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Mobile Mini Q4 2008 Earnings Call Transcript

Question-and-Answer Session

Operator

Thank you. (Operator Instructions). Your first question comes from the line of Adrienne Colby of Deutsche Bank.

Adrienne Colby - Deutsche Bank Securities, Inc.

Thanks for taking my question. Excluding some of the restructuring expenses in the goodwill impairment, your SG&A came down considerably as a percent of revenue. I understand that you aren't giving specific guidance going-forward. But if you could give us some indication that you think that the current run rate is something that's sustainable.

Mark Funk

Well, thanks for the question, Adrienne; this is Mark. I would say it's sustainable... but a lot depends as a percentage based on kind of the top line as far as revenue if you are looking at SG&A as a percentage.

Adrienne Colby - Deutsche Bank Securities, Inc.

Yeah.

Steven Bunger

Our goal is to try to maintain the margin as best as possible. If the revenues come down, we've identified the variable cost items that we'll take out, so that we could maintain margins.

Adrienne Colby - Deutsche Bank Securities, Inc.

Okay. It really looks like it's trending as a sort of percent of revenue, 5% below what your average has been for quite some time, so really a significant change.

Steven Bunger

That's really the power of the merger. Because when we combine the two businesses, we basically took out a lot of fixed costs that were duplicate between the two businesses and just added the revenue on top of our existing cost structure. So, that's really the operating leverage of the business when we combine the two business.

Adrienne Colby - Deutsche Bank Securities, Inc.

Okay, great. And if I could just ask one more, could you give us the breakdown of your offices at year end of the 94 geographically?

Mark Funk

I am sorry geographically, yes it's 74 in the U.S., 2 in Canada, 17 in UK and 1 in the Netherlands.

Adrienne Colby - Deutsche Bank Securities, Inc.

Great, thank you very much.

Mark Funk

And in addition obviously we have operationally... you've talked about.

Adrienne Colby - Deutsche Bank Securities, Inc.

Sure.

Mark Funk

Those are 24.

Adrienne Colby - Deutsche Bank Securities, Inc.

Thank you.

Mark Funk

Yup.

Operator

Your next question comes from the line of Ted Kundtz of Needham Company.

Theodor Kundtz - Needham & Company, Inc

Yes. Hello Steve and Mark.

Steven Bungler

Hi.

Theodor Kundtz - Needham & Company, Inc

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