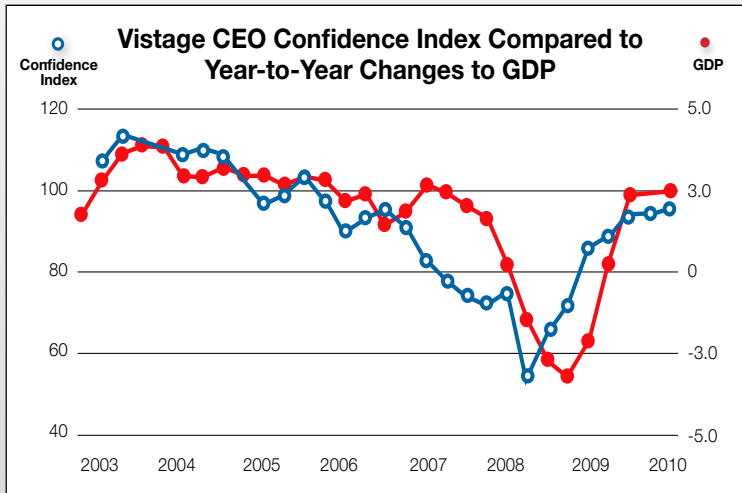


VISTAGE CEO Confidence Index

Largest Survey of CEOs Since 2003

The Vistage CEO Confidence Index provides an inside look at Vistage member confidence in the economy and their businesses. In Q3 2010, CEO confidence was up slightly in the third quarter, noting a slowing economic growth pace, but no evidence of an impending double dip recession. Despite widespread recognition of the recent economic slowdown, CEOs were more confident in their firm's ability to increase their revenues and profits in the year ahead. Yet, virtually every CEO (92%) expects rising employee healthcare costs for all 2011. Given the difficult economy, their emphasis has been on containing costs, retaining their current customers and expanding their offerings of products and services to attract new customers.

Dr. Richard Curtin, Director of Surveys and Consumers at the University of Michigan, Ann Arbor, and Vistage consultant for the Confidence Index, notes, "CEOs expressed a cautious optimism about their firm's ability to navigate the rough waters of today's economy. Despite a widespread recognition of the recent economic slowdown, CEO's were more confident in their firm's ability to increase their revenues and profits in the year ahead."



Vistage CEO Confidence Index Highlights

61% of CEOs stated prices for their products and services would remain about the same over the next 12 months.

83% of CEOs surveyed said that "increased sales" will be the single biggest driver for hiring new employees over the next six months.

48% of CEOs expect healthcare costs to rise 10-25% in 2011, and 9% believe cost increases will be greater than 25%.

In response to the question: If you had to do so today, would you start your business in the current economic climate? **52% of CEOs** responded "no" or "not likely."

62% of CEOs believe the Republicans will control the House of Representatives in January 2011.



The Vistage CEO Confidence Index rose to 95.1 in the 3rd quarter 2010 survey, up from the 84.9 posted in the 3rd quarter of 2009. The Confidence Index has posted seven consecutive quarterly increases, rising to its highest level since the 1st quarter of 2007.

Vistage CEO Confidence Index Q3 2010 | Dates 09/14-09/24 | 1,845 Respondents | National Results

Question	Answer	Respondents	
		#	%
1. Compared with a year ago, have overall economic conditions in the U.S. improved, remained the same, or worsened?	Improved	787	43%
	About the same	762	41%
	Worsened	295	16%
	Don't know/No opinion	1	0%
2. During the next 12 months, do you expect the overall economic conditions in the U.S. will be better, about the same, or worse than now?	Better	730	40%
	About the same	874	47%
	Worse	213	12%
	Don't know/No opinion	28	2%

3. Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months?	Increase	748	41%
	About the same	808	44%
	Decrease	279	15%
	Don't know/No opinion	10	1%
4. Do you anticipate that your firm's sales revenues will increase, remain about the same, or decrease for the next 12 months?	Increase	1,240	67%
	About the same	457	25%
	Decrease	137	7%
	Don't know/No opinion	11	1%
5. Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months?	Improve	992	54%
	About the same	615	33%
	Worsen	230	12%
	Don't know/No opinion	8	0%
6. Do you expect prices for your product or service to increase, remain about the same, or decrease during the next 12 months?	Increase	513	28%
	About the same	1,118	61%
	Decrease	203	11%
	Don't know/No opinion	11	1%
7. Do you expect your firm's total number of employees will increase, remain about the same, or decrease during the next 12 months?	Increase	848	46%
	About the same	813	44%
	Decrease	182	10%
	Don't know/No opinion	2	0%
8. When do you plan to increase your firm's total number of employees over the next 12 months?	Q3 2010	61	3%
	Q4 2010	161	9%
	Q1 2011	279	15%
	Steadily throughout the next 12 months	500	27%
	I do not plan to increase my total number of employees	844	46%
9. What is the most significant business issue that you are facing currently?	Rising energy costs	3	0%
	Growth (growing too quickly)	52	3%
	Rising healthcare costs	113	6%
	Political uncertainty	170	9%
	Staffing (finding, hiring, retaining, and training)	177	10%
	Growth (growing too slowly)	218	12%
	Economic uncertainty (concern for local and nation)	691	37%
	Other	135	7%
	Financial issues (finance, cash flow, profitability)	286	16%

10. What is the biggest challenge your business is specifically facing now? (check all that apply)	Paying loans and/or accessing credit	196	8%
	Managing costs	468	20%
	Cash, liquidity, receivables	402	17%
	Customer retention and/or lead generation	623	26%
	Cutting staff	77	3%
	My business is not facing any extraordinary challenges	283	12%
	Skipped	30	1%
	Other	295	12%

11. Do you expect the Healthcare Reform Bill (The Reconciliation Act of 2010) to:	Be good for your business	100	5%
	Be bad for your business	1,239	67%
	Make no difference in your business	371	20%
	No opinion	131	7%
	Skipped	4	0%

12. In 2011, do you expect your healthcare costs for employees to:	Decrease	22	1%
	Remain the same	108	6%
	Increase 0-10%	649	35%
	Increase 10-25%	894	48%
	Increase more than 25%	165	9%
	Skipped	7	0%

13. Are you finding it easier to obtain credit for your business now than you did six months ago?	Yes	326	18%
	No	845	46%
	Not applicable	667	36%
	Skipped	7	0%

14. Among the uncertainties in today's marketplace, which one concerns you the most?	Economic outlook	1,084	59%
	Taxes	477	26%
	Results of the term elections	196	11%
	Skipped	12	1%
	Other	76	4%

15. What will most influence how you vote in the upcoming mid-term elections?	Overall economic policies	1,186	64%
	National security policies	12	1%
	The national debt	197	11%
	Environment, education, and healthcare policies	120	7%
	Traditional American values	177	10%
	Party affiliation	141	8%
	Skipped	12	1%

16. Which economic issue will most influence how you vote in the upcoming mid-term elections?	Economic stimulus	204	11%
	Taxes	796	43%
	Access to credit	102	6%
	Deficit reduction	444	24%
	Unemployment	193	10%
	Financial regulatory reform	88	5%
	Skipped	18	1%

17. Which is the most impactful action that you believe Washington should take to spur an economic recovery?	Cut the corporate tax rate	332	18%
	Cut the capital gains tax rate	133	7%
	Provide more stimulus support to small businesses	281	15%
	Continue the Bush tax cuts for those earning less than \$250,00 per year	170	9%
	Continue the Bush tax cuts for those earning more than \$250,00 per year	582	32%
	Change tax policies regarding companies doing business abroad	41	2%
	Loosen the credit markets	271	15%
	Skipped	35	2%

18. Which party will control the U.S. House of Representatives in January?	Democratic	304	16%
	Republican	1,141	62%
	No opinion	388	21%
	Skipped	12	1%

19. Which party will control the U.S. Senate in January?	Democratic	658	36%
	Republican	756	41%
	No opinion	419	23%
	Skipped	12	1%

20. What impact will NOT extending all the Bush tax cuts beyond 2010 have on your business?	Very positive	19	1%
	Positive	43	2%
	Neutral	532	29%
	Negative	926	50%
	Very negative	314	17%
	Skipped	11	1%

21. Which level of government can make the biggest contribution to creating a healthy environment for growing your business?	Federal	1,112	60%
	State	614	33%
	Local	99	5%
	Skipped	20	1%

22. What will be the single biggest driver for you to hire new employees during the next six months?	Increased sales	1,535	83%
	Improved access to loan financing	58	3%
	Lower taxes	65	4%
	Product improvements/innovation	66	4%
	Reduced employee benefit costs	52	3%
	Skipped	15	1%
	Other	54	3%

23. If you had to do so today, would you start your business in the current economic climate?	Yes	503	27%
	Likely	294	16%
	Not likely	574	31%
	No	382	21%
	No opinion	86	5%
	Skipped	6	0%



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