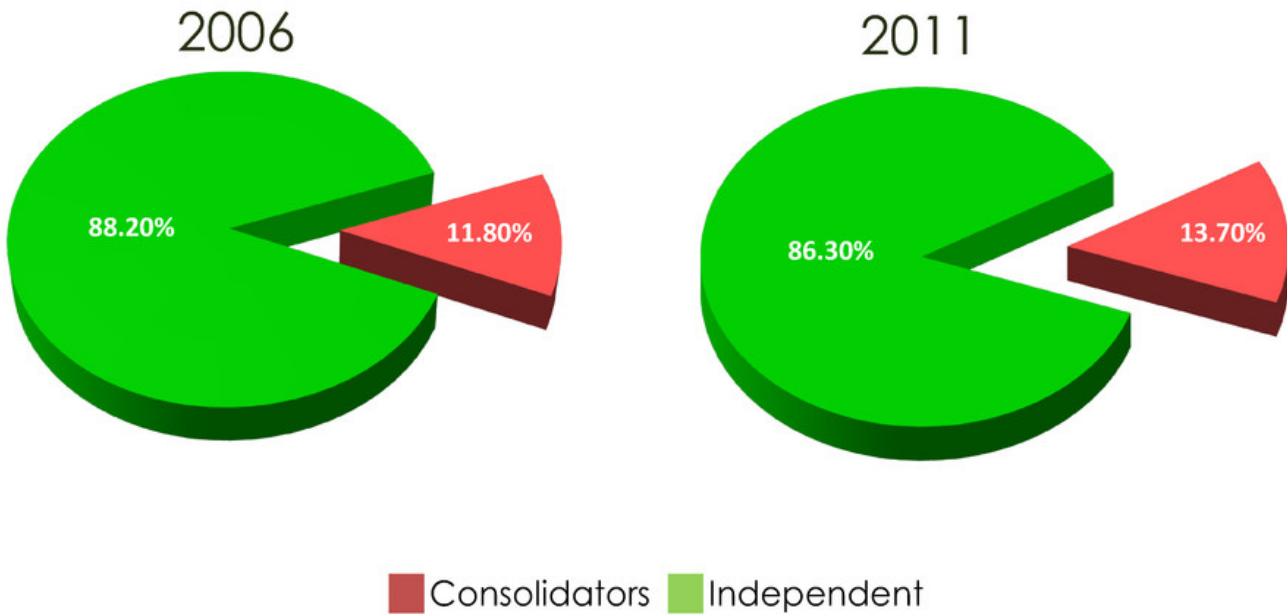
- Adopt a pro-growth business model within an industry that is characterized by its low growth
- Modest growth in sales of our base businesses
- Make targeted and strategic acquisitions to accelerate growth while maintaining financial discipline

Industry Key Statistics

- Industry wide funeral home revenue of \$13.4 billion representing 1.5% CAGR since 2010
- Industry wide cemetery revenue of \$4 billion representing -3.7% CAGR since 2010
- Highly fragmented industry with a majority of the more than 24,000 funeral homes represented by small locally owned independent operations

