Global CFO signals
Caution rules — again

Q3 2011 Deloitte Member Firm CFO Surveys: Argentina, Australia, Austria, Belgium, Ireland, Japan, Netherlands, North America, Norway, Spain, Sweden, Switzerland, and the United Kingdom
About the DTTL Global CFO Program

The Deloitte Touche Tohmatsu Limited (DTTL) Global CFO Program aims to position Deloitte member firms to be “the pre-eminent advisor to the chief financial officer (CFO).” Recognizing that the CFO’s role has evolved rapidly over the last few years, the Program focuses on building relationships and eminence and has successfully captured the attention of the CFO community through surveys, forums, and executive-development programs. The Program has also produced a rich library of intellectual property, newsletters, and podcasts used to deliver key insights to CFOs in many different countries.

About Deloitte Member Firm CFO Surveys

Nineteen Deloitte member firm CFO surveys, covering 35 countries, are conducted on a quarterly, biannual, or annual basis. The surveys conducted are “pulse surveys” intended to provide CFOs with quarterly information regarding their CFO peers’ thinking across a variety of topics. It is not, nor is it intended to be, scientific in any way, including in its number of respondents, selection of respondents, or response rate, especially within individual industries. Accordingly, this report summarizes findings for the surveyed population but does not necessarily indicate economic or industry-wide perceptions or trends. Further, the focus, timing and respondent group for each survey may vary. Please refer to “About Deloitte Member Firm CFO Surveys” (page 27) for member firm contacts and information on the scope and survey demographics for each survey.

About DTTL Global CFO Signals

The purpose of the DTTL Global CFO Signals report is to provide highlights of recent CFO survey results from Deloitte member firms. This issue includes the results of the third quarter 2011 CFO surveys from Deloitte member firms in the following geographies:

- **Argentina**: Skepticism reigns
- **Australia**: Batten down the hatches
- **Austria**: Are we in a downturn?
- **Belgium**: Results under pressure
- **Ireland**: Making strides amid international turmoil?
- **Japan**: Recovering from disaster
- **Netherlands**: Caution and defense
- **North America**: It’s the economy…again
- **Norway**: Reduced optimism
- **Spain**: Continuing pessimism
- **Sweden**: Confidence deteriorating
- **Switzerland**: No more optimism—time for action?
- **United Kingdom**: Corporates turn defensive

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Global CFO Signals
CFO Sentiment in Third Quarter 2011

The heightened impact of the rising sovereign debt troubles in the Eurozone has reverberated worldwide – and appears to have taken quite a toll on CFO optimism. In fact, in most of the countries that submitted surveys this quarter, CFO optimism fell, sometimes markedly. Moreover, the survey data was captured before worries in Italy affected the now former government there.

In North America, the situation was exacerbated by the impacts of the U.S. debt deal, the downgrading of U.S. treasuries by Standard & Poor’s, and the government’s struggles to find solutions. The result: CFO sentiment turned solidly in the direction of pessimism for the first time. In fact, pessimism rose from 16% in the first quarter to 32% last quarter and now registers a startling 53%. This means net optimism (the gap between those more optimistic and those less so) fell to negative 24 points this quarter.

North America
What has been the impact of falling optimism? In North America, CFOs’ rising pessimism has tempered business projections. CFOs still expect improvements in year-over-year revenue growth (6.8%* this quarter versus 7.1%* last quarter) and earnings growth (9.3%* versus 14.0%* last quarter), but high variability suggests significant weakening. Median expected sales growth is 5% (5.5% last quarter) and median expected earnings growth fell to 8% (10% last quarter). U.S. estimates were below the broader average for revenues (6.3%) and above for earnings (10.5%). It also appears the recent turmoil may be hampering investment plans. While expected year-over-year capital investment growth is still positive at almost 8%*, this represents a significant decline from the 10.7% and 11.8% estimates seen over the last two quarters.

Europe
In the UK, the Q3 2011 survey saw CFO optimism fall back to near early 2009 levels. At that time, the UK was in recession, and this quarter on average CFOs attach a 43% probability to a double dip. UK CFOs are noticeably tightening the reins in response. For the first time in a year, cost control is a top priority for CFOs. And whereas CFOs entered 2011 anticipating that corporate hiring and capital spending would rise over the coming year, this quarter most see those trends declining over the next 12 months.

Elsewhere in Europe, the repercussions of slowing economies are also apparent. In Switzerland, for example, 67% of CFOs expect falling revenues, 83% expect lower margins, and...
more than half point to cost control as a key strategy in the next year. Only 18% of Spanish CFOs assert that this is a good time to assume balance sheet risks. In Belgium, 50% of CFOs report that their organizations are doing worse than expected. On the other hand, Irish CFOs appear somewhat confident in their company’s ability to return to growth, and there are positive reflections on Irish financial stability against the headwinds in the Eurozone.

**Asia Pacific**

For their part, Australian CFOs also see some glimmers of hope. For example, few saw the Australian economy contracting in the next two years, and 65% expect their operating cash flow to rise in the coming 12 months. Meanwhile in Japan, half of the CFOs surveyed reported that it took three months for their businesses to recover from the triple disasters, but one third expect Japan to take 24 months or longer to recover.
Defensive strategies resurface
Growth may have been a rallying cry among CFOs for the last few quarters, but economic uncertainty has been persistent enough for some CFOs to put up their guards. Defensive strategies, such as reducing costs, have climbed on the list of business strategies for the next 12 months in countries such as Switzerland and the UK. Even where growth remains a key priority, prospects appear to be tempered. In North America, for example, CFOs still say about half of their strategic focus is on revenue growth, but expected year-over-year capital investment growth has dropped to 8% from 11.8% last quarter. Other countries, such as Spain and Ireland, are pushing their growth predictions further into the future. For CFOs in Australia, however, growth appears to still be a priority with more than half of CFOs looking to take advantage of strong cash positions and depressed equity values to consider deals in the next six months.

