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ResCare, Inc. Q4 2007 Earnings Call Transcript

Earnings Call Excerpt

ResCare, Inc. (RSCR)

Q4 2007 Earnings Call

March 11, 2008 9:00 am ET

Executives

Ralph Gronefeld - President and Chief Executive Officer

David Miles - Chief Financial Officer

Derwin Wallace - Director of Investor Relations

Analysts

Kevin Ellich - RBC Capital Markets

Kevin Campbell - Avondale

Richard Close - Jefferies and Company

Jim Macdonald - First Analysis

Greg Williams - Sidoti & Company

Eugene - BB&T Capital Markets

Hank Ralsh - Liberty Mutual

Presentation

Operator

Ladies and gentlemen, thank you for standing by and welcome to the ResCare, Inc. earnings conference call. (Operator Instructions) And as a reminder this conference is being recorded Tuesday, March 11, 2008. And I would now like to turn the conference over to Ralph Gronefeld, President and Chief Executive Officer. Please go ahead sir.

Ralph Gronefeld

Thank you Jennifer. Good morning and welcome to the conference call reviewing ResCare's results for the fourth quarter and year ended December 31, 2007.

I'm here today with David Miles, our Chief Financial Officer and Derwin Wallace, our Director of Investor Relations who will now present our forward-looking statements. Derwin?

Derwin Wallace

We provided notice of this call in a public news release and we welcome those joining us through the simulcast web transmission.

Our fourth quarter and year-end 2007 earnings release has been distributed to the financial media, filed with the SEC and is posted on our website rescare.com.

From time to time ResCare makes forward-looking statements in its public disclosures including statements relating to expected financial results, revenues that might be expected from new or acquired programs and facilities, its development and acquisitions activities, reimbursement under federal and state programs, compliance with debt covenants and other risk factors and various trends concerning privatization of government programs. In our filings under the federal security laws including our annual, periodic and current reports, we identify important factors that could cause ResCare's actual results to differ materially from those anticipated in forward-looking statements. Please refer to the discussion of those factors in our filed reports. We also would note that the information being provided today is as of this date only and that ResCare does not assume any responsibility to update those forward-looking comments. Ralph?

Ralph Gronefeld

Thank you Derwin. 2007 was a exciting year for us. We improved the profitability of our employment training services segment and grew community services segment revenues by 15%.

We completed 12 acquisitions in total adding projected annualized revenues of approximately \$130 million. These acquisitions will help to expand our services to greater populations and diversify our revenue strength.

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