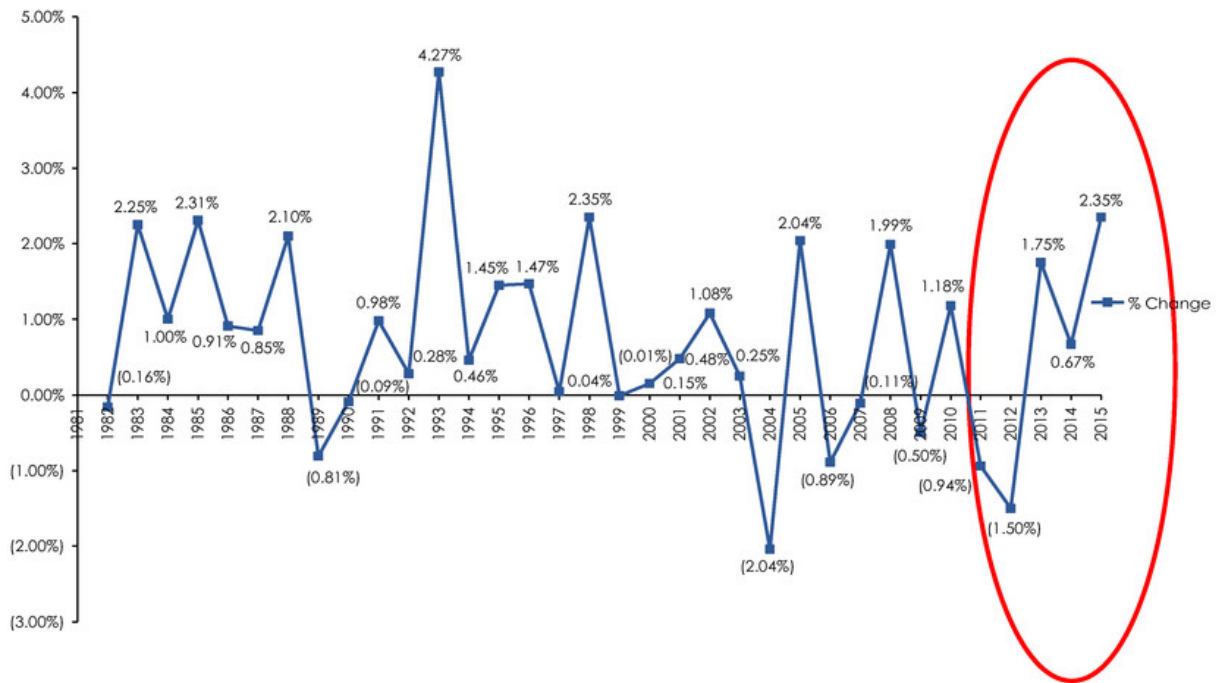
Growth in Highly Fragmented Market

Market share concentration in the industry is **low**, with the top four consolidators (*Carriage, SCI, Stewart & StoneMor*) accounting for an estimated 13.7% of total industry revenue in 2011 which has grown from 11.8% in 2006



Numbers of Deaths in the US

(% Change)



Reference: Center for Disease Control and Prevention

Acquisition Strategy

- **Our goal is to acquire \$15-\$16 million new annual revenue through acquisitions**
 - Target only the best performing businesses with the strongest heritage in their local markets
 - Conduct a comprehensive analysis of a candidate's financial profile and market demographics
 - Focus on markets that perform better than the industry average and are generally insulated from economic and demographic changes
- **Only consider businesses that will provide an immediate positive impact on cash flow**
 - Concentrate on higher revenue, higher margin, accretive businesses
- **Maintain a stable and predictable business model**
 - Sustain EBITDA growth in line with revenue growth from acquisitions

Acquisition Targeting Process

Source Acquisitions Through Three Primary Channels:

Grassroots Business Development

Business Brokers within the Industry

Unsolicited Inquiries to Carriage by Potential Sellers

Utilize Our Proprietary Strategic Acquisition Model (SAM) to Prequalify a Potential Target's Merits

Rating Criteria is Separated into Both Quantitative and Qualitative Metrics

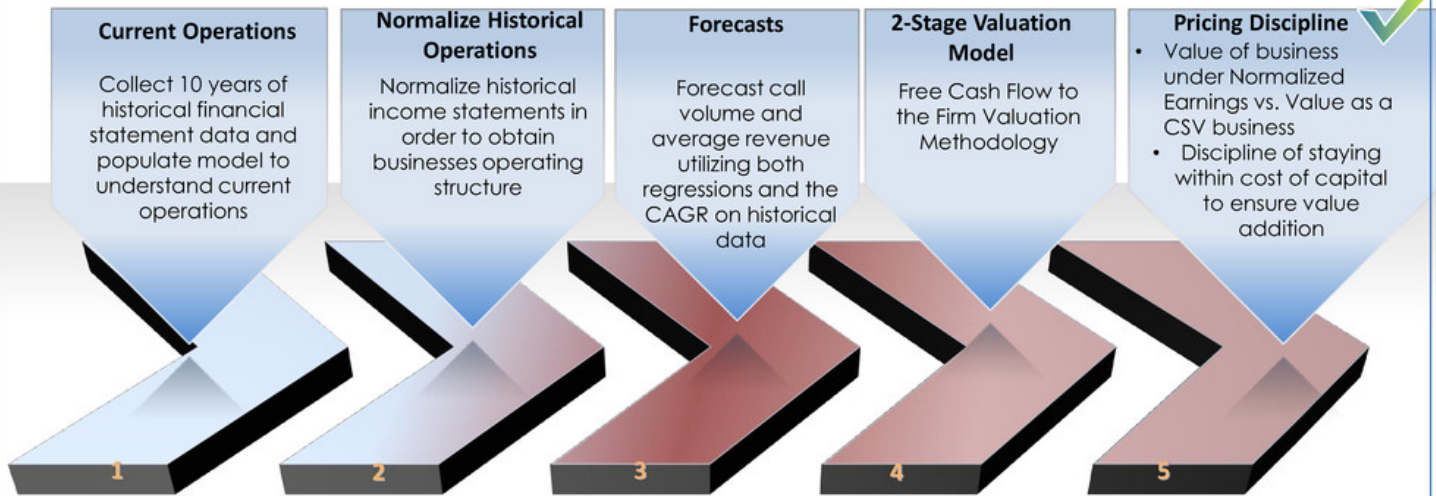
Evaluate the Market Dynamics and Financial Strengths of Each Target

By Prequalifying with the SAM, Financial and Human Resources can be Directed Only to Those Targets that will Create the most Positive Impact to Carriage:

Financial Allocation: Carriage is Focused on Expending Capital Only on Such Ventures that Produce Maximum ROI

Human Resources: By Committing Work Hours to Only Those Projects that Receive a High SAM Score, the Corporate Development Team can Focus Exclusively on Only the Best Prospects for Acquisition

Acquisition Valuation



Note:

The Valuation stage represents the the second phase of Carriage's acquisition process. This phase is reached only in the case where the Strategic Acquisition Model merits Carriage proceeding forward.