Credit availability concerns
CFOs may be maintaining higher levels of cash on their company balance sheets, but they want to know that credit is available when they need it – and they have definite opinions on where that credit should come from. In Switzerland and Norway, for example, bank borrowing continues to be the preferred form of corporate financing in countries given low interest rates. Still, a majority of Belgian CFOs expect higher spreads, fees, and lending terms going forward. Meanwhile, in Australia, where CFOs were asked to rate the attractiveness of internal funding, that source ranked well ahead of all others. Not surprisingly, equity financing has dropped significantly in popularity with CFOs around the world given that it is less attractive in terms of pricing, cost, and subsequent volatility. As for the perceived availability of capital, that was also seen as declining in some countries, including Ireland, where CFOs’ perceptions have fallen for the second successive quarter to a net negative 44%. 
Government responses questioned
Given the urgency of the global economic situation, CFOs are closely following the actions of their respective governments – and judging them harshly at times. In Ireland, for example, where a new Program of Government (the “Programme”) was announced last March, CFOs appear not to be totally impressed. In fact, CFOs there say that the Programme has had little positive impact on the cost and availability of credit. In Spain, where there are sovereign debt concerns, most CFOs (90%) believe government actions to date have had little effect, and 93% believe new measures should be adopted to rein in public expenditure. Even in Argentina – where the newest CFO survey was recently conducted – many CFOs are skeptical about the impact of government’s economic policies on their businesses. That may be troubling to North America CFOs, who overwhelming (92%) believe that the fiscal soundness of their governments is important to the success of their businesses.

Hiring declines and talent shortages
Contracting consumer demand and the threat of another recession have also taken a toll on hiring practices in many parts of the globe. In the UK, for example, CFOs entered 2011 anticipating that corporate hiring would rise over the coming year. Instead, the prospects for hiring have turned solidly into negative territory. A similar story can be found in the U.S., where CFO predictions for domestic hiring fell from a dreary 2% last quarter to an even worse 1.2%. Elsewhere in Europe, similar sentiments are emerging. Swiss CFOs, for example, are not very concerned about “rising labor costs,” which is not surprising since 69% expect a decrease in hiring activities. Meanwhile, in Australia, the prospect of a skill shortage (predicted by 77% of respondents) has been a call to action. Some 80% of CFO says they are planning to increase remuneration or leverage other financial incentives to attract and retain staff. Other strategies cited include retraining people, reengineering business processes, and running targeted programs for female, indigenous, or disabled employees.
Argentina
Skepticism reigns

Inflation is leading concern
The first-ever CFO Survey in Argentina was conducted in November and asked for opinions in five areas: role of the CFO, finance organization, company, industry, and economy. In terms of economic concerns, the top three named were inflation, followed by exchange rates and the cost and availability of resources. When asked about their attitudes toward the Argentine government’s ability to enact or maintain an effective economic policy over the next year, only 6.7% said they were optimistic, 67% said they were skeptical.

The CFOs also weighed in on the impact of the government’s decisions on their industries. In fact, 86% of respondents believe that the impact of government decisions within their industry will be neutral (43%) or negative (43%).

Levels of optimism measured
When assessing their overall levels of optimism toward business conditions, more than one-fourth said they were less optimistic and only 13% were more optimistic. Meanwhile, one-fifth of CFOs reported being more optimistic because of internal factors, such as products, services, operations, and financing. Forty percent of CFOs reported no notable changes in their level of optimism.

Highlights from the Q3 2011 Argentina CFO survey:
- More than one fourth of CFOs are less optimistic toward overall business conditions; 40% reported no notable changes in their level of optimism.
- More than 87% or respondents reported no change in their company’s debt-to-equity ratio.
- Inflation tops the CFOs’ economic concerns.

Financing options evaluated
Despite the current economic conditions, more than 87% of respondents reported no change in their company’s debt-to-equity ratio. Going forward, CFOs reported a strong preference toward bank loans and debt to meet their companies’ financing needs.

CFOs’ top company concerns
More than half of CFOs indicated setting and implementing strategy as their companies’ top concern. Improving and maintaining margins and managing equity and working capital were their next greatest concerns.
Australia
Batten down the hatches

Worries over economics abroad
The CFO Survey in Australia found that CFOs are taking a cautious stance in the current environment. Companies are in a strong position with healthy cash reserves, but are moving cautiously while the market conditions play out.

Optimism, however, has continued to slide. In fact, while 23% were more positive about their financial prospects than three months ago, a third were less optimistic – the most since the CFO Survey began. In addition, more CFOs feel the level of external financial and economic uncertainty facing Australian business is above normal (77% vs. 68% in Q2).

Offshore drivers, including general global uncertainty and overseas sovereign debt issues affected optimism most significantly. Uncertainty related to domestic government policy was rated highest in terms of impacting business to a large extent. Local issues such as interest rates, the carbon tax, the Australian dollar and the two-speed economy were less significant.

Glimmers of hope
But there are strong glimmers of hope on the horizon. For example, 77% did not expect the Australian economy to contract in the next two years, and two-thirds expected their companies’ operating cash flows to increase in the coming year. A further 20% expected no change in operating cash flows, showing their belief in the inherent strength of their businesses.

Views on the outlook for the All Ordinaries Index were reasonably stable compared to last quarter, with two-thirds of CFOs expecting the index to be higher in 12 months than it is today. However, the number of respondents who expect it to be lower in a year jumped from 2% to 8%.

Highlights from the Q3 2011 Australian CFO Survey:
- Some 77% of CFOs say uncertainty levels are above normal amid concern about the global economy, sovereign debt, and domestic government policy issues.
- CFOs are less optimistic than three months ago with only 23% more positive about the financial prospects for their businesses.
- Few CFOs see the Australian economy contracting in the next two years, and 65% expect their operating cash flow to rise in the coming 12 months.
- More CFOs are considering acquisitions in the next six months (51% compared to 43% in Q2).
- Internal funding is viewed more attractive than bank borrowing, corporate debt, and equity.
- More than three-quarters of CFOs expect to suffer skills shortages at a time of high demand for skilled workers.

In line with their cautious outlook, CFOs continued to reduce the financial risk on their balance sheets over the past year, but at a slowing rate compared to previous quarters. Their risk appetite also dropped slightly, from 49% to 45% in Q2.

Even so, CFOs were looking to take advantage of strong cash positions and depressed equity values to do deals. The number of CFOs considering an acquisition in the next six months rose to 51%, up from 43% last quarter.
Funding outlook
For the first time, the CFO Survey asked about the attractiveness of internal funding and found it was currently the most popular source of financing. Bank borrowing, corporate debt, and equity issuance were all seen as less attractive.

CFOs reported that credit was costly but that the availability of credit had remained stable. They were also disappointed by the values being ascribed to Australian equities with 79% believing they were too low up from 55% just last quarter.

Facing the skills shortage
A high 77% of CFOs believed their companies would suffer from skills shortages in the next 12 months. In turn, 80% were planning to increase remuneration or financial incentives to attract and retain staff. Smaller numbers were considering other strategies, such as retraining people, re-engineering business processes, and adopting digital technologies.

