Table of Contents

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

1a. Are you more or less optimistic about your country's economy compared to last quarter?

	Number	Percent	95% CI
1=More optimistic	112	24.1 %	± 3.9 %
0=No change	182	39.1 %	± 4.4 %
-1=Less optimistic	171	36.8 %	± 4.4 %
Total	465	100.0 %	

Mean = -0.13
SD = 0.77

Missing Cases = 4
Response Percent = 99.1 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

1b. Rate your optimism about your country's economy on a scale from 0-100, with 0 being the least optimistic and 100 being the most optimistic.

Minimum = 1

Maximum = 100

Mean = 64.59

Median = 65

Standard Deviation (Unbiased Estimate) = 16.84

95 Percent Confidence Interval Around The Mean = 62.92 - 66.27

Quartiles

1 = 50
2 = 65
3 = 75

Valid Cases = 388
Missing Cases = 81
Response Percent = 82.7%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

2a. Are you more or less optimistic about the financial prospects for your own company compared to last quarter?

	Number	Percent	95% CI
1=More optimistic	223	48.3 %	± 4.5 %
0=No change	138	29.9 %	± 4.1 %
-1=Less optimistic	101	21.9 %	± 3.7 %
Total	462	100.0 %	

Mean = 0.26
SD = 0.80

Missing Cases = 7
Response Percent = 98.5 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

2b. Rate your optimism about the financial prospects for your own company on a scale from 0-100, with 0 being the least optimistic and 100 being the most optimistic.

Minimum = 1

Maximum = 100

Mean = 70.41

Median = 75

Standard Deviation (Unbiased Estimate) = 17.87

95 Percent Confidence Interval Around The Mean = 68.62 - 72.20

Quartiles

1 = 60
2 = 75
3 = 85

Valid Cases = 383
Missing Cases = 86
Response Percent = 81.7%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

3. Relative to 2018, what will be your company's PERCENTAGE CHANGE during 2019? [Unweighted - Winsorized]

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Revenue	9.97	15.68	8.49 - 11.45	5	-35	94.50	433
Capital spending	6.08	17.83	4.35 - 7.80	3	-43.90	62.25	412
Wages/Salaries	5.04	6.75	4.41 - 5.68	3	-15.80	28.36	437
Number of domestic full-time employees	4.38	9.29	3.49 - 5.27	2	-21.10	32.50	417

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

3. Relative to 2018, what will be your company's PERCENTAGE CHANGE during 2019? [Unweighted - Sorted]

(N=469)

	Mean & SD	Positive 1	Zero 0	Negative -1	Total
	0.89	402	21	14	437
Wages/Salaries	0.40	91.99%	4.81%	3.20%	100.00%
	0.77	370	26	37	433
Revenue	0.59	85.45%	6.00%	8.55%	100.00%
Number of domestic	0.48	243	130	44	417
full-time employees	0.68	58.27%	31.18%	10.55%	100.00%
	0.46	254	92	66	412
Capital spending	0.75	61.65%	22.33%	16.02%	100.00%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

3. Relative to 2018, what will be your company's PERCENTAGE CHANGE during 2019? [All Companies - Winsorized - Revenue Weighted - Sorted]

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Capital spending	8.17	16.34	6.58 - 9.76	5	-43.90	62.25	404
Revenue	6.25	10.87	5.22 - 7.28	5	-35	94.50	428

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

3. Relative to 2018, what will be your company's PERCENTAGE CHANGE during 2019? [All Companies - Winsorized - Employee Weighted - Sorted]

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Wages/Salaries	5.08	6.85	4.44 - 5.73	3	-15.80	28.36	433
Number of domestic full-time employees	4.56	9.51	3.64 - 5.47	2	-21.10	32.50	415

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

3. Relative to 2018, what will be your company's PERCENTAGE CHANGE during 2019? [Public Companies - Winsorized - Revenue Weighted]

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Revenue	6.60	11.10	5.51 - 7.69	5	-35	94.50	400

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

4. What are your company's current and year-end forecasts for the following?

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
CURRENT: Long-term borrowing interest rate	4.84	2.65	4.57 - 5.10	4.75	0	29	382
CURRENT: Cash-to-total-assets ratio	17.04	19.83	14.98 - 19.10	10	0	100	357
ANTICIPATED: Long-term borrowing interest rate	5.19	3.58	4.83 - 5.55	5	0	50	375

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

5. We'd like to get a sense of possible variation in your 2019 revenue growth. Please enter the growth rate for each scenario:

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Very bad scenario: There is a 1-in-10 chance that in 2019 real revenue growth will be less than:	2.43	22.79	0.29 - 4.57	1	-65	280	436
Best Guess: I expect 2019 real revenue growth will be:	13.86	41.29	10.07 - 17.65	5	-35	500	456
Very good scenario: There is a 1-in-10 chance that in 2019 real revenue growth will be greater than:	21.62	47.87	17.13 - 26.12	10	-25	500	435

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. When you consider the optimal amount of debt for your firm or optimal capital structure, what are the primary metrics your company uses? (rank top 3) ALL RESPONDENTS

(N=362)

	Mean	#1	#2	#3	Not ranked in top 3	Total
Debt/EBITDA	2.42	137 37.8%	62 17.1%	37 10.2%	126 34.8%	362 100.0%
Interest coverage	2.99	43 11.9%	81 22.4%	73 20.2%	165 45.6%	362 100.0%
Debt/Assets [Total Debt / Total Assets]	3.09	58 16.0%	52 14.4%	50 13.8%	202 55.8%	362 100.0%
Total Liabilities/Total Assets	3.43	27 7.5%	43 11.9%	40 11.0%	252 69.6%	362 100.0%
Credit rating	3.44	21 5.8%	48 13.3%	44 12.2%	249 68.8%	362 100.0%
Debt/Equity [Total Debt / Market Equity]	3.50	33 9.1%	26 7.2%	31 8.6%	272 75.1%	362 100.0%
Debt/Value [Total Debt / (Total Debt + Market Equity)]	3.67	17 4.7%	20 5.5%	28 7.7%	297 82.0%	362 100.0%
Other	3.72	24 6.6%	9 2.5%	10 2.8%	319 88.1%	362 100.0%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. When you consider the optimal amount of debt for your firm (optimal capital structure), what are the primary metrics your company uses? (rank top 3) RESPONDENTS WITH A CREDIT RATING

(N=110)

	Mean	#1	#2	#3	Not ranked in top 3	Total
Debt/EBITDA	2.31	47 42.7%	20 18.2%	5 4.5%	38 34.5%	110 100.0%
Credit rating	2.76	16 14.5%	32 29.1%	24 21.8%	38 34.5%	110 100.0%
Interest coverage	3.15	8 7.3%	22 20.0%	25 22.7%	55 50.0%	110 100.0%
Debt/Assets [Total Debt / Total Assets]	3.35	15 13.6%	7 6.4%	13 11.8%	75 68.2%	110 100.0%
Debt/Value [Total Debt / (Total Debt + Market Equity)]	3.61	6 5.5%	6 5.5%	13 11.8%	85 77.3%	110 100.0%
Total Liabilities/Total Assets	3.64	5 4.5%	11 10.0%	3 2.7%	91 82.7%	110 100.0%
Debt/Equity [Total Debt / Market Equity]	3.70	5 4.5%	4 3.6%	10 9.1%	91 82.7%	110 100.0%
Other	3.74	7 6.4%	2 1.8%	4 3.6%	97 88.2%	110 100.0%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. When you consider the optimal amount of debt for your firm (optimal capital structure), what are the primary metrics your company uses? OTHERS

IN	OTHER: When you consider the optimal amount of debt for your firm or optimal capital structure, what are the primary metrics your
Agr, Forestry, Fishing	Long term debt/long term
	assets
Bank/Fin/Insur/Real Est	Basel equity requirements
Bank/Fin/Insur/Real Est	debt/capital (equity + debt
	and equivs)
Bank/Fin/Insur/Real Est	Debt Yield
Bank/Fin/Insur/Real Est	Fixed Charge Coverage
Bank/Fin/Insur/Real Est	Fixed charge coverage
Bank/Fin/Insur/Real Est	Liquidity coverage
Bank/Fin/Insur/Real Est	No debt
Bank/Fin/Insur/Real Est	Not applicable
Bank/Fin/Insur/Real Est	regulatory capital ratios
Bank/Fin/Insur/Real Est	Risk weighted capital ratio
Bank/Fin/Insur/Real Est	Wholesale Funding / Total

	Assets
Bank/Fin/Insur/Real Est	Wholesale Funding / Total
	Assets
Energy	Amortization Schedule
Energy	Cash flow
Energy	Debt / Total Book Cap
Energy	Debt to cash flow
Energy	DSCR
Energy	dscr
Healthcare/Pharm	Days Cash on Hand
Healthcare/Pharm	net debt
Manufacturing	ability to pay back in
	short term
Manufacturing	cashflow

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. When you consider the optimal amount of debt for your firm (optimal capital structure), what are the primary metrics your company uses? OTHERS

IN	OTHER: When you consider the optimal amount of debt for your firm or optimal capital structure, what are the primary metrics your
Manufacturing	Debt and Pension $25-30B
Manufacturing	Debt/FCF
Manufacturing	net assets implyed to net
	income 'RONA'
Manufacturing	Operating Cash Flow /
	Debt
Manufacturing	We do not have debt
Manufacturing	We have no debt
Mining/Construction	Debt service coverage ratio
Other	Debt/FFO
Other	Dividend Capacity
Other	Do not have a standard
Other	FIXED COST
	COVERAGE RATIO

Other	no debt
Other	we have no debt
Other	We keep high reserve to
	avoid borrowing
Retail/Wholesale	Debt Service Coverage
	Ratio
Retail/Wholesale	Debt/Shareholder's Equity
Retail/Wholesale	Working Capital
Services, Consulting	Cash Flow Adequacy
	Ratio
Services, Consulting	N/A -- Sole Proprietorship
Services, Consulting	Net Debt/EBITDA
Tech [Soft/Hard/Bio]	Debt/Annual Recurring
	Revenue
Tech [Soft/Hard/Bio]	Private Company No Debt

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. When you consider the optimal amount of debt for your firm (optimal capital structure), what are the primary metrics your company uses? OTHERS

IN	OTHER: When you consider the optimal amount of debt for your firm or optimal capital structure, what are the primary metrics your
Tech [Soft/Hard/Bio]	Recurring rev to debt
Tech [Soft/Hard/Bio]	Revenue growth
Tech [Soft/Hard/Bio]	zero debt
Tech [Soft/Hard/Bio]	zero debt
Transp, Public Util	debt/equity [debt/book
	equity]
Transp, Public Util	FFO/Debt

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. What is your company’s current Debt/Assets?

N=334		Total		Primary Debt Ratio:					
Mean Median				Debt Assets	Debt Value	Debt Equity	Liabilities Assets	Debt EBITDA	Interest Coverage
				A	B	C	D	E	F
Number		334		77	17	32	27	135	46
Percent		100.0%		23.1%	5.1%	9.6%	8.1%	40.4%	13.8%
What is your		31.49		25.81	29.71	31.33	21.54	34.10	39.95
company's current Debt/Assets?		27.00		21.00	32.50	27.00	11.00	32.00	35.00
				eF			eF	ad	AD

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. What is your company's current debt ratio?

N=260		Total		Primary Debt Ratio:				
Mean Median				Debt Value	Debt Equity	Liabilitie s Assets	Debt EBITDA	Interest Coverage
				A	B	C	D	E
Number		260		17	30	26	144	43
Percent		100.0%		6.5%	11.5%	10.0%	55.4%	16.5%
What is your		11.70		26.59	13.02	49.56	3.35	9.97
company's current debt ratio?		3.00		24.00	4.00	50.00	2.30	2.95
				bcDe	aCD	aBDE	ABCE	aCD

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Does your firm have a target range for how much debt to use?

N=372		Total		Primary Debt Ratio:						
				Debt Assets	Debt Value	Debt Equity	Liabilities Assets	Debt EBITDA	Credit rating	Interest Coverage
				A	B	C	D	E	F	G
Total		372		87	19	35	29	153	0	49
		100.0%		23.4%	5.1%	9.4%	7.8%	41.1%	0.0%	13.2%
Strict target/ range		59		15	1	3	2	33	0	5
		15.9%		17.2%	5.3%	8.6%	6.9%	21.6%	0.0%	10.2%
Somewhat tight target/		106		21	7	10	6	52	0	10
range		28.5%		24.1%	36.8%	28.6%	20.7%	34.0%	0.0%	20.4%
Flexible target/ range		102		19	9	8	12	40	0	14
		27.4%		21.8%	47.4%	22.9%	41.4%	26.1%	0.0%	28.6%
				bd	a		a			
No target/ range		105		32	2	14	9	28	0	20
		28.2%		36.8%	10.5%	40.0%	31.0%	18.3%	0.0%	40.8%
				bE	acg	bE		ACG		bE

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Over the past 10 years, about how many times has your firm made significant changes to your target / acceptable range for how much debt you use?

		Total		Primary Debt Ratio:						
Number Col %				Debt Assets	Debt Value	Debt Equity	Liabilities Assets	Debt EBITDA	Credit rating	Interest Coverage
				A	B	C	D	E	F	G
Total		265		54	17	21	20	125	0	28
		100.0%		20.4%	6.4%	7.9%	7.5%	47.2%	0.0%	10.6%
0		90		19	4	10	7	41	0	9
		34.0%		35.2%	23.5%	47.6%	35.0%	32.8%	0.0%	32.1%
1		35		7	3	2	0	20	0	3
		13.2%		13.0%	17.6%	9.5%	0.0%	16.0%	0.0%	10.7%
2		43		7	3	2	5	22	0	4
		16.2%		13.0%	17.6%	9.5%	25.0%	17.6%	0.0%	14.3%
3		26		4	2	3	1	10	0	6
		9.8%		7.4%	11.8%	14.3%	5.0%	8.0%	0.0%	21.4%
								g		e
4		7		2	0	0	1	4	0	0
		2.6%		3.7%	0.0%	0.0%	5.0%	3.2%	0.0%	0.0%
5		6		0	1	0	2	3	0	0
		2.3%		0.0%	5.9%	0.0%	10.0%	2.4%	0.0%	0.0%
				d			a			
6+		9		1	1	2	0	5	0	0

		3.4%		1.9%	5.9%	9.5%	0.0%	4.0%	0.0%	0.0%
Don't Know		49		14	3	2	4	20	0	6
		18.5%		25.9%	17.6%	9.5%	20.0%	16.0%	0.0%	21.4%

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Over the past 10 years, about how many times has your firm made significant changes to your target / acceptable range for how much debt you use? Average Score / Excludes DK

		Total		Primary Debt Ratio:						
Number Col %				Debt Assets	Debt Value	Debt Equity	Liabilities Assets	Debt EBITDA	Credit rating	Interest Coverage
				A	B	C	D	E	F	G
Total		265		54	17	21	20	125	0	28
		100.0%		20.4%	6.4%	7.9%	7.5%	47.2%	0.0%	10.6%
0		90		19	4	10	7	41	0	9
		41.7%		47.5%	28.6%	52.6%	43.8%	39.0%	0.0%	40.9%
1		35		7	3	2	0	20	0	3
		16.2%		17.5%	21.4%	10.5%	0.0%	19.0%	0.0%	13.6%
2		43		7	3	2	5	22	0	4
		19.9%		17.5%	21.4%	10.5%	31.3%	21.0%	0.0%	18.2%
3		26		4	2	3	1	10	0	6
		12.0%		10.0%	14.3%	15.8%	6.3%	9.5%	0.0%	27.3%
								g		e
4		7		2	0	0	1	4	0	0
		3.2%		5.0%	0.0%	0.0%	6.3%	3.8%	0.0%	0.0%
5		6		0	1	0	2	3	0	0
		2.8%		0.0%	7.1%	0.0%	12.5%	2.9%	0.0%	0.0%
				d			a			
6+		9		1	1	2	0	5	0	0

		4.2%		2.5%	7.1%	10.5%	0.0%	4.8%	0.0%	0.0%
Mean		1.44		1.18	1.86	1.42	1.69	1.48	---	1.32

Significance Tests Between Columns: Lower case: $p<.05$ Upper case: $p<.01$

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Explain why you most recently changed your target range for how much debt you use:

Does your firm have a target range for how much debt to use?	Primary Debt Ratio:	IN	Explain why you most recently changed your target range for how much debt you use:
Strict target/range	Interest_coverage	Other	same
Strict target/range	Interest_coverage	Manufacturing	bank lowered interest
			coverage ratio
Strict target/range	Debt_Equity	Bank/Fin/Insur/Real Est	Manage interest rate risk
Strict target/range	Debt_EBITDA	Tech [Soft/Hard/Bio]	Took on new borrowing
			with leverage ratio
			covenants
Strict target/range	Debt_EBITDA	Tech [Soft/Hard/Bio]	to maintain appropriate
			minimum cash balance
Strict target/range	Debt_EBITDA	Services, Consulting	Private Equity owned
			prior to June 2014. Post
			IPO, a lower targeted debt
			structure was set.
Strict target/range	Debt_EBITDA	Services, Consulting	All debt is in credit cards
			which we pay off monthly
Strict target/range	Debt_EBITDA	Services, Consulting	acquistions
Strict target/range	Debt_EBITDA	Retail/Wholesale	Recapitalization and
			acquisition

Strict target/range	Debt_EBITDA	Retail/Wholesale	Declining cash flows &
			EBITDA
Strict target/range	Debt_EBITDA	Other	Cash flow constriction has
			forced a loosening of our
			previous extremely
			conservative debt strategy.
Strict target/range	Debt_EBITDA	Other	acquisition

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Explain why you most recently changed your target range for how much debt you use:

Does your firm have a target range for how much debt to use?	Primary Debt Ratio:	IN	Explain why you most recently changed your target range for how much debt you use:
Strict target/range	Debt_EBITDA	Mining/Construction	Spun out company so
			smaller set of assets
Strict target/range	Debt_EBITDA	Manufacturing	Large acquisition
Strict target/range	Debt_EBITDA	Energy	Revised Company
			Strategy including
			Financial Discipline
Strict target/range	Debt_EBITDA	Communication/Media	ownership change
Strict target/range	Debt_EBITDA	Communication/Media	Board support for
			approval in new projects
			requiring initial capital
			investments
Strict target/range	Debt_EBITDA	Bank/Fin/Insur/Real Est	Increased by 15%
Strict target/range	Debt_Assets	Mining/Construction	Lender imposed covenants
Strict target/range	Debt_Assets	Energy	Real Estate portfolio made
			the debt/asset ratio less
			relevant
Strict target/range	Debt_Assets	Bank/Fin/Insur/Real Est	Regulatory changes
Strict target/range	Debt_Assets	Agr, Forestry, Fishing	Increase in production to

			meet market demands for
			2019
Somewhat tight target/	Liabilities_Assets	Manufacturing	market expansion and new
range			products created a need
			for more capital
Somewhat tight target/	Liabilities_Assets	Bank/Fin/Insur/Real Est	Policy enhancements,
range			better board reporting.

