

**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): April 24, 2014

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

-
- 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.

On April 24, 2014, representatives of Carriage Services, Inc. will be meeting with multiple investment firms. 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, 2013. 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.

INDEX TO EXHIBITS

<u>Exhibit</u>	<u>Description</u>
99.1	Investor Presentation.

Carriage Services, Inc. Investor Presentation Q2 2014



Confidential

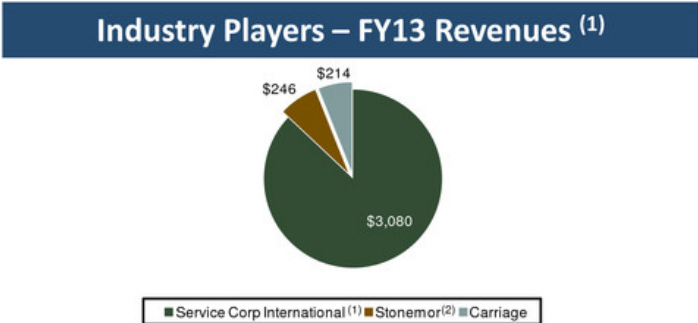
Certain statements made herein or elsewhere by, or on behalf of, the Company that are not historical facts are intended to be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These 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, 2013, 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 2014). 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 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.

The forward looking 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 2014).

The model presented on these 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 2014). 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.

Who is Carriage Services Inc.?

- A national funeral home and cemetery operating company
- Founded in 1991 by Mel Payne and headquartered in Houston, TX
- Funeral home and cemetery field operations drives success under a decentralized operating framework
- 161 funeral homes in 26 states – 75% of revenue
- 32 cemeteries in 10 states – 25% of revenue
- Third largest deathcare consolidator in highly fragmented industry, well positioned for growth by acquisition
- Service Corp International and Stewart Enterprises completed their merger in December 2013 further improving the opportunities for Carriage Services, Inc.



Source: Company filings.

(1) Pie chart represents 2013A revenue breakdown for publicly traded companies. Pro forma for acquisition of Stewart Enterprises by SCI, based on the addition of Stewart FY2013 to SCI FY2013.

(2) Wall Street estimate.



Geographic Diversification in Attractive Markets



Note: Excludes businesses to be acquired from SCI.

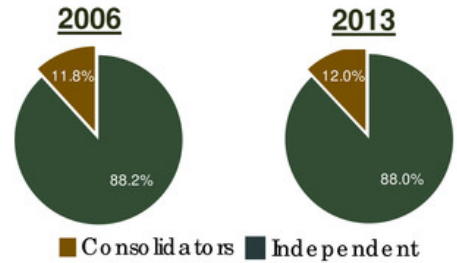
Attractive Industry Trends

Large Market

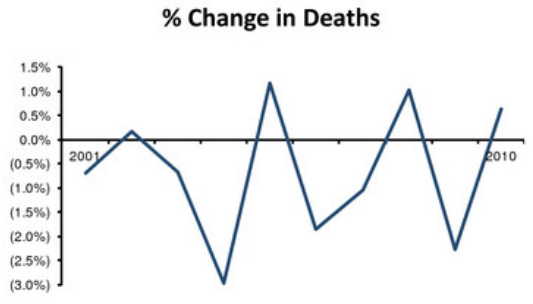
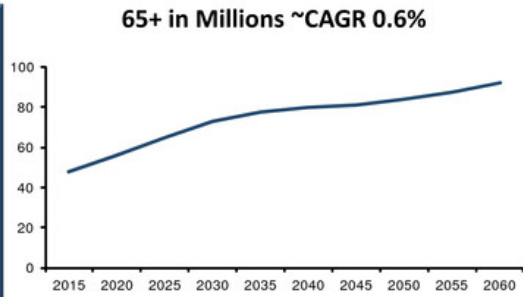
- In 2013, the deathcare industry was expected to total \$15.9 billion
- The deathcare industry is expected to grow at an average annual rate of 1.6% during the next five years to \$17.2 billion