The most significant planned change to workforce numbers was expected to be in the area of skilled workers with 44% of companies expecting to have increased demand. Even so, few CFOs had changed their recruitment patterns or explored more transformational options such as off-shoring non-core business activities to overseas resources. This may also reflect companies’ overall uncertainty about future needs in the face of heightened global uncertainty.
Austria
Are we in a downturn?

Economic worries hit optimism
For the first time, Austrian CFOs expect a negative trend in the economy. Last quarter, only about 10% expected a worsening of the economic situation in Austria. In the current quarter, more than 60% think that the economic climate will get worse. About 19% of the CFOs also expect a recession or economic crisis, while 42% believe an economic downturn is likely.

The investment climate reflects this pessimistic trend. Whereas in the last quarter more than 40% of CFOs thought that the investment climate would improve, now over 90% say they will not invest more in the next months than they did in the first three quarters of the year. Further, only 50% (70% last quarter) believe that the inflation rate will climb mildly, whereas 15% even think that the rate will decrease. The negative expectations are also reflected in the Austrian Traded Index and in domestic sales. In fact, only 10% of the CFOs indicate they will sell more products in Austria.

Lower revenue expectations
Compared to last quarter, only 35% of CFOs think that their companies will have increased sale volumes; 45% believe that there will be no change in total revenues. This means that 20% of Austrian CFOs expect a reduction in their companies’ revenues, nearly double last quarter’s percentage.

Highlights from the Q3 2011 Austrian CFO survey:
- The Austrian CFOs are quite pessimistic about the economic outlook in the last quarter of 2011 compared to last quarter’s survey.
- An economic downturn, even crisis, is expected.
- Companies expect 2011 revenues to decline.
- Credit availability has worsened, although the cost of borrowing has decreased.
- Some hiring is happening, but not at levels predicted in past surveys.

Credit availability decreases
In line with economic prospects, nearly 30% of CFOs believe in a high availability of loans (13% of them believe in very high availability). In addition, many CFOs believe that the cost of credit will decline in the last quarter of 2011. In general, credit financing is still seen as the most attractive form of financing.

M&A outlook remains steady
Some 46% of CFOs are not planning a merger or acquisition at this time; but around 15% think that mergers and acquisitions play a major role in the economy.

Employment expectations contract
Due to the negative optimism toward the economy, the job market is not believed to grow as expected in last quarter’s survey. Only 20%, of Austrian CFOs, compared to 30% in June and 49% in April, want to employ new staff and 25% want to cut staff in the next months (compared to 12% in the last quarter).
Belgium
Results under pressure

Impacts on performance
The CFO Survey shows that uncertainty and weaker growth have had a marked effect on corporate sentiment, but also on third quarter actual financial performance. Optimism has fallen to levels not seen in the past two years. The decline on financial optimism witnessed in the first and the second quarter has now translated into the financial results: 50% of surveyed CFOs report their organizations are below budget at the end of the third quarter. In addition, more key indicators suggest many organizations are facing turbulent times.

Fears for recession
The decline in business optimism seen in the first and the second quarter has continued, and is at present even lower than the level witnessed coming out of the recession two years ago. Two-thirds of the surveyed CFOs today think the likelihood that the economy will enter into a new recession is quite high – up from 30% in the first quarter of 2011. A weaker and more uncertain economic backdrop has also dented CFOs’ appetite for risk. Risk appetite – gradually increasing since 2009 and stabilizing in the beginning of this year – has now dropped significantly. The economic recovery and the impact on the company’s performance are – across all industry sectors – seen as the main concern going forward.

Highlights from the Q3 2011 Belgium CFO survey:
• CFO optimism has dropped to the lowest level in two years. Economic and financial uncertainty keeps going up, and CFOs report a high risk of another recession in Belgium. Some 65% today think the likelihood that the economy will enter into a new recession is high – up from 30% only three months ago.
• CFOs have reported growing concerns related to their company financials since the beginning of the year. Third quarter actual results suggest they were right; 50% of the surveyed corporations have not made the budget at the end of the third quarter.
• A period of strong growth in profit margins seems to have come to an end. Revenue growth has been significantly weaker as planned. Operating margins have decreased for 45% and operating cash flow for 40% of respondents in the first 9 months of 2011. Key financial indicators are expected to further weaken in the next 12 months.
• Financial stress levels have gone up: the availability of bank borrowing has seen a sharp decline since the beginning of the year. The cost of bank borrowing is still generally attractive, but is going up. Tougher pricing and lending terms are expected going forward.
• Growth strategies remain important, but expectations related to M&A activity have seen a sharp decline. Cost reduction remains top of the CFO agenda.
Disappointing financials

The general level of financial and economic uncertainty worries CFOs, but the disappointing financial results at the end of the third quarter add to the pessimism. Revenue growth has been significantly weaker than planned in the beginning of the year and operating margins have decreased. On average, inventory levels have gone up. As a result, whereas at the end of the second quarter only 30% of surveyed organizations were behind budget, that number has increased to 50% at the end of September.

To put this in perspective, last year at the end of the third quarter, when optimism was peaking, only 18% of organizations were running behind budget. With the strong decline in financial optimism, it is unlikely that organizations that have not met their financial objectives will be able to catch up in the last quarter. And going forward, the average CFO currently expects key financial performance indicators to further weaken in the next 12 months.

Financial stress

The sovereign risk crisis and the impact on the banking sector have increased the financial stress levels and have already affected corporate funding. Bank borrowing has become more difficult to obtain in the third quarter and has lost much of its appeal. Although the perceived cost of bank borrowing has remained favorable and stable for the last 12 months, the perceived availability of bank borrowing has seen a sharp decline since the beginning of 2011. Some 60% of respondents expect higher spreads and fees; and lending terms (e.g. collateral requirement) going forward.

Costs and growth

The world has become riskier and more uncertain for corporations. Most think that a period of rapid revenue and margin expansion is drawing to an end. CFOs are responding with a renewed focus on cost control. Expectations related to M&A activity have seen a significant decrease, and are at the lowest level since the launch of the survey two-and-a-half years ago. But growth strategies, including organic growth but also expansion into new markets, are important.
Fighting for stability
The events of Q3 2011 have continued this year’s trend of volatility and unpredictability both at home and abroad. Continued fiscal uncertainty in the Eurozone has been met with limited action by the major European economies resulting in volatile markets, regular downgrading of sovereign nation’s debt within the Eurozone, and a dawning realization by global powers that this crisis in Europe, centered on Greece, may potentially spread to the global economy.