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Explain why you most recently changed your target range for how much debt you use:

Does your firm have a target range for how much debt to use?	Primary Debt Ratio:	IN	Explain why you most recently changed your target range for how much debt you use:
Somewhat tight target/ range	Liabilities_Assets	Bank/Fin/Insur/Real Est	Changed upward to reflect new accounting treatment related to residential mortgage securitizations.
Somewhat tight target/ range	Interest_coverage	Pub Admin	Had some critical capital needs and couldn't afford to keep kicking the can down the road, so to speak.
Somewhat tight target/ range	Interest_coverage	Other	More cash than ever in the bank
Somewhat tight target/ range	Interest_coverage	Other	Changed level of debt when changed banking relationship
Somewhat tight target/ range	Interest_coverage	Manufacturing	Production Trend
Somewhat tight target/ range	Debt_Value	Transp, Public Util	Company split in 2015
Somewhat tight target/ range	Debt_Value	Retail/Wholesale	changes in equity owners comfort level

Somewhat tight target/	Debt_Value	Bank/Fin/Insur/Real Est	Number of years since the
range			IPO / maturity of the
			company
Somewhat tight target/	Debt_Value	Bank/Fin/Insur/Real Est	Low cost of borrowing
range			
Somewhat tight target/	Debt_Equity	Tech [Soft/Hard/Bio]	Refinance
range			

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Explain why you most recently changed your target range for how much debt you use:

Does your firm have a target range for how much debt to use?	Primary Debt Ratio:	IN	Explain why you most recently changed your target range for how much debt you use:
Somewhat tight target/	Debt_Equity	Manufacturing	During periods of capacity
range			additions, we have
			extended the guideline we
			use with a plan to get it
			below the guideline in 3
			years or less.
Somewhat tight target/	Debt_Equity	Healthcare/Pharm	Goal is to minimize
range			external financing Looking
			for leverage
Somewhat tight target/	Debt_EBITDA	Transp, Public Util	Optimize capital structure
range			amidst low interest rate
			environment and balance
			sheet capacity.
Somewhat tight target/	Debt_EBITDA	Transp, Public Util	Due to new build of the
range			vessels
Somewhat tight target/	Debt_EBITDA	Transp, Public Util	Change in company long-
range			term outlook/performance
Somewhat tight target/	Debt_EBITDA	Tech [Soft/Hard/Bio]	Capital expenditure and
range			share repurchase
			opportunities
Somewhat tight target/	Debt_EBITDA	Retail/Wholesale	Acquired by a PE firm in

range			an LBO.
Somewhat tight target/	Debt_EBITDA	Other	To reflect growth phase of
range			company and need to keep
			leverage below long term
			target for flexibility.
Somewhat tight target/	Debt_EBITDA	Other	optimal capital allocation.
range			Previously too
			conservative under prior
			management

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Explain why you most recently changed your target range for how much debt you use:

Does your firm have a target range for how much debt to use?	Primary Debt Ratio:	IN	Explain why you most recently changed your target range for how much debt you use:
Somewhat tight target/	Debt_EBITDA	Other	Cost of debt increased and
range			our higher level of debt
			was starting to be
			negatively reflected in our
			stock price
Somewhat tight target/	Debt_EBITDA	Other	Change of business mix
range			
Somewhat tight target/	Debt_EBITDA	Mining/Construction	Demand for rental units
range			based on market demand
Somewhat tight target/	Debt_EBITDA	Manufacturing	Typically not a debt user...
range			did so for large acquisition
Somewhat tight target/	Debt_EBITDA	Manufacturing	Due to focusing on organic
range			growth and that
			productive capacity
			wasn't going to need much
			investment that we should
			get completely out of debt
			and rely on savings and
			LOC for unexpected needs.
Somewhat tight target/	Debt_EBITDA	Manufacturing	considering acquisitions or
range			by backs increased out
			acceptable levels

Somewhat tight target/ range	Debt_EBITDA	Manufacturing	Changes tend to be a result of change in strategic planning and/or M&A
Somewhat tight target/ range	Debt_EBITDA	Manufacturing	Buying out our Equity sponsor / current market expectations
Somewhat tight target/ range	Debt_EBITDA	Manufacturing	Bank covenant

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Explain why you most recently changed your target range for how much debt you use:

Does your firm have a target range for how much debt to use?	Primary Debt Ratio:	IN	Explain why you most recently changed your target range for how much debt you use:
Somewhat tight target/	Debt_EBITDA	Healthcare/Pharm	The agency was in a very
range			challenging financial
			situation and needed
			additional debt to survive
Somewhat tight target/	Debt_EBITDA	Energy	more conservative / want
range			to get back Investment
			Grade rating
Somewhat tight target/	Debt_EBITDA	Energy	Increasing cash flows
range			
Somewhat tight target/	Debt_EBITDA	Communication/Media	Accretive Acquisition
range			
Somewhat tight target/	Debt_EBITDA	Bank/Fin/Insur/Real Est	Targeted lower net debt/
range			EBITDA targets twice
Somewhat tight target/	Debt_EBITDA	Bank/Fin/Insur/Real Est	New management in 2016
range			with a new value creation
			strategy
Somewhat tight target/	Debt_EBITDA	Bank/Fin/Insur/Real Est	asset sales have driven
range			leverage range lower so we
			lowered our target range
Somewhat tight target/	Debt_Assets	Services, Consulting	Strengthen balance sheet

range			
Somewhat tight target/	Debt_Assets	Services, Consulting	refinancing
range			
Somewhat tight target/	Debt_Assets	Services, Consulting	Prefer to be debt-free,
range			even if growth is slower
Somewhat tight target/	Debt_Assets	Other	Merger with another
range			institution that was more
			highly leveraged

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Explain why you most recently changed your target range for how much debt you use:

Does your firm have a target range for how much debt to use?	Primary Debt Ratio:	IN	Explain why you most recently changed your target range for how much debt you use:
Somewhat tight target/	Debt_Assets	Mining/Construction	Growth
range			
Somewhat tight target/	Debt_Assets	Mining/Construction	1) 2008 recession was 1-
range			time change; 2) 2016-2017
			resulted in increased CapX
			and debt due to market
			improvement
Somewhat tight target/	Debt_Assets	Energy	N/A
range			
Somewhat tight target/	Debt_Assets	Bank/Fin/Insur/Real Est	interest rate environment
range			changed
Somewhat tight target/	Debt_Assets	Bank/Fin/Insur/Real Est	Growth
range			
Somewhat tight target/	Debt_Assets	Bank/Fin/Insur/Real Est	Further refinement of our
range			deployment of AIRB
			Basel capital approach
Flexible target/range	Liabilities_Assets	Manufacturing	First, we just acquired a
			very large manufacturing
			facility in the US.
			Secondly and as a result of
			the first, we need to

			increase capex for
			equipment maintenance
			and modernization
Flexible target/range	Liabilities_Assets	Manufacturing	Chnage of ownership and
			structure
Flexible target/range	Liabilities_Assets	Energy	Increased cost and
			perceived risk

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Explain why you most recently changed your target range for how much debt you use:

Does your firm have a target range for how much debt to use?	Primary Debt Ratio:	IN	Explain why you most recently changed your target range for how much debt you use:
Flexible target/range	Liabilities_Assets	Bank/Fin/Insur/Real Est	To accommodate more growth
Flexible target/range	Liabilities_Assets	Bank/Fin/Insur/Real Est	Availability of favorable debt rates
Flexible target/range	Interest_coverage	Tech [Soft/Hard/Bio]	M&A
Flexible target/range	Interest_coverage	Tech [Soft/Hard/Bio]	Consolidated and reduced debt. Fixed interest rate more than variable interest rate
Flexible target/range	Interest_coverage	Retail/Wholesale	Determinations related to physical plant led to changes in acceptable debt levels
Flexible target/range	Interest_coverage	Other	Improving financial position and improved cash flow allowing for company to function with less leverage
Flexible target/range	Interest_coverage	Other	Growth in overall business enterprise and need for additional capital

			investment
Flexible target/range	Interest_coverage	Manufacturing	Acquisitions
Flexible target/range	Interest_coverage	Bank/Fin/Insur/Real Est	Owners want less
			personal liability
Flexible target/range	Debt_Value	Tech [Soft/Hard/Bio]	We grew 50%
Flexible target/range	Debt_Value	Tech [Soft/Hard/Bio]	control changes

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Explain why you most recently changed your target range for how much debt you use:

Does your firm have a target range for how much debt to use?	Primary Debt Ratio:	IN	Explain why you most recently changed your target range for how much debt you use:
Flexible target/range	Debt_Value	Manufacturing	Special Dividend Strategic
			Acquisition
Flexible target/range	Debt_Value	Healthcare/Pharm	Expansion
Flexible target/range	Debt_Value	Bank/Fin/Insur/Real Est	Transitioned from public
			to private ownership.
Flexible target/range	Debt_Equity	Transp, Public Util	Ability to recover equity
			costs from customers
Flexible target/range	Debt_Equity	Other	CapX needed for growth
Flexible target/range	Debt_Equity	Manufacturing	Received a big contract
			and will eliminate alot of
			debt
Flexible target/range	Debt_Equity	Bank/Fin/Insur/Real Est	Reulations and the
			enviroment
Flexible target/range	Debt_EBITDA	Transp, Public Util	Great recession Union
			contract negotiations
Flexible target/range	Debt_EBITDA	Tech [Soft/Hard/Bio]	We're a growth company
			approaching EBITDA /
			cash flow breakeven. Less
			intrinsic risk to debt.

Flexible target/range	Debt_EBITDA	Tech [Soft/Hard/Bio]	Strategic acquisition
Flexible target/range	Debt_EBITDA	Tech [Soft/Hard/Bio]	M&A
Flexible target/range	Debt_EBITDA	Tech [Soft/Hard/Bio]	Debt for acquisitions
Flexible target/range	Debt_EBITDA	Services, Consulting	Strategic investment which
			required more borrowing.
Flexible target/range	Debt_EBITDA	Services, Consulting	interest rates and growth

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Explain why you most recently changed your target range for how much debt you use:

Does your firm have a target range for how much debt to use?	Primary Debt Ratio:	IN	Explain why you most recently changed your target range for how much debt you use:
Flexible target/range	Debt_EBITDA	Retail/Wholesale	Grow new line of business
Flexible target/range	Debt_EBITDA	Other	Favorable debt markets
			from an issuer perspective
Flexible target/range	Debt_EBITDA	Manufacturing	wanted to be more flexible
Flexible target/range	Debt_EBITDA	Manufacturing	Started to use long term
			debt as a source of
			financing ~7 years ago.
Flexible target/range	Debt_EBITDA	Manufacturing	Sold company and
			refinanced
Flexible target/range	Debt_EBITDA	Manufacturing	Potential strategic
			acquisition
Flexible target/range	Debt_EBITDA	Manufacturing	New Equity Partner (100%
			sale) in December 2018.
Flexible target/range	Debt_EBITDA	Manufacturing	Construction of a new
			manufacturing facility.
Flexible target/range	Debt_EBITDA	Energy	slowed growth rate
Flexible target/range	Debt_EBITDA	Energy	Investor preferences

Flexible target/range	Debt_EBITDA	Energy	Debt target change with
			commodity price collapse
			and again with an
			acquisition
Flexible target/range	Debt_Assets	Transp, Public Util	Acquisitions
Flexible target/range	Debt_Assets	Tech [Soft/Hard/Bio]	Tax. Purposes

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

6. Explain why you most recently changed your target range for how much debt you use:

Does your firm have a target range for how much debt to use?	Primary Debt Ratio:	IN	Explain why you most recently changed your target range for how much debt you use:
Flexible target/range	Debt_Assets	Services, Consulting	Improving cash
			management system and
			monitoring of the debt level
Flexible target/range	Debt_Assets	Other	Strategic Acquisition
Flexible target/range	Debt_Assets	Other	BUYING OUT A
			PARTNER
Flexible target/range	Debt_Assets	Agr, Forestry, Fishing	New product revenue
			opportunity

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Which of the following factors affect how your firm chooses the appropriate amount of debt for your firm?

(N=358)

	Mean	1=Not Important	2	3=Moderate Importance	4	5=Very Important	Total
Maintaining financial flexibility	4.20	6 1.8%	11 3.2%	49 14.3%	120 35.1%	156 45.6%	342 100.0%
The volatility of our earnings and cash flows	3.48	22 6.4%	49 14.2%	89 25.9%	110 32.0%	74 21.5%	344 100.0%
The level of interest rates	3.45	19 5.6%	41 12.1%	105 30.9%	117 34.4%	58 17.1%	340 100.0%
Insufficient internal funds	3.33	50 14.7%	59 17.4%	48 14.2%	93 27.4%	89 26.3%	339 100.0%
Other	3.24	12 32.4%	0 0.0%	6 16.2%	5 13.5%	14 37.8%	37 100.0%
The transaction costs and fees for issuing debt	2.87	52 15.2%	81 23.8%	101 29.6%	75 22.0%	32 9.4%	341 100.0%
The amount collateral against which we can borrow	2.83	89 25.9%	55 16.0%	78 22.7%	70 20.3%	52 15.1%	344 100.0%
Our credit rating (as assigned by rating agencies)	2.71	114 33.2%	43 12.5%	72 21.0%	57 16.6%	57 16.6%	343 100.0%
Equity undervaluation / overvaluation	2.45	103 31.0%	66 19.9%	92 27.7%	54 16.3%	17 5.1%	332 100.0%
The tax advantage of interest deductibility	2.27	135 39.5%	65 19.0%	79 23.1%	41 12.0%	22 6.4%	342 100.0%

The potential costs of bankruptcy, near-bankruptcy, or financial distress	2.24	153 44.9%	66 19.4%	47 13.8%	37 10.9%	38 11.1%	341 100.0%
The debt levels of other firms in our industry	2.22	134 39.2%	74 21.6%	71 20.8%	51 14.9%	12 3.5%	342 100.0%
Customer/supplier concerns if we use too much debt	2.16	124 37.5%	96 29.0%	60 18.1%	37 11.2%	14 4.2%	331 100.0%
The personal tax cost our investors face when they receive interest income	1.59	211 63.2%	66 19.8%	43 12.9%	11 3.3%	3 0.9%	334 100.0%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Which of the following factors affect how your firm chooses the appropriate amount of debt for your firm? RESPONDENTS WITH A CREDIT RATING

(N=109)

	Mean	1=Not Important	2	3=Moderate Importance	4	5=Very Important	Total
Maintaining financial flexibility	4.33	2 1.9%	3 2.9%	11 10.7%	30 29.1%	57 55.3%	103 100.0%
Our credit rating (as assigned by rating agencies)	3.91	5 4.7%	7 6.6%	25 23.6%	25 23.6%	44 41.5%	106 100.0%
Other	3.75	2 16.7%	0 0.0%	2 16.7%	3 25.0%	5 41.7%	12 100.0%
The level of interest rates	3.54	3 2.9%	15 14.4%	28 26.9%	39 37.5%	19 18.3%	104 100.0%
The volatility of our earnings and cash flows	3.48	5 4.7%	17 16.0%	31 29.2%	28 26.4%	25 23.6%	106 100.0%
Insufficient internal funds	2.96	17 16.3%	28 26.9%	21 20.2%	18 17.3%	20 19.2%	104 100.0%
The debt levels of other firms in our industry	2.79	19 17.9%	22 20.8%	33 31.1%	26 24.5%	6 5.7%	106 100.0%
The transaction costs and fees for issuing debt	2.71	19 18.3%	30 28.8%	27 26.0%	18 17.3%	10 9.6%	104 100.0%
Equity undervaluation / overvaluation	2.71	22 21.6%	24 23.5%	26 25.5%	22 21.6%	8 7.8%	102 100.0%
The amount collateral against which we can borrow	2.44	41 39.0%	17 16.2%	20 19.0%	14 13.3%	13 12.4%	105 100.0%
The tax advantage of interest deductibility	2.39	37 35.2%	21 20.0%	25 23.8%	13 12.4%	9 8.6%	105 100.0%
Customer/supplier concerns if we use too much debt	2.29	33 32.7%	31 30.7%	18 17.8%	13 12.9%	6 5.9%	101 100.0%
The potential costs of bankruptcy, near-bankruptcy, or financial distress	2.22	47 45.2%	21 20.2%	14 13.5%	10 9.6%	12 11.5%	104 100.0%
The personal tax cost our investors face when they receive interest income	1.54	64 63.4%	24 23.8%	9 8.9%	3 3.0%	1 1.0%	101 100.0%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Which of the following factors affect how your firm chooses the appropriate amount of debt for your firm? OTHERS

