

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: May 15, 2013

**Professional Diversity Network, Inc.**

*(Exact Name of Registrant as specified in its charter)*

**Delaware**  
*(State or other  
jurisdiction of  
incorporation or  
organization)*

**001-35824**  
*(Commission File No.)*

**83-0374250**  
*(IRS Employer  
Identification Number)*

**801 W. Adams Street, Suite 600**  
**Chicago, Illinois 60607**  
**(312) 614-0950**  
*(Address, including zip code, and telephone number  
including area code of Registrant's  
principal executive offices)*

**Not Applicable**  
*(Former name or former address, if changed since last report)*

Check the appropriate box below if the Form 8-K filing 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))
- 
-

**Item 2.02 Results of Operations and Financial Condition**

On May 15, 2013, Professional Diversity Network, Inc. issued a press release and is holding a conference call regarding financial results for the first quarter ended March 31, 2013. A copy of the press release is furnished as Exhibit 99.1 to this Current Report and is incorporated herein by reference.

The information furnished on this Form 8-K, including the exhibit attached, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statement and Exhibits.****(d) Exhibits**

99.1 Press release of Professional Diversity Network, Inc., dated May 15, 2013.

---

**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.

PROFESSIONAL DIVERSITY NETWORK, INC.

Date: May 15, 2013

By: /s/ Myrna Newman

Myrna Newman  
Chief Financial Officer and Secretary

---

**EXHIBIT INDEX**

**Exhibit No.**

**Description**

99.1	Press release of Professional Diversity Network, Inc., dated May 15, 2013.
------	--

---

**For Immediate Release**

**Professional Diversity Network Announces First Quarter 2013 Results**

Chicago, IL, May 15, 2013 – Professional Diversity Network, Inc. (NASDAQ: IPDN), a developer and operator of online networks dedicated to serving diverse professionals in the United States and providing them with access to employment opportunities, today announced its financial results for the quarter ended March 31, 2013. Professional Diversity Network recently completed an Initial Public Offering (IPO) of its equity securities in March of 2013, raising approximately \$19.5 million, net of offering costs.

**Operational Highlights:**

During the first quarter of 2013, the Company achieved the following, which it believes establishes a foundation for long-term growth:

- Generated positive cash flow from operating activities of approximately \$900,000 in the first quarter of 2013
- Commenced building a diversity client services team to support a new strategic partnership with the company with the world's largest professional network
- Entered into several non-exclusive diversity job distribution relationships with leading cultural organizations, including the NAACP, National Hispanic Nurses Association and Accessible.org
- Launched an internal sales force, which now comprises 21 diversity recruitment solutions sales consultants
- Continued membership growth across its various networks resulting in the Company surpassing the 2.5 million registered member threshold after the first quarter of 2013

“During the quarter, we successfully launched a new strategic partnership with the company with the world's largest professional network,” commented Jim Kirsch, Chief Executive Officer. “Our number one priority is to foster this relationship and I'm encouraged we can do this in a highly effective manner. We believe our inaugural relationship recruitment campaign is off to a promising start based on the positive feedback we have already received from our strategic partner.”

“With thousands of potential employer customers, we believe it also is important that we utilize our resources to build a first rate direct sales team to communicate with employers and enhance our reputation as a recognized leader in diversity recruitment throughout the nation,” added Mr. Kirsch. “We believe that with over 2.5 million registered members, favorable market demographics and expected continued corporate spending increases for diversity recruitment, we are well-positioned for future growth.”

---

**First Quarter Financial Results:**

The Company reported total revenue of \$920,000 in the first quarter compared to \$1.5 million in the same quarter in the prior year. The company generated positive cash flow of approximately \$900,000 in the 2013 first quarter compared with approximately \$1,085,000 in the same quarter last year. The year over year revenue difference is primarily due to the \$500,000 per quarter fixed fee from the Company's strategic partner being 50% less than the fixed fee from its former partner. Despite the lower quarterly fixed fee, the Company believes that its new strategic partnership agreement addresses a significantly larger market opportunity allowing it to maximize shareholder value in the long term.

The Company reported a net loss for the quarter of \$482,000 compared to net income of \$706,000 during the same period one year ago. The lower year-over-year revenue combined with increased expenses of \$1.15 million primarily related to increased marketing, client solution providers, infrastructure support for our new strategic partnership and the incremental costs of being a publicly-traded company all contributed to the loss. Fully diluted loss per share during the quarter was \$(0.11) compared to \$0.20 in the same fiscal period in 2012. The weighted average shares outstanding in the 2013 first quarter were 4,307,774.