In stark contrast to these events in Greece, Ireland has been keeping a low, but positive, profile on the world and EU stage, quietly meeting EU/IMF objectives with a consistency of approach that has boosted the markets appraisal considerably. A reduction in Irish government bond yields from 11.3% last quarter to 7.6% has been observed. There is a perception now that Ireland has cleared its decks and is making strides toward a real and sustainable recovery and a return to the international bond markets. However, while Ireland may be entering into a new phase of stability, the repercussions and impacts of what is happening abroad are yet to be determined.

Highlights from the Q3 2011 Irish CFO survey:
- CFO optimism in their own company’s financial prospects dropped from a net 16% to a net 7%, but still remains positive and in line with global results.
- Slower return to growth for the economy anticipated. Only 10% of respondents indicated that they believe this has already happened although this is an 8% increase from the previous quarter.
- While most CFOs (70%) feel a breakup of the Eurozone is unlikely, 12% still consider it a distinct possibility.
- Perception of availability of credit has fallen for the second successive quarter in a row to a net negative 44%.
- Market risk is still the most pressing issue as identified by 57% of respondents, representing concern around the demand and prices for goods/services and input costs.
- Exchange-rate risk remains a significant issue for CFOs, as indicated by 39% of respondents.

CFOs feel the pressure
Within this environment, CFO optimism regarding their company’s financial prospects has dropped considerably this quarter to 7% from 16%. Overall, however, Irish CFOs are confident in their company’s ability to return to growth and there are
positive reflections on Irish fiscal stability against background macroeconomic concerns, particularly in the Eurozone.

However, in line with previous survey results, there is an expectation that a return to growth in the economy will be slower. The results indicate that expectations of growth in the economy will be over a longer term with 82% responding that there will not be a return to growth until the end of 2012 or the first half of 2013.

**Concerns over credit**

Both cost and availability of credit continue to pose key obstacles for CFOs when raising finance. Results show an increase in the perceived cost of credit of 6%, almost reversing the 7% improvement from last quarter. This is the second successive quarter in which the perception of credit availability has declined (13% total decrease since Q1). The results are aligned to the results elsewhere in the survey, where CFOs have indicated that the Programme has had little positive impact on the cost and availability of credit (5% and 2% respectively); however continued overall global unrest must also be taken into consideration.

Still, domestic banks remain the preferred method of funding, rising from 43% in Q2 to 57% this quarter; this may indicate that CFO confidence in domestic banks is being restored. Equity, which saw the most significant increase in Q2, trebling from 8% in Q1 to 25%, has since declined to 15% in Q3 2011. This may be a result of recent fluctuations and instability in global markets.

Similarly, no CFOs now rate leasing as a preferred method of funding; it had seen a 5% increase in popularity last quarter. Overseas banks still rank second with a share of 21%, but the popularity of this source has consistently fallen over the last three quarters; again this may point to increasing levels of confidence in domestic banks.
Japan

Recovering from disaster

Still optimistic
For the first time in the Japanese CFO Survey, CFOs were asked about their level of optimism toward their own company’s financial prospects compared to the previous survey (six months earlier). The timing happened to correspond to the triple disasters (earthquake, tsunami, nuclear disaster) that hit Japan earlier this year. Still, only 17% of CFOs reported being less optimistic, while 42% either said they were more optimistic (42% unchanged).

Work to be done
In hindsight, the recovery of the participating foreign companies after the triple disasters in March was faster than anticipated. In March, 13% expected no impact on their business; in September, the figure was 17%. In March, 26% expected three months for their businesses to recover; in September, 50% reported that it took them only three months.

The Japanese economy recovered faster than the CFOs anticipated in March. However, 34% still believe Japan will take 24 months or more to recover. The most challenging area to rebuild is expected to be personnel related.

Benefits of being prepared
Asked how prepared their companies were for the triple disasters, 65% reported they were excellent or very well prepared. The areas of disaster planning that companies are improving include awareness building and business continuity plans.

Another area that is being reconsidered is investment strategy. After the triple disasters, there is now an emphasis on introducing new products and goods and a shift in investment strategy. Before the triple disasters, only 25% of CFOs would drive strategic alliances, but after the disasters, 55% plan to use them.

Highlights from the H2 2011 Japanese CFO survey:
- An equal number (42%) of CFOs reported being more optimistic or having an unchanged opinion about their company’s financial prospects compared to six months ago.
- More than one third believe Japan will take two years or more to recover from the triple disasters.
- Companies are working on improving disaster awareness building and business continuity plans.
General economic outlook fearful
This last quarter, the sovereign debt crisis continued to be the main issue in the financial mindsets of European policymakers and financial institutions. European governments and banks released a rescue funding plan mid-July and this averted a Greek default.

Last quarter, European leaders were discussing the reinforcement of the Euro emergency fund and deciding whether to grant new credit to Greece. In addition, both China and the U.S. have been urging the European leaders to quickly resolve the European debt crisis.

This last quarter, banks again stored record figures for overnight deposits at the European Central Bank (ECB), an indicator that mutual trust is fading. The fear that a new banking crisis will unfold is therefore growing. Banks are again urged to reinforce their balance sheets, which will affect the cost and availability of credit. In addition, the turmoil on the financial markets continued with great intensity and volatility this quarter.

Last September, CPB Netherlands Bureau for Economic Policy Analysis published its third forecast of the Dutch economy this year. According to this forecast, the economy is projected to grow by 1.5% during this year (previous 2%), and by 1% in 2012 (previous 1.75%). The growth is largely attributable to exports. These figures have taken into account the recent turmoil in financial markets, but not the possibility of a new financial crisis.

Highlights from the Q3 2011 Dutch CFO survey:
- CFO optimism has dropped for the third consecutive quarter to the lowest level since this survey started.
- More than 60% of CFOs still expect an increase of their company’s cash flow over the next 12 months. However, more CFOs assess their cash-flow expectations to remain unchanged.
- The appetite for risk dropped for the third consecutive quarter to the earlier levels of 2009.
- The perceived availability of credit decreased.
- Compared with before the credit crisis, most CFOs stretched the period in which they start preparing to refinancing and the moment the refinancing of their debt is due from three-six months to six-12.
- All sources of funding are perceived to be less attractive compared to last quarter. Corporate debt and bank borrowing are together perceived to be the most attractive.
- Some 30% of CFOs expect M&A levels to increase in the next 12 months, compared with 77% last quarter.
On July 13, the rates were raised by the ECB again, by 0.25%. The interest rate on the main refinancing operations was raised to 1.5%. For the remaining quarter, the ECB decided month by month to keep the interest rates unchanged. Although one may thus conclude that the cost of credit is slightly running up, current interest rate levels still are historically low.