IN	OTHER: Which of the following factors affect how your firm chooses the appropriate amount of debt for your firm?
Bank/Fin/Insur/Real Est	cost of deposits as
	alternative to debt
Bank/Fin/Insur/Real Est	Credit Rating
Bank/Fin/Insur/Real Est	Not applicable (no debt)
Communication/Media	Use of Proceeds & ROIC
Energy	DSCR
Energy	N/A
Energy	Quality of business
	performance borrowed
	against
Healthcare/Pharm	cash flow
Healthcare/Pharm	Not Paying Interest
Healthcare/Pharm	What we'll do with the
	money
Manufacturing	cash flow positive at the

	project levle
Manufacturing	Co. does not seek outside
	debt.
Manufacturing	freedom of no debt
Manufacturing	mindset
Manufacturing	No debt
Manufacturing	Use debt to fund large
	capacity exapnsions and
	real estate or other one-
	time transactions /
	acquisitions.
Manufacturing	We borrow from internal
	Treasury
Mining/Construction	none
Other	CapX needs for growth
Other	maturity profile

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Which of the following factors affect how your firm chooses the appropriate amount of debt for your firm? OTHERS

IN	OTHER: Which of the following factors affect how your firm chooses the appropriate amount of debt for your firm?
Other	Nature of business mix
Other	we have no debt
Tech [Soft/Hard/Bio]	Capital needs only
Tech [Soft/Hard/Bio]	Long term strategic growth
	opportunities
Tech [Soft/Hard/Bio]	Private Company No Debt
Tech [Soft/Hard/Bio]	zero loans

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. For your firm, what are the most important aspects of maintaining financial flexibility? (choose up to 3)

For your firm, what are the most important aspects of maintaining financial flexibility? (choose up to 3)	Number	Percent	95% CI
Ability to avoid financial distress during economic downturns	201	62.2 %	± 5.3 %
Ability to quickly pursue attractive investment opportunities	186	57.6 %	± 5.4 %
Preserve unused line of credit capacity	136	42.1 %	± 5.4 %
Access to long-term debt markets	118	36.5 %	± 5.3 %
Access to short-term funding (commercial paper, short-term debt, etc.)	98	30.3 %	± 5.0 %
Maintain large cash balance	71	22.0 %	± 4.5 %
Access to equity market	34	10.5 %	± 3.4 %
Other	6	1.9 %	± 1.5 %
Total	850		

Number of Cases = 323
Number of Responses = 850
Average Number Of Responses Per Case = 2.6
Number Of Cases With At Least One Response = 323
Response Percent = 100.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. For your firm, what are the most important aspects of maintaining financial flexibility? (choose up to 3) - OTHERS

IN	OTHER For your firm, what are the most important aspects of maintaining financial flexibility? (choose up to 3)
Healthcare/Pharm	Sustainability
Manufacturing	Access to bank debt
Manufacturing	competitors have gov't
	finaincing to offer
Other	Increase return on equity
Services, Consulting	N/A
Tech [Soft/Hard/Bio]	share repurchase
	opportunities

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Please explain how the level of interest rates affects your company's capital structure policy:

The level of interest rates	IN	Please explain how the level of interest rates affects your company's capital structure policy:
5-Very Important	Transp, Public Util	It's just a consideration in cash planning.
		The higher the I rate, the higher the
		portion of operating cash that must be
		used for debt service.
5-Very Important	Tech [Soft/Hard/Bio]	Higher rates=less available $
5-Very Important	Services, Consulting	Preference is for fixed rate financing as we
		see rates increasing over the medium term
5-Very Important	Services, Consulting	Higher interest costs require more sales to
		cover debt service at a time when
		revenues may be more difficult to find.
5-Very Important	Services, Consulting	credit rating and cash flow issues
5-Very Important	Services, Consulting	Cost of debt
5-Very Important	Services, Consulting	As interest rates rise, we evaluate our use
		of unused lines of credit and may put off
		investment decisions.
5-Very Important	Retail/Wholesale	none
5-Very Important	Retail/Wholesale	Interest rates impact the amount of
		leverage available, but largely through
		covenant terms (e.g., interest coverage).

5-Very Important	Pub Admin	Inclined to issue little to no debt if
		interest rates are deemed to be high, if
		interest rates are deemed to be low then
		inclined to issue more debt.
5-Very Important	Other	Many debt covenants restrict
		distributions to shareholders unless debt
		coverage is in excess of 1.25
5-Very Important	Other	Level of interest rates is one factor that
		we consider in our conversations about
		the appropriate capital structure
5-Very Important	Other	if rates are low, we would consider
		borrowing more, especially long term
5-Very Important	Other	Higher interest rates encourages us to
		defer payouts to owners to reduce debt
5-Very Important	Other	Cost of LC's based on import on a at site
		plus 90 days interest basis

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Please explain how the level of interest rates affects your company’s capital structure policy:

The level of interest rates	IN	Please explain how the level of interest rates affects your company’s capital structure policy:
5-Very Important	Other	As a NFP, interest rates do not affect
		capital structure. We monitor interest
		rates to attain the best rate for our line of
		credit facility.
5-Very Important	Mining/Construction	We tend to avoid debt so interest rates are
		not a top priority. Also they have been
		low for a long time.
5-Very Important	Mining/Construction	No effect
5-Very Important	Manufacturing	x
5-Very Important	Manufacturing	We don't want to incur high interest rates
		that will knock out debt coverage ratio
		outside of industry standards.
5-Very Important	Manufacturing	manage a fixed to floating balance
		portfolio given the price flexibility of our
		services
5-Very Important	Manufacturing	Low interest rates coupled with a
		sufficient cash balance allows us
		appropriate flexibility
5-Very Important	Manufacturing	its fundamental. the cost factor looms
		large, and rates drive that cost.

5-Very Important	Manufacturing	Higher interest changes debt appetite
5-Very Important	Manufacturing	Could affect when PO is processed for Capital Expenditure
5-Very Important	Healthcare/Pharm	We aim to pay 0% interest.
5-Very Important	Healthcare/Pharm	Rates affect our debt service coverage, an important credit metric to us
5-Very Important	Energy	It affects the decision to finance operations externally or through internally generated funds.
5-Very Important	Energy	Given a large percentage is floating debt, rising interest rates increase interest expense
5-Very Important	Bank/Fin/Insur/Real Est	we use a balance of floating and fixed in order to lower our WA interest rate
5-Very Important	Bank/Fin/Insur/Real Est	We do very little borrowing

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Please explain how the level of interest rates affects your company’s capital structure policy:

The level of interest rates	IN	Please explain how the level of interest rates affects your company’s capital structure policy:
5-Very Important	Bank/Fin/Insur/Real Est	We are commercial real estate developers -
		interest rates play a significant factor in
		evaluating a development project.
5-Very Important	Bank/Fin/Insur/Real Est	Low interest rates make the cost of
		borrowing low enough to leverage.
5-Very Important	Bank/Fin/Insur/Real Est	Interest rates drive the return on our
		investments. Therefore lower rates are
		more conducive to a product acquisition
		pace
5-Very Important	Bank/Fin/Insur/Real Est	bank - active IRR management
5-Very Important	Agr, Forestry, Fishing	has very little effect
4	Transp, Public Util	We work to keep a level interest rate so
		rate payers have the same effect from
		year to year.
4	Transp, Public Util	Recent period of low cost, long-term
		(30yr) debt drove more debt and share
		buyback while preserving adequate
		balance sheet flexibility.
4	Transp, Public Util	More willing to add debt at lower cost,
		which adds flexibility and options and

		thus enabling opportunistic investments
4	Transp, Public Util	May use more internal funding from other
		Group companies
4	Tech [Soft/Hard/Bio]	We were purchased by PE fund - took on
		$80m in debt that is tied to Libor - we
		have hedged against fluctuation - bought a
		ceiling and sold a floor to minimize risk /
		cost
4	Tech [Soft/Hard/Bio]	very little impact right now. Shares have
		little value.
4	Tech [Soft/Hard/Bio]	Nominal impact
4	Tech [Soft/Hard/Bio]	limited given current rate environment
4	Tech [Soft/Hard/Bio]	Interest rate levels might impact the type
		of securities we would issue to access the
		capital markets.
4	Tech [Soft/Hard/Bio]	Interest expense influences the level of
		free cash flow available for internal
		financing and debt service coverage ratio
		compliance.

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Please explain how the level of interest rates affects your company’s capital structure policy:

The level of interest rates	IN	Please explain how the level of interest rates affects your company’s capital structure policy:
4	Tech [Soft/Hard/Bio]	increases costs
4	Tech [Soft/Hard/Bio]	Generally, interest rates are not a key
		part of the decision process. In a stronger
		cash position, they would be.
4	Services, Consulting	We are willing to further leverage the
		company if interest rates are lower, and
		be more aggressive on acquisitions
4	Services, Consulting	To a minor degree
4	Services, Consulting	Our capital plans are not extensive for
		2019
4	Services, Consulting	Less access to funding when needed
4	Services, Consulting	Its impact on ROI
4	Services, Consulting	it does not directly affect capital structure,
		but is a consideration, particularly with
		the new limitations on deductible interest.
4	Services, Consulting	higher interest rates can restrict our
		growth
4	Services, Consulting	Higher interest rates chew up more of the

		cash generated from operations.
4	Services, Consulting	Higher interest rates affect EBITA and
		business development
4	Services, Consulting	Has no influence as we pay cash for
		everything we purchase
4	Retail/Wholesale	We look at fixed vs. floating rates and
		percentage of total debt in a rising interest
		rate environment. We also compare the
		relative cost of debt vehicles to get the
		right relative interest rate.
4	Retail/Wholesale	Primarily, it affects capital expenditure
		decisions and the increases risk for
		expansion opportunities.
4	Retail/Wholesale	Not that significant. Debt is mostly
		short-term related to working capital
		needs

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Please explain how the level of interest rates affects your company’s capital structure policy:

The level of interest rates	IN	Please explain how the level of interest rates affects your company’s capital structure policy:
4	Other	Uses current interest rates vs. what the expected rates we earn on our investments. So, as interest rates rise, we are more inclined to use our marketable investments to pay for capital projects.
4	Other	Opportunistic use of low leverage profile and resulting low spread on LIBOR
4	Other	not significantly.
4	Other	Moderate impact because of pooling of debt.
4	Other	It's been too long since we've been in a high interest rate environment, its hard to tell. We use debt to pursue acquisition and other investment opportunities, so a higher rate would definitely impact the expected return of opportunities.
4	Other	interest rates are weighed against returns from a piece of financed equipment. The higher the level of rates, the higher the returns must be for each piece of financed equipment.

4	Other	Impacts our decisions on the term of our debt
4	Other	currently limited borrowings, but that could change with a downturn.
4	Other	As rates rise, more capital is needed to meet obligations and may affect distributions to investors.
4	Manufacturing	We typically use fixed interest rates via interest swaps to mitigate changes to rates.
4	Manufacturing	We have little to no debt, so when we do take on debt, the interest rate level is critical.
4	Manufacturing	Very little when rates are the range we've seen the past 20 yeras
4	Manufacturing	Primarily view from a FCF perspective. Therefore, the level of interest rates and expected future changes impact the amount of cash interest.

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Please explain how the level of interest rates affects your company’s capital structure policy:

The level of interest rates	IN	Please explain how the level of interest rates affects your company’s capital structure policy:
4	Manufacturing	Over the past 5 to 10 yeas - this has not
		been a driver as interests rates and
		competitive pricing environment has
		lowered interest costs. Active hedge
		market to convert variable to fixed
		interest rate via SWAP's has provided
		known interest costs for long term debt.
4	Manufacturing	Not much debt, max after-tax, not a lot of
		effect
4	Manufacturing	not considered since we do not leverage
4	Manufacturing	need to be reasonable on amount of debt
		in times of high interest rates
4	Manufacturing	Most of our capital investments payback
		in short periods of time therefore we
		consider the level of short term rates
		critical when determining whether we
		finance or buy from free cash flow
4	Manufacturing	Modify the fixed / float mix, but still
		maintain target net debt levels.
4	Manufacturing	Looking to deleverage / looking at mix of
		variable / fix rate

4	Manufacturing	If interest rates are high, there is more pressure on finding internal sources of financing. Low interest rate environment results in long term debt issuances to lock in the attractive rate
4	Manufacturing	Higher rates inhibit future investment as cash is used for current indebtedness and not future growth
4	Manufacturing	Arbitrage opportunities for equity partner's invested cash outside of our company.
4	Healthcare/Pharm	very little because of current cash position
4	Healthcare/Pharm	Lower rates make the hurdle rate easier to achieve for new projects.
4	Healthcare/Pharm	Impacts the debt vehicle we would consider
4	Healthcare/Pharm	impact on cash flow and potential / cost of future investment

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Please explain how the level of interest rates affects your company's capital structure policy:

The level of interest rates	IN	Please explain how the level of interest rates affects your company's capital structure policy:
4	Healthcare/Pharm	High-interest rates militate against
		investment in future capacity.
4	Healthcare/Pharm	Have to maintain a low cost of borrowing.
4	Healthcare/Pharm	Depends on the resulting coverage of
		interest payments to cash flow
4	Healthcare/Pharm	cost of obtaining capital
4	Energy	We are fully funded by equity investors.
		Debt is not a large part of our total capital.
4	Energy	Level of interest rates directly affect the
		debt capacity pursued for borrowing,
		higher cost = lower borrowing levels.
4	Energy	Cost and limit on coverage
4	Communication/Media	There is not real affect, since the
		company is able to generate more than
		enough cash for corporate growth.
4	Communication/Media	Increasing interest rates lower the leverage
		ratios we use
4	Communication/Media	Generally does not affect it.

4	Bank/Fin/Insur/Real Est	we seek to earn a spread on our investments so our WACC is a key input- cost of debt and equity directly impacts our ability to compete
4	Bank/Fin/Insur/Real Est	We have to maintain an adequate spread on the lending return from deployed funds.
4	Bank/Fin/Insur/Real Est	We currently have no debt as our cash flows fund 100% of our operations and stockholder returns. We would consider debt for most likely an acquisition/ investment, and the level of interest rates would certainly impact decision-making as it relates to that investment. However, currently, the interest rates have little to no impact on our capital structure.
4	Bank/Fin/Insur/Real Est	we are more willing to borrow and increase our leverage when rates are low
4	Bank/Fin/Insur/Real Est	relatively minimal impact. Products aren't sensitive to interest rates; borrowing is limited.