Highly Fragmented

- **Market share concentration** in the industry is **low**, with the top three consolidators (Carriage, SCI & StoneMor) accounting for an estimated 12.0% of total industry revenue in 2013
- Highly fragmented industry with a majority of the more than 24,000 funeral homes represented by small locally owned independent operations



Secular Trend

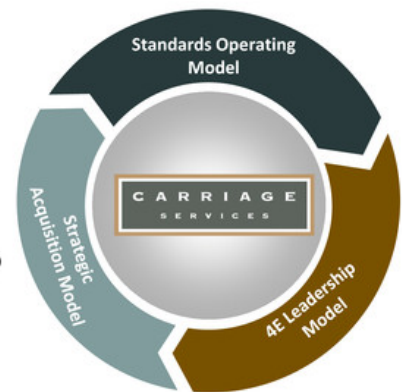


Source: Center for Disease Control and Prevention, U.S. Census Bureau and IBIS World.



Differentiation in Stable Funeral & Cemetery Industry

- Carriage's success has and will continue to be defined by three strategic models:
- Standards Operating Model
 - Focuses on growing market share and employing high performance people which together drive long term operating and financial performance
 - Designed to achieve modest same store revenue growth and strong and sustainable Field EBITDA Margins at the local business level
 - Designed to have the Managing Partner and staff share in Field EBITDA growth
- Strategic Acquisition Model
 - Disciplined acquisition in selected markets
- 4E Leadership Model
 - Energy, Energize, Edge, Execution
 - Standards Operating Model requires strong leadership to grow an entrepreneurial, high value, local personal service and sales business
 - 4E Leaders have a winning, competitive spirit and want to make a difference not only in their business and community but in Carriage's performance and reputation



Our Growth Strategy

- Adopt a pro-growth business model within an industry that is characterized by its low growth and stable earnings
- Modest growth in sales of our base businesses resulting in improved margins
 - Relatively fixed regional and corporate overhead allows for modest increases in Same Store Sales and EBITDA to have greater impact on Free Cash Flow
- Make targeted and strategic acquisitions to accelerate growth while maintaining financial discipline
 - A majority of acquired Field EBITDA falls to Consolidated EBITDA due to operating leverage

Disciplined and Targeted Acquisition Strategy

- Our Goal is to acquire \$15-\$16 million new annual revenue through acquisitions
- *Target leading performers with strong heritage in their local markets*
- *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*
- Exercise Financial Discipline through Valuation Model
- Maintain a stable and predictable business model
- *Sustain EBITDA growth in line with revenue growth from acquisitions*

