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Chart Industries Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Your first question comes from the line of Jeff Spittel from Natixis Bleichroeder. Your line is now open.

Jeff Spittel - Natixis Bleichroeder

First question regarding large scale LNG. I appreciate the color, talking about project delays. As you look out there, are you expecting at this point any final investment decisions before 2009 at this point?

Samuel Thomas

Before 2010, Jeff?

Jeff Spittel - Natixis Bleichroeder

Yes, I am sorry, Sam, thanks.

Samuel Thomas

Yes, our customers have indicated that they expect a second half of 2009 final investment decision on several of the Australian, Papa New Guinea projects.

Jeff Spittel - Natixis Bleichroeder

Okay.

Samuel Thomas

So in the Pacific regions, there are engineering projects going forward, trying to reach final investment decisions targeted for 2009.

Jeff Spittel - Natixis Bleichroeder

Okay. And I guess a follow up on the LNG market for Energy World Corp., I am assuming that in your guidance, you aren't assuming that you get any incremental orders for their expansion plans that I guess they've deferred for now?

Samuel Thomas

There is anticipation. We expect no sales or operating income benefit, Energy World orders during 2009.

Jeff Spittel - Natixis Bleichroeder

Okay. And then I guess finally, on the air cooled heat exchanger market, as the natural gas rig count in America... in North America has come down pretty substantially, are you starting to see some of the pain there in terms of order flow year-to-date in 2009 versus the fourth quarter?

Samuel Thomas

It appears to be coming down, but slowly because the on-drilling that's already been accomplished or is underway, there are still completion and compression stations to get it into the pipeline being let (ph).

Jeff Spittel - Natixis Bleichroeder

Sure.

Samuel Thomas

Our customer base there seems to feel that that will continue in 2009, although I would expect to see it tapering off.

Jeff Spittel - Natixis Bleichroeder

Okay. Thanks guys, I appreciate it.

Michael Biehl

Thank you, Jeff.

Operator: Your next question comes from the line of Greg McKinley from Dougherty. Your line is now open.

Gregory McKinley - Dougherty & Company

Guys, I am wondering if could talk a little bit more about your operating expense flexibility. What specific actions have been taken to date? And given the actions that you've taken, what type of sort of quarterly run rate do you believe you are on right now for G&A?

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