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Please explain how the level of interest rates affects your company's capital structure policy:

The level of interest rates	IN	Please explain how the level of interest rates affects your company's capital structure policy:
4	Bank/Fin/Insur/Real Est	Our interest rate outlook impacts our %
		Fixed - % Floating ration, which we
		manage through interest rate swaps.
4	Bank/Fin/Insur/Real Est	Our current debt portfolio is over 90%
		fixed rate with only our unsecured line of
		credit being floating rate. We look at the
		effective interest rate at various maturity
		dates and the ability to pay-off debt early
		with minimal breakage costs.
4	Bank/Fin/Insur/Real Est	only 5% of debt is floating so limited near
		term impact
4	Bank/Fin/Insur/Real Est	Not that important as we are unlikely to
		take on meaningful amount of debt.
		Would only be temporary situation.
4	Bank/Fin/Insur/Real Est	Minimal impact as corresponding effect
		on our earning assets and earning liabilities
4	Bank/Fin/Insur/Real Est	Higher rates, lower leverage availability
4	Bank/Fin/Insur/Real Est	Higher rates will curtail purchases
4	Bank/Fin/Insur/Real Est	Asset/liability management

3-Moderate Importance	Transp, Public Util	We are generally agnostic since interest
		costs are passed through to customers
3-Moderate Importance	Transp, Public Util	Not significant impact in the last 10 years
3-Moderate Importance	Transp, Public Util	Low as we are in the market annually to
		finance our growth plans.
3-Moderate Importance	Tech [Soft/Hard/Bio]	We have used convertible debt, with zero
		coupon and have invested the cash to get
		a return on the cash. Higher interest rates
		on debt would certainly keep us away
		from the capital markets as we generate
		significant cash that supports most of our
		investments.
3-Moderate Importance	Tech [Soft/Hard/Bio]	Standard formula - Lower cash of capital
		(interest) will allow us to substitute debt
		for equity financing (less dilution for
		existing shareholders)
3-Moderate Importance	Tech [Soft/Hard/Bio]	Just need to meet interest coverage ratios

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Please explain how the level of interest rates affects your company's capital structure policy:

The level of interest rates	IN	Please explain how the level of interest rates affects your company's capital structure policy:
3-Moderate Importance	Tech [Soft/Hard/Bio]	It's not a primary driver as most of the
		Company's growth has been organic. We
		use a LOC as needed but it is not primary.
		Our LT debt is minimal and was strategic
		and not interest-rate driven.
3-Moderate Importance	Tech [Soft/Hard/Bio]	Interest rate levels impact our company's
		capital structure policy primarily through
		it's impact on cost of equity (i.e., rates
		influence investors' acceptance of Debt/
		EBITDA & Debt/EV ratios)
3-Moderate Importance	Tech [Soft/Hard/Bio]	Cheap capital is always useful for growth
		and large capex
3-Moderate Importance	Services, Consulting	We desire high free cash flow, so higher
		interest rates are a negative.
3-Moderate Importance	Services, Consulting	decreases ability to fund growth
3-Moderate Importance	Services, Consulting	As expected it changes what can be
		invested.
3-Moderate Importance	Retail/Wholesale	Secondary determination of debt quantum
		based on interest coverage or EBITDA -
		Capex / Interest Expense

3-Moderate Importance	Retail/Wholesale	N/A
3-Moderate Importance	Retail/Wholesale	Mezzanine with its higher rates is
		impacting covenants
3-Moderate Importance	Retail/Wholesale	It doesn't
3-Moderate Importance	Retail/Wholesale	higher interest rates reduce cash to use
		elsewhere
3-Moderate Importance	Pub Admin	We are only sensitive to large swings in
		rates, because we carry very little debt
		and have the ability to time debt issuance
		in most cases.
3-Moderate Importance	Other	Not much effect
3-Moderate Importance	Other	Not at all.
3-Moderate Importance	Other	No meaningful impact currently
3-Moderate Importance	Other	Limited
3-Moderate Importance	Other	Interest rates will impact CapX decisions
		which will effect our growth

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Please explain how the level of interest rates affects your company's capital structure policy:

The level of interest rates	IN	Please explain how the level of interest rates affects your company's capital structure policy:
3-Moderate Importance	Other	Higher rates = less appetite for debt
3-Moderate Importance	Other	Extended long term debt out to 30 years
		from historically no greater than 10 years
3-Moderate Importance	Mining/Construction	Not at all
3-Moderate Importance	Mining/Construction	NO impact at this time
3-Moderate Importance	Mining/Construction	Mildly. Debt can be unforgiving in our
		industry (as a specialty trade contractor),
		so our capital structure is less reliant on it.
3-Moderate Importance	Mining/Construction	higher level reduces capital structure
3-Moderate Importance	Manufacturing	We watch rates, but they have little
		impact on how we use debt. We are a mid-
		market private company experiencing
		significant growth. Availability of
		revolving debt is important for our
		growth strategy.
3-Moderate Importance	Manufacturing	we only use term or revolving debt so
		interest impact on the P&L is our only
		point of policy
3-Moderate Importance	Manufacturing	Very little effect

3-Moderate Importance	Manufacturing	Only on the margin
3-Moderate Importance	Manufacturing	mainly impacts fixed / floating debt mix
3-Moderate Importance	Manufacturing	little to none
3-Moderate Importance	Manufacturing	continually refinancing debt to
		accomplish lows cost
3-Moderate Importance	Manufacturing	As privately held, we are not at the
		mercy of only US rates. We have access
		to fund in Europe (Euros).
3-Moderate Importance	Healthcare/Pharm	use tax exempt, usda funding
3-Moderate Importance	Healthcare/Pharm	Not too much affect.
3-Moderate Importance	Healthcare/Pharm	not material
3-Moderate Importance	Healthcare/Pharm	Not a major concern over the last decade
		given historically low rates
3-Moderate Importance	Healthcare/Pharm	No impact

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Please explain how the level of interest rates affects your company's capital structure policy:

The level of interest rates	IN	Please explain how the level of interest rates affects your company's capital structure policy:
3-Moderate Importance	Healthcare/Pharm	It will not affect capital expenditures, but
		it will affect earnings. As a NFP, it may
		result in fundraiser to compensate.
3-Moderate Importance	Healthcare/Pharm	At the moment it has no affect.
3-Moderate Importance	Healthcare/Pharm	As a nonprofit healthcare provider, our
		S&P rating determines our rate, along with
		the current market. When rates are higher
		than normal, we have curtailed projects.
		But for some years now, our tax-exempt
		rate has been very low.
3-Moderate Importance	Energy	We raise about $1 billion of corporate
		capital per year, typically split between
		approximately 70% of debt and 30% of
		equity. The level of interest rates affects
		our long-term corporate earnings forecast
		which in turn affects the level of
		dividends that we are able to pay our
		shareholders, and our stock price trades at
		a dividend yield to that level.
3-Moderate Importance	Energy	Since we already have a reasonably high
		rate most current options are lower
3-Moderate Importance	Energy	Not much

3-Moderate Importance	Energy	Moderately higher rates would not affect capital structure decisions as we are managing towards a leverage target and make a decision on debt vs equity that would not be any different if rates rose
3-Moderate Importance	Energy	Inverse relationship between level of interest rates and capital structure
3-Moderate Importance	Bank/Fin/Insur/Real Est	Very minimal impact. As a large FI, capital levels are primarily dependent on regulatory requirements
3-Moderate Importance	Bank/Fin/Insur/Real Est	Private company -debt level depends on owners risk tolerance
3-Moderate Importance	Bank/Fin/Insur/Real Est	not much
3-Moderate Importance	Bank/Fin/Insur/Real Est	metric and trend to help define capital structure
3-Moderate Importance	Bank/Fin/Insur/Real Est	Impacts our view of the relative attractiveness of debt capital as compared to other capital sources (equity, preferred, private capital)

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. Please explain how the level of interest rates affects your company's capital structure policy:

The level of interest rates	IN	Please explain how the level of interest rates affects your company's capital structure policy:
3-Moderate Importance	Bank/Fin/Insur/Real Est	If rates are low we can use debt to
		accelerate the growth in our loan portfolio
		and therefore net interest margin.
3-Moderate Importance	Bank/Fin/Insur/Real Est	as a financial institution the level of
		interest rates is less important than the
		mismatch between interest earning assets
		and interest bearing liabilities
3-Moderate Importance	Agr, Forestry, Fishing	Do not. We have doubled the size of the
		operation in 6 years and need funding to
		continue to grow with the opportunities
		at hand.
3-Moderate Importance	Agr, Forestry, Fishing	Defer investment when cost gets too high

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

7. About how much financial flexibility would you say your company has right now?

	Number	Percent	95% CI
0=None	10	2.7 %	± 1.3 %
1=A little	37	9.9 %	± 2.5 %
2	24	6.5 %	± 2.0 %
3=Moderate	124	33.3 %	± 4.0 %
4	97	26.1 %	± 3.7 %
5=A lot	80	21.5 %	± 3.4 %
Total	372	100.0 %	

Mean = 3.35

Missing Cases = 97
Response Percent = 79.3 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. In this question, please indicate the "high-low" range of [PRIMARY DEBT RATIO] that your company is comfortable with. Expressed with [PRIMARY DEBT RATIO], what is the highest debt that your firm is comfortable with? (That is, if your [PRIMARY DEBT RATIO] were to exceed this amount, your company would take action to reduce your debt to an acceptable level.)

N=333		Total		Primary Debt Ratio:						
				Debt Assets	Debt Value	Debt Equity	Liabilities Assets	Debt EBITDA	Credit rating	Interest Coverage
				A	B	C	D	E	F	G
Total		333		78	17	30	26	139	0	43
		100.0%		23.4%	5.1%	9.0%	7.8%	41.7%	0.0%	12.9%
We set an upper limit		213		48	12	19	16	108	0	10
		64.0%		61.5%	70.6%	63.3%	61.5%	77.7%	0.0%	23.3%
				eG	G	G	G	aG		ABCDE
We do not really have an upper limit to the amount we'd be		120		30	5	11	10	31	0	33
comfortable with		36.0%		38.5%	29.4%	36.7%	38.5%	22.3%	0.0%	76.7%
				eG	G	G	G	aG		ABCDE

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. Upper limit debt ratio:

N=213		Total		Primary Debt Ratio:					
Mean Median				Debt Assets	Debt Value	Debt Equity	Liabiliti es Assets	Debt EBITD A	Interest Covera ge
				A	B	C	D	E	F
Number		213		48	12	19	16	108	10
Percent		100.0%		22.5%	5.6%	8.9%	7.5%	50.7%	4.7%
Upper limit debt ratio:		19.17		40.27	35.83	22.37	51.56	4.08	2.97
		5.00		40.00	35.00	2.00	55.00	4.00	3.00
				cEF	EF	aDE	CEF	ABCD	ABD

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

How much higher the upper limit is than the current debt ratio: (Both the upper limit and current debt ratios need to be answered to calculate these averages)

N=163		Total		Primary Debt Ratio:				
Mean Median				Debt Value	Debt Equity	Liabilitie s Assets	Debt EBITDA	Interest Coverage
				A	B	C	D	E
Number		163		12	19	16	107	9
Percent		100.0%		7.4%	11.7%	9.8%	65.6%	5.5%
How much higher the		2.64		9.58	6.49	8.84	0.49	-0.10
upper limit is than the current debt ratio		1.30		9.00	0.65	10.00	1.23	0.00
				DE		D	AC	A

Significance Tests Between Columns: Lower case: p<.05   Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. If your firm were to exceed the upper limit, about how long would your company take to reduce your debt ratio down to an acceptable level?

N=211		Total		Primary Debt Ratio:						
				Debt Assets	Debt Value	Debt Equity	Liabilities Assets	Debt EBITDA	Credit rating	Interest Coverage
				A	B	C	D	E	F	G
Total		211		47	12	19	15	108	0	10
		100.0%		22.3%	5.7%	9.0%	7.1%	51.2%	0.0%	4.7%
Timetable (see next page)		144		26	7	13	11	82	0	5
		68.2%		55.3%	58.3%	68.4%	73.3%	75.9%	0.0%	50.0%
				e				a		
No specific timetable		60		19	5	5	3	23	0	5
		28.4%		40.4%	41.7%	26.3%	20.0%	21.3%	0.0%	50.0%
				e				ag		e
Other		7		2	0	1	1	3	0	0
		3.3%		4.3%	0.0%	5.3%	6.7%	2.8%	0.0%	0.0%

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. If your firm were to exceed the upper limit, about how long would your company take to reduce your debt ratio down to an acceptable level? (in years):

N=142		Total		Primary Debt Ratio:					
Mean Median				Debt Assets	Debt Value	Debt Equity	Liabilities Assets	Debt EBITDA	Interest Coverage
				A	B	C	D	E	F
Number		142		25	7	13	11	81	5
Percent		100.0%		17.6%	4.9%	9.2%	7.7%	57.0%	3.5%
If you firm were to		1.61		1.47	1.14	2.50	1.34	1.58	1.75
exceed your upper limit, about how long would it take your company to reduce your debt ratio down to an acceptable level? (in years)		1.00		1.25	1.25	3.00	1.25	1.00	1.50
				c	c	abd	c		

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

OTHER: 8. If your firm were to exceed the upper limit, about how long would your company take to reduce your debt ratio down to an acceptable level?

IN	Primary Debt Ratio:	OTHER: If your firm were to exceed the upper limit, about how long would your company take to reduce your debt ratio down to an acceptable
Bank/Fin/Insur/Real Est	Debt_Assets	1 day
Agr, Forestry, Fishing	Debt_Assets	By year-end
Bank/Fin/Insur/Real Est	Debt_EBITDA	12 months
Bank/Fin/Insur/Real Est	Debt_EBITDA	2 quarters
Other	Debt_EBITDA	ASAP
Healthcare/Pharm	Debt_Equity	We will not exceed
Services, Consulting	Liabilities_Assets	ASAP

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. Expressed with [PRIMARY DEBT RATIO], what is the lowest debt that your firm is comfortable with? (That is, if your [PRIMARY DEBT RATIO] were to fall below this amount, your company would take action to increase your debt to an acceptable level.)

N=331		Total		Primary Debt Ratio:						
				Debt Assets	Debt Value	Debt Equity	Liabilities Assets	Debt EBITDA	Credit rating	Interest Coverage
				A	B	C	D	E	F	G
Total		331		76	17	30	26	139	0	43
		100.0%		23.0%	5.1%	9.1%	7.9%	42.0%	0.0%	13.0%
We set a lower limit		120		26	4	9	10	63	0	8
		36.3%		34.2%	23.5%	30.0%	38.5%	45.3%	0.0%	18.6%
								G		E
We don't really set a lower limit to the amount we'd be		211		50	13	21	16	76	0	35
comfortable with		63.7%		65.8%	76.5%	70.0%	61.5%	54.7%	0.0%	81.4%
								G		E

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. Lower limit debt ratio:

N=119		Total		Primary Debt Ratio:					
Mean Median				Debt Assets	Debt Value	Debt Equity	Liabiliti es Assets	Debt EBITD A	Interest Covera ge
				A	B	C	D	E	F
Number		119		26	4	9	10	62	8
Percent		100.0%		21.8%	3.4%	7.6%	8.4%	52.1%	6.7%
Lower limit debt ratio:		9.23		18.09	17.50	2.39	39.80	1.85	2.97
		2.00		10.00	15.00	0.20	35.00	1.75	3.00
				dE	cEf	bD	aCEF	ABDf	bDe

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. If your firm were to fall below the lower limit, about how long would your company take to increase your debt ratio up to an acceptable level?

N=119		Total		Primary Debt Ratio:						
				Debt Assets	Debt Value	Debt Equity	Liabili ties Assets	Debt EBIT DA	Credit rating	Intere st Cover age
				A	B	C	D	E	F	G
Total		119		26	4	9	9	63	0	8
		100.0%		21.8%	3.4%	7.6%	7.6%	52.9%	0.0%	6.7%
Timetable (see next		55		8	3	2	7	30	0	5
page)		46.2%		30.8%	75.0%	22.2%	77.8%	47.6%	0.0%	62.5%
				d		d	ac			
No specific timetable		62		17	1	7	2	32	0	3
		52.1%		65.4%	25.0%	77.8%	22.2%	50.8%	0.0%	37.5%
				d		d	ac			
Other		2		1	0	0	0	1	0	0
		1.7%		3.8%	0.0%	0.0%	0.0%	1.6%	0.0%	0.0%

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. If your firm were to fall below the lower limit, about how long would your company take to increase your debt ratio up to an acceptable level? (in years)

N=54		Total		Primary Debt Ratio:					
Mean Median				Debt Assets	Debt Value	Debt Equity	Liabilities Assets	Debt EBITDA	Interest Coverage
				A	B	C	D	E	F
Number		54		8	3	2	7	30	4
Percent		100.0%		14.8%	5.6%	3.7%	13.0%	55.6%	7.4%
How long would it		0.92		1.19	0.42	2.00	0.61	0.92	0.81
take your company to increase your debt ratio up to an acceptable level? (in years)		1.00		1.00	0.50	1.00	0.50	1.00	1.00
						de	c	c	

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

OTHER: 8. If your firm were to fall below the lower limit, about how long would your company take to increase your debt ratio up to an acceptable level?

IN	Primary Debt Ratio:	OTHER: If your firm were to exceed the lower limit, about how long would your company take to increase your debt ratio up to an acceptable level?
Bank/Fin/Insur/Real Est	Debt_Assets	Weeks
Bank/Fin/Insur/Real Est	Debt_EBITDA	we would stay low if debt
		is not necessary - debt
		minimalization model

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. What is your lowest credit rating you are comfortable with?

	Number	Percent	95% CI
Lowest credit rating we are comfortable with	17	81.0 %	± 1.8 %
We don’t really set a lowest of acceptable ranges	4	19.0 %	± 0.9 %
Total	21	100.0 %	

Missing Cases = 448
Response Percent = 4.5 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. What "high-low range" of credit rating would your company be comfortable with? Lowest credit rating we are comfortable with:

	Number	Percent	95% CI
A	5	29.4 %	± 1.0 %
BBB-	4	23.5 %	± 0.9 %
Bbb	1	5.9 %	± 0.5 %
A-	3	17.6 %	± 0.8 %
AA-	2	11.8 %	± 0.6 %
B	1	5.9 %	± 0.5 %
BB+	1	5.9 %	± 0.5 %
Total	17	100.0 %	

Missing Cases = 452
Response Percent = 3.6 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. If your credit rating were to fall below this lowest acceptable rating, about how long would your company take to increase your credit rating to an acceptable level?

	Number	Percent	95% CI
Timetable (see next page)	9	52.9 %	± 1.3 %
No specific timetable	7	41.2 %	± 1.2 %
Other	1	5.9 %	± 0.5 %
Total	17	100.0 %	

Missing Cases = 452
Response Percent = 3.6 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. How long would it take your company to increase your credit rating to an acceptable level? (in years)

Minimum = 0.50

Maximum = 3

Mean = 1.33

Median = 1.25

Standard Deviation (Unbiased Estimate) = 0.87

95 Percent Confidence Interval Around The Mean = 0.77 - 1.90

Quartiles

1 = 0.63
2 = 1.25
3 = 2

Valid Cases = 9
Missing Cases = 460
Response Percent = 1.9%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. OTHER: If your credit rating were to fall below this lowest acceptable rating, about how long would your company take to increase your credit rating to an acceptable level?

IN	OTHER: If your credit rating were to fall below this lowest acceptable rating, about how long would your company take to increase your credit
Tech [Soft/Hard/Bio]	top priority

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. What is the highest credit rating you are comfortable with?