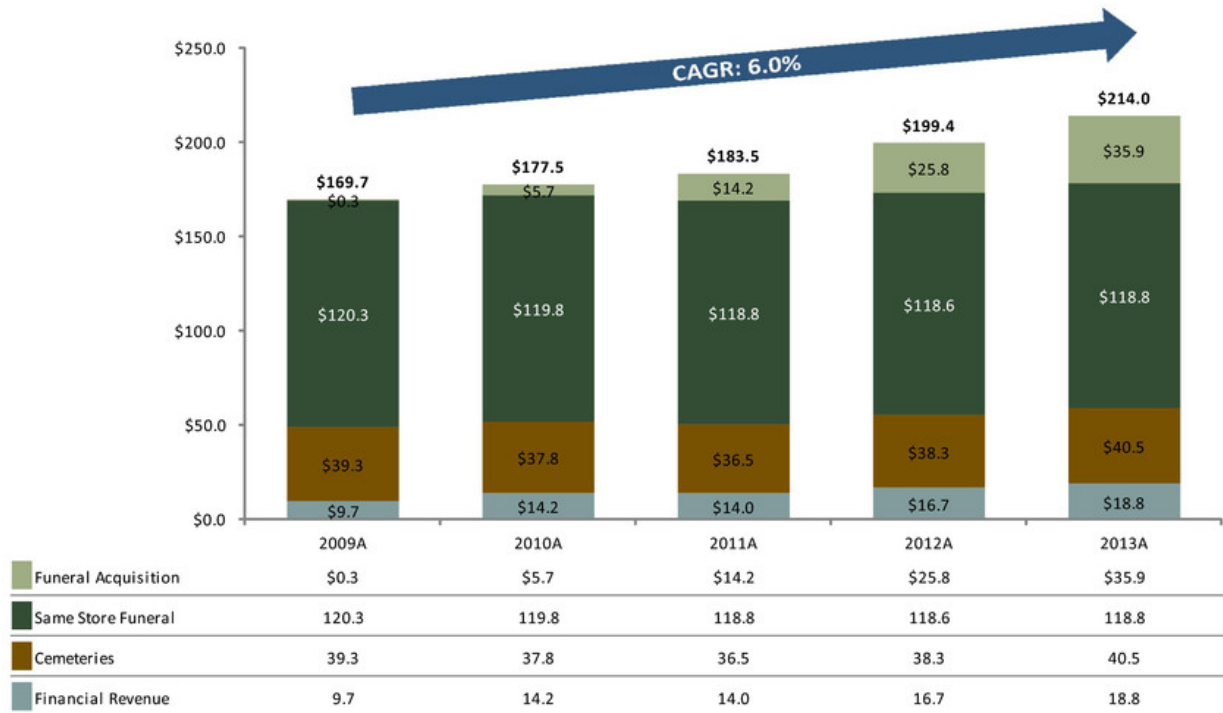
Recent Acquisitions at a Glance

DATE	NAME
11/19/2013	<i>Heritage Funeral Homes & Cremation Services (Chattanooga, TN)</i>
11/19/2013	<i>Heritage Funeral Homes & Crematory (Ft. Oglethorpe, GA)</i>
12/28/2012	<i>Havenbrook Funeral Home (Norma, OK)</i>
12/21/2012	<i>Crespo & Jirrels Funeral and Cremation Services (Baytown, TX)</i>
12/11/2012	<i>Cumby Family Funeral Service (High Point, NC & Archdale, NC)</i>
9/26/2012	<i>Schmidt Funeral Home (Katy, TX)</i>
9/27/2012	<i>Lawton Ritter Gray Funeral Home (Lawton, OK)</i>
6/27/2012	<i>Gray Funeral Home (Grandfield, OK)</i>
3/13/2012	<i>Conner Westbury Funeral Home (Griffin, GA)</i>
2/21/2012	<i>James J. Terry Funeral Home (Downingtown, PA)</i>
12/13/2011	<i>Bryant Funeral Home (New York, NY)</i>

Acquisition Announced March 5, 2014: SCI Businesses

- On March 5, 2014, we announced an agreement to acquire six businesses from Service Corporation International
- Enter two new large strategic markets
 - New Orleans
 - Agreement to acquire 4 businesses
 - Improving demographics
 - Low cremation rates compared to industry average
 - Alexandria, VA
 - Agreement to acquire 2 businesses
 - Improving demographics
- Decided on these businesses after rigorous due diligence process
- Subject to FTC approval, such approval and closing expected to occur in the second quarter

