

**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 25, 2006

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 April 25, 2006, First Advantage Corporation, a Delaware corporation, announced financial results for the quarter ended March 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 April 25, 2006

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: April 25, 2006

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

First Advantage Contacts:

Renee Svec
Director - Marketing and Communications
727.214.3411, ext. 5212
rsvec@FADV.com

Cindy Williams
Investor Relations Manager
727.214.3411, ext. 5260
clwilliams@FADV.com

**FIRST ADVANTAGE CORPORATION REPORTS OPERATING
RESULTS FOR THE FIRST QUARTER OF 2006**

ST. PETERSBURG, Fla., April 25, 2006—**First Advantage Corporation (NASDAQ: FADV)**, a global risk mitigation and business solutions provider, today announced its operating results for the first quarter ended March 31, 2006.

First Advantage reported net income of \$12.7 million (22 cents per diluted share) for the quarter ended March 31, 2006, compared with net income of \$14.0 million (27 cents per diluted share) for the quarter ended March 31, 2005.

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 ending March 31, 2006, includes share-based compensation expense of \$2.9 million (\$2.2 million after tax), which reduced basic and diluted earnings per share by 4 cents.

Revenues for the company were \$194.3 million compared to \$140.3 million for the quarters ended March 31, 2006, and March 31, 2005, respectively.

Earnings before interest, taxes, depreciation and amortization, minority interest and share-based compensation expense (Adjusted EBITDA) were \$39.5 million and \$30.9 million for the quarters ended March 31, 2006, and March 31, 2005 respectively. EBITDA was \$29.9 million for the quarter ended Dec. 31, 2005.

John Long, chief executive officer, said "Year-over-year EPS comparisons are difficult because of FAS 123R and the increase in infrastructure costs primarily due to the CIG transaction which closed in Sept. 2005. Year-over-year adjusted EBITDA comparisons are easier with growth of \$8.6 million, or 68 cents per share in 2006 from 60 cents per share in the first quarter of 2005."

"We are particularly pleased with the first quarter performance of the Lender Services segment. Additionally, the Investigative and Litigation Support Services segment performed well, which we attribute to the expansion of our electronic discovery and computer forensics business via acquisition in late 2005."

"We also completed several strategic acquisitions in the first quarter of 2006, continuing to expand upon the depth and breadth of our product and service offerings, primarily in the Employer Services segment," said Long. "Our strategy continues to enable us to expand our operations in both the U.S. and the Asia-Pacific region as we garner additional market share."

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Acquisitions in the first quarter included SkillCheck, Inc., an international pre-employment testing and educational skills assessment company; National Data Verification Service, a New England-based employment screening company; and Brooke Consulting, a Tokyo-based regional employment screening company. First Advantage also contracted to purchase Accufacts Pre-Employment Screening, Inc., which specializes in servicing the screening needs of small and mid-sized companies. The completion of this acquisition is subject to approval of Accufacts' shareholders.

Management estimates that diluted earnings per share will be in the range of 26 to 30 cents for the quarter ending June 30, 2006, (30 to 34 cents excluding the impact of share-based compensation expense). Total revenue for the quarter ending June 30, 2006, is expected to be between \$200 million and \$205 million. Adjusted EBITDA for the quarter ending June 30, 2006, is expected to be between \$43 million and \$47 million.

First Advantage's first quarter 2006 results will be discussed in more detail on **Tuesday, April 25, 2006**, at 5:00 p.m. EDT, via teleconference and webcast. The teleconference dial-in number is 888.566.0007 within the U.S. and 312.470.0008 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 website at www.FADV.com. An audio replay of the teleconference call will be available through May 2, 2006, by dialing 800.754.7904 within the U.S., or 203.369.3332 outside the U.S. An audio archive of the webcast will also be available for replay on First Advantage's website following the call.