**Optimism and funding fading**

CFO optimism dropped for the third consecutive quarter, marking a two-year low again. The negative sentiment revives the sentiment seen in the beginning of 2009, at the end of the banking crisis. The trend is similar to that in the UK. However, for the first time Dutch CFOs are less optimistic than UK CFOs.

More than 60% of CFOs expect an increase in their company’s cash flow over the next 12 months. However, more CFOs assess their cash-flow expectations to remain unchanged, compared to last quarter.

Some 95% of CFOs think now is not a good time to take greater balance sheet related risks. However, due to increased external economic and financial uncertainty, CFOs experience higher balance sheet related risks. The perceived availability of credit decreased. Banks are tightening their standards again and because of this, the cost of credit is slightly increasing.

**Business issues snapshot**

Recently, the Deloitte Netherlands member firm interviewed 14 top-level CFOs of large Dutch companies. The purpose was to talk about finance trends and issues that CFOs experience in their daily business environment. Topics such as financial reporting legislation, talent, and integrated reporting were discussed and presented at a recent event. This quarter these topics have been included in the CFO Survey.

**Financial reporting legislation:** One-third of CFOs assess the impact of financial-reporting legislation like IFRS or Basel III on their companies’ financial reporting to be negative. More than half remain neutral on this topic. Only 9% of CFOs assess the impact to be positive or very positive. Some industries will have to deal with (coming) industry-specific financial reporting legislation. Almost 40% think this will not affect their industry.

**Integrated reporting:** CFOs seem divided in their support of Integrated reporting. More than half do support the introduction; 16% oppose. Some 34% of CFOs do not consider personal liability to be a restraining factor when introducing integrated reporting; 22% do.

**Talent:** Half of CFOs assess that the competency profile of a successful financial professional today requires more interpersonal skills. The competency profile also requires more emphasis on business cultural skills and financial skills than 10 years ago.

**Funding:** CFOs are clearly starting earlier today to prepare for a refinancing. Before the credit crisis, most CFOs started to prepare three-six months before the debt was due. Today, most CFOs are stretching that to six-12 months.
CFOs clearly rattled

The last six quarters of this survey have shown that it takes a lot to dampen the optimism of CFOs from North America’s largest companies. But this quarter it happened—and in a dramatic fashion. The combined impacts of the U.S. debt deal, the downgrading of U.S. treasuries by Standard & Poor’s, rising sovereign debt troubles in the Eurozone, global economic malaise, and governments’ struggles to find solutions clearly rattled CFOs this quarter, turning sentiment solidly in the direction of pessimism for the first time.

That negative outlook took a toll in a number of other areas. While there was a sense of foreboding last quarter as the number of pessimists grew to nearly match the number of optimists, CFOs still forecasted fairly positive financial projections. In addition, a substantial portion of their pessimism appeared attributable to rising concerns about internal missteps as their organizations carried out growth strategies. But the pendulum swung back this quarter with external factors, especially broader economic conditions, strongly dominating the list of CFOs’ most pressing worries. Moreover, projections for revenues, earnings, capital spending, and hiring all dropped substantially.

Interestingly, headline topics like the debt deal and S&P’s downgrade may not have been the direct or definitive drivers of rising pessimism. More worrisome appear to be the persistent and deepening impacts of the Eurozone debt crises, unemployment, and weak real estate markets—all of which threaten longer-term customer demand.

Expectations succumb to economic woes

The rise in pessimism evident last quarter was even harder to miss this quarter. More than 60% of CFOs reported increased optimism in the first quarter of this year, but the number fell to 40% last quarter (its lowest level in the previous 15 months) and to just 29% this quarter. Moreover, pessimism rose from 16% in the first quarter to 32% last quarter.
quarter, and it now registers a startling 53%. This means net optimism (the gap between those more optimistic and those less so), which fell to just 7 percentage points last quarter, fell to negative 24 points this quarter.

Last quarter, there was a rise in internally-driven pessimism as CFOs worked to define and implement growth strategies. But this quarter the pessimism is more attributable to deteriorating assessments of the macro-business environment. Less than 9% of CFOs are more optimistic this quarter for externally driven reasons (a new low), and more than 45% are now more pessimistic (a new high).

Rising pessimism began to take a toll on business projections last quarter, and the trend continued this quarter. CFOs still expect improvements in year-over-year revenue growth (6.8%* this quarter versus 7.1%* last quarter) and earnings growth (9.3%* versus 14.0%* last quarter), but high variability suggests significant weakening. Median expected sales growth is 5% (5.5% last quarter) and median expected earnings growth fell to 8% (10% last quarter). U.S. estimates were below the broader average for revenues (6.3%) and above for earnings (10.5%).

**Tempered growth expectations**

For the last few quarters, a rising portion of CFOs have said their companies’ strategic focus was more on growth than cost reduction. CFOs still say about half of their strategic focus is on revenue growth, but recent turmoil may be tempering their investment plans. While expected year-over-year capital investment growth is still positive at almost 8%, this represents a significant decline from the last two quarters. Moreover, domestic hiring projections fell from a dreary 2% last quarter to a dismal 1.2% this quarter.

When it comes to their growth plans, CFOs indicate a slight bias toward domestic growth, and when they do go abroad, they tend toward emerging (vs. mature) markets. Consistent with their declining investment projections, they indicate biases toward existing sales forces, production facilities, distribution channels, and service infrastructure. They generally favor organic growth over M&A and are focused slightly more on current products and services than on new ones. When they do focus on new offerings, they lean more toward related businesses than new.

**A blurry and bumpy ride**

A multitude of factors are complicating the transition to growth. Not surprisingly, economic volatility is CFOs’ primary concern this quarter. Nearly 45% say economic woes are their most worrisome risk, and one-third say their company now sees recession as the most likely scenario over the next few years. More than half say recent global economic turmoil has caused their financial expectations to decline.

As CFOs maintain their growth focus, they are keeping an eye toward governments’ impact on global economies and industries. Social policy is a top economic concern for well over half with environmental policy and unemployment just behind. Unfortunately, the U.S. Federal Reserve’s pledge to keep interest rates low through 2013 did little to help CFO expectations. Only 16% say this step will boost their capital investment or hiring, and their feedback suggests reformed corporate tax policies might have a stronger positive impact.
Reduced optimism

Falling confidence
The positive economic outlook and optimism observed at the beginning of the year have been replaced with pessimism and uncertainty. Even though the Norwegian economy continues to show strength, the Norwegian Central Bank raised interest rates as late as May 2011. It is clear that the uncertainty in the world economy is a concern for Norwegian CFOs. In the CFO Survey, 56% of respondents stated they were less optimistic about the future economic outlook today compared to six months ago, an increase by 44% from the Q1 survey. The deteriorating confidence is also reflected in a more pessimistic view on cash flow growth the coming 12 months compared to Q1. However, more than 50% of CFOs expect cash flow to increase in the coming year but at a slower pace compared to the previous survey.

