

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

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

| | Dec 2009 | Sep 2009 | May 2009 | Feb 2009 | Dec 2008 |
|---|--|--|--|---|--|
| Weighted Averages for Earnings growth* | 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 |
| | 24.3% | 1.4% | 3.3% | -8.5% | -7.0% |
| Capital spending | 16.0% | 0.7% | -3.4% | -9.4% | -8.7% |
| Technology spending | 8.0% | 1.1% | 0.7% | -5.7% | -2.7% |
| R&D spending | 5.7% | 1.7% | 2.0% | Not asked. | Not asked. |
| Advertising and marketing spending | 6.4% | 0.1% | -3.7% | -7.6% | -1.4% |
| Employment | 4.9% | 0.1% | -1.4% | -3.2% | -0.5% |
| Outsourced Employment | 7.5% | -0.2% | 0.8% | -8.0% | +0.9% |
| Wages and Salaries | 6.4% | 5.2% | 3.0% | 1.7% | +4.4% |
| Productivity | 6.3% | 2.2% | 1.4% | 1.1% | +1.7% |
| Inflation (Chg in prices of own-firm products) | 2.6% | -0.4% | -0.9% | -3.9% | -4.0% |
| Health Care Costs | 5.5% | 3.9% | 1.1% | 4.6% | +3.3% |
| Dividends* | 17.8% | 5.2% | -2.2% | -12.5% | -5.8% |
| Share Repurchases* | 0.0% | 0.0% | 0.1% | 0.4% | +0.8% |
| Cash on balance sheet* | 0.2% | 2.2% | 7.2% | 1.2% | -4.7% |
| Mergers and Acquisitions | Not asked. | Not asked. | Not asked. | 15.3% plan to acquire. 10.6% plan to sell part or all of firm. | Not asked. |

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

ASIA BUSINESS OPTIMISM

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| | Dec 2009 | Sep 2009 | May 2009 | Feb 2009 | Dec 2008 |
|---|--|--|--|--|--|
| | 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 optimistic: 74.0% Less optimistic: 13.8% No change: 12.3% | More optimistic: 74.7% Less optimistic: 9.8% No change: 15.5% | More optimistic: 62.5% Less optimistic: 21.8% No change: 15.7% | More optimistic: 14.0% Less optimistic: 73.1% No change: 12.8% | More optimistic: 5.6% Less optimistic: 85.0% No change: 9.4% |
| Optimism about own company | More optimistic: 72.4% Less optimistic: 17.7% No change: 9.9% | More optimistic: 68.9% Less optimistic: 14.0% No change: 17.1% | More optimistic: 56.3% Less optimistic: 23.5% No change: 20.2% | More optimistic: 16.9% Less optimistic: 62.8% No change: 20.2% | More optimistic: 14.3% Less optimistic: 72.2% No change: 13.5% |

Top Concerns for Asian Businesses

MACRO CONCERNS

- Price Pressure
- Consumer Demand
- Domestic Competition
- Government Policy

INTERNAL TO OWN FIRM

- Margin Maintenance
- Attracting and Retaining Qualified Employees
- Ability to Forecast Results
- Maintaining Morale / Productivity