	Number	Percent	95% CI
Highest credit rating we are comfortable with	16	76.2 %	± 1.8 %
We don't really set a highest of acceptable ranges	5	23.8 %	± 1.0 %
Total	21	100.0 %	

Missing Cases = 448
Response Percent = 4.5 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. Highest acceptable credit rating you are comfortable with:

	Number	Percent	95% CI
AA	4	26.7 %	± 0.9 %
BBB+	2	13.3 %	± 0.6 %
A	1	6.7 %	± 0.5 %
AA-	2	13.3 %	± 0.6 %
BBB	1	6.7 %	± 0.5 %
AAA	2	13.3 %	± 0.6 %
A+	1	6.7 %	± 0.5 %
AA+	2	13.3 %	± 0.6 %
Total	15	100.0 %	

Missing Cases = 454
Response Percent = 3.2 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. If your credit rating were to exceed this highest reasonable rating, about how long would your company take to reduce your credit rating to a reasonable level?

	Number	Percent	95% CI
Timetable (see next page)	3	20.0 %	± 0.8 %
No specific timetable	11	73.3 %	± 1.5 %
Other	1	6.7 %	± 0.5 %
Total	15	100.0 %	

Missing Cases = 454
Response Percent = 3.2 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. How long would it take your company to reduce your credit rating to an acceptable level? (in years)

Minimum = 0.01

Maximum = 2

Mean = 0.84

Median = 1.25

Standard Deviation (Unbiased Estimate) = 1.04

95 Percent Confidence Interval Around The Mean = -0.34 - 2.01

Quartiles

1 = 0.38
2 = 1.25
3 = 1.50

Valid Cases = 3
Missing Cases = 466
Response Percent = .6%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

8. OTHER: If your credit rating were to exceed this highest reasonable rating, about how long would your company take to reduce your credit rating to a reasonable level?

IN	OTHER: If your credit rating were to exceed this highest reasonable rating, about how long would your company take to reduce your credit rating
Manufacturing	1 meeting with rating
	agencies

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

12. For the US: In which quarter do you expect a downturn (recession) will occur?

	Number	Percent	Cumulative
Already	5	1.8 %	1.8 %
Q32019	43	15.1 %	16.8 %
Q12020	60	21.1 %	37.9 %
Q32020	82	28.8 %	66.7 %
Q12021	48	16.8 %	83.5 %
Q32021	12	4.2 %	87.7 %
Q12022	6	2.1 %	89.8 %
Q32022	0	0.0 %	89.8 %
2023 or later	23	8.1 %	97.9 %
Never	6	2.1 %	100.0 %
Total	285	100.0 %	100.0 %

Missing Cases = 184
Response Percent = 60.8 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

12. New FASB rule ASC 842 requires most operating leases to be recorded on the balance sheet as debt. We'd like to understand the effects of ASC 842 on your debt ratio.

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
What would Debt/Assets be if ASC 842 did not exist?	29.38	26.30	25.48 - 33.29	25	0	125	174
What would Debt/Assets be if you implemented ASC 842 but made no other changes?	32.30	27.35	28.23 - 36.36	30	0	125	174
What will your Debt/Assets be after you make these reductions to traditional debt?	22.91	16.35	6.89 - 38.93	26	0.65	40	4

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

12. Will your firm reduce its use of traditional debt (bonds, loans) to offset the "leasing debt" added by ASC 842?

	Number	Percent	95% CI
Yes	10	4.3 %	± 1.3 %
No	183	79.6 %	± 4.4 %
Don't Know	37	16.1 %	± 2.5 %
Total	230	100.0 %	

Missing Cases = 239
Response Percent = 49.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13a. Please choose the top three sources of external funding that your company plans to access during 2019.

	Number	Percent	95% CI
Draw on line of credit	185	39.4 %	± 4.4 %
Bank loan	154	32.8 %	± 4.3 %
Bond	56	11.9 %	± 3.0 %
Non-bank loan	48	10.2 %	± 2.8 %
Other	46	9.8 %	± 2.7 %
Common stock	36	7.7 %	± 2.4 %
Commercial Paper	28	6.0 %	± 2.2 %
Preferred stock	28	6.0 %	± 2.2 %
Convertible debt	9	1.9 %	± 1.2 %
Total	590		

Number of Cases = 469
Number of Responses = 590
Average Number Of Responses Per Case = 1.3
Number Of Cases With At Least One Response = 317
Response Percent = 67.6 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13a. Describe Non-bank loan:

IN	Describe Non-bank loan:
Manufacturing	amex, paypal merchant
	loans
Bank/Fin/Insur/Real Est	Broker Deposits
Other	Capital leases
Tech [Soft/Hard/Bio]	DONT PLAN
	EXTERNAL SOURCE
Transp, Public Util	Equipment Notes
Retail/Wholesale	Equipment financing
Manufacturing	Factoring
Transp, Public Util	Federal Ship Financing
	Program (Title XI)
Tech [Soft/Hard/Bio]	Founder
Tech [Soft/Hard/Bio]	From Owner
Healthcare/Pharm	Grant funding
Energy	Institutional Investor in
	2nd tier

Manufacturing	Internal Treasury
Manufacturing	IRB Offering (Tax
	advantaged debt)
Bank/Fin/Insur/Real Est	LIHTC Equity
Other	Margin account secured
	by makretable investments
Communication/Media	Mezzanine / Unitranche
Healthcare/Pharm	New market tax credit
Bank/Fin/Insur/Real Est	Non-bank lender
Services, Consulting	owner
Manufacturing	Owner loan
Bank/Fin/Insur/Real Est	Parent company
	investment
Manufacturing	partner financing
Tech [Soft/Hard/Bio]	PE

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13a. Describe Non-bank loan:

IN	Describe Non-bank loan:
Bank/Fin/Insur/Real Est	Pension Funds/large
	Corporate senior debt
Tech [Soft/Hard/Bio]	Personal cash
Manufacturing	Private, company
	principals.
Bank/Fin/Insur/Real Est	Private investment debt
Manufacturing	Private lender
Manufacturing	Receivable Factoring
Communication/Media	receivable securitization
Healthcare/Pharm	Resident Entry Fees
Manufacturing	Seller Financing
Bank/Fin/Insur/Real Est	senior deposit note
Manufacturing	Shareholder loan
Services, Consulting	Shareholder loans
Other	State funds

Healthcare/Pharm	tax exempt
Manufacturing	Term Loan B
Healthcare/Pharm	US Dept of Agriculture
Healthcare/Pharm	Venture debt
Communication/Media	Working Capital Loan

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13a. Please choose the top three sources of external funding that your company plans to access during 2019. OTHER

IN	Please choose the top three sources of external funding that your company plans to access during 2019. OTHER
Energy	Asset Sales
Manufacturing	Asset Sales
Bank/Fin/Insur/Real Est	Asset Sales
Services, Consulting	capital and credit card
Healthcare/Pharm	Cash Flow
Services, Consulting	Cash Flow-Operations
Other	Commercial Paper
Other	Contributions - Donors &
	Board
Services, Consulting	Credit cards
Bank/Fin/Insur/Real Est	Customer deposits
Bank/Fin/Insur/Real Est	Deposit growth
Services, Consulting	Do not plan on external
	funding

Energy	Do not require external
	funding
Energy	Don't plan to
Healthcare/Pharm	Donations
Other	Endowments and other
	contributions
Retail/Wholesale	equipment leasing
Energy	funded by private equity
Other	Fundraising
Bank/Fin/Insur/Real Est	Investment shares
Manufacturing	LIMITED PARTNERS
Services, Consulting	no additional funding
	required
Tech [Soft/Hard/Bio]	No Debt Pursued

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13a. Please choose the top three sources of external funding that your company plans to access during 2019. OTHER

IN	Please choose the top three sources of external funding that your company plans to access during 2019. OTHER
Manufacturing	None
Mining/Construction	None
Other	None
Bank/Fin/Insur/Real Est	None
Healthcare/Pharm	None
Other	None
Bank/Fin/Insur/Real Est	None
Other	none
Manufacturing	none
Manufacturing	none
Bank/Fin/Insur/Real Est	none
Retail/Wholesale	none
Transp, Public Util	None, will use cash from

	operations only
Healthcare/Pharm	Not adding
Communication/Media	NOT PLANNING TO
	GO TO THE MARKET
Manufacturing	Parent company loan
Agr, Forestry, Fishing	Person funding
Bank/Fin/Insur/Real Est	Retained earnings
Tech [Soft/Hard/Bio]	self fund
Healthcare/Pharm	usda
Tech [Soft/Hard/Bio]	We have debt in place - no
	further borrowing planned
Other	we have no external
	funding needs
Bank/Fin/Insur/Real Est	We raise LP investor
	money

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13b. Please provide details about the external funding you plan to obtain in 2019. For your largest borrowing/issuance in each category, please provide the amount and other details: AMOUNT (expressed in millions):

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Common stock	145.33	228.45	51.96 - 238.69	21	0	750	23
Preferred stock	100.85	189.64	17.74 - 183.96	20	0	600	20
Bond	2365.64	8995.54	-262.68 - 4993.95	400	0	60000	45
Convertible debt	117.57	192.97	-25.38 - 260.53	9.50	0	400	7
Bank loan	181.09	590.07	78.46 - 283.71	5	0	5000	127
Non-bank loan	328.47	1644.47	-201.41 - 858.35	0.50	0	10000	37
Draw on line of credit	183.37	1023.96	24.70 - 342.03	2	0	10000	160
Commercial paper	1797.48	4711.73	-217.77 - 3812.72	300	0	20000	21
Other	197.13	422.41	31.55 - 362.71	1	0	1600	25

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13b. Please provide details about the external funding you plan to obtain in 2019. For your largest borrowing/issuance in each category, please provide the amount and other details: PRIMARY ISSUANCE CURRENCY:

Common stock	Number	Percent	95% CI
USD	390	94.4 %	
CAD	11	2.7 %	± 2.8 %
EUR	6	1.5 %	± 2.1 %
AUD	3	0.7 %	± 1.5 %
Bitcoin / Cryptocurrency	2	0.5 %	± 1.2 %
GBP	1	0.2 %	± 0.9 %
Total	413	100.0 %	

Number of Cases = 232
Number of Responses = 413
Average Number Of Responses Per Case = 1.8
Number Of Cases With At Least One Response = 232
Response Percent = 100.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13b. Please provide details about the external funding you plan to obtain in 2019. For your largest borrowing/issuance in each category, please provide the amount and other details: TERM/MATURITY:

(N=469)

	1 year	2-3 years	4-5 years	6-10 years	More than 10 years	None	Total
Preferred stock	0 0.0%	2 9.1%	6 27.3%	1 4.5%	4 18.2%	9 40.9%	22 100.0%
Bond	0 0.0%	2 4.9%	11 26.8%	22 53.7%	6 14.6%	0 0.0%	41 100.0%
Convertible debt	0 0.0%	2 33.3%	4 66.7%	0 0.0%	0 0.0%	0 0.0%	6 100.0%
Bank loan	12 11.3%	15 14.2%	49 46.2%	17 16.0%	11 10.4%	2 1.9%	106 100.0%
Non-bank loan	2 6.3%	11 34.4%	8 25.0%	5 15.6%	3 9.4%	3 9.4%	32 100.0%
Draw on line of credit	52 37.7%	38 27.5%	30 21.7%	3 2.2%	2 1.4%	13 9.4%	138 100.0%
Commercial paper	9 47.4%	1 5.3%	1 5.3%	0 0.0%	0 0.0%	8 42.1%	19 100.0%
Other	1 5.0%	2 10.0%	3 15.0%	3 15.0%	1 5.0%	10 50.0%	20 100.0%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13b. Please provide details about the external funding you plan to obtain in 2019. For your largest borrowing/issuance in each category, please provide the amount and other details: TYPE:

(N=469)

	Fixed rate	Floating rate	Both	Not applicable	Total
	12	0	2	9	23
Preferred stock	52.2%	0.0%	8.7%	39.1%	100.0%
	28	3	9	0	40
Bond	70.0%	7.5%	22.5%	0.0%	100.0%
	3	1	2	0	6
Convertible debt	50.0%	16.7%	33.3%	0.0%	100.0%
	44	46	14	0	104
Bank loan	42.3%	44.2%	13.5%	0.0%	100.0%
	20	4	2	5	31
Non-bank loan	64.5%	12.9%	6.5%	16.1%	100.0%
	29	98	9	1	137
Draw on line of credit	21.2%	71.5%	6.6%	0.7%	100.0%
	3	13	0	3	19
Commercial paper	15.8%	68.4%	0.0%	15.8%	100.0%
	5	2	2	11	20
Other	25.0%	10.0%	10.0%	55.0%	100.0%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13b. Please provide details about the external funding you plan to obtain in 2019. For your largest borrowing/issuance in each category, please provide the amount and other details: PRIMARY PURPOSE:

Common stock	Number	Percent	95% CI
General funding needs	113	28.7 %	± 6.6 %
Fund a specific investment project	112	28.4 %	± 6.6 %
Working capital needs	101	25.6 %	± 6.6 %
Roll over existing security	35	8.9 %	± 4.8 %
Other	18	4.6 %	± 3.6 %
Rebalance overall amount of debt relative to amount of equity	13	3.3 %	± 3.1 %
To cover operating losses	2	0.5 %	± 1.2 %
Total	394	100.0 %	

Number of Cases = 223
Number of Responses = 394
Average Number Of Responses Per Case = 1.8
Number Of Cases With At Least One Response = 223
Response Percent = 100.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13b. Common Stock - Primary Purpose - WriteIn:

IN	Common Stock - Primary Purpose - WriteIn:
Other	pay refundable property
	tax & cover startup costs

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13b. Bond - Primary Purpose - WriteIn:

IN	Bond - Primary Purpose - WriteIn:
Energy	acquisition
Bank/Fin/Insur/Real Est	Fund asset purchases
Bank/Fin/Insur/Real Est	fund loan growth

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13b. Bank Loan - Primary Purpose - WriteIn:

IN	Bank Loan - Primary Purpose - WriteIn:
Other	Acquisition
Manufacturing	interest restructure
Mining/Construction	Secured Equipment
	Financing

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13b. Non-Bank Loan - Primary Purpose - WriteIn:

IN	Non-Bank Loan - Primary Purpose - WriteIn:
Tech [Soft/Hard/Bio]	acquisition
Manufacturing	Capex

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13b. Line of Credit - Primary Purpose - WriteIn:

IN	LOC - Primary Purpose - WriteIn:
Other	Acquisition
Other	Construction projects
Other	flexibility

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

13b. Other - Primary Purpose - WriteIn:

IN	Other - Primary Purpose - WriteIn:
Bank/Fin/Insur/Real Est	Equity fund new asset
	purchases
Tech [Soft/Hard/Bio]	From sale one PE fund to
	another last year
Bank/Fin/Insur/Real Est	Fund investment with a
	hurdle rate and carry
	concept
Services, Consulting	NA
Other	Social services as
	designated by donors

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

14. Do you plan to retire any debt over the next year?

	Number	Percent	95% CI
No	154	44.3 %	± 4.3 %
Yes, at debt maturity	106	30.5 %	± 3.8 %
Yes, retire/call debt before it matures	58	16.7 %	± 3.0 %
Don't Know	30	8.6 %	± 2.2 %
Total	348	100.0 %	

Missing Cases = 121
Response Percent = 74.2 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

14. Will you be replacing this retired / matured debt with new debt?

	Number	Percent	95% CI
Yes, with a similar amount of debt to the amount of debt retired	32	30.5 %	± 2.3 %
Yes, with less debt than the amount of debt retired	9	8.6 %	± 1.3 %
Yes, with more debt than the amount of debt retired	8	7.6 %	± 1.2 %
Yes, with another type of external funding	1	1.0 %	± 0.4 %
No, we will not replace retired debt	55	52.4 %	± 3.0 %
Total	105	100.0 %	

Missing Cases = 364
Response Percent = 22.4 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

14. Do you plan to replace the retired debt with new debt?

	Number	Percent	95% CI
No	40	69.0 %	± 2.6 %
Yes	18	31.0 %	± 1.8 %
Total	58	100.0 %	

Missing Cases = 411
Response Percent = 12.4 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

14. We will replace retired debt with new debt that will mature...

	Number	Percent	95% CI
sooner than the scheduled maturity of the retired debt	2	11.1 %	± 0.6 %
at the same time as the scheduled maturity of the retired debt	4	22.2 %	± 0.9 %
later than the scheduled maturity of the retired debt	12	66.7 %	± 1.5 %
Total	18	100.0 %	

Missing Cases = 451
Response Percent = 3.8 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15a. When you make plans for your overall company (e.g., 5-year plan), do you perform "scenario analysis"? (e.g., Downside, Base Case, Upside scenarios)

	Number	Percent	95% CI
No	75	21.4 %	± 3.3 %
Yes	255	72.9 %	± 4.5 %
Don't Know	20	5.7 %	± 1.8 %
Total	350	100.0 %	

Missing Cases = 119
Response Percent = 74.6 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15b. How many scenarios do you consider when planning for your overall company?

Minimum = 1

Maximum = 10000

Mean = 43.26

Median = 3

Standard Deviation (Unbiased Estimate) = 632.25

95 Percent Confidence Interval Around The Mean = -35.11 - 121.64

Quartiles

1 = 3
2 = 3
3 = 3

Valid Cases = 250
Missing Cases = 219
Response Percent = 53.3%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15c. In your scenario planning, which scenarios receive most of your company's attention and planning? (pick top 3)

In your scenario planning, which scenarios receive most of your company's attention and planning? (pick top 3)	Number	Percent	95% CI
Base Case	205	87.6 %	± 4.3 %
Downside	154	65.8 %	± 6.1 %
Upside	138	59.0 %	± 6.4 %
Extreme Downside	47	20.1 %	± 5.2 %
Extreme Upside	10	4.3 %	± 2.6 %
Total	554		

Number of Cases = 234
Number of Responses = 554
Average Number Of Responses Per Case = 2.4
Number Of Cases With At Least One Response = 234
Response Percent = 100.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15d. For each of these three scenarios, what does your company expect to occur during 2019?