On March 31, 2013, the Company had \$20.5 million in cash and cash equivalents and no debt, providing the financial support to execute management's short and long-term strategic initiatives. The Company intends to use the proceeds from the recent IPO to make acquisitions, for marketing to build brand awareness and membership, for product development, including investments in its product development team and the development of new features, and for future growth opportunities. Additionally, the Company is in the process of building out a direct sales force to access new recruiters, which now comprises 21 diversity recruitment solutions sales consultants.

"We believe our strong liquidity position with over \$20 million and no debt enables us to fund the business during this transition period to our new strategic partner," concluded Kirsch.

**Conference Call**

The Company will host a conference call today, **May 15, 2013, at 8:30 am ET** for analysts and investors to discuss its recent financial results and operating initiatives. The conference call will be accessible by telephone and through simultaneous webcast via the internet. Interested investors can access the conference call by dialing (877) 941-0844 or by logging on to the Company's website at [www.prodivnet.com](http://www.prodivnet.com), under the "Investor Relations" heading. The conference call replay will also be archived on the Company's website.

**About Professional Diversity Network**

Professional Diversity Network develops and operates online networks dedicated to serving diverse professionals in the United States and providing them with access to employment opportunities. Professional Diversity Network offers employers who value diversity an online platform in which to identify and acquire diverse talent for their hiring needs. Professional Diversity Network owns and operates professional networking communities including: [www.iHispano.com](http://www.iHispano.com) for Hispanic Professionals, [www.AMightyRiver.com](http://www.AMightyRiver.com) for African American professionals, [www.WomensCareerChannel.com](http://www.WomensCareerChannel.com) for Female Professionals, [www.Military2Career.com](http://www.Military2Career.com) for Veterans, [www.ProAble.com](http://www.ProAble.com) for Professionals with Disabilities, [www.OutProNet.com](http://www.OutProNet.com) for professionals in the Gay Community, and [www.AsianCareerNetwork.com](http://www.AsianCareerNetwork.com) for Asian professionals.

---

For more information, visit: [www.professionaldiversitynetwork.com](http://www.professionaldiversitynetwork.com)

#### **Safe Harbor under the Private Securities Litigation Reform Act of 1995**

*This press release and the accompanying conference call contain forward-looking statements within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 concerning Professional Diversity Network, certain non-financial metrics, such as member growth, strategic acquisitions, earnings and cash flow projections, direct sales force development and Professional Diversity Network's business strategies. These statements or disclosures may discuss goals, intentions and expectations as to future trends, plans, events, results of operations or financial condition, or state other information relating to Professional Diversity Network, based on current beliefs of management as well as assumptions made by, and information currently available to, management. Forward-looking statements can generally be identified by words such as "may," "anticipate," "believe," "plan," "could," "estimate," "expect," "forecast," "guidance," "intend," "may," "possible," "potential," "predict," "project" or other similar words, phrases or expressions. These forward-looking statements are subject to various risks and uncertainties, many of which are outside of Professional Diversity Network's control. Therefore, investors and shareholders should not place undue reliance on such statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include Professional Diversity Network's ability to maintain its business relationships with its key customers; fluctuations in Professional Diversity Network's operating results from quarter to quarter, operating losses that Professional Diversity Network has sustained and may sustain; unanticipated changes and competition in the online recruitment market; unanticipated downturns in the economy; Professional Diversity Network's ability to generate recruitment revenue through direct sales, unexpected technical or marketing difficulties; unexpected claims, charges or litigation; and new laws and governmental regulations. The foregoing list of factors is not exhaustive. Investors and shareholders should carefully consider the foregoing factors and the other risks and uncertainties that affect Professional Diversity Network's business described in its Annual Report on Form 10-K. The forward-looking statements in this press release speak only as of the date they were made. Professional Diversity Network does not assume any obligation to update these forward-looking statements.*

#### **Contact:**

##### **Professional Diversity Network**

Myrna Newman, CFO

312-614-0931

[mnewman@prodivnet.com](mailto:mnewman@prodivnet.com)

##### **EVC Group**

Michael Polyviou - Investors

212-850-6020

[mpolyviou@evcgroup.com](mailto:mpolyviou@evcgroup.com)

Janine McCargo - Media

EVC Group

646-688-0425

[jmccargo@evcgroup.com](mailto:jmccargo@evcgroup.com)