Business Integration Process

Integration Committee: Key Members of Carriage's Operations Group Meet Prior to Acquisition to Identify Challenges and Execute Procedures to Integrate the New Business



The Integration Process Begins Immediately After the Seller and Carriage Sign a Letter of Intent (LOI)

Integration Committee and Corporate Development Group Work Closely to Identify Challenges and Coordinate Activities to Assure a Smooth Integration Process



When the Transaction has Closed, Carriage Places Key Members of the Integration Team Onsite for up to Two Weeks for Training Purposes and Addressing New Employee Concerns

Financial Overview

The following slides are solely intended to demonstrate the possible impact on our financial results of the successful implementation of our growth strategy by the hypothetical acquisition of businesses aggregating \$40 million in assets per year for each of the next five years (including 2013).

The model presented on the following slides incorporates several assumptions regarding the pricing, timing, and terms and conditions of such acquisitions, as well as the financial performance of both acquisition and same store businesses. We can provide no assurances that our growth strategy will be successfully implemented. In particular, we can provide no assurances that we will find attractive acquisition targets, that we will succeed in negotiating the terms and conditions reflected in the model, or that we will execute any acquisitions during the next five years (including 2013). Additionally, we can provide no assurances that our acquisition and same store businesses will generate the revenue growth reflected in the model, or any revenue growth at all.

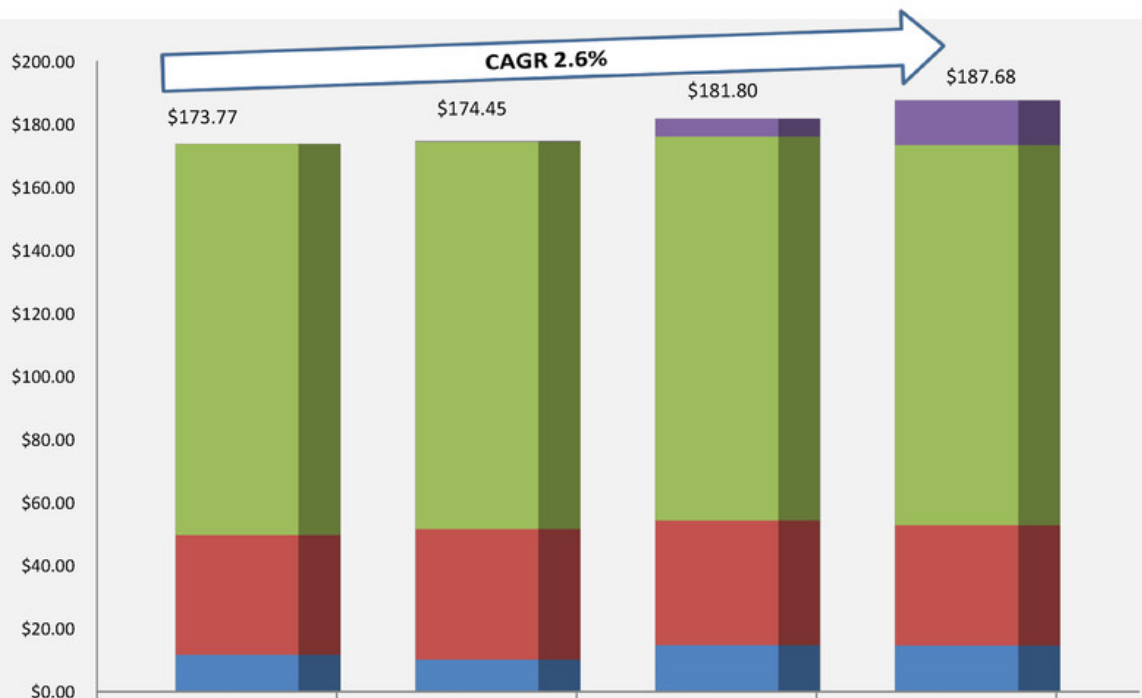
Carriage Services Inc.
(\$'s in 000's)

