

RSM Global Analyst and Investor Survey Outlook results — January 2011

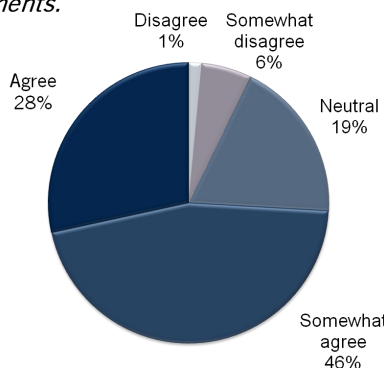
Main findings based on a survey of approximately 400 analysts and investors

- 74% of analysts and investors are optimistic about the Q4 earnings announcements
- Only half of analysts and investors believe that 2011 will be the year of economic recovery
- Most optimistic about: mining, agriculture, chemicals, technology, energy and utilities
- Least optimistic about: construction, consumer electronics, telecom, paper & forest, and banks
- 10% of analysts and investors expect that the Euro will collapse in 2011
- 81% expect to see more M&A activity, 70% more IPOs, 68% expect higher equity allocations
- Optimism about European economy lags behind other regions.

Optimism

We asked analysts and investors how optimistic they are about the upcoming earnings announcement season. A large majority (74%) of analysts and investors is optimistic.

On average, I am optimistic about the Q4 2010 earnings announcements.



The table on the right displays the mean ratings of the respondents' optimism per industry. Sectors for which the analysts' and investors' optimism has increased the most compared to the third quarter of 2010 are chemicals, mining, hotels & restaurants, insurance, and aerospace & defence. The industries that have the largest drops in optimism are: consumer electronics, telecom, pharmaceuticals and biotech.

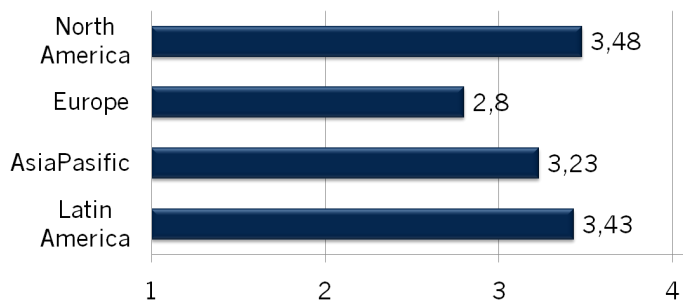
A majority of analysts and investors indicate that their

	Mean optimism Q4 2010	Mean optimism Q3 2010
Mining	76	67
Agriculture	68	69
Chemicals	67	58
Energy and utilities	65	59
Technology	65	63
Hotels and restaurants	63	55
Infrastructure and transportation	62	62
Professional services	62	56
Entertainment and media	62	58
Manufacturing	61	56
Health care	61	59
Waste management	61	61
Insurance	60	53
Machinery	60	58
Aerospace and defence	59	52
Automotive	59	55
Retail	58	57
Real Estate	58	51
Biotech	57	60
Financial services – other	57	52
Pharmaceuticals	56	58
Banks	54	51
Paper and forest products	54	52
Telecom	52	56
Consumer electronics	51	56
Construction	48	48

Analyst and investor optimism ratings by industry

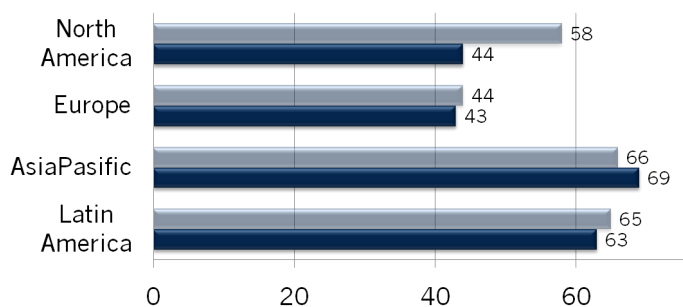
optimism about all regions, except Europe, has increased compared to Q3 2010. A large proportion of analysts and investors is more optimistic about the North American economy, with a change score of 3,48 (on a scale of 1= much less optimistic, 2= less optimistic, 3= neutral, 4= more optimistic, 5= much more optimistic). The proportion of analysts that are more pessimistic about the European economy compared to the third quarter of 2010, outweighs the respondents who are more optimistic, with a mean change score of 2,8.