Bank borrowing less accessible
The CFO Survey shows that bank loans are by far the most attractive and accessible source of funding. More than 70% of CFOs responded that bank loans are accessible or even highly accessible. However, the category highly accessible has decreased markedly since the last survey indicating that banks apply more stringent lending policies compared to Q1. In addition, more than 60% of CFOs says bank loans are attractive, reflecting historically low interest rates. The availability and attractiveness of bank loans is in stark contrast to CFOs’ view on equity as a source of external capital. The survey shows that only 5% of respondents believe the stock market to be favorable for raising additional capital, a sharp fall from the Q1 survey. In addition, only one respondent says it is highly likely his/her company will issue additional equity capital in the coming 12 months.

Highlights from the H2 2011 Norwegian CFO survey:
- The general conclusion from the survey is that CFOs are still positive, but their optimism and confidence is sliding.
- A majority of Norwegian CFOs expect cash flow to grow between 0–10% in the next 12 months.
- CFOs are generally positive toward bank loans as a source of external capital. However, only one respondent says his/her company is highly likely to raise additional equity capital.
- Some 70% of CFOs still think bank loans are readily available.

Financial risks
Despite a volatile market and growing concerns regarding the economic outlook, less than 20% of CFOs state they will reduce gearing (financial leverage) in the coming year. Overall, Norwegian firms seem to have a healthy balance between debt and equity finance as a majority sees no reason for an adjustment.

Slight increase in M&A activity expected
A majority of CFOs expect to see a slight increase in M&A activity in the coming year. The optimism regarding M&A activity is probably a reflection of low transaction volumes rather than a surge in economic optimism. In addition, the survey shows that CFOs within telecom, media, and technology and bank and insurance industries are most optimistic about future transaction volumes.

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Spain
Continuing pessimism

Economic scenario seen worsening
In an environment where the world economic situation appears to be worsening, the majority of Financial Officers (95%) still perceive Spain's current economic situation to be bad or very bad.

Prospects for a recovery are being put forward still further, with a broad majority of Financial Officers (87%) anticipating a recovery in 2013, compared with just 13% who expect to see one in 2012 (as opposed to 54% who held this view six months ago).

The percentage of Financial Officers expressing optimism concerning the outlook for their companies' operating income has also decreased (44%), as has optimism regarding finance income (26% of affirmative responses). However, 86% were optimistic about growth in demand for their companies' products and services, anticipating growth from 2012 onwards.

The percentage of those polled who consider that the world economy is in a process of slow recovery or growth decreased from 97% in the previous survey to 70% in the present. Where Spain's economy is concerned, opinions have hardly changed, continuing to stand at around 15%.

Demands for new reforms
The Financial Officers' perception of the reforms implemented by the government has deteriorated; with the majority (90%) of those polled considering that the measures adopted by the government in response to the current economic situation have had little or very little effect.

Highlights from the H2 2011 Spanish CFO survey:
- Some 63% of those polled believe that the next 12 months will see a slow recovery in the world economy; 85% consider that Spain will undergo a phase of economic stagnation or recession.
- Most (90%) of the Financial Officers consider that the government's measures have had little or very little effect.
- Most (90%) consider that traditional financing sources are very costly, and 96% consider that they are difficult to access.
- Only 42% aim to reduce the level of borrowings in their financial statements and 59% would resort to bank borrowings if they needed financing in the next 12 months.
- Only 18% of those polled assert that this is a good time to assume balance sheet risks.

The area that most worries those polled is still public expenditure, with specifically 93% of the participants believing that the government should adopt new measures.

The level of Financial Officers' concern regarding the Spanish financial system has increased (79% consider that new measures should be implemented).

The purchases of Spanish debt made by the European Central Bank are welcomed by Spanish Financial Officers, with 82% regarding this as positive and 70% considering it to be effective.
According to those polled, the solution for reducing the risk premium of the peripheral EU countries involves first implementing steps to stimulate the economy and create jobs and, second, a commitment by the member states to reduce their structural deficits in compliance with their constitutions.

**Increasing difficulties accessing capital**

The Financial Officers continue to regard traditional financing sources as increasingly restrictive, very costly (90%), and difficult to access (96%). On this basis, they are not anticipating any improvement in supply or in the price levels of new financing available for companies in the next few years with fewer than half the participants (47%) expecting that the situation will improve from 2013 onwards.

Perception of the equity situation has scarcely changed with respect to the previous survey with leverage levels still very high.

Although the percentage of respondents considering that their leverage is appropriate has decreased, only 42% aim to reduce the level of their borrowings in their financial statements. Should they require funding in the next 12 months, 59% have no doubt that they would resort to bank borrowings.
Sweden
Confidence deteriorating

Bucking the trend
The Swedish economy continued to strengthen and grew by 5.3% in the second quarter of 2011, compared to the same period in 2010. Growth had been predicted to slow to a more moderate pace during the second half of the year. However, increasing concerns during the summer about the fiscal situation in the U.S. and the Eurozone are likely to have a greater impact on the growth of the Swedish economy than earlier predicted. The predictions include a great deal of uncertainty and are highly dependent on how these fiscal problems are solved in the coming months. The Swedish Central Bank projects annual GDP growth of 4.5% in 2011, 1.7% in 2012, and 2.5% in 2013. Compared to its projections in July 2011, current projections (from 7 September 2011) are somewhat higher for 2011, but lower for 2012 and 2013.

The effects of global market turbulence and the uncertainty about the future can now be seen clearly with business confidence in Sweden decreasing markedly during the recent months from a historically high level in December 2010.

CFOs react negatively
The CFOs’ views on the financial prospects for their companies has plunged in the Q3 2011 survey, compared to the last survey in Q1 2011. Despite a strong macro-economic development in Sweden during the first half of 2011, the global debt crisis of recent months has negatively impacted CFOs’ views. Some 42% (9% in the last survey) of the responding CFOs feel less optimistic about the financial prospects for their company compared to three months ago. The negative trend is clear for all analyzed sectors.