	Historical Performance					Model Growth Assuming \$40M Acquisition Level						
	2008A	2009A	2010A	2011A	3 Yr CAGR	2012A	2013E	2014E	2015E	2016E	2017E	5 Yr CAGR
Same Store Funeral	\$124,149	\$122,896	\$121,892	\$120,766		\$120,576	\$121,781	\$122,183	\$122,586	\$122,991	\$123,397	0.5%
Funeral Acquisition Revenue	-	310	5,705	14,210		25,802	44,190	60,190	76,190	92,190	108,190	33.0%
Cemeteries	37,956	41,401	39,556	38,152		40,068	42,074	43,999	46,011	48,116	50,316	5.0%
Financial Revenue	11,668	10,153	14,646	14,550		17,703	18,323	18,372	18,422	18,472	18,523	1.0%
Total Revenue	\$173,773	\$174,450	\$181,801	\$187,678	3.0%	\$204,149	\$226,368	\$244,744	\$263,210	\$281,769	\$300,426	8.0%
Field EBITDA (Gross Profit Less: Depr & Unallocated Exp.)	\$59,355	\$61,643	\$63,537	\$69,668	5.0%	\$80,917	\$90,657	\$97,789	\$105,173	\$112,072	\$118,995	8.0%
% of Revenue	34%	35%	35%	37%		40%	40%	40%	40%	40%	40%	
Adjusted EBITDA	\$42,124	\$41,942	\$45,981	\$50,176	6.0%	\$54,898	\$62,197	\$68,729	\$75,513	\$81,812	\$88,135	10.0%
% of Revenue	24%	24%	25%	27%		27%	27%	28%	29%	29%	29%	
Adjusted Net Income	\$5,679	\$7,253	\$9,770	\$11,887	28.0%	\$15,457	\$21,053	\$24,377	\$27,710	\$30,742	\$33,779	17.0%
% of Revenue	3%	4%	5%	6%		8%	9%	10%	11%	11%	11%	
Capital Structure												
Long term debt & capital leases	41%	40%	39%	39%		44%	43%	40%	39%	37%	35%	
Convertible junior subordinated debenture	28%	28%	27%	25%		22%	21%	20%	18%	17%	16%	
Stockholders' equity	31%	32%	34%	36%		33%	36%	40%	43%	46%	49%	
Total	100%	100%	100%	100%		100%	100%	100%	100%	100%	100%	

GAAP Reconciliation	2008A	2009A	2010A	2011A	2012A	2013E	2014E	2015E	2016E	2017E
Consol EBITDA from Continuing Ops	\$36,763	\$41,706	\$42,321	\$40,781	\$50,645	\$59,357	\$65,889	\$72,673	\$78,972	\$85,295
Special Items Affecting EBITDA										
Withdrawable Trust Income(loss)	-546	236	3,438	4,513	1,916	1,300	1,300	1,300	1,300	1,300
Acquisition Expenses	-	-	667	1,237	1,340	1,340	1,340	1,340	1,340	1,340
Severance Costs	969	-	237	1,936	802					
Non-Recurring legal fees/Settlements	4,938	-	-682	-	195					
Performance Based Executive Incentive Compensation	-	-	-	810	-					
Other Incentive Compensation	-	-	-	254	-					
Professional Fees	-	-	-	141	-	200	200	200	200	200
Securities Transactions Expenses	-	-	-	504	-					
Sum of Special Items	\$5,361	\$236	\$3,660	\$9,395	\$4,253	\$2,840	\$2,840	\$2,840	\$2,840	\$2,840
Adjusted Consolidated EBITDA	\$42,124	\$41,942	\$45,981	\$50,176	\$54,898	\$62,197	\$68,729	\$75,513	\$81,812	\$88,135
GAAP Pretax	\$3,928	\$11,955	\$13,451	\$11,919	\$20,064	\$32,543	\$38,130	\$43,731	\$48,828	\$53,932
GAAP Tax Provision	\$1,886	\$4,752	\$5,370	\$5,066	\$7,955	\$13,180	\$15,443	\$17,711	\$19,775	\$21,842
GAAP Net Income	\$2,042	\$7,203	\$8,081	\$6,853	\$12,099	\$19,363	\$22,688	\$26,020	\$29,053	\$32,089

NOTE For further clarification on any reconciliation, please refer to press releases.