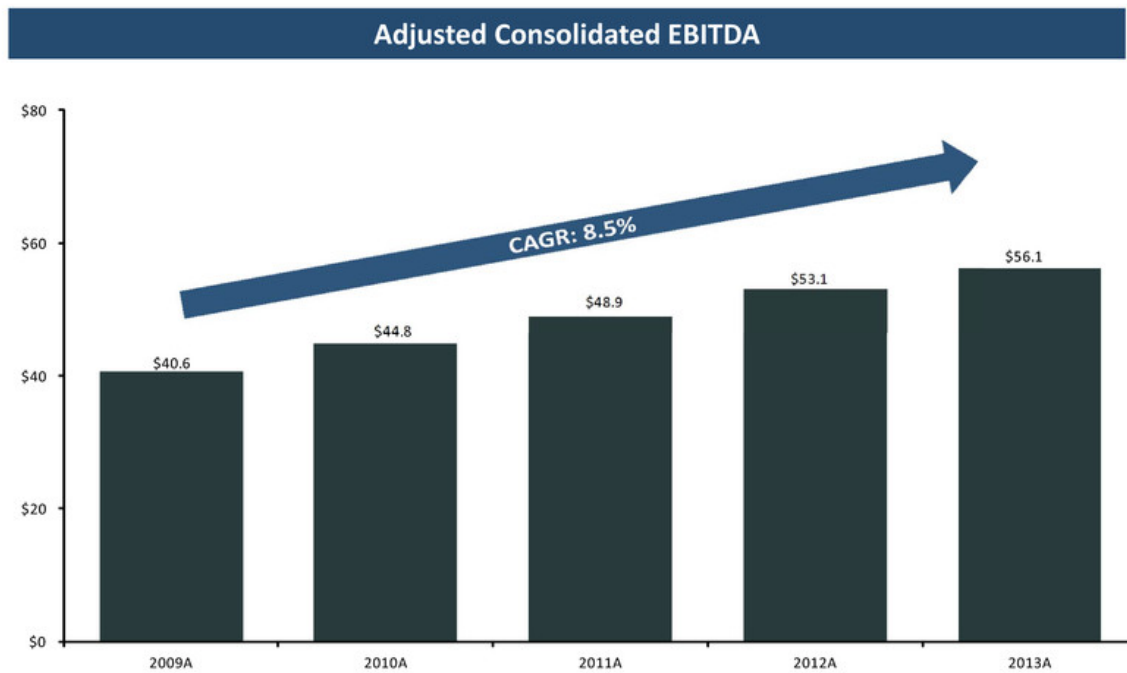
Stable, Diversified Revenue Profile



Note: Dollars in millions.



Track-record of Growing Profitability

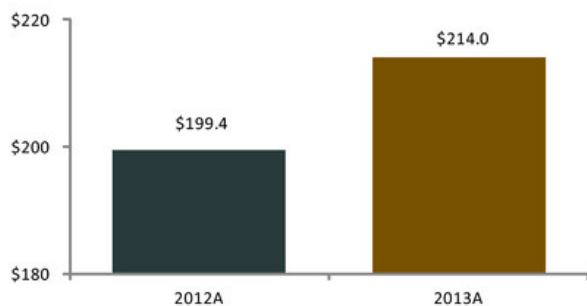


Note: Dollars in millions.

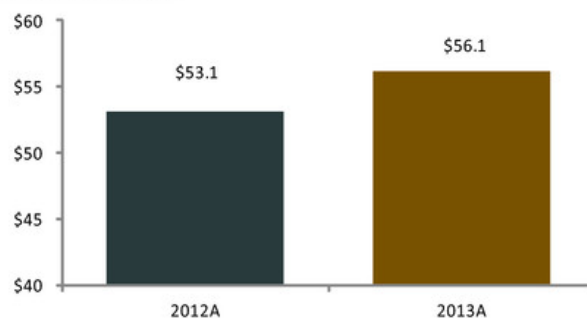
FY 2013 Earnings Summary

FY 2013 Performance

Revenues



Adjusted EBITDA



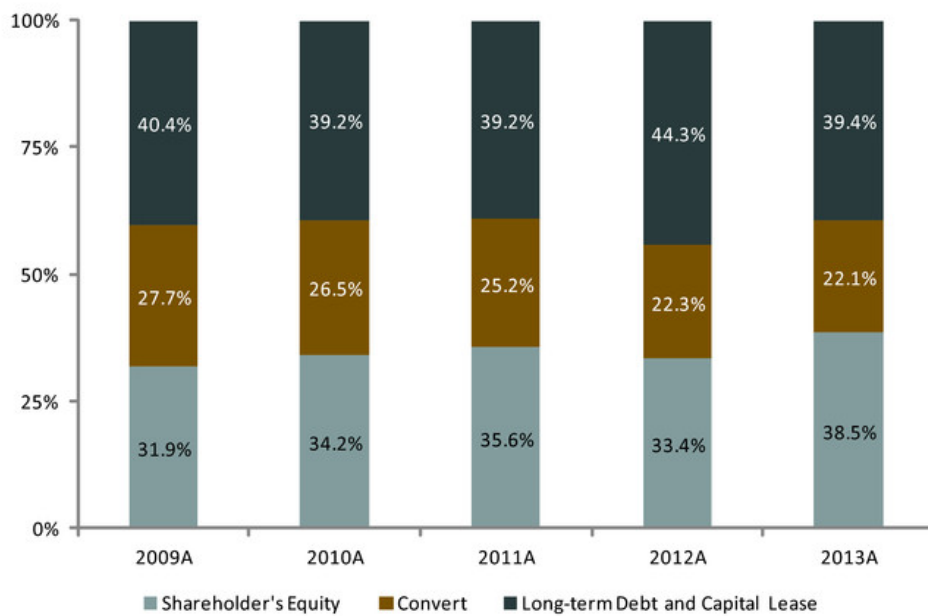
Note: Dollars in millions.