Highlights from the H2 2011 Swedish CFO survey:
- The Fall 2011 survey shows uncertainty over economic growth with 42% of responding CFOs stating that the financial prospects for their company are less optimistic compared to three months ago. This is a significant drop compared to the last survey (Spring 2011), where 9% of the CFOs were less optimistic.
- Despite reduced optimism about the financial outlook, 47% of CFOs still expect increasing operating cash flows in their businesses over the next 12 months, representing a 13 percentage point decline from the last survey.
- Some 54% of respondents find Swedish companies undervalued, a significant switch from the previous survey, when valuations were considered to be closer to fair market values.
- More than 70% of CFOs believe Swedish companies are appropriately leveraged, and 10% find Swedish companies to be underleveraged versus 4% overleveraged.
- For the first time in 24 months, the availability of bank funding is observed to have decreased.
Companies considered undervalued

The Q3 2011 survey shows a major switch in respondents’ views on the valuation of Swedish companies, compared to the Q1 2011 survey. CFOs consider Swedish companies to be undervalued, mainly influenced by the fall in the Swedish stock market during summer 2011. This reflection is probably based upon the ongoing global debt crisis, which is yet to have a significant impact on the companies’ current trading, although this may change depending how the market develops during the remaining months of 2011.

M&A activity recovered in the second half of 2010 and continued to increase in the first half year of 2011. In the Q3 2011 survey respondents are expecting a slight increase in M&A activity. One reason for the continuing CFO appetite for growth may be shareholder pressure to make use of the strong balance sheets which many companies have built up. With the ongoing uncertainty over the outcome of the current debt crisis – and therefore banks’ confidence to fund M&A activity – the market may see an increase in strategic investors’ activity in the final quarter of 2011 should the private equity sector find bank funding scarce.

Appropriate level of risk

The trend from the last three surveys of decreasing risk on the balance sheet has now been broken. In the previous survey, 38% of CFOs indicated a decreasing level of balance sheet risk versus 18% increasing balance sheet risk. Now the response is reversed to 31% increasing risk versus 22% decreasing risk. The share of CFOs identifying a slightly greater risk increased from 15% to 30%. However, the share of CFOs responding that risk had significantly increased actually decreased compared to the previous survey. This indicates that the level of risk identified by CFOs is not alarmingly high.
In last quarter’s survey, CFOs were skeptical; this quarter they are clearly pessimistic. Their economic outlook and sentiment have changed decisively and quickly. A cruel summer saw a strong and volatile Swiss Franc, nervous financial markets, and an unexpected weakening of global growth, especially in the U.S. and Germany. At the same time the Eurozone crisis has spread and has created new risks and uncertainties. The level of uncertainty is changing behavior and threatens growth.

The decision by the Swiss National Bank (SNB) to introduce a minimum exchange rate against the Euro, thus limiting the Franc’s strength and to a certain degree its volatility, brought some relief. However, other economic worries remain firmly in place, sapping optimism.

For the first time since the survey began in 2009, a majority (66%) of CFOs is pessimistic about the economic outlook for Switzerland. A negative outlook does not automatically translate into recession, but 45% of CFOs expect a recession in Switzerland within the next two years.

**Company prospects deteriorate**

With that gloomy economic outlook, it is not surprising that financial prospects took a hit. A net balance of 39% reported that financial prospects are worse than last quarter. Over the next 12 months, 67% expect falling revenues and 83% expect lower margins with the direct response being a decline in discretionary spending, capital expenditure, and hiring. By far the main reason for the expected narrowing of margins is the strong Swiss Franc, as reported by 82% of CFOs.
Risks on the rise

Risks are seen to be on the rise almost across the board. Last quarter, domestic and financial risks were subdued. This quarter they are back with a vengeance, especially financial risks: 62% see continued stress in the financial system as a significant risk. Only two risk indicators fell back compared to last quarter, labor and input costs, which indicates slowing demand and thus an economic slowdown.

As was reported last quarter, the more significant risks are seen to come from abroad with weaker foreign demand and the strong Swiss Franc worrying about 67% and 72% of respondents. The European debt crisis is very much on the minds of CFOs with 68% expecting it to pose a serious risk to the Swiss economy. The appetite for corporate risk is also dropping, suggesting the recovery in optimism following the 2008-2009 economic crisis has all but vanished. However, respondents see their own companies as less vulnerable, perhaps factoring in their planned strategic response in terms of cost controls and tight operational management as well as hedging and other risk mitigation strategies.

Strategies both defensive and expansionary

Companies are still considering expansionary strategies (organic growth, new products/markets), but defensive strategies are expected to feature prominently over the next 12 months with reducing costs and managing currency exposure both high on the agenda.

Equity financing less attractive

Equity issuance was hit hard last quarter with the strong downward pressure on the equity markets making equity financing less attractive in terms of pricing, cost, and subsequent volatility. Overall credit conditions remain favorable and bank borrowing continues to be the preferred form of corporate financing.
CFO optimism continues to fall
The third quarter CFO Survey testifies to the impact of recent macroeconomic and financial uncertainty on CFO sentiment and on their business strategies. CFO optimism about financial prospects or their own businesses dipped to its lowest level in two-and-a-half years in the third quarter with only 9% of CFOs reporting they are more optimistic about the financial prospects for their companies compared with three months ago. This is the third consecutive decline in optimism, taking it near levels last seen at the height of the credit crunch in early 2009.

Respondents also report a sharp rise in the risk of another recession in the UK — up by almost a third from the second quarter. In fact, on average CFOs attach a 43% probability to a double dip.

Risk appetite at a two-year low
This weaker and more uncertain backdrop has dented CFOs’ appetite for risk. Risk appetite among UK CFOs has fallen at the fastest rate since the survey began in the third quarter of 2007. This marks a significant change from the buoyant levels of risk appetite seen in the first half of the year.

The shift in risk aversion is, in turn, expressing itself in a continuing tilt in balance sheet strategies employed by CFOs. For the first time in a year, cost control is a top priority for CFOs. Capital expenditure and making acquisitions have dropped down the list of priorities.

Highlights from the Q3 2011 UK CFO Survey:
- CFO optimism has dropped to its lowest level in two-and-a-half years with just 9% of CFOs saying they are more optimistic about the financial prospects for their companies than they were three months ago.
- Risk appetite has fallen at the fastest rate in four years.
- CFOs see profit margins narrowing over the next year.
- Perceptions of macro- and financial uncertainty are at high levels.
- Defensive balance sheet strategies have come back into favor.
- Cost control is the top priority for CFOs.
- Overseas-exposed companies are pursuing more expansionary policies than UK-facing corporations.

