

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): October 25, 2005

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 October 25, 2005, First Advantage Corporation, a Delaware corporation, announced financial results for the quarter ended September 30, 2005. 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 October 25, 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.

FIRST ADVANTAGE CORPORATION

Date: October 25, 2005

By: /s/ John Lamson

Name: John Lamson

Title: Executive Vice President and Chief Financial Officer



100 Carillon Parkway • St. Petersburg, FL 33701

NEWS FOR IMMEDIATE RELEASE

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**FIRST ADVANTAGE CORPORATION REPORTS
OPERATING RESULTS FOR THE THIRD QUARTER OF 2005**

ST. PETERSBURG, Fla., Oct. 25, 2005—**First Advantage Corporation (NASDAQ: FADV)**, a global risk mitigation and business solutions provider, today announced operating results for the third quarter of 2005.

First Advantage reported net income of \$16.0 million (30 cents per diluted share) for the quarter ended Sept. 30, 2005. Net income was \$13.0 million (26 cents per diluted share) for the quarter ended Sept. 30, 2004.

Revenues for the company were \$169.9 million and \$134.1 million for the quarters ended Sept. 30, 2005, and Sept. 30, 2004, respectively.

Earnings before interest, taxes, depreciation and amortization (EBITDA) were \$35.1 million and \$28.7 million for the quarters ended Sept. 30, 2005, and Sept. 30, 2004, respectively.

“We are very pleased to report our third quarter operating results, inclusive of the Credit Information Group (CIG) we recently acquired from our parent company, The First American Corporation”, said John Long, chief executive officer of First Advantage Corporation. “The operating results for the quarter demonstrate the earnings and cash flow potential of the combined companies, which we intend to leverage to pursue future opportunities.”

In addition to CIG, First Advantage also acquired Phoenix Research Corporation, Jenark Business Systems, Inc. and Recruiternet, Inc. during the third quarter, and Road Manager Financial Services, Inc. and True Data Partners in October. In September, First Advantage also entered into a \$225 million senior secured credit facility with a syndicate of financial institutions led by Banc of America, which will be used to refinance existing debt, support future acquisitions and provide ongoing working capital.

Management estimates that diluted earnings per share will be in the range of 22 cents to 26 cents for the fourth quarter ending Dec. 31, 2005.

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First Advantage's third quarter results will be discussed in more detail on Tuesday, Oct. 25, 2005, at 5:00 p.m. ET, via teleconference and webcast. The teleconference dial-in number is 888.566.0007 within the United States and 312.470.0008 outside the U.S. The teleconference pass code is "Advantage". The live audio webcast of the call will be accessible on the Investor Relations section of First Advantage's website at www.FADV.com. An audio replay of the teleconference call will be available through Nov. 2, 2005, by dialing 800.645.7417 within the United States, or 402.220.0256 outside the U.S. An audio archive of the webcast will also be available for replay on First Advantage's website following the call.

First Advantage will host an Investor's Half-Day at the NASDAQ MarketSite in New York City on Wednesday, Nov. 9, 2005 to provide analysts and investors with the opportunity to hear the company's continuing growth strategy, operational plans and most recent financial results. Additionally, the company will provide 2006 earnings guidance. Attendance is by registration only; however, the media and general public are welcome to listen via webcast beginning at 8:05 a.m. ET from the Investor Relations section of the company's website at www.FADV.com. A replay of the webcast will also be made available on the company's website shortly after the conclusion of the live presentation.

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Summary Income Statement (Unaudited)