Key Highlights

- Outstanding financial performance in twelve months ended 12/31/13
 - Revenues grew by 7.3% to \$214.0mm
 - Consolidated EBITDA up 5.7% to \$51.6mm
 - Adjusted Consolidated EBITDA up 5.8% to \$56.1mm
 - Adjusted EPS up 23.5% to \$1.00
 - GAAP EPS up 43.1% to \$0.83

Strong and Improving Capitalization Profile

Historical Total Capitalization



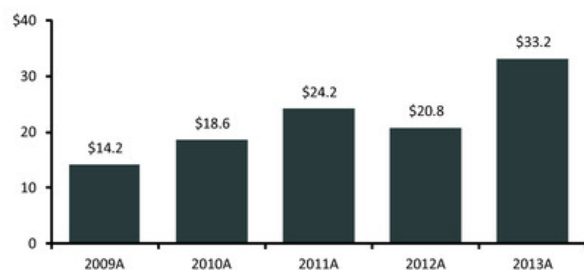
Total Capitalization	2009A	2010A	2011A	2012A	2013A
	\$339	\$350	\$356	\$403	\$405

Note: Dollars in millions.

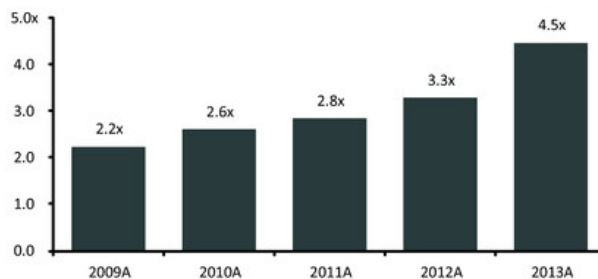


Strong Cash Flow and Balance Sheet

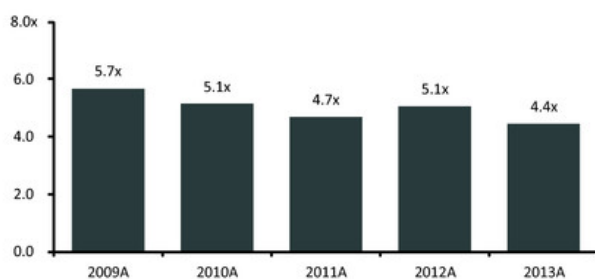
Free Cash Flow ⁽¹⁾



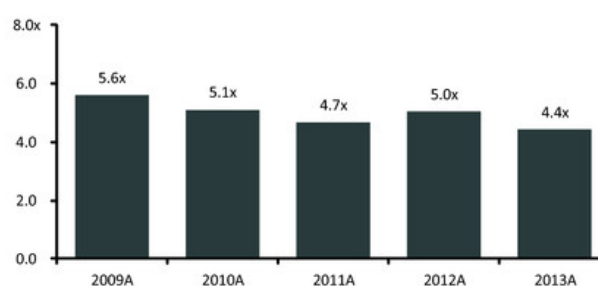
Adj. Consol. EBITDA / Interest Coverage ⁽²⁾



Debt / Adj. Consol. EBITDA



Net Debt / Adj. Consol. EBITDA



Note: Dollars in millions.

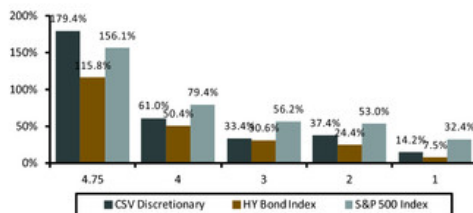
(1) Defined as cash flow from continuing operations less maintenance capex.

