

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

Results for 159 Asian (non-Japanese) firms (own-firm changes expected during the next 12 months)

| | Sept 2013 | June 2013 | Mar 2013 | Dec 2012 | Sept 2012 |
|--|-----------------------------------|-----------------------------------|--|-----------------------------------|-----------------------------------|
| Weighted Averages for | Expected growth in next 12 months | Expected growth in next 12 months | Expected growth in next 12 months | Expected growth in next 12 months | Expected growth in next 12 months |
| Earnings growth* | -0.9% | 4.2% | 6.3% | 2.4% | 4.7% |
| Capital spending | 3.3% | 6.3% | 5.1% | 4.1% | 7.5% |
| Technology spending | 3.2% | 3.7% | 8.7% | 7.2% | 13.7% |
| R&D spending | 2.8% | 1.7% | 5.4% | 4.0% | 4.6% |
| Advertising and marketing spending | 3.1% | 1.0% | 4.3% | 2.0% | 1.8% |
| Employment – full-time | -1.1% | 0.5% | 5.9% | 4.00% | 2.6% |
| Employment – temporary | -7.3% | -3.2% | -0.1% | 3.1% | 3.2% |
| Outsourced Employment | 1.6% | -1.4% | 5.0% | 3.4% | 8.1% |
| Wages and Salaries | 4.3% | 4.1% | 8.0% | 7.1% | 7.2% |
| Productivity | 1.6% | 2.1% | 5.8% | 3.6% | 3.9% |
| Inflation (Chg in prices of own-firm products) | -1.3% | -0.5% | 3.0% | 1.6% | 2.5% |
| Health Care Costs | 2.6% | 2.5% | 2.8% | 2.7% | 3.7% |
| Dividends* | -0.3% | 3.0% | 5.9% | -0.6% | 4.2% |
| Share Repurchases* | 1.4% | 0.8% | 1.7% | 0.0% | 15.1% |
| Cash on balance sheet* | -5.8% | -0.3% | 7.0% | -2.8% | -5.2% |
| Mergers and Acquisitions | Not asked. | Not asked. | 29.8% plan to acquire; Foreign targets in 30.8% of acq. | Not asked. | Not asked. |
| Revenue | 8.3% | 6.6% | 11.1% | 9.5% | 5.9% |

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

ASIA BUSINESS OPTIMISM

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| | Sept 2013 | Jun 2013 | Mar 2013 | Dec 2012 | Sept 2012 |
|---|---|---|---|---|---|
| | Compared to last qtr. | Compared to last qtr. | Compared to last qtr. | Compared to last qtr. | Compared to last qtr. |
| Optimism about the country's economy | More opt: 22.9% Less opt: 60.5% No chg: 16.6% | More opt: 45.9% Less opt: 30.4% No chg: 23.8% | More opt: 43.2% Less opt: 32.9% No chg: 23.9% | More opt: 37.1% Less opt: 40.0% No chg: 23.0% | More opt: 32.7% Less opt: 46.5% No chg: 20.9% |
| Country optimism level | 54.3 | 61.3 | 61.1 | 62.3 | 59.7 |
| Optimism about own company | More opt: 36.1% Less opt: 38.7% No chg: 25.2% | More opt: 47.3% Less opt: 32.4% No chg: 20.3% | More opt: 52.9% Less opt: 30.3% No chg: 16.8% | More opt: 39.3% Less opt: 37.1% No chg: 23.7% | More opt: 43.7% Less opt: 33.5% No chg: 22.8% |
| Own company optimism level | 62.2 | 63.5 | 64.1 | 64.0 | 64.4 |

Top Concerns for Asian Businesses

MACRO CONCERNS

- Consumer Demand
- Government policy
- Price pressure from competitors
- Currency risk

INTERNAL TO OWN FIRM

- Ability to maintain margins
- Attracting and retaining qualified employees
- Ability to forecast results
- Maintaining morale/productivity