N=469	Revenue Growth	Profit Margin	Capital Spending Growth	Year-end Cash / Total Assets	Year-end Primary Debt Ratio
Extreme Downside					
N	33	31	31	24	30
Mean	-2.36	-0.22	-2.32	1.33	20.1
Median	-5.5	0	0	2	5
Downside					
N	95	86	85	72	80
Mean	4.25	7.04	-1.75	5.57	15.69
Median	0	4	0	4	4.25
Base Case					
N	111	100	100	84	92
Mean	11.66	12.88	6.97	11.38	14.09
Median	6	10	3	7	4.75
Upside					
N	99	89	89	77	81
Mean	16.26	17.29	11.85	17.14	11.67
Median	10	12	5.5	12	4.78
Extreme Upside					
N					
Mean	5	5	5	5	5
Median	18.4	21.2	7.8	14.2	5.23
	23.5	25.5	12	15	7

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15e. Worst Case Scenario

IN	Worst_Scenario	15e. What key steps is your company taking now to prepare for the possibility that a worst scenario might occur?	15f. If a worst scenario actually occurs, what additional steps would your company take later in the year?
Agr, Forestry, Fishing	Downside	Slow production until	Slow production further
		market more visible	
Agr, Forestry, Fishing	ExtremeDownside	preserve more cash, fix	possible reduction of
		interest rate on loan,	personnel, change delivery
		review productivity, look	of product to the market,
		for continued efficiency	reduce or eliminate
		improvements	dividends, raise more
			equity capital
Bank/Fin/Insur/Real Est	Downside	1. Expense reduction	1. Additional expense
		initiatives to target all non-	reduction initiatives and
		volume related, non-fixed	deferral of strategic
		expense categories. 2.	investment/capital
		Targeted revenue growth	spending initiatives 2.
		initiatives in key market/	Restructuring (take one-
		business areas. 3.	time charge) to cut existing
		Increased speed and	fixed operating expenses 3.
		successful execution of	Potential sale of non-core
		acquisitions. 4. Treasury	businesses. 4. Accelerate
		actions to generate gains	new acquisition
		and reduce funding costs;	opportunities

		as well as additional hedging activities. 5. Asset sales such as real estate	
Bank/Fin/Insur/Real Est	Downside	Adding as little base cost as possible - Exploring automation	Elimination of jobs
Bank/Fin/Insur/Real Est	Downside	Business Process Optimization to improve labor management.	Curtail capex ~ 20%
Bank/Fin/Insur/Real Est	Downside	cash reserves and raw material inventory excess purchases	asset sales
Bank/Fin/Insur/Real Est	Downside	Expense reduction initiatives are already spelled out.	Defer discretionary expenses and take action on expense initiatives
Bank/Fin/Insur/Real Est	Downside	Hoarding cash and reducing debt	Asset improvement and debt reduction
Bank/Fin/Insur/Real Est	Downside	increasing liquidity	raise external capital
Bank/Fin/Insur/Real Est	Downside	maintain liquidity have executable disposition plan minimizing G&A	sell assets reduce headcount reduce G&A

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15e. Worst Case Scenario

IN	Worst_Scenario	15e. What key steps is your company taking now to prepare for the possibility that a worst scenario might occur?	15f. If a worst scenario actually occurs, what additional steps would your company take later in the year?
Bank/Fin/Insur/Real Est	Downside	Maintaining a healthy	GnA reductions. Move to
		balance sheet is paramount	more floating rate debt.
		- provides financial	
		flexibility to capitalize on	
		investment opportunities	
		during a downturn.	
Bank/Fin/Insur/Real Est	Downside	none	relook at operating
			expenses with a
			possibility of reducing
			expenditures in Q4
Bank/Fin/Insur/Real Est	Downside	Product development;	Expense reductions
		M&A for diversification	
Bank/Fin/Insur/Real Est	Downside	Reduced hiring and	Focus on the portfolio of
		cautious investing	loans and work to address
			any that are negatively
			affected by the downturn
Bank/Fin/Insur/Real Est	Downside	underwriting external	pare back on external
		investments cautiously	investment spending
Bank/Fin/Insur/Real Est	ExtremeDownside	Being cautious	Raise more cash and build
			capital

Bank/Fin/Insur/Real Est	ExtremeDownside	Careful planning for expense reductions	close additional locations
Bank/Fin/Insur/Real Est	ExtremeDownside	Continual stress testing; liquid balance sheet	See above
Bank/Fin/Insur/Real Est	ExtremeDownside	Interest rate swap contracts, grow capital through a new offering, expand liquidity options	As above
Bank/Fin/Insur/Real Est	ExtremeDownside	Maintaining underwriting discipline and capital cushion. Keep alm tolerances tight.	Slow asset growth; consider selling certain assets
Bank/Fin/Insur/Real Est	ExtremeDownside	Retaining cash	Accelerate depreciation to defer tax, sell assets
Communication/Media	Downside	High cash balance. Watching variable expenses and knowing which levers to pull to reduce fixed costs.	Freeze growth investment and hiring. Delay capital spending.

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15e. Worst Case Scenario

IN	Worst_Scenario	15e. What key steps is your company taking now to prepare for the possibility that a worst scenario might occur?	15f. If a worst scenario actually occurs, what additional steps would your company take later in the year?
Communication/Media	Downside	none	More stringent HC growth
			management as well as
			tighter Expense
			Management
Communication/Media	ExtremeDownside	EXPENSE CONTROL	REDUCE EXPENSES
		REVENUE	
		ENHANCEMENT	
Energy	Downside	Hedging commodity prices,	Manage Capital
		Liability Management	Investment and Expenses
Energy	Downside	In process of completing	Potential to reduce capex,
		an asset sale to pay down	issue public common
		debt ahead of several	equity or ask banks for a
		organic projects coming	temporary waiver on
		online later in 2019 that	leverage covenant
		should significantly	
		increase EBITDA	
Energy	Downside	More frequent market	Minimize capital spend
		review	and minimize variable
			spend.
Energy	Downside	Reducing Debt to	De-lever
		EBITDA and maintaining	

		an undrawn corporate	
		revolver/preserving	
		secured term loan capacity	
Energy	Downside	Reserve requirements	---
Energy	Downside	strong balance sheet	cut capex
Energy	Downside	Tighten contract terms,	Minimize usage of debt
		term out matched	
		purchases and sales	
Energy	ExtremeDownside	Hedging commodity prices	reduce capital spending
Energy	ExtremeDownside	Hedging financial,	Layoffs, BK
		employee alignment,	
		leverage systems	
Energy	ExtremeDownside	Risk Mitigation &	Strategies and Tactics
		Governance Strategies Plan	from that Plan
Healthcare/Pharm	Downside	Additional contact/	Slow site expansion
		program options,	
		additional fundraising	

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15e. Worst Case Scenario

IN	Worst_Scenario	15e. What key steps is your company taking now to prepare for the possibility that a worst scenario might occur?	15f. If a worst scenario actually occurs, what additional steps would your company take later in the year?
Healthcare/Pharm	Downside	financial planning and	Reduction in labor. Limit
		visibility. course correct	capital spend. Eliminate
		as needed.	discretionary spend.
Healthcare/Pharm	Downside	Look for donors And	Look for donors And
		Grants	Grants
Healthcare/Pharm	Downside	Marketing and upgrading	Reduction of discretionary
		facilities	spending
Healthcare/Pharm	Downside	Raise outside capital	Raise inside investor
			capital
Healthcare/Pharm	Downside	Reducing operating	Pursue revenue
		expenses and extinguishing	opportunities
		debt	
Healthcare/Pharm	Downside	Spending controls	restructure assessment;
			spending controls
Healthcare/Pharm	ExtremeDownside	Evaluate OPEX cuts and	Cut share repurchases
		speed of those cuts to	
		implement	
Manufacturing	Downside	being wary of increasing	we'll be fine, no need to cut
		fixed costs	

Manufacturing	Downside	Cautious hiring	Hiring Freeze, workforce reductions
Manufacturing	Downside	Consolidating operations by moving production to cheaper locales and reducing domestic staffing	Uncertain
Manufacturing	Downside	cost control/reduction, execute long-term agreements that include exclusivity provisions, target markets that are less volatile (managed diversification), continued investment in R&D and Product Development.	Deeper cost cuts, less capital spending, tighter filtering on targeted acquisitions.
Manufacturing	Downside	cost out, restrucuturing	hiring freeze, travel freeze, further RIF
Manufacturing	Downside	Cost take out and consolidations	Further cost take-out and divestiture

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15e. Worst Case Scenario

IN	Worst_Scenario	15e. What key steps is your company taking now to prepare for the possibility that a worst scenario might occur?	15f. If a worst scenario actually occurs, what additional steps would your company take later in the year?
Manufacturing	Downside	Current operational costs	Cut baseline costs
		are based on downside	
		scenario	
Manufacturing	Downside	De-leveraging the balance	delay capital investments
		sheet	
Manufacturing	Downside	Expanding lean	Reduce or eliminate
		manufacturing	bonuses, reduce or
			eliminate capex
Manufacturing	Downside	Focus on advertising	Pricing changes
		spend, resource allocation	
Manufacturing	Downside	FX and interest rate	Freeze on hiring, strategic
		hedges, just-in-time	pricing to try pick some
		inventory, collecting	additional work at the
		deposits from customers	back end of the year
Manufacturing	Downside	higher scrutiny of new	Hiring freeze, layoffs,
		hires	project delay
Manufacturing	Downside	Managing inventory and	Shed jobs and eliminate
		keeping manning levels	capital spending
		under control and	
		adjusting if necessary	

Manufacturing	Downside	Paying down debt	Refinance
Manufacturing	Downside	Produce only to firmed	Reduction of materials and
		orders in forecast. No	headcount
		scheduled overtime	
Manufacturing	Downside	Renewed Line of credit for	Strong review of
		3 years. Cash flow	headcount and manning
		forecasting to manage	plan versus bas case.
		working capital needs.	Spending reductions in line
		Using CRM to review	with top line activity.
		opportunities and future	Capital spending
		business prospects. Using	management to reduce
		S & O P to model business	cash flow drain.
		drivers and scenario plan	
		supply chain	
		commitments. Managing	
		hedging strategies for	
		maximum flexibility.	
Manufacturing	Downside	Spinning off part of the	Sell some fixed assets
		business	

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15e. Worst Case Scenario

IN	Worst_Scenario	15e. What key steps is your company taking now to prepare for the possibility that a worst scenario might occur?	15f. If a worst scenario actually occurs, what additional steps would your company take later in the year?
Manufacturing	Downside	Tightening credit policies,	hiring freeze, reduce credit
		developing downside plan	limits, cut R&D and
		actions	marketing
Manufacturing	Downside	working capital	working capital
		management	management
Manufacturing	ExtremeDownside	13 week weekly forecast	cut capex and new market
			plans
Manufacturing	ExtremeDownside	labor review / tightening of	layoffs
		labor employed	
Manufacturing	ExtremeDownside	Productivity program in	Pricing
		all cost elements & cash.	
Manufacturing	ExtremeDownside	Shut down scenarios	Close the business
Manufacturing	ExtremeDownside	Various action plans	restructuring
Manufacturing	ExtremeDownside	Very tight rein on admin	Plant and org restructurings
		expenses and capital	
		expenditures.	
Mining/Construction	Downside	Reducing capital spending	Reduce capital spending
			and lay off staff

Mining/Construction	ExtremeDownside	Pay down debt and lock in revenues	Cut capital and costs
Mining/Construction	ExtremeDownside	Restructuring and streamlining operations, right-sizing our OH cost structure	Perhaps close an office
Other	Downside	Close monitoring backlog	none, our backlog is solid for the year and beyond.
Other	Downside	Controlling costs; accelerating sales efforts	Expand the product offering. More interim, project CFO work
Other	Downside	Creating action plans to control labor and capital	Reduce labor if possible and reduce capital
Other	Downside	Expense reduction initiatives are ongoing and new revenue generation continues to be a constant focus for our Finance team	Slowing employment growth, additional expense reduction

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15e. Worst Case Scenario

IN	Worst_Scenario	15e. What key steps is your company taking now to prepare for the possibility that a worst scenario might occur?	15f. If a worst scenario actually occurs, what additional steps would your company take later in the year?
Other	Downside	Focus on Cash Flow	---
		across the enterprise.	
Other	Downside	Investment in core	Budget reduction
		products to provide for a	
		best value' marketing	
		position	
Other	Downside	Join a reservation group,	Adjust labor content to
		upgraded management firm,	match demand
		sales personnel hires	
Other	Downside	No growth in	Depends on how severe
		administrative headcount.	but Headcount reductions
		Preparing cost cutting	and temporary plant
		playbooks for each	shutdowns.
		business	
Other	Downside	none	cancel or defer
			discretionary projects
Other	Downside	pay down debt	secure financing
Other	Downside	Re-think budgeting /	Cut capex.
		resource-allocation model.	
		Re-think insurance	

		coverage plans.	
Other	ExtremeDownside	Identify positions that	Execute RIF
		may be at risk.	
Other	ExtremeDownside	None	Cost cutting, debt
			management
Other	ExtremeDownside	Preparing two budgets, for	Employee layoffs,
		both a Base Case and an	downsizing of our
		Extreme Downside	collection.
		projection.	
Other	ExtremeDownside	Recession Ready case	Workforce Reduction
Pub Admin	ExtremeDownside	Building cash reserve	Cuts to services and as a
		balances as much as	last resort, cuts to staff.
		possible.	
Pub Admin	ExtremeDownside	Developing contingency	Reduce staff, close
		plans for reducing	business units
		operational leverage and	
		cutting variable costs.	
Retail/Wholesale	Downside	---	Employee reductions

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15e. Worst Case Scenario

IN	Worst_Scenario	15e. What key steps is your company taking now to prepare for the possibility that a worst scenario might occur?	15f. If a worst scenario actually occurs, what additional steps would your company take later in the year?
Retail/Wholesale	Downside	Deferring new hires and	Freeze hiring and capital
		capital spending until we	spending
		have clear vision on 2019	
		success	
Retail/Wholesale	Downside	keeping a list of cut backs	not retiring debt reduce
		ready	head count delay expansion
Retail/Wholesale	Downside	Managing investments	Cut planned investments
		(primarily SG&A) - and	in SG&A.
		planning for more	
		investments in the back-	
		half of the year.	
Retail/Wholesale	Downside	Nothing really. Our	Would look at spending
		business model insulates	
		us pretty much from	
		downside scenarios.	
Retail/Wholesale	Downside	re- examination of all costs,	slow or stop new capital
		both fixed and variable	projects.
Retail/Wholesale	Downside	Reducing discretionary	Layoffs, further
		spending not directly	discretionary spending
		related to driving sales	reductions

Retail/Wholesale	Downside	Reduction in force	Outsourcing
Retail/Wholesale	ExtremeDownside	Cutting costs; headcount freeze; salary freeze except for statutory minimum wage, offshoring operations	Increased investment by PE sponsors; Acquisition to enable debt recapitalization
Retail/Wholesale	ExtremeDownside	Highly variable cost structure.	Highly variable cost structure. RIF, freeze on spenidng
Retail/Wholesale	ExtremeDownside	Scenario planning on investments (including S&GA)	---
Services, Consulting	Downside	Cost cutting measures. Reduce office space.	Reduce headcount. Cut non essential costs
Services, Consulting	Downside	Focusing on efficiency programs	Shut down capacity
Services, Consulting	Downside	holding employee count steady and using contingent resources	lower number of contingent employees

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15e. Worst Case Scenario

IN	Worst_Scenario	15e. What key steps is your company taking now to prepare for the possibility that a worst scenario might occur?	15f. If a worst scenario actually occurs, what additional steps would your company take later in the year?
Services, Consulting	Downside	holding spending/hiring	Cut discretionary
		unless absolutely	spending.
		necessary or already called	
		for.	
Services, Consulting	Downside	Increase clients	Increase clinets
Services, Consulting	Downside	Limits on spending,	Early Retirement, then
		aggressive marketing	return to the market when
			it turns
Services, Consulting	Downside	looking at costs	reducing costs
Services, Consulting	Downside	Lowering leverage ratio	Opex cost reductions
		but not so much because	
		of fears of a slowdown,	
		but it certainly would help	
		in that regard	
Services, Consulting	Downside	Monitoring internal	Depends on projected
		metrics of clients/	length of downturn. Our
		headcount	balance sheet will enable
			us to ride out a modest
			downturn and keep our
			powder dry for the
			recovery.

Services, Consulting	Downside	none	layoffs
Services, Consulting	Downside	project prioritization	spending controls
Services, Consulting	Downside	secure funding lines of credit	secure funding
Services, Consulting	ExtremeDownside	Paying off debt Reducing use of LOC Profitability by Department/Service Line	Revisit budgeted cost and employee count - revisit employee addition and replacement needs
Services, Consulting	ExtremeDownside	Seeking to diversify products	Reduce spending and increase marketing
Tech [Soft/Hard/Bio]	Downside	Cost control and lower DSO	Keep costs in line with revenue, reprioratize capex and debt usage.
Tech [Soft/Hard/Bio]	Downside	Doing a round of investment/funding earlier than would otherwise be needed.	slower hiring plans and growth plans.