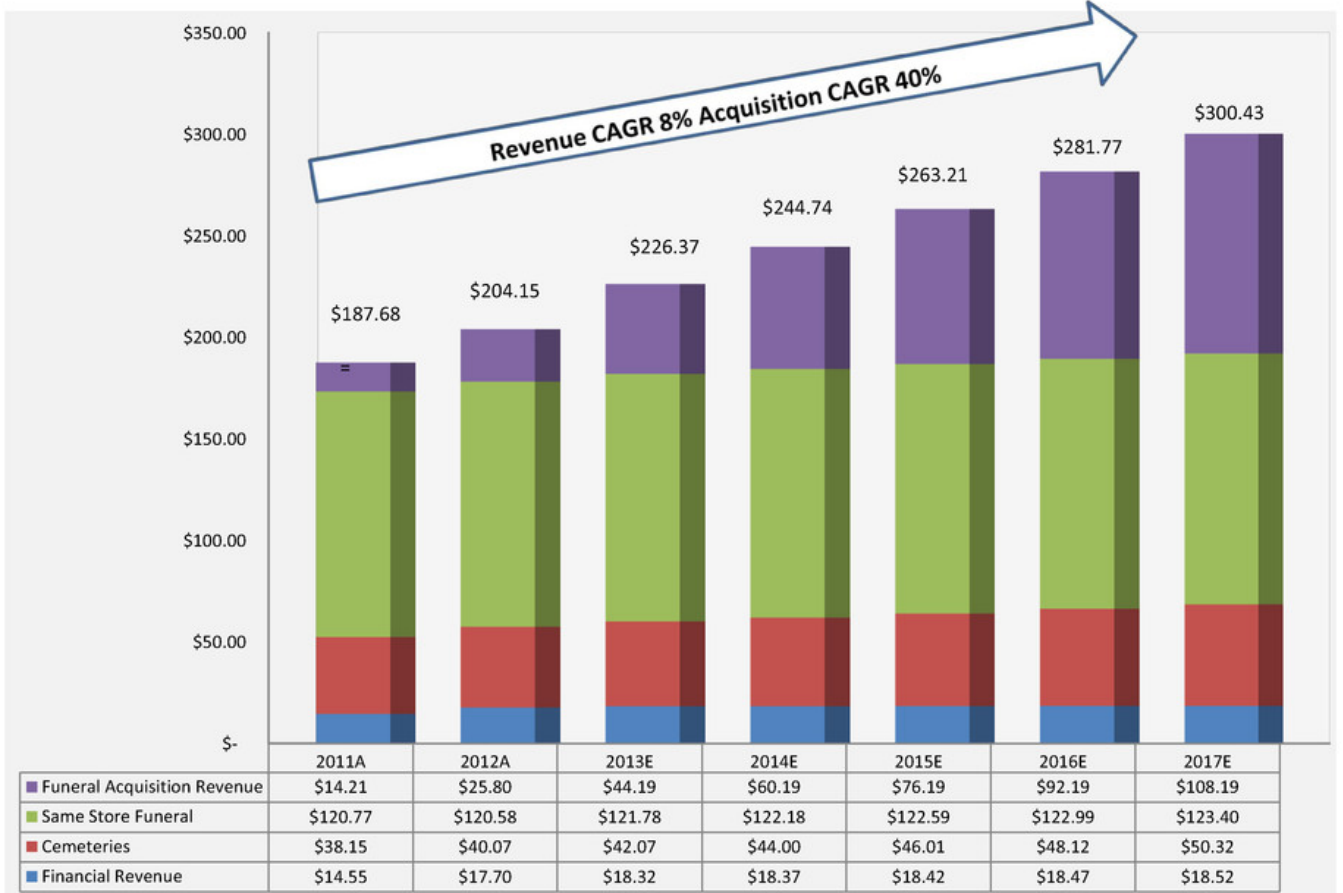
Historical Revenue 2008-2011 (\$'s Millions)



	2008	2009	2010	2011
Funeral Acquisition Revenue	\$0.00	\$0.31	\$5.71	\$14.21
Same Store Funeral	\$124.15	\$122.90	\$121.89	\$120.77
Cemeteries	\$37.96	\$41.40	\$39.56	\$38.15
Financial Revenue	\$11.67	\$10.15	\$14.65	\$14.55

