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**EDUCATION MANAGEMENT CORPORATION ANNOUNCES NEW
ART INSTITUTE LOCATION IN INDIANAPOLIS**
First Classes Set for January 2006

(INDIANAPOLIS – October 3, 2005) Education Management Corporation (NASDAQ: EDMC) today announces the addition of The Art Institute of Indianapolis to its Art Institutes system of schools.

The school will immediately begin enrolling students for a January 9, 2006 class start.

The Art Institute of Indianapolis will initially offer bachelor's degree programs in graphic design, interactive media design, and interior design; and an associate's degree program in graphic design.

"The Art Institute of Indianapolis will offer curricula that complements the demand for arts education in the Indiana region," says John R. McKernan, Jr., CEO. "We are confident that the school will enable students to achieve their professional aspirations while making a meaningful contribution to their communities."

Classes will be held at the newly refurbished Pyramids complex at 3500 DePauw Boulevard on the north side of Indianapolis. The Art Institute of Indianapolis will encompass nearly 50,000 square-feet within the complex, making it the city landmark's largest tenant.

"We are thrilled to bring our flagship school to Indiana's capitol city," said Tony Mediate, newly-appointed president of The Art Institute of Indianapolis. "We've been welcomed by local and legislative officials, as well as the Indianapolis arts, design, and business communities. It is our aim to become an integral part of the educational landscape here."

Mayor Bart Peterson said the school will enhance the city's already prestigious higher education community and contribute to economic revitalization efforts. "The Art Institutes have an outstanding national reputation as educators as well as corporate citizens," Peterson said. "We're happy to count them as our newest northwest side neighbors."

Mickey Maurer, CEO of Indiana Economic Development Corporation credited EDMC's recognition of Hoosier potential as the reason for making the Indianapolis campus the corporation's fifth investment in Indiana. "We're excited to be home to the newest Art Institute, and delighted to know that national corporations like EDMC view Indiana as a good investment in their future," Maurer said.

Since May, Mediate and other EDMC executives have been hard at work forging relationships among Indiana businesses, economic development entities, community groups and high school programs. Ike Randolph, City-County Councilman for Pike Township, said he was pleasantly surprised that such a large corporation would devote so much time to meeting its new neighbors.

"I am thrilled to see such a significant investment on the city's north side, and I'm impressed with the commitment EDMC is showing," Randolph said. "I look forward to seeing them grow in Pike Township."

The Art Institute of Indianapolis is accredited by the Accrediting Commission of Career Schools and Colleges of Technology, 2101 Wilson Blvd., Suite 302; Arlington, Va. 22201; 703-247-4212, and licensed by the Indiana Commission on Proprietary Education, 302 W. Washington St., Room E-201, Indianapolis, IN 46204-2767; 317-232-1320.

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The Art Institutes system of 31 education institutions is located throughout North America, providing an important source of design, media arts, fashion and culinary professionals. The Art Institutes system of schools has provided career-oriented education programs for more than 40 years. For more information visit The Art Institutes website at www.artinstitutes.edu.

The parent company of The Art Institutes, Education Management Corporation (www.edmc.com), is among the largest providers of private post- secondary education in North America, based on student enrollment and revenue. Student enrollment exceeded 66,000 as of fall 2004. EDMC has 71 primary campus locations in 24 states and two Canadian provinces. EDMC education institutions offer a broad range of academic programs concentrated in the media arts, design, fashion, culinary arts, behavioral sciences, health sciences, education, information technology and business fields, culminating in the award of associate's through doctoral degrees.

This press release may include information that could constitute forward- looking statements made pursuant to the safe harbor provision of the Private Securities Litigation Reform Act of 1995. Any such forward-looking statements may involve risk and uncertainties that could cause actual results to differ materially from any future results encompassed within the forward-looking statements. Factors that could cause or contribute to such differences include those matters disclosed in Education Management Corporation's Securities and Exchange Commission filings. Past results of EDMC are not necessarily indicative of its future results. EDMC does not undertake any obligation to update any forward-looking statements.

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