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15e. Worst Case Scenario

IN	Worst_Scenario	15e. What key steps is your company taking now to prepare for the possibility that a worst scenario might occur?	15f. If a worst scenario actually occurs, what additional steps would your company take later in the year?
Tech [Soft/Hard/Bio]	Downside	Marketing in new avenues	Curtail any additional
		and idustries	expenses. Reduce
			manageable expenses.
Tech [Soft/Hard/Bio]	Downside	Prepared organization	Internal cost controls (e.g.,
		contingency planning	deferring or eliminating
			discretionary spending)
Tech [Soft/Hard/Bio]	ExtremeDownside	-	-
Tech [Soft/Hard/Bio]	ExtremeDownside	1. Preparing to leverage	1. Evaluate employment
		assets 2. Evaluating	actions 2. De-emphasize
		contract manufacturers to	non-critical R&D
		determine exit strategy 3.	
		Evaluating bringing certain	
		manufacturing in-house	
Tech [Soft/Hard/Bio]	ExtremeDownside	Contingency Funding &	Contingency Funding &
		Digressionary spending	Digressionary spending
		contingency plans	contingency plans
Tech [Soft/Hard/Bio]	ExtremeDownside	New investments on hold	RIF
		until we see market change	
		or internal wins	
Tech [Soft/Hard/Bio]	ExtremeDownside	None	N/A

Transp, Public Util	Downside	Purchasing assets needed	Discretionary cost cutting,
		for capacity increase	reduce maintenance
		judiciously, in groups of	projects, reprioritize capex
		assets as needed or as the	
		strength of the economy	
		warrants	
Transp, Public Util	Downside	We are continuing to	Reduce truck orders.
		optimize our freight	
		network and align	
		ourselves with our most	
		strategic customers as well	
		as limiting additional	
		capacity growth.	
Transp, Public Util	ExtremeDownside	---	not renew the NCIB
Transp, Public Util	ExtremeDownside	Each year, perform rate	Reduce capital work plans
		analysis and cost of	for current year and start
		service study. Monitor 4	cost cutting measures.
		year capital wok plans and	
		long range work plans.	

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15g. Which economic indicators do you consider most important in causing your firm to actually experience a downside, base case, or upside outcome? (pick up to 3)

Which economic indicators do you consider most important in causing your firm to actually experience a downside, base case, or upside outcome? (pick up to 3)	Number	Percent	95% CI
GDP growth – Your country	69	46.9 %	± 8.2 %
Spending -- Consumer	56	38.1 %	± 7.9 %
Commodity Prices	45	30.6 %	± 7.5 %
Interest Rates	42	28.6 %	± 7.4 %
Inflation	30	20.4 %	± 6.6 %
GDP growth – Global	30	20.4 %	± 6.6 %
Other	28	19.0 %	± 6.4 %
International Trade / Tariffs	26	17.7 %	± 6.2 %
Spending -- Infrastructure	19	12.9 %	± 5.5 %
Currency exchange rates	18	12.2 %	± 5.4 %
Spending -- Defense	6	4.1 %	± 3.2 %
Total	369		

Number of Cases = 147
Number of Responses = 369
Average Number Of Responses Per Case = 2.5
Number Of Cases With At Least One Response = 147
Response Percent = 100.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15g. Which economic indicators do you consider most important in causing your firm to actually experience a downside, base case, or upside outcome? (pick up to 3) OTHER

IN	Which economic indicators do you consider most important in causing your firm to actually experience a downside, base case, or upside outcome? OTHER
Bank/Fin/Insur/Real Est	Agricultural land values
Communication/Media	Bankruptcies
Services, Consulting	business spending
Manufacturing	Cancellation of orders
Manufacturing	commercial constructon
Services, Consulting	construction activity-
	hospitality
Bank/Fin/Insur/Real Est	Corporate Earnings
	Growth
Tech [Soft/Hard/Bio]	Data breaches
Other	discretionary federal
	budget
Healthcare/Pharm	Domestic competition
Other	Employment

Tech [Soft/Hard/Bio]	Healthcare costs
Healthcare/Pharm	Housing Market
Manufacturing	Housing Starts
Bank/Fin/Insur/Real Est	HPI and Unemployment
Services, Consulting	Labor wage rates
Other	Local environment
Mining/Construction	new construction activity
Healthcare/Pharm	None of the above - it is
	competitive products
Other	overall sentiment
Healthcare/Pharm	Pharmaceutical pricing
Services, Consulting	regulatory (Tax) issues
Services, Consulting	Spending-Corporate

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

15g. Which economic indicators do you consider most important in causing your firm to actually experience a downside, base case, or upside outcome? (pick up to 3) OTHER

IN	Which economic indicators do you consider most important in causing your firm to actually experience a downside, base case, or upside outcome? OTHER
Mining/Construction	State, county and muni pal
	budgets
Other	State budgets
Other	Stock market performance
Bank/Fin/Insur/Real Est	Unemployment
Transp, Public Util	Weather

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

16a. How much investment / R&D does your firm plan over the next 12 months? TOTAL PLANNED SPENDING (in millions) across all projects:

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Total planned spending (in millions) across all projects - Capital expenditures	303.96	1161.23	166.46 - 441.46	3	0	12000	274
Total planned spending (in millions) across all projects - R&D	118.39	871.64	4.24 - 232.54	0.40	0	12000	224

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

16a. How much investment / R&D does your firm plan over the next 12 months? CURRENCY

Currency - Capital expenditures	Number	Percent	95% CI
USD	246	96.5 %	± 4.5 %
CAD	9	3.5 %	± 1.3 %
Total	255	100.0 %	

Missing Cases = 214
Response Percent = 54.4 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

16a. How much investment / R&D does your firm plan over the next 12 months? CURRENCY

Currency - R&D	Number	Percent	95% CI
USD	176	96.7 %	± 4.4 %
CAD	5	2.7 %	± 0.9 %
EUR	1	0.5 %	± 0.4 %
Total	182	100.0 %	

Missing Cases = 287
Response Percent = 38.8 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

16a. How much investment / R&D does your firm plan over the next 12 months? Consider your largest project. What is its estimated project life, in years?

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Consider your largest project. What is its estimated project life, in years? - Capital expenditures	9.53	10.23	8.24 - 10.83	5	0	50	240
Consider your largest project. What is its estimated project life, in years? - R&D	4.59	5.66	3.72 - 5.45	3	0	30	163

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

16a. How much investment / R&D does your firm plan over the next 12 months? Consider your largest project. What is its estimated after-tax ROIC?

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Consider your largest project. What is its estimated after-tax ROIC? - Capital expenditures	16.09	15.70	13.96 - 18.23	15	0	100	208
Consider your largest project. What is its estimated after-tax ROIC? - R&D	20.03	25.59	15.86 - 24.21	15	0	100	144

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

16b. For your planned Capital Expenditures, please consider your largest planned project.

(N=469)

	Mean	Very inflexible -3	Inflexible -2	Somewhat inflexible -1	Neutral 0	Somewhat flexible 1	Flexible 2	Flexible 3	Total
How Flexible is the start date of this largest CapX project?	0.75	10 3.3%	22 7.3%	48 15.9%	35 11.6%	78 25.8%	56 18.5%	53 17.5%	302 100.0%
How Flexible is the speed at which you complete this largest CapX project?	0.42	5 1.7%	34 11.4%	62 20.9%	44 14.8%	74 24.9%	39 13.1%	39 13.1%	297 100.0%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

17. If possible, estimate the number of patents/trademarks you expect to file/register in 2019:

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
If possible, estimate the number of patents you expect to file/ register in 2019:	2.75	13.22	0.99 - 4.52	0	0	150	216
If possible, estimate the number of trademarks you expect to file/register in 2019:	1.49	7.22	0.52 - 2.45	0	0	100	214

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

18. Approximately what percentage of your sales revenue comes from new products (products that did not exist 4 years ago)?

Minimum = 0

Maximum = 100

Mean = 16.99

Median = 10

Standard Deviation (Unbiased Estimate) = 23.94

95 Percent Confidence Interval Around The Mean = 14.23 - 19.76

Quartiles

1 = 1
2 = 10
3 = 20

Valid Cases = 288
Missing Cases = 181
Response Percent = 61.4%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. Consider the following about your company's weighted average cost of capital (WACC) and hurdle rate.

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
What is your company's WACC?	9.56	5.41	8.90 - 10.21	9	0	55	262
What is the hurdle rate that your company uses to evaluate investment projects? (The "hurdle rate" is typically the minimum rate of return a project is required to earn in order for a company to pursue the project.)	14.04	9.59	12.87 - 15.21	12	0	75	258

Hurdle Rate - WACC: (Both Hurdle Rate and WACC need to be answered to calculate these averages)

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Subtract WACC from HURDLE	4.43	9.76	3.21 - 5.64	2	-52	70	248

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. Why does your firm set your hurdle rate > WACC? (Choose up to 4)

Why does your firm set your hurdle rate > WACC? (Choose up to 4)	Number	Percent	95% CI
So that we choose only the best available projects	75	46.6 %	± 7.8 %
So that we choose projects that are profitable	67	41.6 %	± 7.7 %
To account for riskiness of the projects being evaluated	67	41.6 %	± 7.7 %
So that we choose projects that pay back the initial investment quickly	59	36.6 %	± 7.5 %
To provide a margin of error in calculations and assumptions	52	32.3 %	± 7.3 %
To provide a buffer in case the project underperforms	42	26.1 %	± 6.9 %
To limit the number of projects that are approved – because we face funding constraints	31	19.3 %	± 6.2 %
To limit the number of projects that are approved – because of scarcity of managerial time / expertise	31	19.3 %	± 6.2 %
To account for costs not captured by WACC	24	14.9 %	± 5.6 %
Our hurdle rate is our cost of equity, which ensures that we create value for shareholders	22	13.7 %	± 5.4 %
Other	4	2.5 %	± 2.4 %
To penalize projects that earn negative cash flows some years	2	1.2 %	± 1.7 %
Total	476		

Number of Cases = 161
Number of Responses = 476
Average Number Of Responses Per Case = 3.0
Number Of Cases With At Least One Response = 161
Response Percent = 100.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. Why does your firm set your hurdle rate > WACC? OTHER

IN	Why does your firm set your hurdle rate > WACC? OTHERS
Bank/Fin/Insur/Real Est	So that we not only earn
	sufficient return but also
	build capital and generate a
	targeted level of value
	creation for our
	stockholders
Mining/Construction	we have long-term
	investments and a high-
	risk forecast, so risk is high
Retail/Wholesale	Don't know what it is
Services, Consulting	ROIC is the start point,
	then add project specific
	risk

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. Over the past 10 years, how many times has your firm changed your hurdle rate by 1% or more?

	Number	Percent	95% CI
0	74	24.9 %	± 3.3 %
1	25	8.4 %	± 2.0 %
2	36	12.1 %	± 2.4 %
3	17	5.7 %	± 1.7 %
4	2	0.7 %	± 0.6 %
5	6	2.0 %	± 1.0 %
6+	6	2.0 %	± 1.0 %
Don't Know	131	44.1 %	± 4.1 %
Total	297	100.0 %	

Missing Cases = 172
Response Percent = 63.3 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. Over the past 10 years, how many times has your firm changed your hurdle rate by 1% or more ? Excludes Dk / Shows Average Scores

Over the past 10 years, how many times has your firm changed your hurdle rate by 1% or more?	Number	Percent	95% CI
0=0	74	44.6 %	± 3.3 %
1=1	25	15.1 %	± 2.1 %
2=2	36	21.7 %	± 2.4 %
3=3	17	10.2 %	± 1.7 %
4=4	2	1.2 %	± 0.6 %
5=5	6	3.6 %	± 1.0 %
6=6+	6	3.6 %	± 1.0 %
Total	166	100.0 %	

Mean = 1.34

Missing Cases = 303
Response Percent = 35.4 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than X time(s) in the past decade?

IN	Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than
Agr, Forestry, Fishing	Small company, limited
	but visible opportunities
Agr, Forestry, Fishing	We think this is a good
	target for us
Bank/Fin/Insur/Real Est	Available resources.
Bank/Fin/Insur/Real Est	Because our hurdle rate is
	significantly higher than
	our WACC
Bank/Fin/Insur/Real Est	Guaranteed return to
	shareholders at hurdle rate
Bank/Fin/Insur/Real Est	guideline that allows a
	consistent comparative
	baseline condition first
	look then variables get
	applied to the current
	conditions
Bank/Fin/Insur/Real Est	industry stability and
	nature of our business

Bank/Fin/Insur/Real Est	Inertia
Bank/Fin/Insur/Real Est	it has been relatively
	stable and most of our
	WACC comes from equity
Bank/Fin/Insur/Real Est	Its tiered by risk level
Bank/Fin/Insur/Real Est	Long term yield
Bank/Fin/Insur/Real Est	Our business model does
	not allow for it,
Bank/Fin/Insur/Real Est	Projects are extremely
	costly and risky.
	Preservation of capital is
	of paramount importance.
Bank/Fin/Insur/Real Est	Recent adoption of a
	formal hurdle rate
Bank/Fin/Insur/Real Est	Set at long term average
	view

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than X time(s) in the past decade?

IN	Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than
Bank/Fin/Insur/Real Est	We don't like to make long
	term decisions/
	investments based on a
	cost of capital derived on a
	point in time risk free rate
	(CAPM)
Bank/Fin/Insur/Real Est	We have managed to
	maintain our rate without
	the necessity of changes.
Bank/Fin/Insur/Real Est	We set a long term average
	view
Communication/Media	Cost of capital is an
	estimate with a very wide
	range of possible error,
	based on many
	assumptions that could
	vary
Communication/Media	There has been no need,
	since the hurdle rate has
	remained most stable.

Energy	Cash Capital Long
	alternative equity
	investments in public
	equity securities
Energy	Only 18 months old
Energy	Our cost of capital has
	remained in a very tight
	range.
Energy	Our investment cycles are
	long
Energy	Our long-term borrowing
	rates have been relatively
	steady given the HY space.
	Our floating rate debt has
	increased slightly but our
	hurdle rate has covered that

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than X time(s) in the past decade?

IN	Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than
Energy	We have had a very stable
	cost of capital despite
	market volatility and
	company is only 5 years
	old
Healthcare/Pharm	Non-profits healthcare
	providers typically are
	faced with outlays for
	replacement of equipment
	and aging buildings. When
	we do get a new project
	with a new revenue stream,
	we act quickly if
	financially feasible. Our
	hurdle' rate needs only
	change if the topic is much
	desired despite a tighter
	ROI.
Healthcare/Pharm	Projects are more need
	based/maintenance capex
	related
Manufacturing	Because we are debt free

	and the cost of capital is
	the cost of our shareholder
	equity
Manufacturing	Business model has been
	very steady
Manufacturing	Change has been relatively
	minor - +/- 0.5%. Also
	don't actually look at total
	WAAC - manage on a risk
	basis by market. Some of
	these have changed.
Manufacturing	Investment horizon is
	greater than 10 years - we
	don't allow short term
	changes in interest rates to
	affect that.

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than X time(s) in the past decade?

IN	Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than
Manufacturing	Large capacity addition
	increased the debt used to
	fund the Business and the
	cost of capital was
	reduced reflecting this
	change.
Manufacturing	longer term projects /
	acquisitions must meet
	long term hurdle rates
Manufacturing	Mainly focused on paying
	back our shareholders at a
	fixed rate to keep them
	interested in investing in
	the business.
Manufacturing	No financial expertise
Manufacturing	Our cost of capital is very
	stable we use a variety of
	sources.
Manufacturing	Previous CFO had no
	CapEx planning

Manufacturing	Volume of good
	opportunities remained
	well ahead of our ability to
	execute on them.
Manufacturing	We do not consider a
	hurdle rate. Investment
	projects are based on
	market conditions.
Manufacturing	We do not have lots of
	competing projects for
	capital
Manufacturing	We do not use any
	financial leverage currently
	and as a privately held
	company we understand
	that the risk of the project
	is the most significant
	factor related to approving
	the project.

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than X time(s) in the past decade?

IN	Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than
Manufacturing	We have always used a
	higher than WACC hurdle
	rate for a safe long-term
	hurdle rate that does not
	change with shorter term
	swings in capital costs.
Manufacturing	We look at long-term rates
	and only changed once it
	was clear rates would
	remain low for an extended
	period of time.
Manufacturing	We want to fund our
	growth from generated
	cash.
Manufacturing	Were no able to achieve
	past hurdle rates regularly
Manufacturing	Worked for pooled funds
	management
Mining/Construction	management believes
	current rate has been

	adequate over past 10
	years
Mining/Construction	We rarely use credit
Other	Academic institution,
	hurdle rate isn't the most
	important metric in many
	cases
Other	because the interest rate if
	factored into the hurdle
	rate. interest rate + 2%
Other	Conservatively set to
	begin with
Other	Difficult to match the
	duration of WACC with
	the expected life of project
Other	internal family capital
Other	My project full term is
	90days

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than X time(s) in the past decade?