The increase in optimism in North America is also



reflected in the mean optimism ratings provided by analysts and investors. The mean rating has increased from 44 in the third quarter of 2010 to 58 at year-end. Although most analysts indicate that their optimism about the European economy has increased, the mean optimism rating remains virtually unchanged at 44. Hence, the magnitude of the increase for analysts and investors for whom optimism has risen, is greater than the magnitude of the decrease for analysts and investors that became less optimistic.

Expectations 2011

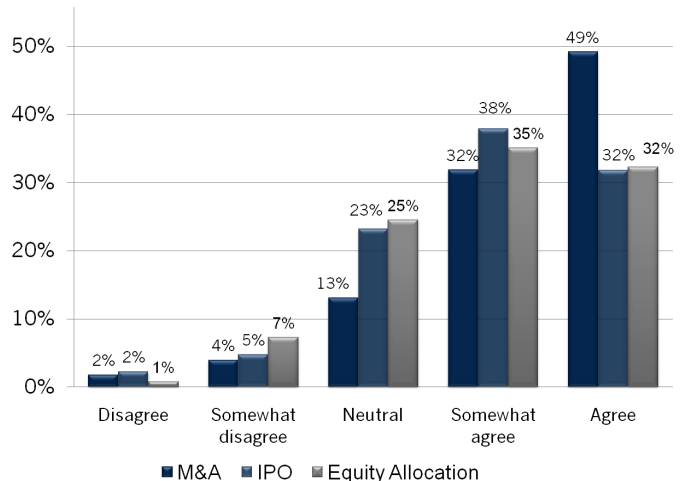


The business school that thinks and lives the future

We asked analysts and investors to complete the sentence “2011 will be the year of...” and allowed them to select multiple answers from a list. Only 49% of the respondents indicated that 2011 will be the year of global economic recovery. Analysts and investors appear to be cautious in this respect. One of the big concerns of analysts continues to relate to European sovereign debt, as evidence by 42% of analysts and investors who indicate that 2011 will be another year of sovereign debt crisis. A small minority of 10% believes that 2011 will be the year of the collapse of the Euro.

There is a broad consensus under analysts and investors that there will be more M&A activity in the sectors they follow. A majority of the analysts also expect more IPOs and higher equity allocations. This consensus is broadly consistent across analysts following different sectors.

Expect more ... in 2011
Approximately 85% of analysts and investors believe



that the impact of the troubled Eurozone on the global economy will persist in 2011. Analysts and investors in Europe are less optimistic about consumer demand than others. About 58% of European analysts and investors expect an increase in demand, compared to 70% in North America.

Rotterdam School of Management Erasmus University

About the survey

The RSM Global Analyst and Investor Survey is a quarterly survey among sell-side and buy-side analysts and portfolio managers worldwide. Its purpose is to collect opinions and expectations about global economic developments, relevant economic indicators and topical issues that might affect the current and future state of the economy. The survey is a joint initiative of the Rotterdam School of Management, Erasmus University and PwC. The survey was initiated by Dr. Erik Roelofsen, researcher at the Rotterdam School of Management and director at PwC, and Professor Gerard Mertens of the Rotterdam School of Management.

This survey was conducted in the period between 29 December 2010 and 5 January 2011. The results are based on over 400 responses.

For more information on the survey, please contact:

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About the school

Rotterdam School of Management, Erasmus University is consistently ranked amongst the top 10 business schools in Europe. It is located in the international port city of Rotterdam where core Dutch values of openness, flexibility and acceptance of diversity have attracted businesses on a global scale. Our emphasis is on groundbreaking research and practices relevant to business; our primary focus is on developing business leaders who carry their innovative ideas into a sustainable future. Our portfolio includes a broad array of bachelor, master, doctoral, MBA and executive education programmes. www.rsm.nl.

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This survey was conducted in cooperation with:

