

**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): February 12, 2007

FIRST ADVANTAGE CORPORATION

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of Incorporation)

Delaware
(State or Other Jurisdiction
of incorporation)

001-31666

(Commission File Number)

61-1437565
(IRS Employer
Identification Number)

**One Progress Plaza, Suite 2400
St. Petersburg, Florida 33701**
(Address of principal executive offices)

(727) 214-3411

(Registrant's telephone number)

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 February 12, 2007, First Advantage Corporation, a Delaware corporation, announced financial results for the fourth quarter and year ended December 31, 2006. The full text of the press release issued in connection with the announcement is attached hereto as Exhibit 99.1.

The Company's earnings release contains non-GAAP financial measures. Pursuant to the requirements of Regulation G, the Company has provided reconciliations within the press release of the non-GAAP financial measures to the most directly comparable GAAP financial measures in the text of the press release.

EBITDA is presented in the earnings release. EBITDA was determined by adjusting net income (loss) for income tax, interest expense and depreciation and amortization. Although EBITDA is not a financial measure prepared in accordance with generally accepted accounting principles ("GAAP"), it is calculated and communicated by the Company because management believes it is of interest to investors and lenders in relation to its overall capital structure and its ability to borrow additional funds.

The Company's calculation of EBITDA may or may not be consistent with the calculation of this measure by other companies in the same industry. Investors should not view EBITDA as an alternative to the GAAP measures of net income as a measure of performance, or cash flows from operating, investing and financing activities as a measure of liquidity. In addition, EBITDA does not take into account changes in certain assets and liabilities as well as interest and income taxes that can affect cash flows. Management does not intend the presentation of EBITDA to be considered in isolation or as a substitute for results prepared in accordance with GAAP.

The information in this current report and the exhibit hereto is being "furnished" pursuant to Item 2.02 of Form 8-K. As such, this information is not deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 and is not incorporated by reference into any filings with the SEC unless it shall be explicitly so incorporated into such filings.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits

99.1 Earnings Press Release dated February 12, 2007

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.

Date: February 12, 2007

FIRST ADVANTAGE CORPORATION

By: /s/ John Lamson

Name: John Lamson

Title: Executive Vice President and Chief Financial Officer



100 Carillon Parkway • St. Petersburg, FL 33716

NEWS FOR IMMEDIATE RELEASE

Contacts:

Renee Svec
 Director – Marketing & Communications
 727.214.3411, ext. 4112
 rsvec@FADV.com

Cindy Williams
 Investor Relations Manager
 727.214.3411, ext. 4160
 clwilliams@FADV.com

**FIRST ADVANTAGE CORPORATION REPORTS
 OPERATING RESULTS FOR FOURTH QUARTER AND FULL YEAR 2006**

ST. PETERSBURG, Fla., Feb. 12, 2007—**First Advantage Corporation (NASDAQ: FADV)**, a global risk mitigation and business solutions provider, today announced operating results for the fourth quarter and full year ended Dec. 31, 2006.

First Advantage reported net income of \$18.2 million (31 cents per diluted share) and \$66.2 million (\$1.14 per diluted share) for the quarter and year ended Dec. 31, 2006, respectively. The company reported net income of \$16.2 million (29 cents per diluted share) and net income of \$58.4 million (\$1.09 per diluted share) for the quarter and year ended Dec. 31, 2005, respectively. Results of operations for the quarter and year ended Dec. 31, 2006 include a pretax investment gain of \$7.0 million (\$4.1 million after tax or 7 cents per diluted share), and results of operations for the year and quarter ended Dec. 31, 2005 include a pretax investment gain of \$9.5 million (\$5.6 million after tax or 10 cents per diluted share). The investment gain in both years relates to the issuance of stock by DealerTrack Holdings, Inc., an unconsolidated investee accounted for on the equity method. Results of operations for the year ended Dec. 31, 2005 also include merger, relocation, and marketing-related expenses recorded in the second and third quarters of 2005 of approximately \$5.8 million (\$5.1 million after tax or 10 cents per diluted share).

The company adopted the provisions of FAS 123R, “Share Based Payment”, as of Jan. 1, 2006, using the modified prospective application method. Results of operations for the quarter and year ended Dec. 31, 2006, include share-based compensation expense of \$2.4 million and \$10.9 million, respectively, which reduced basic and diluted earnings per share by 3 cents for the fourth quarter of 2006, and 14 cents for the full year 2006.

Total revenue for the company was \$206.1 million and \$817.6 million for the quarter and year ended Dec. 31, 2006, respectively. Total revenue was \$170.1 million and \$643.7 million for the quarter and year ended Dec. 31, 2005, respectively.

Earnings before interest, taxes, depreciation and amortization, minority interest, gain on investment and share-based compensation expense (adjusted EBITDA) was \$40.2 million and \$173.6 million for the quarter and year ended Dec. 31, 2006, respectively. Adjusted EBITDA was \$29.9 million and \$127.5 million for the quarter and year ended Dec. 31, 2005, respectively representing a 34.4 and 36.2 percent increase.

