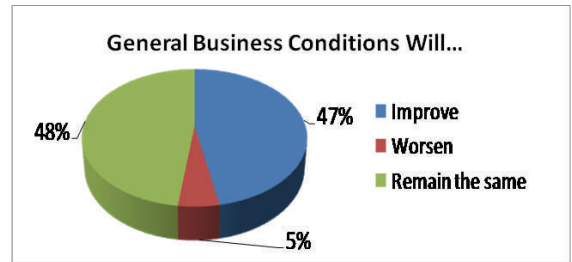


The following are second quarter survey results from the Baldwin Gilman Business Conditions Index Survey, a quarterly survey launched in February 2010. For additional information and more detailed findings, please contact Tom Gilman directly at 513-842-5333 or TGilman@BaldwinGilman.com

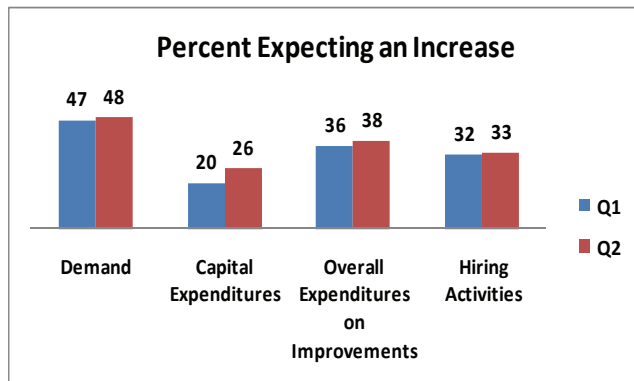
From “cautiously optimistic” in Q1 to “preparing for growth” in Q2, respondents are at the ready

In late July, Federal Reserve Chairman Ben Bernanke told lawmakers in Washington that central bank policy makers “expect continued moderate growth, a gradual decline in the unemployment rate and subdued inflation over the next several years.” This is consistent with Q2 survey results, in which respondents are less likely to anticipate decreases in demand, expenditures and hiring while remaining ‘more optimistic’ about the state of the economy and general business conditions.

- Three out of four respondents expecting general business conditions to improve also anticipate demand for products and services in their industry to increase (74%)
- Respondents are generally optimistic about future demand for their products and services, with only 3% anticipating a decrease in demand (compared to 7% in Q1)



	Q1 (n=113)	Q2 (n=131)
Improve	50%	47%
Worsen	11%	5%
Remain the same	39%	48%



- While slightly decreased, over half of respondents expecting an increase in overall expenditures continue to anticipate that general business conditions will improve (53% in Q2 vs. 58% in Q1); the remainder are more likely to anticipate that general conditions will remain the same.

- Hiring activity is anticipated to remain relatively the same by respondents, consistent with overall U.S. economic indicators that the economy is in a very slow recovery period. However, companies with 1,000 employees or more anticipate an increase in hiring.

Sentiment Among Industries is “Markedly Different” in Q2

In Q2, respondents in healthcare appear to be much more optimistic in general and anticipate increases in expenditures and hiring, while those in financial services are more likely to anticipate decreases.

Those in business services appear more neutral in general than in Q1, especially with respect to hiring.

“It appears that respondents are planning for growth and preparing for increases in demand as the economy slowly improves. Smaller companies expect spending on capital and improvements to increase while larger companies anticipate increases in hiring. These are good signs and correlate to the moderate growth that is forecasted for the economy.” - Tom Gilman, CEO