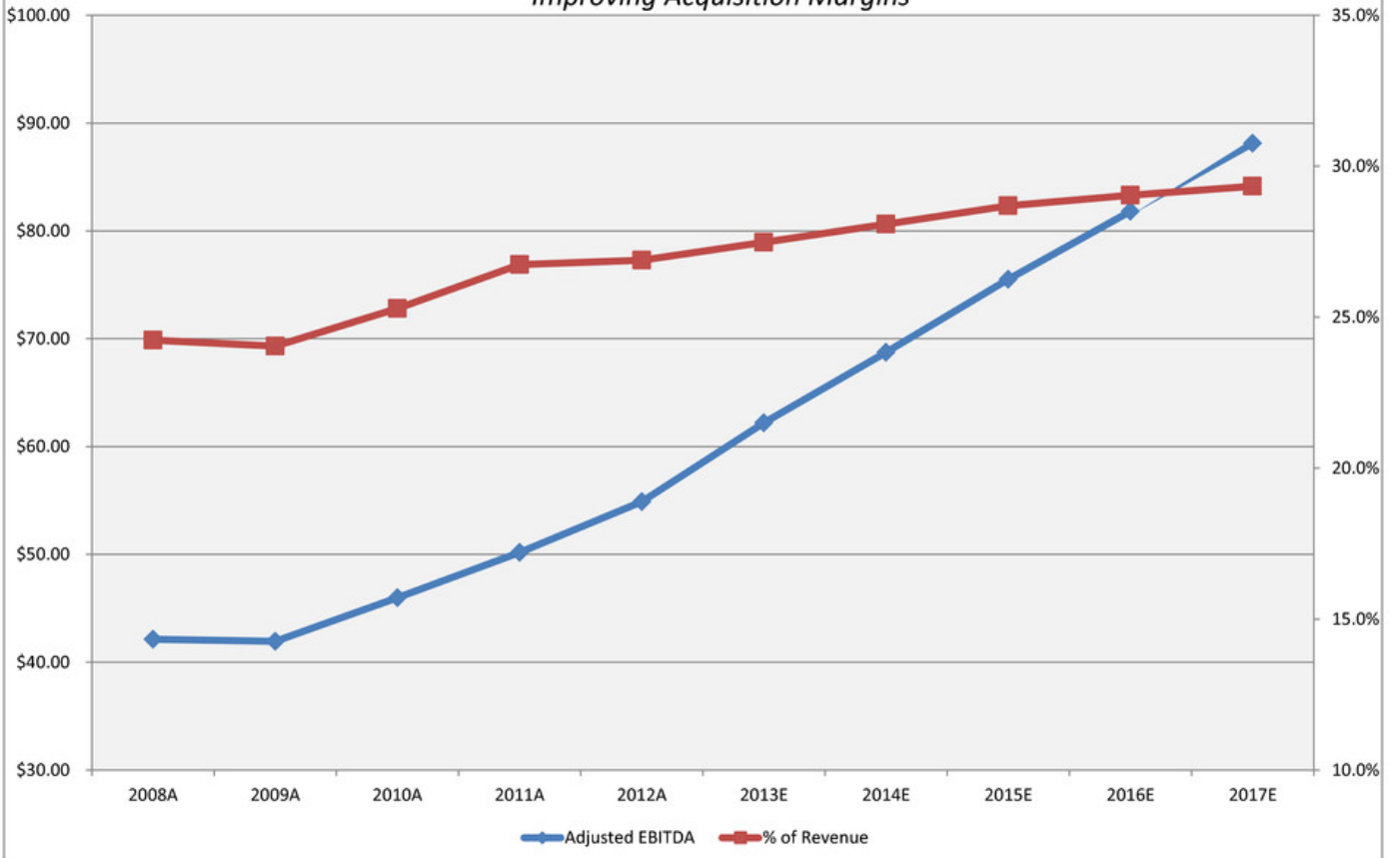


Model Revenue Growth at Assumed \$40M Acquisition Level (\$'s Millions)