-more-

“We are pleased with our fourth quarter and full year 2006 operating results, both of which once again reflect our solid financial performance and demonstrate our commitment to strategic growth initiatives for our third consecutive year,” stated John Long, chief executive officer. “This year we will continue to focus on organic growth in all of our business segments, particularly in our Employer Services segment where we are seeing continued success of our on-going cross-sell strategies.

“We remain confident that our Lender Services segment will continue to gain market share in 2007 as we increase operational efficiencies and new products gain further industry-wide acceptance. We also see improvements in our Investigative and Litigation Support Services segment as we expand our geographic reach, most recently through the acquisition of DataSec, a computer forensics and electronic discovery company in the United Kingdom. Although First Advantage continues to seek products and services that are complementary to our strategic growth initiatives, we have become highly selective in our approach to future acquisitions.

“Operating margins increased in five of our business segments for the fourth quarter of 2006 compared to the fourth quarter of 2005: Lender Services, Data Services, Employer Services, Multifamily Services and Investigative and Litigation Support Services. Adjusted EBITDA increased by 34 percent from the fourth quarter of last year,” stated Long.

Management estimates that diluted earnings per share will be in the range of 26 to 28 cents for the first quarter ended Mar. 31, 2007. First Advantage’s fourth quarter and full year 2006 results will be discussed in more detail on **Monday, Feb. 12, 2007**, at 5:00 p.m. EST, via teleconference and webcast. The teleconference dial-in number is 888.455.0031 within the U.S. and 210.234.0001 outside the U.S. The teleconference pass code is “Advantage”. The live audio webcast of the call will be accessible from the Investor Relations section of First Advantage’s Web site at www.FADV.com. An audio replay of the teleconference call will be available through Feb. 26, 2007, by dialing 866.357.4211 within the U.S., or 203.369.0126 outside the U.S. An audio archive of the webcast will also be available for replay on First Advantage’s Web site following the call.

-more-

Summary Consolidated Income Statement (Unaudited)

	(In thousands, except per share amounts)			
	Three Months Ended Dec. 31,		Twelve Months Ended Dec. 31,	
	2006	2005	2006	2005
Service revenue	\$ 193,277	\$ 159,083	\$ 764,841	\$ 596,105
Reimbursed government fee revenue	12,780	10,975	52,723	47,644
Total revenue	206,057	170,058	817,564	643,749
Cost of service revenue	60,860	50,163	238,622	183,976
Government fees paid	12,780	10,975	52,723	47,644
Total cost of sales	73,640	61,138	291,345	231,620
Gross margin	132,417	108,920	526,219	412,129
Salaries and benefits	59,876	50,619	237,670	180,927
Facilities and telecommunications	7,862	6,769	30,067	25,743
Other operating expenses	28,115	21,940	98,965	79,851
Depreciation and amortization	10,783	8,520	39,152	27,605
Income from operations	25,781	21,072	120,365	98,003
Interest (expense) income:				
Interest expense	(3,257)	(2,503)	(13,319)	(6,618)
Interest income	356	102	910	150
Interest (expense) income, net	(2,901)	(2,401)	(12,409)	(6,468)
Equity in earnings of investee	892	153	2,299	1,385
Gain on investment	6,993	9,471	6,993	9,471
Income before income taxes and minority interest	30,765	28,295	117,248	102,391
Provision for income taxes	11,735	11,593	47,773	43,522
Income before minority interest	19,030	16,702	69,475	58,869
Minority interest	875	510	3,314	443
Net income	\$ 18,155	\$ 16,192	\$ 66,161	\$ 58,426
Per share amounts:				
Basic earnings per share	\$.31	\$.29	\$ 1.15	\$ 1.10
Basic weighted-average shares outstanding	58,155	55,113	57,502	52,884
Diluted earnings per share	\$.31	\$.29	\$ 1.14	\$ 1.09
Diluted weighted-average shares outstanding	58,294	56,385	58,079	53,593
EBITDA and adjusted EBITDA calculation:				
Net income	\$ 18,155	\$ 16,192	\$ 66,161	\$ 58,426
Minority interest	875	510	3,314	443
Gain in investment	(6,993)	(9,471)	(6,993)	(9,471)
Provision for income taxes	11,735	11,593	47,773	43,522
Interest expense	3,257	2,503	13,319	6,618
Depreciation and amortization	10,783	8,520	39,152	27,605
Earnings before interest, taxes, depreciation and amortization (EBITDA)*	\$ 37,812	\$ 29,847	\$ 162,726	\$ 127,143
Share based compensation expense	2,435	95	10,919	317
Adjusted EBITDA	\$ 40,247	\$ 29,942	\$ 173,645	\$ 127,460

* EBITDA and adjusted EBITDA are not measures of financial performance under generally accepted accounting principles. EBITDA and adjusted EBITDA are used by certain investors to analyze and compare companies.

