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## King Pharmaceuticals, Inc. Q4 2008 Earnings Call Transcript

### Question-and-Answer Session

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#### **Operator**

Thank you, Mr. Markison. The floor is now open for questions. (Operator's instructions).

Thank you, our first question comes from Greg Gilbert of Bank of America. You may state your question.

#### **Gregory Gilbert – Bank of America**

Thanks, good morning. First, on Brian, any reason to believe that the FDA could act on Embeda before the meeting next month on risk management of opioids or do you see that as a relevant data point as a surprise to Embeda?

#### **Brian Markison**

Greg, thank you for the question. Since the meeting is on March 3rd, I'm not quite sure we're going to see anything before that date, but I'm hopeful that we'll see something shortly thereafter.

#### **Gregory Gilbert – Bank of America**

But do you think it's a relevant data point for the review of Embeda, regardless of how little time that exist between now and then?

#### **Brian Markison**

Yes, but I really don't think so because the meeting on March 3rd is really for the currently approved opioids. By having said that I think all of this is related in some fashion but the March 3rd meeting again is really focused on products that are on the market today.

#### **Gregory Gilbert – Bank of America**

Okay. Next is for Joe. What is your cash flow guidance for the year assume about Skelaxin?

#### **Joseph Squicciarino**

Good question, Greg. We still have it in the forecast for the full year, but given a lower level of promotion that we will be putting behind it. We have taken it down.

#### **Gregory Gilbert – Bank of America**

Okay, and should we assume that if it does go generic sooner that you hoped, that there are additional cost cutting initiative or what you laid out today is what we're going to see for '09 regardless of what happens to Skelaxin?

**Joseph Squicciarino**

Now, what we shared with you today is what we envisioned under any scenario that would play out relative to Skelaxin as far as cost reduction goes. So we're not planning anymore if it were to go sooner.

**Gregory Gilbert – Bank of America**

Okay, thanks. I'll jump back in.

**Operator**

Our next question comes from Corey Davis of Natixis. Please state your question.

**Corey Davis – Natixis Bleichroeder**

Thanks very much. Probably for Joe first. It's tricky for us to come up with a cash EPS number. So, first question is – Am I correct in assuming that when you report the next several quarters that you're not going to give us a cash EPS that excludes amortization and excludes that additional expense you cited for the convert accounting?

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