(2) Based on net interest expense.



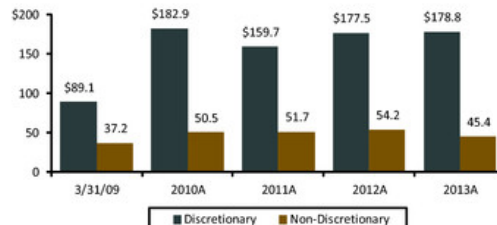
Historical Trust Performance

Compounded Returns



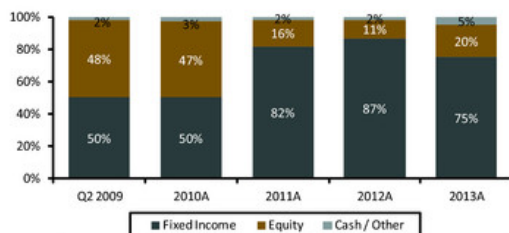
CSV Discretionary	179.4%	60.9%	33.2%	37.4%	14.2%
HY Bond Index	115.8%	50.4%	30.6%	24.4%	7.5%
S&P 500 Index	156.1%	79.4%	56.2%	53.0%	32.4%

Trust Growth in \$'s



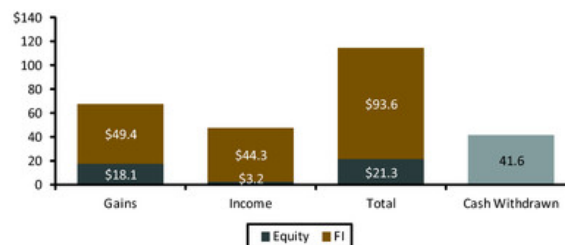
Discretionary	\$89.1	\$182.9	\$159.7	\$177.5	\$178.8
Non-Discretionary	\$37.2	\$50.5	\$51.7	\$54.2	\$45.4
Total	\$126.3	\$233.4	\$211.4	\$231.7	\$224.2

Asset Allocation



Fixed Income	50%	50%	82%	87%	75%
Equity	48%	47%	16%	11%	20%
Cash / Other	2%	3%	2%	2%	5%

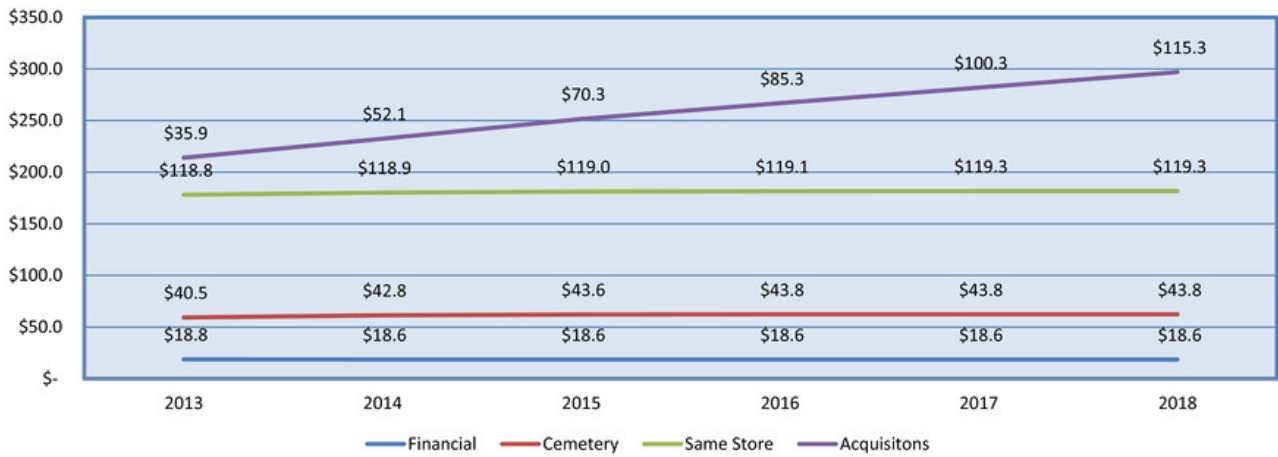
Gains & Income (3/31/09 – 2013)