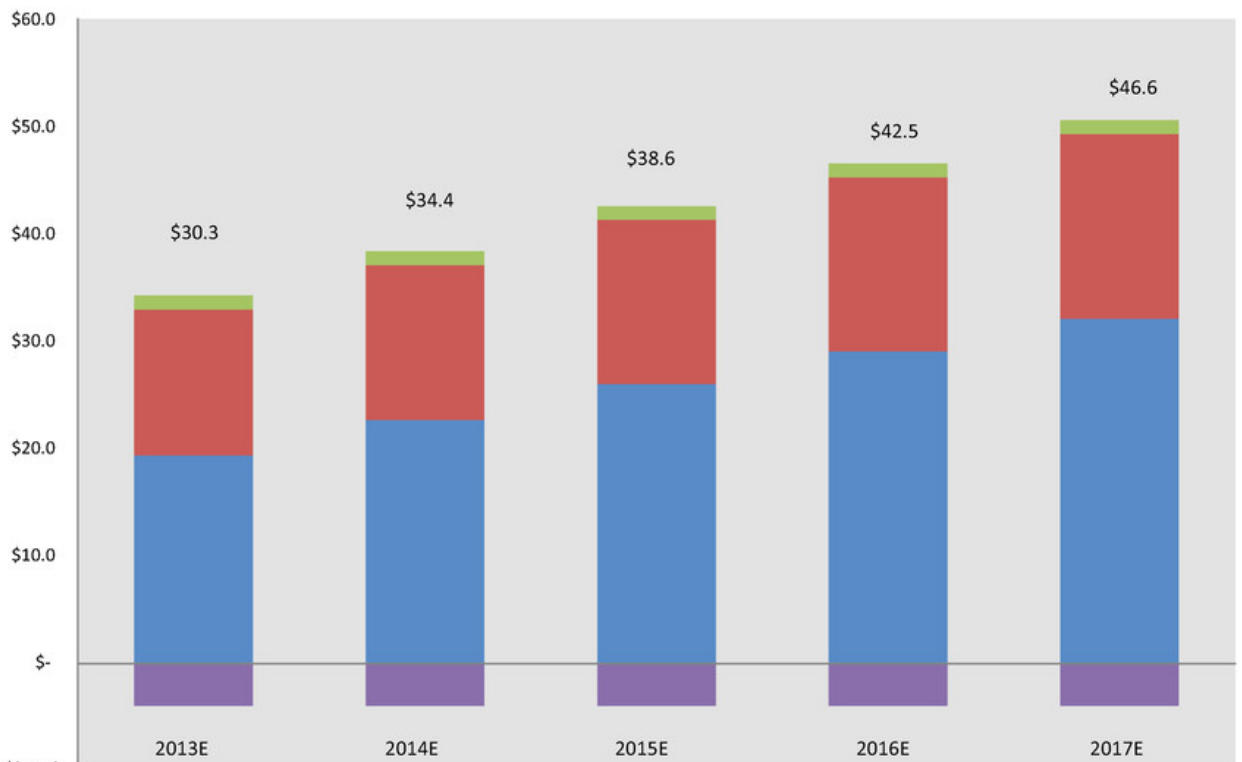


Model Operating Margins & EBITDA at Assumed \$40M Acquisitions (\$'s millions)

Improving Acquisition Margins

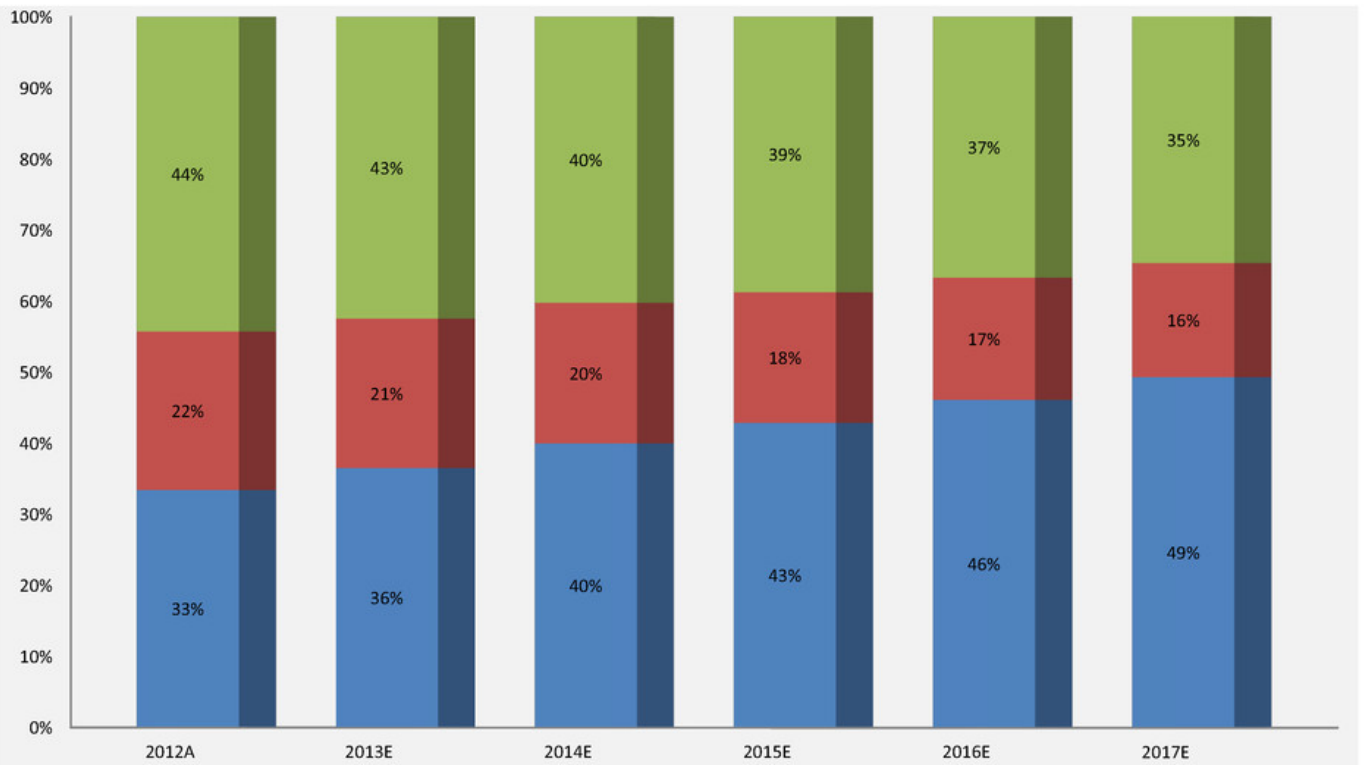


Model Free Cash Flow at Assumed \$40M Acquisition Level (\$'s millions)