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Summary Income Statement (Unaudited)

(In thousands, except per share amounts)

	Three Months Ended March 31,	
	2006	2005
Service revenue	\$ 181,219	\$ 128,105
Reimbursed government fee revenue	13,129	12,216
Total revenue	194,348	140,321
Cost of service revenue	56,589	38,162
Government fees paid	13,129	12,216
Total cost of sales	69,718	50,378
Gross margin	124,630	89,943
Salaries and benefits	58,634	39,275
Facilities and telecommunications	7,051	4,994
Other operating expenses	22,551	15,327
Depreciation and amortization	9,210	5,755
Income from operations	27,184	24,592
Interest (expense) income:		
Interest expense	(3,241)	(1,069)
Interest income	140	12
Interest (expense) income, net	(3,101)	(1,057)
Equity in earnings of investee	109	467
Income before income taxes and minority interest	24,192	24,002
Provision for income taxes	10,500	10,010
Income before minority interest	13,692	13,992
Minority interest	947	—
Net income	\$ 12,745	\$ 13,992
Per share amounts:		
Basic earnings per share	\$.23	\$.27
Basic weighted-average shares outstanding	55,997	51,099
Diluted earnings per share	\$.22	\$.27
Diluted weighted-average shares outstanding	57,833	51,380
EBITDA calculation:		
Net income	\$ 12,745	\$ 13,992
Provision for income taxes	10,500	10,010
Minority Interest	947	—
Interest Expense	3,241	1,069
Depreciation and amortization	9,210	5,755
Earnings before interest, taxes, depreciation and amortization (EBITDA)*	\$ 36,643	\$ 30,826
Share based compensation expense	2,850	32
Adjusted EBITDA	\$ 39,493	\$ 30,858
Adjusted EBITDA per diluted share	\$.68	\$.60
Diluted weighted-average shares outstanding	57,833	51,380

* 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.

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Segment Financial Information (Unaudited)

(In thousands, except percentages)	Three Months Ended March 31,		
	2006 As Reported	2006 Proforma w/o Stock Based Comp	2005
Service revenue			
Lender Services	\$ 45,302	\$ 45,302	\$ 39,203
Data Services	35,881	35,881	18,896
Dealer Services	29,629	29,629	19,493
Employer Services	39,662	39,662	29,888
Multifamily Services	16,693	16,693	14,501
Investigative & Litigation Support Services	15,046	15,046	7,006
Corporate	(994)	(994)	(882)
Consolidated	<u>\$ 181,219</u>	<u>\$ 181,219</u>	<u>\$ 128,105</u>
Income (Loss) from operations			
Lender Services	\$ 13,481	\$ 13,656	\$ 11,781
Data Services	9,635	9,862	6,285
Dealer Services	3,928	4,022	3,396
Employer Services	2,338	2,796	2,344
Multifamily Services	3,204	3,435	3,655
Investigative & Litigation Support Services	3,069	3,186	185
Corporate	(8,471)	(6,923)	(3,054)
Consolidated	<u>\$ 27,184</u>	<u>\$ 30,034</u>	<u>\$ 24,592</u>
Operating margin percentage of service revenue			
Lender Services	29.76%	30.14%	30.05%
Data Services	26.85%	27.49%	33.26%
Dealer Services	13.26%	13.57%	17.42%
Employer Services	5.89%	7.05%	7.84%
Multifamily Services	19.19%	20.58%	25.21%
Investigative & Litigation Support Services	20.40%	21.18%	2.64%
Corporate	N/A	N/A	N/A
Consolidated	<u>15.00%</u>	<u>16.57%</u>	<u>19.20%</u>

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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 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 3,800 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 international expansion, execution of growth strategy, expansion of service offerings, estimated diluted earnings per share in second quarter 2006, estimated impact of stock based compensation expense on second quarter 2006 diluted earnings, and estimated revenue and adjusted EBITDA in second quarter 2006 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, for a further discussion of these and other risks.

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