Growth still a priority, but...
Yet, CFOs have not closed the door to growth. For companies in the sample which derive more than 70% of their revenues from outside the UK, the top priority by a significant margin is expansion. UK-facing companies, those that derive 70% or more of their revenues from the UK, are positioned more defensively. For this group, the priorities are cost reduction and raising cash flow. The message is that CFOs see the greatest opportunities for growth lying outside the UK.

This distinction between the priorities of UK and internationally focused corporations fits with more general views about the sources of growth in the global economy. The IMF, for instance, assumes that the world economy will grow at roughly twice the rate of the UK economy over the coming years.
Still, while corporate profits have made a strong recovery since the trough of the recession in 2009, the CFO Survey suggests that the profit cycle has peaked. CFOs see only a modest scope for revenue growth in the next year. On average, CFOs see a 40% chance that profits will decline over the next year.

**Declines in hiring and capital spending**
CFOs entered 2011 anticipating that corporate hiring and capital spending would rise over the coming year. Today, by contrast, CFOs see hiring and capital spending declining over the next 12 months.

Overall, the CFO Survey shows that uncertainty and weaker growth have had a marked effect not just on corporate sentiment but also on CFOs’ priorities. The world has become riskier and more uncertain for corporations. Most think that a period of rapid margin expansion is drawing to an end. CFOs are responding with a renewed focus on cost control. Expectations of a revival in corporate capital spending and hiring are fading. For UK corporations, defensive strategies are, once again, to the fore.
Deloitte Member Firm CFO Surveys

About Deloitte Member Firm CFO Surveys

Nineteen CFO surveys, covering 35 countries around the world, are conducted by Deloitte member firms on a quarterly, biannual, or annual basis. The objective of these surveys is to collect CFOs' opinions on a range of areas including economic outlook, financial markets, business trends, their organizations, and CFO careers. The focus and timing of each member firm's survey varies.

The following summarizes the survey scope and population of the participating member firms for this quarter. Member firm CFO Surveys can be accessed at www.deloitte.com/cfoconnect.

<table>
<thead>
<tr>
<th>Member Firm</th>
<th>Contacts</th>
<th>Frequency</th>
<th>Survey Scope and Population</th>
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</thead>
</table>
| Argentina   | Claudio E. Fiorillo  
Partner  
+54 11 4320 2700 Ext. 4781  
cfiorillo@deloitte.com | Quarterly | Conducted between October 31, 2011 and November 10, 2011; 23 CFOs participated, two-thirds represent companies with more than $1B annual revenues and three-quarters come from privately held companies. |
| Australia   | Stephen Gustafson  
Partner  
+61 (0) 2 9322 7325  
sgustafson@deloitte.com.au | Quarterly | Conducted between September 15, 2011 and September 30, 2011; 85 CFOs participated, representing businesses with a combined market value of approximately $373 billion or 26% of the Australian-quoted equity market. |
| Austria     | Dr. Georg Krause  
Partner  
+43 1 537 00 4810  
gkrause@deloitte.at | Quarterly | Conducted in September 2011; 174 CFOs and financial executives participated, representing a broad range of industries. Of the participating companies, 19% have revenues in excess of €1 billion, and 58% have revenues greater than €100 million. |
| Belgium     | Thierry Van Schoubroeck  
Partner  
+ 32 2 749 56 04  
tvanschoubroeck@deloitte.com | Quarterly | Conducted between September 13, 2011 and September 23, 2011; 53 CFOs completed the survey. The participating CFOs are active in variety of industries, 40% of the participating companies have a turnover of over €1 billion, 34% of between €100 million and €1 billion, and 26% of less than €100 million. |
| Ireland     | Shane Mohan  
Partner  
+353 1 417 2543  
smohan@deloitte.ie | Quarterly | Conducted in September 2011; CFOs of listed companies, large private companies, and Irish subsidiaries of overseas multinational companies participated. |
<table>
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<tbody>
<tr>
<td>Japan</td>
<td>Karin Wellbrock</td>
<td>Biannual</td>
<td>Conducted between September 1, 2011 and September 20, 2011; 32 CFOs, representing subsidiaries in Japan of Fortune 500 companies, completed the survey.</td>
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<td></td>
<td>Japan CFO Program Manager +81 80 3733 6545 <a href="mailto:karin.wellbrock@tohmatsu.co.jp">karin.wellbrock@tohmatsu.co.jp</a></td>
<td></td>
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<tr>
<td>Netherlands</td>
<td>Jan de Rooij Partner +31 (0) 6 5336 6208 <a href="mailto:JandeRooij@deloitte.nl">JandeRooij@deloitte.nl</a></td>
<td>Quarterly</td>
<td>Conducted between September 15, 2011 and October 12, 2011; 41 CFOs, representing a net turnover per company of approximately €1.1 billion, completed the survey. The responding companies can be categorized as follows: less than €100 million (7%), €100–499 million (63%), €500–999 million (17%), €1–4.9 billion (8%), more than €5 billion (3%), unknown (2%).</td>
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<tr>
<td>North America</td>
<td>Greg Dickinson N.A. CFO Survey Director +1 213 553 1030 <a href="mailto:gdickinson@deloitte.com">gdickinson@deloitte.com</a></td>
<td>Quarterly</td>
<td>Conducted between August 15, 2011 and August 26, 2011; 91 CFOs participated from across the United States, Canada, and Mexico. Three-fourths of respondents represent CFOs from public companies, and three-fourths are from companies with more than $1B in annual revenue.</td>
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<td>(U.S., Canada, Mexico)</td>
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<td>Biannual</td>
<td>Conducted between September 2, 2011 and September 16, 2011; 62 CFOs from the 500 largest private companies in Norway participated.</td>
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<td>Spain</td>
<td>Jesùs Navarro Partner +34 91 514 50 00 <a href="mailto:jenavarro@deloitte.es">jenavarro@deloitte.es</a></td>
<td>Biannual</td>
<td>Conducted in November 2011; 137 CFOs participated; 25% from companies or groups listed in the Spanish market and/or companies or groups listed in international markets. Of the participating companies, 66% have revenues in excess of €100 million and 50% have more than 500 employees.</td>
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<tr>
<td>Sweden</td>
<td>Jan Bäckman Partner +47 23 27 90 00 <a href="mailto:jbackman@deloitte.se">jbackman@deloitte.se</a></td>
<td>Biannual</td>
<td>Conducted in August 2011; 169 CFOs, representing a wide range of industries and company sizes, participated.</td>
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<td>Chief Economist</td>
<td>+44 020 7007 9386 <a href="mailto:istewart@deloitte.co.uk">istewart@deloitte.co.uk</a></td>
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