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## Cracking the CEO's Code

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## Cracking the CEO's Code

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| <b>When he says:</b>   | <b>What he means is:</b>  |
|--|---|
| We had positive results  | Our losses were less than last year.  |
| Our objective is to grow our earnings.   | We'll increase them somehow, if the fertilizer works.   |
| The company had a strong turnaround.   | The rate of losses was less than a year earlier.  |
| We had the strongest fourth quarter ever.  | Don't quibble about the losses in the first three quarters.   |
| Continuing operations showed strong results.   | But, oh, those discontinued ones really cost us.  |
| We faced unprecedented economic, political and structural shifts.                          | It's a tough world out there, but we're trying to cope the best we can.                                 |
| We had an excellent year before special charges.   | Finally, cutting the bureaucracy cost us in net and per share, or we had to write down some dumb moves. |
| We had solid operating performance in a difficult year.                                    | Yes, we lost money and market share, but look how hard we tried.  |
| It was a turbulent year.   | We eliminated 10,000 jobs; sold four divisions; closed two.   |
| Profits were in our forecasted range.  | We missed our goal but came close. Hang in.   |
| The year was a challenge.  | Competitors are eating our lunch.   |
| Profits rose 23%.  | So, it was a minuscule \$1 million.   |
| We anticipate annual cost savings of \$15 million once restructuring is fully implemented. | Focus on the big picture— <i>not</i> on the \$45 million pretax it's costing us short-term.             |
| We're sizing the cost base.  | Finally, we're figuring out what these units are costing us.  |
| It was a year in which we confronted challenges.   | We now know the questions even if we haven't all the answers.   |

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