

Duke's Fuqua School of Business / CFO Magazine Business Outlook

Results for Asian firms (own-firm changes expected during the next 12 months)

	Dec 2008	Sept 2008	June 2008	March 2008
	Expected growth in next 12 months	Expected growth in next 12 months	Expected growth in next 12 months	Expected growth in next 12 months
<b>Weighted Averages for Earnings growth*</b>	-7.0%	+6.3%	+10.3%	+17.5%
<b>Capital spending</b>	-8.7%	+7.6%	+6.7%	+21.6%
<b>Technology spending</b>	-2.7%	+4.8%	+4.3%	+9.7%
<b>Advertising and marketing spending</b>	-1.4%	+3.9%	+1.8%	+8.1%
<b>Employment</b>	-0.5%	+7.5%	+3.3%	+7.7%
<b>Outsourced Employment</b>	+0.9%	+3.6%	+2.3%	+2.2%
<b>Wages and Salaries</b>	+4.4%	+6.6%	+6.2%	+9.2%
<b>Productivity</b>	+1.7%	+4.7%	+5.3%	+5.5%
<b>Inflation (Chg in prices of own-firm products)</b>	-4.0%	+1.5%	+4.5%	+3.5%
<b>Health Care Costs</b>	+3.3%	+4.5%	+4.5%	+6.7%
<b>Dividends*</b>	-5.8%	+0.5%	+3.7%	+7.2%
<b>Share Repurchases*</b>	+0.8%	+0.8%	0.0%	+0.2%
<b>Cash on balance sheet*</b>	-4.7%	+0.2%	+3.4%	+14.8%
<b>Mergers and Acquisitions</b>	Not asked	37.3% plan to acquire. 10.0% plan to sell part or all of firm.	Not asked	29.1% plan to acquire. 9.3% plan to sell part or all of firm.

\* indicates public firms only. All other numbers for all survey respondents (including private)

## ASIA BUSINESS OPTIMISM

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	Dec 2008	Sept 2008	June 2008	March 2008
	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.	Compared to last qtr.
<b>Optimism about the country's economy</b>	More optimistic: 5.6%	More optimistic: 26.7%	More optimistic: 21.0%	More optimistic: 38.0%
	Less optimistic: 85.0%	Less optimistic: 59.0%	Less optimistic: 61.7%	Less optimistic: 43.4%
	No change: 9.4%	No change: 14.3%	No change: 17.3%	No change: 18.5%
<b>Optimism about own company</b>	More optimistic: 14.3%	More optimistic: 40.7%	More optimistic: 34.0%	More optimistic: 49.5%
	Less optimistic: 72.2%	Less optimistic: 43.1%	Less optimistic: 45.7%	Less optimistic: 29.9%
	No change: 13.5%	No change: 16.3%	No change: 20.4%	No change: 20.6%

### Top Concerns for Asian Businesses

#### MACRO CONCERNS

- Consumer Demand
- Credit Markets / Interest Rates
- Foreign Currency Volatility
- Health of the Financial / Banking System

#### INTERNAL TO OWN FIRM

- Ability to Forecast Results
- Counterparty Risk / Concerns about Buyers' Ability to Pay
- Maintaining Morale / Productivity During Economic Downturn
- Attracting and Retaining Qualified Employees