-more-

Segment Financial Information (Unaudited)

(In thousands, except percentages)	Three Months Ended Dec. 31,			Twelve Months Ended Dec. 31,		
	2006 As Reported	2006 Proforma w/o Stock Based Comp	2005	2006 As Reported	2006 Proforma w/o Stock Based Comp	2005
Service revenue						
Lender Services	\$ 40,968	\$ 40,968	\$ 39,364	\$ 175,991	\$ 175,991	\$ 168,327
Data Services	40,412	40,412	29,839	148,724	148,724	91,699
Dealer Services	27,990	27,990	26,105	120,780	120,780	98,357
Employer Services	55,279	55,279	39,388	195,180	195,180	143,839
Multifamily Services	14,743	14,743	14,121	68,811	68,811	63,254
Investigative & Litigation Support Services	14,711	14,711	11,438	59,162	59,162	34,580
Corporate	(826)	(826)	(1,172)	(3,807)	(3,807)	(3,951)
Consolidated	<u>\$ 193,277</u>	<u>\$ 193,277</u>	<u>\$ 159,083</u>	<u>\$ 764,841</u>	<u>\$ 764,841</u>	<u>\$ 596,105</u>
Income (Loss) from operations						
Lender Services	\$ 11,802	\$ 11,975	\$ 10,609	\$ 54,271	\$ 54,979	\$ 48,205
Data Services	11,877	12,088	8,504	41,062	41,991	29,460
Dealer Services	2,299	2,413	3,037	16,113	16,545	13,559
Employer Services	5,871	6,222	3,537	19,832	21,445	13,301
Multifamily Services	2,105	2,264	1,966	15,128	15,940	16,122
Investigative & Litigation Support Services	2,555	2,694	1,075	11,377	11,971	2,107
Corporate	(10,728)	(9,440)	(7,656)	(37,418)	(31,587)	(24,751)
Consolidated	<u>\$ 25,781</u>	<u>\$ 28,216</u>	<u>\$ 21,072</u>	<u>\$ 120,365</u>	<u>\$ 131,284</u>	<u>\$ 98,003</u>
Operating margin percentage of service revenue						
Lender Services	28.81%	29.23%	26.95%	30.84%	31.24%	28.64%
Data Services	29.39%	29.91%	28.50%	27.61%	28.23%	32.13%
Dealer Services	8.21%	8.62%	11.63%	13.34%	13.70%	13.79%
Employer Services	10.62%	11.26%	8.98%	10.16%	10.99%	9.25%
Multifamily Services	14.28%	15.36%	13.92%	21.98%	23.16%	25.49%
Investigative & Litigation Support Services	17.37%	18.31%	9.40%	19.23%	20.23%	6.09%
Corporate	N/A	N/A	N/A	N/A	N/A	N/A
Consolidated	<u>13.34%</u>	<u>14.60%</u>	<u>13.25%</u>	<u>15.74%</u>	<u>17.16%</u>	<u>16.44%</u>

-more-

About First Advantage Corporation

First Advantage Corporation (NASDAQ: FADV) combines industry expertise with information to create products and services that organizations worldwide use to make smarter business decisions. First Advantage is a leading provider of consumer credit information in the mortgage, automotive and subprime markets; business credit information in the transportation industry; lead generation services; motor vehicle record reports; supply chain security consulting; employment background verifications; occupational health services; applicant tracking systems; recruiting solutions; skills and behavioral assessments; business tax consulting services; insurance fraud, corporate and litigation investigations; surveillance; computer forensics; electronic discovery; data recovery; due diligence reporting; resident screening; property management software; renters insurance and consumer location services. First Advantage ranks among the top companies in all of its major business lines. First Advantage is headquartered in St. Petersburg, Fla., and has more than 4,500 employees in offices throughout the United States and abroad. More information about First Advantage can be found at www.FADV.com.

First Advantage is a majority-owned subsidiary of The First American Corporation (NYSE: FAF), a FORTUNE 500® company that traces its history to 1889. First American is America's largest provider of business information, supplying businesses and consumers with valuable information products to support the major economic events of people's lives. Additional information about the First American Family of Companies can be found at www.firstam.com.

Certain statements in this press release, including those related to estimated diluted earnings per share in first quarter 2007, an increase in market share in the Lender Services segment in 2007 and future impact of organic growth on all segments are forward looking. Risks and uncertainties exist that may cause results to differ materially from those set forth in these forward-looking statements. Factors that could cause the anticipated results to differ from those described in the forward-looking statements include: general volatility of the capital markets and the market price of the company's Class A common stock; the company's ability to successfully raise capital; the company's ability to identify and complete acquisitions and successfully integrate businesses it acquires; changes in applicable government regulations; the degree and nature of the company's competition; increases in the company's expenses; continued consolidation among the company's competitors and customers; unanticipated technological changes and requirements; the company's ability to identify suppliers of quality and cost-effective data; and other risks identified from time-to-time in the company's SEC filings. The forward-looking statements speak only as of the date they are made. The company does not undertake to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements are made. Investors are advised to consult the company's filings with the SEC, including its 2005 Annual Report on Form 10-K and subsequent amendments, for a further discussion of these and other risks.

###