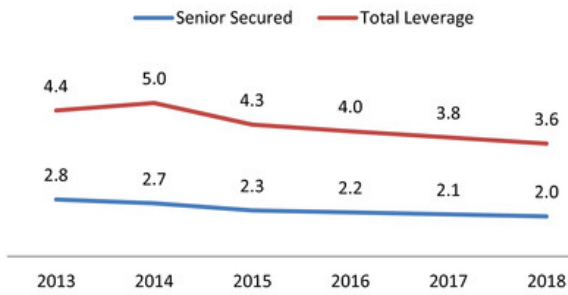
Equity	\$18.1	\$3.2	\$21.3	\$41.6
FI	\$49.4	\$44.3	\$93.6	\$0

Note: Dollars in millions.

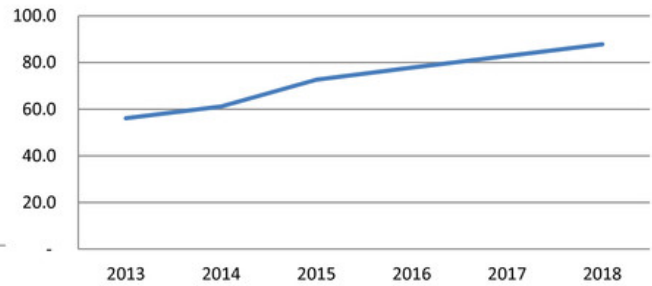
Model Revenue at assumed \$40M Acquisitions



Model Leverage at assumed \$40M Acquisitions



Model Adjusted EBITDA at assumed \$40M Acquisitions



Appendix

Historical Financials

Carriage Services Inc.

(\$'s in 000's)

	Historical Performance				
	2009A	2010A	2011A	2012A	2013A
Same Store Funeral	\$120,309	\$119,799	\$118,801	\$118,571	\$118,813
Funeral Acquisition Revenue	310	5,705	14,210	25,801	35,891
Cemeteries	39,316	37,797	36,481	38,279	40,479
Financial Revenue	9,721	14,216	14,022	16,741	18,774
Total Revenue	\$169,656	\$177,517	\$183,514	\$199,392	\$213,957
Adjusted EBITDA	\$40,561	\$44,824	\$48,937	\$53,059	\$56,137
<i>% of Revenue</i>	24%	25%	27%	27%	26%
Adjusted Net Income	\$6,526	\$9,330	\$11,986	\$14,781	\$18,158
<i>% of Revenue</i>	4%	5%	7%	7%	8%
Capital Structure					
Longterm debt & capital leases	40%	39%	39%	44%	39%
Convertible junior subordinated debenture	28%	27%	25%	22%	22%
Stockholders' equity	32%	34%	36%	33%	38%
Total	100%	100%	100%	100%	100%

GAAP Reconciliation to Adjusted EBITDA

GAAP Reconciliation	2009A	2010A	2011A	2012A	2013A
Consolidated EBITDA	\$40,325	\$41,164	\$39,542	\$48,806	\$51,587
Special Items Affecting EBITDA					
Withdrawable Trust Income(loss)	\$236	\$3,438	\$4,513	\$1,916	1,454
Acquisition Expenses	-	667	1,237	1,340	752
Severance Costs	-	237	1,936	802	1,462
Litigation Settlements and Other Related Costs	-	(682)	-	195	-
Consulting Fees	-	-	-	-	557
Securities Transactions Expenses	-	-	504	-	242
Other Special Items	-	-	1,205	-	83
Sum of Special Items	\$236	\$3,660	\$9,395	\$4,253	\$4,550
Adjusted Consolidated EBITDA	\$40,561	\$44,824	\$48,937	\$53,059	\$56,137
GAAP Pretax	\$10,706	\$12,415	\$10,800	\$17,528	\$24,462
GAAP Tax Provision	4,336	4,954	4,590	6,960	\$9,277
GAAP Net Income	\$6,370	\$7,461	\$6,210	\$10,568	\$15,185