	Three Months Ended Sept. 30,		Nine Months Ended Sept. 30,	
	2005	2004	2005	2004
Service revenue	\$157,746,000	\$122,865,000	\$437,022,000	\$356,526,000
Reimbursed government fee revenue	12,200,000	11,208,000	36,669,000	33,569,000
Total revenue	169,946,000	134,073,000	473,691,000	390,095,000
Cost of service revenue	49,881,000	37,219,000	133,026,000	112,901,000
Government fees paid	12,200,000	11,208,000	36,669,000	33,569,000
Total cost of sales	62,081,000	48,427,000	169,695,000	146,470,000
Gross margin	107,865,000	85,646,000	303,996,000	243,625,000
Salaries and benefits	46,646,000	37,018,000	130,308,000	105,876,000
Facilities and telecommunications	6,205,000	5,125,000	18,974,000	14,991,000
Other operating expenses	20,193,000	15,323,000	57,845,000	49,601,000
Depreciation and amortization	6,685,000	5,878,000	19,085,000	17,134,000
Income from operations	28,136,000	22,302,000	77,784,000	56,023,000
Interest (expense) income:				
Interest expense	(1,580,000)	(714,000)	(4,115,000)	(1,665,000)
Interest income	22,000	150,000	48,000	567,000
Interest (expense) income, net	(1,558,000)	(564,000)	(4,067,000)	(1,098,000)
Equity in earnings in investee	280,000	349,000	1,232,000	986,000
Income before income taxes	26,858,000	22,087,000	74,949,000	55,911,000
Provision for income taxes	10,835,000	9,125,000	32,251,000	23,067,000
Net income	\$ 16,023,000	\$ 12,962,000	\$ 42,698,000	\$ 32,844,000
Per share amounts:				
Basic earnings per share	\$.30	\$.26	\$.82	\$.67
Basic weighted-average shares outstanding	53,200,609	49,683,345	52,132,551	49,318,123
Diluted earnings per share	\$.30	\$.26	\$.81	\$.66
Diluted weighted-average shares outstanding	53,964,766	50,128,761	52,616,858	49,646,664
EBITDA calculation:				
Net income	\$ 16,023,000	\$ 12,962,000	\$ 42,698,000	\$ 32,844,000
Provision for income taxes	10,835,000	9,125,000	32,251,000	23,067,000
Interest expense	1,580,000	714,000	4,115,000	1,665,000
Depreciation and amortization	6,685,000	5,878,000	19,085,000	17,134,000
Earnings before interest, taxes, depreciation and amortization (EBITDA)*	\$ 35,123,000	\$ 28,679,000	\$ 98,149,000	\$ 74,710,000

* EBITDA is not a measure of financial performance under generally accepted accounting principles. EBITDA is used by certain investors to analyze and compare companies.

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Segment Financial Information (Unaudited)

	Three Months Ended Sept. 30, 2005	Three Months Ended Sept. 30, 2004	Nine Months Ended Sept. 30, 2005	Nine Months Ended Sept. 30, 2004
Service revenue				
Lender Services	\$ 43,907,000	\$ 33,870,000	\$128,963,000	\$103,480,000
Data Services	22,100,000	16,678,000	61,860,000	56,794,000
Dealer Services	29,219,000	18,355,000	72,252,000	53,022,000
Employer Services	37,673,000	31,952,000	104,451,000	84,664,000
Multi Family Services	17,544,000	15,711,000	49,134,000	41,838,000
Investigative & Litigation Support Services	8,237,000	6,770,000	23,142,000	18,687,000
Corporate	(934,000)	(471,000)	(2,780,000)	(1,959,000)
Consolidated	<u>\$157,746,000</u>	<u>\$122,865,000</u>	<u>\$437,022,000</u>	<u>\$356,526,000</u>
Income (loss) from operations				
Lender Services	\$ 12,971,000	\$ 9,125,000	\$ 37,596,000	\$ 31,012,000
Data Services	7,206,000	5,102,000	20,956,000	8,541,000
Dealer Services	3,964,000	2,125,000	10,522,000	6,665,000
Employer Services	3,560,000	3,822,000	11,111,000	6,838,000
Multi Family Services	4,824,000	4,498,000	13,594,000	9,982,000
Investigative & Litigation Support Services	353,000	612,000	1,032,000	621,000
Corporate	(4,742,000)	(2,982,000)	(17,027,000)	(7,636,000)
Consolidated	<u>\$ 28,136,000</u>	<u>\$ 22,302,000</u>	<u>\$ 77,784,000</u>	<u>\$ 56,023,000</u>
Operating margin percentage of service revenue				
Lender Services	29.54%	26.94%	29.15%	29.97%
Data Services	32.61%	30.59%	33.88%	15.04%
Dealer Services	13.57%	11.58%	14.56%	12.57%
Employer Services	9.45%	11.96%	10.64%	8.08%
Multi Family Services	27.50%	28.63%	27.67%	23.86%
Investigative & Litigation Support Services	4.29%	9.04%	4.46%	3.32%
Corporate	N/A	N/A	N/A	N/A
Consolidated	<u>17.84%</u>	<u>18.15%</u>	<u>17.80%</u>	<u>15.71%</u>

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 business credit information in the transportation industry; consumer credit information in the mortgage, automotive and subprime markets; motor vehicle record reports; supply chain security consulting; employment background verifications; occupational health services; applicant tracking systems; 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 three companies in all of its major business lines. First Advantage is headquartered in St. Petersburg, Fla., and has more than 3,700 employees in offices throughout the United States and abroad. More information about First Advantage can be found at www.FADV.com.

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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 the nation's largest data provider, supplying businesses and consumers with information resources in connection with 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 the execution of the company's growth strategy, product expansion, future cash flow, and fourth quarter earnings per share, 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 2004 Annual Report on Form 10-K, for a further discussion of these and other risks.

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