IN	Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than
Other	new management
Other	Nonprofit service
	organization focusing more
	on sustainable services
	than ROI.
Other	Not a lot of capital
	investment
Other	This section is not
	applicable to us.
Other	We do not use it to make
	capital budget decisions.
Other	We mostly worry about
	being efficient in picking
	projects.
Pub Admin	It's really that not
	important of a factor for
	us.
Pub Admin	We recently set a hurdle

	rate for the first time.
	Many nonprofits do not
	use one, or evaluate all
	breakeven projects.
Retail/Wholesale	Owners do not consider
	hurdle rate for investing
	decisions. (small company)
Retail/Wholesale	Stability of industry and
	general comfort with
	established ROI
Services, Consulting	as a private company we
	tend to peg at a long term
	cost of equity
Services, Consulting	Efficient planning.
Services, Consulting	experience in the industry
	and forecasting
Services, Consulting	no need
Services, Consulting	pre-revenue startup

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than X time(s) in the past decade?

IN	Given that market conditions and the cost of capital have changed in recent years, why has your firm not changed your hurdle rate more than
Services, Consulting	primarily use internal
	funds
Services, Consulting	safety cushion for risk
Services, Consulting	We don't use WACC as
	the proxy for our hurdle
	rate. We use the larger
	ROIC
Services, Consulting	We pay cash for
	everything and do not
	have long term projects.
	Only short term projects
	that are paid as we go.
Tech [Soft/Hard/Bio]	We view the hurdle rate as
	a relative measurement for
	financial viability and
	focus efforts on accuracy
	vs. precision.
Transp, Public Util	Long term nature of our
	business

Transp, Public Util	Most of our assets are
	long-term (30yrs), so
	would not be prudent to
	frequently adjust.
Transp, Public Util	We are a rate regulated
	entity
Transp, Public Util	We are in a regulated
	environment and this is
	the rate that is allowed in a
	rate case.

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. The last time you changed your hurdle rate, why did you change it? (check all that apply)

The last time you changed your hurdle rate, why did you change it? (check all that apply)	Number	Percent	95% CI
Change in borrowing costs	40	59.7 %	± 12.1 %
Change in market risk premium	23	34.3 %	± 11.7 %
Change in cost of equity or beta	22	32.8 %	± 11.6 %
Change in type or location of investments	13	19.4 %	± 9.7 %
Other	5	7.5 %	± 6.5 %
Total	103		

Number of Cases = 67
Number of Responses = 103
Average Number Of Responses Per Case = 1.5
Number Of Cases With At Least One Response = 67
Response Percent = 100.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

<u>19. The last time you changed your hurdle rate, why did you change it? OTHER</u>

IN	The last time you changed your hurdle rate, why did you change it? OTHERS
Energy	Downturn in energy
	commodity prices
Manufacturing	Tax Act
Other	Hurdle rate is principally
	used for internal projects.
Other	Tax rate
Services, Consulting	Maximize capital
	efficiency

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

19. If your company were to invest in a project that earned WACC+2%, would that create value / increase the value of your firm?

	Number	Percent	95% CI
No	27	20.6 %	± 2.1 %
Yes	87	66.4 %	± 3.6 %
Don't Know	17	13.0 %	± 1.7 %
Total	131	100.0 %	

Missing Cases = 338
Response Percent = 27.9 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
How many distinct operating segments (e.g., autos, food, and electronics would be 3) does your firm have?	2.60	2.45	2.33 - 2.87	2	0	21	317

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

We’d like to know whether your firm’s assets could serve as collateral to borrow against. What percentage of your Total Assets could be used as collateral to support your Total Borrowing?

Minimum = 0

Maximum = 100

Mean = 45.43

Median = 45

Standard Deviation (Unbiased Estimate) = 31.06

95 Percent Confidence Interval Around The Mean = 41.84 - 49.01

Quartiles

1 = 20
2 = 45
3 = 75

Valid Cases = 289
Missing Cases = 180
Response Percent = 61.6%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

Over the next 3 years, we expect our firm's growth will be...

Over the next 3 years, we expect our firm's growth will be...	Number	Percent	95% CI
-2=Much slower than other firms in our industry	8	2.5 %	± 1.2 %
-1=Slower than other firms in our industry	12	3.7 %	± 1.4 %
0=About the same as other firms in our industry	140	43.3 %	± 4.2 %
1=Faster than other firms in our industry	139	43.0 %	± 4.2 %
2=Much faster than other firms in our industry	24	7.4 %	± 2.0 %
Total	323	100.0 %	

Mean = 0.49

Missing Cases = 146
Response Percent = 68.9 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

What was your earnings per share (EPS) over the most recent fiscal year? DilutedGAAP - US

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Diluted GAAP: (US)	3.29	3.71	2.35 - 4.24	2.10	-1.04	16.79	59

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

What was your earnings per share (EPS) over the most recent fiscal year? Currency - US

Diluted GAAP - Currency: (US)	Number	Percent	95% CI
USD	59	100.0 %	± 3.1 %
Total	59	100.0 %	

Missing Cases = 410
Response Percent = 12.6 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

What was your earnings per share (EPS) over the most recent fiscal year? DilutedNONGAAP - US

Diluted NON-GAAP: (US)

Minimum = -1.04

Maximum = 15.31

Mean = 3.38

Median = 2.51

Standard Deviation (Unbiased Estimate) = 3.48

95 Percent Confidence Interval Around The Mean = 2.43 - 4.34

Quartiles

1 = 1.14
2 = 2.51
3 = 4.91

Valid Cases = 51
Missing Cases = 418
Response Percent = 10.9%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

What was your earnings per share (EPS) over the most recent fiscal year? Currency - US

Diluted NON-GAAP - Currency: (US)	Number	Percent	95% CI
USD	46	100.0 %	± 2.8 %
Total	46	100.0 %	

Missing Cases = 423
Response Percent = 9.8 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

How much do you anticipate your firm will spend in 2019 to... (In Millions)

	Mean	SD	95% CI	Median	Minimum	Maximum	Total
Pay dividends - Amount:	191.12	923.76	75.45 - 306.80	0	0	10000	245
Repurchase shares - Amount:	143.30	711.00	50.80 - 235.79	0	0	7000	227

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

How much do you anticipate your firm will spend in 2019 to... Currency

Pay dividends - Currency:	Number	Percent	95% CI
USD	177	95.7 %	± 4.4 %
CAD	8	4.3 %	± 1.2 %
Total	185	100.0 %	

Missing Cases = 284
Response Percent = 39.4 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

How much do you anticipate your firm will spend in 2019 to... Currency

Repurchase shares - Currency:	Number	Percent	95% CI
USD	154	95.7 %	± 4.3 %
CAD	6	3.7 %	± 1.0 %
Bitcoin / Cryptocurrency	1	0.6 %	± 0.4 %
Total	161	100.0 %	

Missing Cases = 308
Response Percent = 34.3 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

Industry

	Number	Percent	95% CI
Manufacturing	86	18.3 %	± 3.5 %
Banking/Finance/Insurance/Real Estate	72	15.4 %	± 3.3 %
Services, Consulting	52	11.1 %	± 2.9 %
Technology [Software/Hardware/Biotech]	48	10.2 %	± 2.8 %
Retail/Wholesale	36	7.7 %	± 2.4 %
Healthcare/Pharmaceutical	36	7.7 %	± 2.4 %
Energy	27	5.8 %	± 2.1 %
Communication/Media	15	3.2 %	± 1.6 %
Mining/Construction	14	3.0 %	± 1.5 %
Transportation & Public Utilities	11	2.3 %	± 1.4 %
Agriculture, Forestry, & Fishing	6	1.3 %	± 1.0 %
Public Administration	4	0.9 %	± 0.8 %
Other Industry	62	13.2 %	± 3.1 %
Total	469	100.0 %	

Missing Cases = 0
Response Percent = 100.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

Industry (Other specified)

3rd Party Logistics
Academia
Aerospace
Athletic Apparel
Auction
Chemicals
Consulting
Consumer electronics
Consumer Goods
Consumer Products
custom cabinetmaking
e commerce
Education
Education
Education
Education/Conservation Zoo
Education/Workforce Solutions
Entertainment
Entertainment/Theme Park
Higher Education
Higher Education
Higher Education
Higher Education
higher education
Hospitality
Hospitality
Hospitality Management
hospitality
import/export
Infrastructure

Insurance
International Development - iNGO
Investment Management
Marketing/Advertising
Materials and Chemicals
Media
Media
Non Profit
Non Profit Religious
Non profit
non profit
Nonprofit
Nonprofit Foundation
nonprofit
nonprofit association
Not for Profit
Not for Profit
Not-for-Profit
Organisme gouvernemantal règlementant les télécoms et radio-télédiffusion
Private Equity Fund
real estate
real estate
Research & Development
RESTAURANT FRANCHISEE
Restaurants
Satellite telecommunication
social science research

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

Industry (Other specified)

Travel and Car Care
Various
Water Technology Company
Water Treatment

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

Sales Revenue

	Number	Percent	95% CI
Less than $25 million	147	31.4 %	± 4.2 %
$25-99 million	90	19.2 %	± 3.6 %
$100-499 million	68	14.5 %	± 3.2 %
$500-999 million	27	5.8 %	± 2.1 %
$1-4.9 billion	68	14.5 %	± 3.2 %
$5-9.9 billion	26	5.6 %	± 2.1 %
More than $10 billion	42	9.0 %	± 2.6 %
Total	468	100.0 %	

Missing Cases = 1
Response Percent = 99.8 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

What is your company's sales revenue? (In millions) (Weighted average given when not answered)

Minimum = 0

Maximum = 147050

Mean = 3009.56

Median = 73

Standard Deviation (Unbiased Estimate) = 10918.16

95 Percent Confidence Interval Around The Mean = 2021.42 - 3997.70

Quartiles

1 = 25
2 = 73
3 = 1666.25

Valid Cases = 469
Missing Cases = 0
Response Percent = 100.0%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

Number of Employees

	Number	Percent	95% CI
1	6	1.3 %	± 1.0 %
2-99	157	33.5 %	± 4.3 %
100-499	102	21.7 %	± 3.7 %
500-999	34	7.2 %	± 2.4 %
1000-4999	69	14.7 %	± 3.2 %
5000-9999	36	7.7 %	± 2.4 %
More than 10,000	65	13.9 %	± 3.1 %
Total	469	100.0 %	

Missing Cases = 0
Response Percent = 100.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

<u>How many full-time employees work at your company? (Weighted average given when not answered)</u>

Minimum = 1

Maximum = 450000

Mean = 10426.64

Median = 283.50

Standard Deviation (Unbiased Estimate) = 45106.68

95 Percent Confidence Interval Around The Mean = 6344.29 - 14509.00

<u>Quartiles</u>

1 = 50
2 = 283.50
3 = 2800

Valid Cases = 469
Missing Cases = 0
Response Percent = 100.0%

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

Where are you personally located?

	Number	Percent	95% CI
South U.S.	76	22.0 %	± 3.4 %
Northeast U.S.	71	20.6 %	± 3.3 %
Midwest U.S.	70	20.3 %	± 3.2 %
South Atlantic U.S.	38	11.0 %	± 2.5 %
Pacific US	38	11.0 %	± 2.5 %
Canada	34	9.9 %	± 2.4 %
Mountain U.S.	16	4.6 %	± 1.7 %
Other	2	0.6 %	± 0.6 %
Total	345	100.0 %	

Missing Cases = 124
Response Percent = 73.6 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

If your company headquarters is located in another country, please indicate which country:

Bermuda
Virginia

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

Ownership

	Number	Percent	95% CI
Private	274	58.4 %	± 4.5 %
Public (NYSE, NASDAQ, BOVESPA, CAC, JSE, SSE, TSE, or other public stock exchange)	149	31.8 %	± 4.2 %
Nonprofit	36	7.7 %	± 2.4 %
Govern-ment	10	2.1 %	± 1.3 %
Total	469	100.0 %	

Missing Cases = 0
Response Percent = 100.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

What is your primary role in your organization?

	Number	Percent
CFO	256	54.6 %
Director/VP of Finance	63	13.4 %
Owner or Partner	59	12.6 %
Controller	28	6.0 %
CEO	24	5.1 %
Other Director/Manager or Other Decision Maker in the Finance	23	4.9 %
Other	22	4.7 %
Treasurer	14	3.0 %
President/Chairperson	11	2.3 %
Would prefer not to answer	1	0.2 %
Total	501	

Number of Cases = 469
Number of Responses = 501
Average Number Of Responses Per Case = 1.1
Number Of Cases With At Least One Response = 469
Response Percent = 100.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

Other director/manager job title:

Executive Director
Division Chief
Executive Vice President
business transformation
VP of Strategic Planning
COO
EVP, Head of Finance and Corporate Development
FP&A
Investor Relations Director
Strategic Advisor
Leads for Financial and Strategic Planning
Associate Director of Capital Planning
accounting
PMO
Dept Chair
VP FINANCE
Sr Mgr
Plant Controller
Senior Audit Manager
a team of finance folks
Financial Analyst

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

Other job title:

SVP Finance & Segment CFO
COO
Member Advisory Committee
VP of Business Intelligence
Consulting Managing Director
Managing director
Consultant/facilitator
Managing Editor
Professor
technical progr/prj mgt
Consultant Financial Director
Education
Finance Professor
Chief Investment Officer
Board Director, SVP Finance/Business Development, prior CFO
COO/CFO
Director of Supply Chain Management
Former Treasurer
Contractuelle en communications
Senior Strategist
Board member

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

What is your company's sales revenue? (Currency)

	Number	Percent	95% CI
USD	284	96.3 %	± 4.4 %
CAD	10	3.4 %	± 1.3 %
Bitcoin / Cryptocurrency	1	0.3 %	± 0.4 %
Total	295	100.0 %	

Missing Cases = 174
Response Percent = 62.9 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

Foreign Sales

	Number	Percent	95% CI
0%	148	45.8 %	± 4.2 %
1-24%	108	33.4 %	± 3.8 %
25-50%	42	13.0 %	± 2.6 %
More than 50%	25	7.7 %	± 2.0 %
Total	323	100.0 %	

Missing Cases = 146
Response Percent = 68.9 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

In what region of the world are most of your foreign sales?

	Number	Percent	95% CI
Europe	74	46.8 %	± 7.4 %
Canada	33	20.9 %	± 5.9 %
Asia/Pacific Basin	30	19.0 %	± 5.6 %
Latin America	18	11.4 %	± 4.6 %
Africa	3	1.9 %	± 1.9 %
Total	158	100.0 %	

Missing Cases = 17
Response Percent = 90.3 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

What is your company's credit rating?

	Number	Percent	Cumulative
AAA	16	7.0 %	7.0 %
AA+	21	9.3 %	16.3 %
AA	25	11.0 %	27.3 %
AA-	10	4.4 %	31.7 %
A+	18	7.9 %	39.6 %
A	21	9.3 %	48.9 %
A-	17	7.5 %	56.4 %
BBB+	12	5.3 %	61.7 %
BBB	19	8.4 %	70.0 %
BBB-	9	4.0 %	74.0 %
BB+	11	4.8 %	78.9 %
BB	14	6.2 %	85.0 %
BB-	10	4.4 %	89.4 %
B+	8	3.5 %	93.0 %
B	5	2.2 %	95.2 %
B-	5	2.2 %	97.4 %
CCC	2	0.9 %	98.2 %
CC	2	0.9 %	99.1 %
D	2	0.9 %	100.0 %
Total	227	100.0 %	100.0 %

Missing Cases = 0
Response Percent = 100.0 %

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

<u>What is your company's credit rating?</u>

N=227		Total		Credit Rating	
				Actual	Estimate
				A	B
Total		227		111	116
		100.0%		48.9%	51.1%
AAA		16		10	6
		7.0%		9.0%	5.2%
AA+		21		8	13
		9.3%		7.2%	11.2%
AA		25		8	17
		11.0%		7.2%	14.7%
AA-		10		5	5
		4.4%		4.5%	4.3%
A+		18		7	11
		7.9%		6.3%	9.5%
A		21		12	9
		9.3%		10.8%	7.8%
A-		17		5	12
		7.5%		4.5%	10.3%
BBB+		12		6	6
		5.3%		5.4%	5.2%
BBB		19		10	9
		8.4%		9.0%	7.8%

BBB-		9		6	3
		4.0%		5.4%	2.6%
BB+		11		7	4
		4.8%		6.3%	3.4%
BB		14		9	5
		6.2%		8.1%	4.3%
BB-		10		7	3
		4.4%		6.3%	2.6%
B+		8		6	2
		3.5%		5.4%	1.7%
B		5		2	3
		2.2%		1.8%	2.6%

Significance Tests Between Columns: Lower case: $p<.05$ Upper case: $p<.01$

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

What is your company's credit rating?

N=227		Total		Credit Rating	
				Actual	Estimate
				A	B
B-		5		2	3
		2.2%		1.8%	2.6%
CCC		2		0	2
		0.9%		0.0%	1.7%
CC		2		1	1
		0.9%		0.9%	0.9%
D		2		0	2
		0.9%		0.0%	1.7%

Significance Tests Between Columns: Lower case: p<.05 Upper case: p<.01

Duke CFO Corporate Decision-Making - North America (US and Canada)- Survey 1 - Quarter 1, 2019

To what extent is your firm a "family firm"?

	Number	Percent	95% CI
Our firm is primarily controlled by one family or a few families	129	41.9 %	± 4.1 %
Our firm is not controlled by one family or a few families, though one or more families have considerable influence	23	7.5 %	± 2.0 %
I would not consider our firm a family firm	126	40.9 %	± 4.0 %
Don't know or does not apply	30	9.7 %	± 2.2 %
Total	308	100.0 %	

Missing Cases = 161
Response Percent = 65.7 %