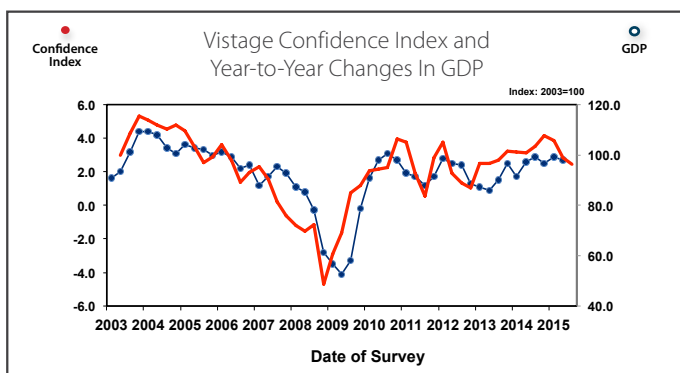


Optimism Tempered in Q3 2015 Vistage CEO Confidence Index Survey

CEOs expressed somewhat greater concerns about the outlook for the domestic economy largely due to uncertainties about international conditions, volatile and declining stock prices and the much debated Fed liftoff in interest rates. Despite these concerns, CEOs continued to be more optimistic about prospects for their own firms. The Vistage CEO Confidence Index was 96.3 in the 3rd quarter 2015 survey, down from 99.0 in the 2nd quarter and last year's 103.4. The cumulative gains that could have been anticipated during long expansions have not occurred.

While the recent slide in confidence is of concern, the data thus far indicate that most firms now expect a continued slow pace of economic growth. Revenue and profit growth were judged slightly better than last quarter, and firms still plan to expand their payrolls as well as increasing their planned fixed business investments to be better able to profit from sales growth in the future. The most significant issues that CEOs now report is about finding, hiring, training, and retaining staff, the pace of their own business growth, and costs and financial issues rather than economic or political uncertainties. Overall, CEOs display a prudent sense of optimism about their firm's future in a challenging economy.

Analysis provided by Dr. Richard Curtin, University of Michigan



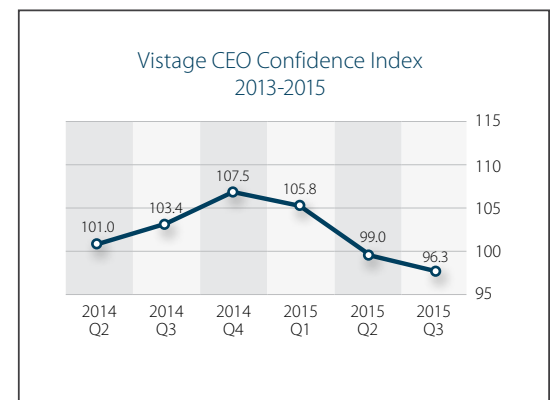
Vistage CEO Confidence Index Highlights

40% of CEOs reported the economy had improved compared to a year ago, down from 46% last quarter and 61% in the 1st quarter of 2015.

27% of CEOs expect the economy to improve in the next 12 months, down from 35% in the prior quarter and 45% at the start of 2015.

71% of CEOs expect revenue gains in the year ahead, and 56% of CEOs expect increased profits in the year ahead.

34% of CEOs said recruiting and retaining staff are the most significant challenges currently facing their business, more than twice that of the next most cited issues—too slow growth (15%) and economic uncertainty (15%).



The Vistage CEO Confidence Index was 96.3 in the 3rd quarter 2015 survey, down from 99.0 in the 2nd quarter and last year's 103.4.

Question

1. Compared with a year ago, have overall economic conditions in the U.S. improved, remained the same, or worsened?

Answer

Respondents

| | # | % |
|-----------------------|-----|-----|
| Improved | 548 | 40% |
| About the same | 632 | 46% |
| Worsened | 195 | 14% |
| Don't know/No opinion | 4 | 0% |

| Question | Answer | Respondents | |
|--|-----------------------|-------------|-----|
| | | # | % |
| 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 | 378 | 27% |
| | About the same | 774 | 56% |
| | Worse | 211 | 15% |
| | Don't know/No opinion | 16 | 1% |
| 3. Are your firm's total fixed investment expenditures likely to increase, remain about the same, or decrease during the next 12 months? | Increase | 613 | 44% |
| | About the same | 590 | 43% |
| | Decrease | 167 | 12% |
| | Don't know/No opinion | 9 | 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 | 974 | 71% |
| | About the same | 311 | 23% |
| | Decrease | 93 | 7% |
| | Don't know/No opinion | 1 | 0% |
| 5. Do you expect your firm's profitability to improve, remain about the same, or worsen during the next 12 months? | Improve | 766 | 56% |
| | About the same | 481 | 35% |
| | Worsen | 131 | 9% |
| | Don't know/No opinion | 1 | 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 | 515 | 37% |
| | About the same | 732 | 53% |
| | Decrease | 128 | 9% |
| | Don't know/No opinion | 4 | 0% |
| 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 | 771 | 56% |
| | About the same | 499 | 36% |
| | Decrease | 104 | 8% |
| | Don't know/No opinion | 5 | 0% |

| Question | Answer | Respondents | |
|---|---|-------------|-----|
| | | # | % |
| 8. When do you plan to increase your firm's total number of employees over the next 12 months? | Q4 2015 | 184 | 13% |
| | Q1 2016 | 168 | 12% |
| | Q2 2016 | 132 | 10% |
| | Q3 2016 | 37 | 3% |
| | Steadily throughout the next 12 months | 425 | 31% |
| | I do not plan to increase my total number of employees in the next 12 months | 433 | 31% |
| 9. What is the most significant business issue that you are facing currently? | Energy costs | 16 | 1% |
| | Growth (growing too quickly) | 65 | 5% |
| | Rising healthcare costs | 82 | 6% |
| | Political uncertainty | 68 | 5% |
| | Staffing (finding, hiring, retaining, and training) | 473 | 34% |
| | Growth (growing too slowly) | 204 | 15% |
| | Economic uncertainty (concern for local and national economy, budget deficit, housing market) | 209 | 15% |
| | Financial issues (finance, cash flow, profitability) | 156 | 11% |
| | Other | 106 | 8% |
| 10. What is the biggest challenge your business is specifically facing now? (check all that apply) | Paying loans and/or accessing credit | 67 | 4% |
| | Managing costs | 369 | 23% |
| | Cash, liquidity, receivables | 209 | 13% |
| | Customer retention and/or lead generation | 412 | 26% |
| | Cutting staff | 47 | 3% |
| | My business is not facing any extraordinary challenges | 307 | 19% |
| | Skipped | 5 | 0% |
| | Other | 197 | 12% |