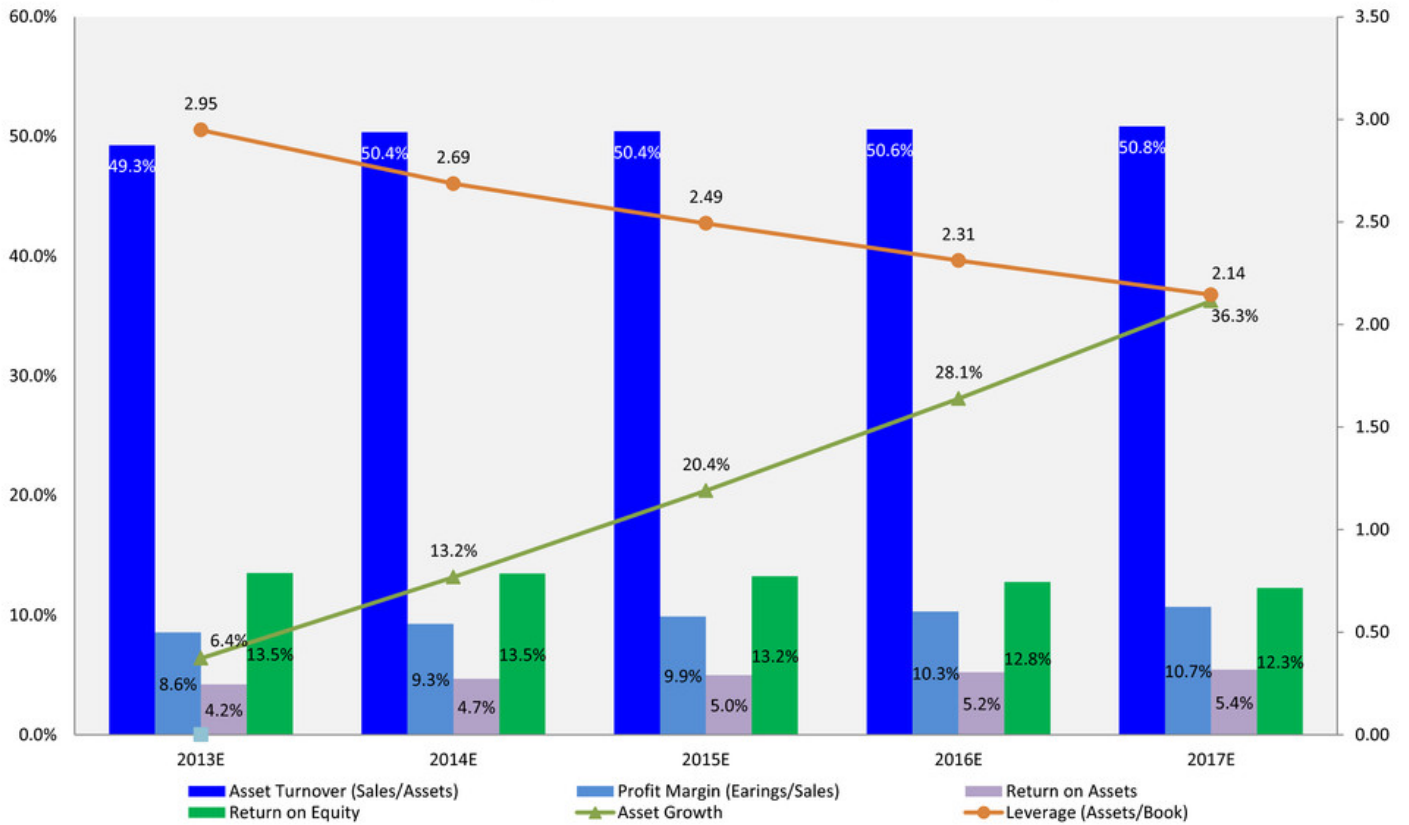
	2013E	2014E	2015E	2016E	2017E
Maintenance Capex	\$(4.0)	\$(4.0)	\$(4.0)	\$(4.0)	\$(4.0)
WTI	\$1.3	\$1.3	\$1.3	\$1.3	\$1.3
D&A	\$13.6	\$14.4	\$15.3	\$16.2	\$17.2
GAAP Net Income	\$19.4	\$22.7	\$26.0	\$29.1	\$32.1

Model Capital Structure at Assumed \$40M Acquisitions



	2012A	2013E	2014E	2015E	2016E	2017E
Long term debt & capital leases	44%	43%	40%	39%	37%	35%
Convertible junior subordinated debenture	22%	21%	20%	18%	17%	16%
Stockholders' equity	33%	36%	40%	43%	46%	49%

Mechanics of Earnings Growth at Assumed \$40M Acquisitions



Stable asset turnover and improving profit margins resulting in improving ROA. At \$40M acquisition level, lower risk as leverage declines and stable ROE. Or with higher acquisitions and greater leverage, increasing ROE. All on a growing asset base.

SUMMARY

- * **The Industry**
- * **Carriage Services Inc position in the Industry**
- * **Future**

