
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): December 9, 2005

THE GEO GROUP, INC.

(Exact Name of Registrant as Specified in its Charter)

Florida

(State or Other Jurisdiction of Incorporation)

1-14260

(Commission File Number)

65-0043078

(IRS Identification No.)

621 NW 53rd Street, Suite 700, Boca Raton, Florida

(Address of Principal Executive Offices)

33487

(Zip Code)

(Registrant's Telephone Number, Including Area Code) (561) 893-0101

(Former Name or Former Address, if Changed since Last Report)

Check the appropriate box below if the Form 8-K is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications 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))
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Section 1 – Registrant’s Business and Operations

Item 1.01 Entry into a Material Definitive Agreement.

On December 9, 2005, GEO Care, Inc., a Florida corporation (the “Company”) and a wholly-owned subsidiary of The GEO Group, Inc. (“GEO”), entered into an Asset Purchase Agreement (the “Agreement”) with Atlantic Shores Hospital, LLC, a Delaware limited liability company (the “Buyer”) and a wholly-owned subsidiary of Psychiatric Solutions, Inc. (“PSI”), to sell to the Buyer substantially all of the assets relating to Atlantic Shores Hospital, the Company’s private psychiatric care facility located in Ft. Lauderdale, Florida (the “Facility”), for a total cash consideration of \$11.5 million (the “Purchase Price”).

Under the Agreement, Buyer will assume substantially all of the liabilities relating to the Facility post-closing. The Company will remain liable for substantially all of the liabilities relating to the Facility pre-closing. The closing of the sale is subject to certain customary closing conditions, including the receipt of applicable regulatory and other third party approvals.

Pursuant to the Agreement, the Buyer and PSI, on the one hand, and the Company and GEO, on the other hand, are liable to each other for any breaches of their representations, warranties or covenants contained in the Agreement, up to a maximum amount equal to the Purchase Price. In addition, upon the closing, the Company will be subject to a non-compete covenant which will generally prevent the Company from operating, developing, managing or owning a behavioral health facility within the Florida counties of Miami-Dade and Broward (the “Restricted Territory”) for a period of three years. There are certain exceptions to the non-compete covenant set forth in the Agreement, including an exception which enables the Company to own, manage, or otherwise operate a behavioral health facility within the Restricted Territory during the three-year period pursuant to a contract, subcontract, lease, or arrangement with, or on behalf of, any Governmental Authority (as defined in the Agreement).

The Agreement will be filed on GEO’s Form 10-K for the fiscal year ended January 1, 2006. GEO’s press release issued in connection with the execution of the Agreement is filed with this report as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

c) Exhibits

The following exhibits are filed in accordance with Item 601 of Regulation S-K:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release of GEO, dated December 12, 2005

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.

Dated: December 15, 2005

The GEO Group, Inc.

/s/ John G. O'Rourke

Name: John G. O'Rourke

Title: Senior Vice President and Chief Financial Officer

NEWS RELEASE



One Park Place, Suite 700 n 621 Northwest 53rd Street n Boca Raton, Florida 33487 n www.thegeogroupinc.com

CR-05-33

THE GEO GROUP, INC. SUBSIDIARY GEO CARE, INC. TO SELL 72-BED ATLANTIC SHORES HOSPITAL LOCATED IN FORT LAUDERDALE, FLORIDA

Boca Raton, Fla. – December 12, 2005 — The GEO Group, Inc. (NYSE:GGI) (“GEO”) announced today that its wholly-owned subsidiary, GEO Care, Inc. (“GEO Care”), has entered into a definitive agreement to sell the Company’s 72-bed Atlantic Shores Hospital located in Fort Lauderdale, Florida to Psychiatric Solutions, Inc. (NASDAQ:PSYS) for \$11.5 million. The sale is expected to be completed in January 2006. The closing of the transaction is subject to certain regulatory approvals and third party consents.

Atlantic Shores Hospital is a 72-bed private treatment facility which provides acute care services for patients requiring substance abuse and psychiatric treatment. GEO has owned and managed the 47,500 square foot private hospital since 1997. In 2004, revenues generated from the private hospital represented approximately one percent of GEO’s total revenues for that year. GEO is in the process of finalizing the calculation of GEO Care’s gain on the sale of the private hospital and intends to report it with GEO’s fourth quarter 2005 financial results.

George C. Zoley, Chairman of the Board and Chief Executive Officer of GEO, said: “We are pleased with the execution of this agreement to sell our 72-bed Atlantic Shores Hospital. We believe that the sale price represents a fair return for this valuable asset. With the successful sale of this private hospital, GEO Care will now focus its efforts on continuing to market its service offerings for the development and management of large scale mental health and special needs facilities to state and local governments across the country.”

About GEO Care, Inc.

GEO Care, Inc. (“GEO Care”) is a premier provider of behavioral and other special needs services to state and local government agencies. GEO Care offers comprehensive services that include design, construction, financing, and operations. GEO Care provides management and treatment services for forensic and civil mental health hospitals, sex offender and special-needs facilities, and long-term care and geriatric centers. Additionally, GEO Care provides behavioral healthcare services for state and local correctional and detention facilities.

About The GEO Group, Inc.

The GEO Group, Inc. (“GEO”) is a world leader in the delivery of correctional and detention management, health and mental health, and other diversified services to federal, state, and local government agencies around the globe. GEO offers a turnkey approach that includes design, construction, financing, and operations. GEO represents government clients in the United States, Australia, South Africa, and Canada with contracts and awards to manage 58 facilities with a total design capacity of approximately 48,000 beds.

—More—

NEWS RELEASE

This press release contains forward-looking statements regarding future events and future performance of GEO that involve risks and uncertainties that could materially affect actual results, including statements regarding estimated earnings, revenues and costs and our ability to maintain growth and strengthen contract relationships. Factors that could cause actual results to vary from current expectations and forward-looking statements contained in this press release include, but are not limited to: (1) The risk that the sale of the 72-bed Atlantic Shores Hospital to Psychiatric Solutions, Inc. may not be completed; (2) GEO's ability to successfully pursue further growth and continue to enhance shareholder value; (3) GEO's ability to access the capital markets in the future on satisfactory terms or at all; (4) risks associated with GEO's ability to control operating costs associated with contract start-ups; (5) GEO's ability to timely open facilities as planned, profitably manage such facilities and successfully integrate such facilities into GEO's operations without substantial costs; (6) GEO's ability to win management contracts for which it has submitted proposals and to retain existing management contracts; (7) GEO's ability to obtain future financing on acceptable terms; (8) GEO's ability to sustain company-wide occupancy rates at its facilities; and (9) other factors contained in GEO's Securities and Exchange Commission filings, including the forms 10-K, 10-Q and 8-K reports.

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