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Career Education Corp. Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from Jerry Herman – Stifel Nicolaus & Company, LLC.

Jerry Herman – Stifel Nicolaus & Company, LLC

Mike, I'm wondering if you can maybe help us with regard to the restructuring charges, how they hit each of the individual line items in P&L, educational services, G&A and so on and so forth just to get some guidance with regard to '09 modeling?

Michael J. Graham

If you look at the \$7.1 million of charges this year, for the most those are all within the general and administrative line.

Jerry Herman – Stifel Nicolaus & Company, LLC

How about the full year numbers Mike?

Michael J. Graham

We'll talk later. I'll give you some information later. I don't have the full year detail in front of me in terms of each line item by each segment because I would image you'd need it by segment as well?

Jerry Herman – Stifel Nicolaus & Company, LLC

That would be helpful. Then maybe directionally can you talk a little bit more specifically about the segments. You guys did a good job in the investor day talking about where your goals will be for 2010. Gary, could your reference directionally where those trends are for '09? I guess you enter '09 with some pretty good momentum in online and healthcare. I guess one question would be how bad should it get in culinary and how much deterioration might there be in art & design?

Gary E. McCullough

I'll probably answer this more broadly than you are looking for. I would tell you that our focus continues to be on driving revenue growth and start growth in our online business. We clearly think that's an area of focus as we move forward in the company we've got to make that happen. When you look at health we intend to continue to expand in our healthcare business. Our start up efforts

are primarily focused in our healthcare business based upon our geographic presence and the opportunities we see available in the marketplace.

When you look at what's happening in our culinary business, we continue to like culinary, it's been a good business over the course of the years. As we said early in the year when the student lending issues began to happen, it affords us the opportunity to look at our student base, make the appropriate changes to grow the business in the future. We're executing against that right now.

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