

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

Results for 236 Asian firms (own-firm changes expected during the next 12 months)

	Mar 2012	Dec 2011	Sept 2011	Jun 2011	Mar 2011
<b>Weighted Averages for Earnings growth*</b>	<b>Expected growth in next 12 months</b>	<b>Expected growth in next 12 months</b>	<b>Expected growth in next 12 months</b>	<b>Expected growth in next 12 months</b>	<b>Expected growth in next 12 months</b>
<b>Earnings growth*</b>	4.9%	10.6%	8.18%	9.47%	11.64%
<b>Capital spending</b>	10.7%	5.2%	11.13%	8.34%	11.76%
<b>Technology spending</b>	3.0%	3.8%	10.83%	9.11%	6.08%
<b>R&amp;D spending</b>	12.4%	5.7%	7.17%	5.74%	6.61%
<b>Advertising and marketing spending</b>	2.1%	4.3%	4.84%	5.92%	7.24%
<b>Employment – full-time</b>	3.8%	5.4%	6.89%	7.09%	7.94%
<b>Employment – temporary</b>	1.1%	3.9%	1.64%	-0.13%	3.58%
<b>Outsourced Employment</b>	-0.6%	5.5%	2.37%	1.68%	3.16%
<b>Wages and Salaries</b>	7.9%	6.5%	7.54%	10.46%	7.73%
<b>Productivity</b>	4.5%	4.9%	5.93%	4.23%	5.59%
<b>Inflation (Chg in prices of own-firm products)</b>	0.1%	0.1%	3.24%	3.33%	3.96%
<b>Health Care Costs</b>	5.3%	2.3%	3.19%	5.71%	3.64%
<b>Dividends*</b>	-2.4%	10.7%	4.60%	1.51%	6.13%
<b>Share Repurchases*</b>	0.1%	0.1%	-0.37%	0.00%	0.12%
<b>Cash on balance sheet*</b>	-1.5%	5.1%	6.23%	2.09%	2.10%
<b>Mergers and Acquisitions</b>	32.9% plan to acquire. 15.2% plan to sell part or all of firm.	Not asked.	Not asked.	Not asked.	35.06% plan to acquire. 15.41% plan to sell part or all of firm.
<b>Revenue</b>	10.9%	10.9%	14.10%	16.19%	Not asked.

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

**ASIA BUSINESS OPTIMISM**  
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	<b>Mar 2012</b>	<b>Dec 2011</b>	<b>Sept 2011</b>	<b>Jun 2011</b>	<b>Mar 2011</b>
	<b>Compared to last qtr.</b>	<b>Compared to last qtr.</b>	<b>Compared to last qtr.</b>	<b>Compared to last qtr.</b>	<b>Compared to last qtr.</b>
<b>Optimism about the country's economy</b>	More opt: 42.5 % Less opt: 36.5% No chg: 21.0%	More opt: 27.0% Less opt: 57.9% No chg: 15.2%	More opt: 32.28% Less opt: 49.54% No chg: 18.18%	More opt: 45.92% Less opt: 33.76% No chg: 20.36%	More opt: 53.11% Less opt: 24.37% No chg: 22.55%
<b>Country optimism level</b>	65.0	57.3	61.23	64.67	72.39
<b>Optimism about own company</b>	More opt: 47.9% Less opt: 30.8% No chg: 21.4%	More opt: 38.7% Less opt: 37.5% No chg: 23.9%	More opt: 40.84% Less opt: 41.75% No chg: 17.41%	More opt: 46.43% Less opt: 30.57% No chg: 23.04%	More opt: 58.12% Less opt: 19.27% No chg: 22.62%
<b>Own company optimism level</b>	65.6	62.8	63.7	66.91	75.87

Top Concerns for Asian Businesses

(Method: weighted average of reverse scale values)

**MACRO CONCERNS**

- Consumer demand
- Price pressure from competitors
- Global financial instability
- Government policy

**INTERNAL TO OWN FIRM**

- Ability to maintain margins
- Ability to forecast results
- Maintaining morale/productivity
- Working capital management