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TechTeam Global Inc. Q4 2007 Earnings Call Transcript

Earnings Call Excerpt

TechTeam Global Inc. (TEAM)

Q4 2007 Earnings Call

February 19, 2008 4:30 pm ET

Executives

Marc Lichtman - VP and CFO

Gary Cotshott - President and CEO

Chris Brown - Former President and CEO

Analysts

Tim Brown-Roth Capital

Nelson Obis - Winfield Capital

Presentation

Operator

Good day ladies and gentlemen and welcome to the fourth quarter 2007 TechTeam Global Earnings Call. My name is Betsy and I will be your coordinator for today. (Operators instructions)

I would now like to turn the presentation over to your host for today's call Mr. Marc Lichtman Vice President and Chief Financial Officer. Please proceed sir.

Marc Lichtman

Thank you, Betsy and good afternoon every one. Thank you for joining us today for TechTeam Global's fourth quarter 2007 earnings conference call. A copy of our complete press release issued earlier today is available on our company's website techteam.com in the investors section. With me today on the call is Gary Cotshott our new President and Chief Executive Officer and Director and Chris Brown our former President and CEO and current Director.

Before we begin I would like to remind our listeners once again that certain matters that we may be discussing today, including, but not limited to the discussion of the company's business strategies,

business developments and future performance, as well as statements of expectation and belief consist of forward-looking statements. Actual results may vary materially from these statements. These forward looking statements are affected by many factors, including, but not limited to the factors set forth in our press release issued today, as well as the other risk factors disclosed in the company's reports filed with the U.S. Securities and Exchange Commission, including our form 10-K for 2006. We recommend that you review these risk factors as you make your investment decisions.

Today TechTeam reported net income of \$0.17 per diluted share for the fourth quarter of 2007 compared to net income of \$0.12 per diluted share for the same period in 2006 an increase of about 50%. For the full year of 2007 the company more than tripled net income and reported \$0.60 per diluted share compared to net income of \$0.18 per diluted share for fiscal 2006. Fiscal 2006 included unusual expenses related to a proxy contest, legal settlement and asset impairment and reduced 2006 net income by \$0.18 per share.

TechTeam reported revenue of \$64.3 million for the fourth quarter of 2007, the company's 5th consecutive quarter of record revenue. This represents an increase of 46.6% from the same period in 2006. Excluding revenue contributed by three acquisitions completed in 2007, total revenue during the quarter was \$51.6 million, representing growth in the base business or organic growth of 17.6%.

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