(tables follow)

---

**Professional Diversity Network, Inc.**  
**CONDENSED BALANCE SHEETS (Unaudited)**

	<u>March 31,</u> <u>2013</u>	<u>December 31,</u> <u>2012</u>
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 20,513,060	\$ 868,294
Accounts receivable	766,232	1,923,048
Marketable securities, at fair value	254,787	251,349
Prepaid expense	216,963	63,982
Total Current Assets	<u>21,751,042</u>	<u>3,106,673</u>
Property and equipment, net	54,104	34,863
Security deposits	23,711	23,711
Deferred offering costs - initial public offering	-	832,240
Developed technology, net	443,861	402,890
Goodwill	635,671	635,671
Trade name	90,400	90,400
Total assets	<u>\$ 22,998,789</u>	<u>\$ 5,126,448</u>
<b>Current Liabilities:</b>		
Accounts payable	\$ 301,574	\$ 265,013
Accrued expenses	125,264	85,327
Deferred revenue	552,586	500,000
Derivative liability	304,560	-
Total current liabilities	<u>1,283,984</u>	<u>850,340</u>
Notes payable - members, net of original issue discount of \$0 and \$138,256 as of March 31, 2013 and December 31, 2012, respectively	-	1,487,900
Deferred tax liability	195,737	-
Total liabilities	<u>1,479,722</u>	<u>2,338,240</u>
<b>Commitments and contingencies</b>		
<b>Stockholders' Equity</b>		
Common stock \$0.01 par value, 25,000,000 shares authorized, 6,318,227 and 3,487,847 shares issued and outstanding, as of March 31, 2013 and December 31, 2012	63,182	34,878
Additional paid-in capital	21,932,761	2,751,827
Accumulated Deficit	(481,816)	-
Accumulated other comprehensive income	4,941	1,503
Total stockholders' equity	<u>21,519,068</u>	<u>2,788,208</u>
Total liabilities and stockholders' equity	<u>\$ 22,998,789</u>	<u>\$ 5,126,448</u>



**Professional Diversity Network, Inc.**  
**CONDENSED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME (Unaudited)**

	For the Three Months Ended March 31,	
	2013	2012
<b>Revenues</b>		
Recruitment services	\$ 535,680	\$ 1,000,000
Consumer advertising and marketing solutions revenue	384,123	514,661
Total revenues	<u>919,803</u>	<u>1,514,661</u>
<b>Costs and expenses:</b>		
Cost of services	239,213	202,052
Sales and marketing	455,809	290,712
General and administrative	421,066	253,350
Depreciation and amortization	55,424	20,711
Gain on sale of property and equipment	(4,734)	-
Total costs and expenses	<u>1,166,778</u>	<u>766,825</u>
(Loss) income from operations	<u>(246,975)</u>	<u>747,836</u>
<b>Other income (expense)</b>		
Interest expense	(155,137)	(45,037)
Interest and other income	5,225	3,282
Other expense, net	(149,912)	(41,755)
Change in fair value of derivative liability	110,808	---
(Loss) income before income taxes	\$ (286,079)	\$ 706,081
Income tax expense	195,737	-
Net (loss) income	<u>\$ (481,816)</u>	<u>\$ 706,081</u>
<b>Other comprehensive income:</b>		
Net (loss) income	\$ (481,816)	\$ 706,081
Unrealized gains on marketable securities	3,438	25,834
Comprehensive (loss) income	<u>\$ (478,378)</u>	<u>\$ 731,915</u>
<b>Unaudited Pro Forma Income Net (Loss) Income per Common Share:</b>		
Basic and diluted	\$ (0.11)	\$ 0.21
Shares used in computing pro forma net (loss) income per common share:		
Basic and diluted	<u>4,307,794</u>	<u>3,487,847</u>
<b>Pro-Forma Computation Related to Conversion to a C Corporation Upon Completion of Initial Public Offering</b>		
Historical Pre-Tax Net (Loss) Income Before Taxes	\$ (286,079)	\$ 706,081
Pro-forma Income Tax Provision	(164,370)	292,155
Pro-forma Net (Loss) Income	\$ (121,709)	413,926
Pro-Forma (Loss) Earnings Per Share - Basic and Diluted		
Weighted Average Number of Shares Outstanding	4,307,794	3,487,847
(Loss) Earnings Per Share	<u>\$ (0.03)</u>	<u>\$ 0.12</u>

###