



PEPPERDINE
PRIVATE CAPITAL
ACCESS INDEX

PCA Index Survey Responses Trend Analysis

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PEPPERDINE | GRAZIADIO
BUSINESS SCHOOL

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TABLE OF CONTENTS

I.	About the Private Capital Access (PCA) Index.....	6
II.	Demand for external financing.....	14
III.	Accessibility/success rate of raising new capital.....	24
IV.	Expected demand for external financing.....	33
V.	Expected capital access (success) rates.....	38
VI.	Hiring/growth outlooks and financing failure impacts...	45

I. ABOUT THE PRIVATE CAPITAL ACCESS (PCA) INDEX

The Pepperdine Private Capital Access Index (PCA) is a quarterly indicator produced by Pepperdine Graziadio Business School with the support of Dun & Bradstreet. The index is designed to measure the demand for, activity, and health of the private capital markets. The purpose of the PCA Index is to gauge the demand of small and medium-sized businesses for financing needs, the level of accessibility of private capital, and the transparency and efficiency of private financing markets.

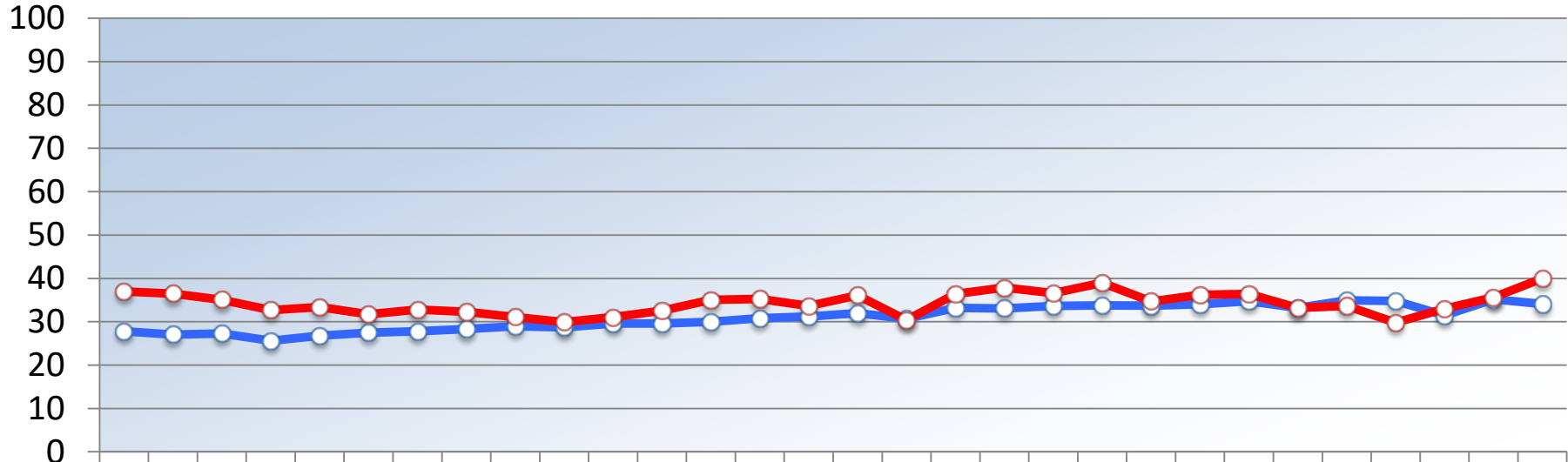
ABOUT THE PRIVATE CAPITAL ACCESS (PCA) INDEX SURVEY

- 5,977 completed responses in Q2, 2012
- 4,686 completed responses in Q3, 2012
- 3,426 completed responses in Q4, 2012
- 2,713 completed responses in Q1, 2013
- 1,948 completed responses in Q2, 2013
- 1,577 completed responses in Q3, 2013
- 3,175 completed responses in Q4, 2013
- 3,615 completed responses in Q1, 2014
- 1, 251 completed responses in Q2, 2014
- 2,361 completed responses in Q3, 2014
- 2,131 completed responses in Q4, 2014
- 3, 573 completed responses in Q1, 2015
- 3, 693 completed responses in Q2, 2015
- 2, 893 completed responses in Q3, 2015
- 2,773 completed responses in Q4, 2015
- 2,469 completed responses in Q1, 2016
- 1,097 completed responses in Q2, 2016
- 1,888 completed responses in Q3, 2016
- 1,593 completed responses in Q4, 2016
- 1,317 completed responses in Q1, 2017
- 1,167 completed responses in Q2, 2017
- 1,176 completed responses in Q3, 2017
- 1,341 completed responses in Q4, 2017
- 1,237 completed responses in Q1, 2018
- 1,313 completed responses in Q2, 2018
- 657 completed responses in Q3, 2018
- 878 completed responses in Q4, 2018
- 592 completed responses in Q1, 2019
- 848 completed responses in Q2, 2019
- 752 completed responses in Q3, 2019

PRIVATE CAPITAL ACCESS (PCA) AND PRIVATE CAPITAL DEMAND (PCD) INDEX RESULTS - WHOLE SAMPLE

Total Market	PCA Index	PCD Index	Total Market	PCA Index	PCD Index
2012-Q2	27.8	37.0	2016-Q2	30.7	30.4
2012-Q3	27.0	36.5	2016-Q3	33.2	36.4
2012-Q4	27.3	35.1	2016-Q4	33.1	37.9
2013-Q1	25.6	32.7	2017-Q1	33.7	36.6
2013-Q2	26.8	33.4	2017-Q2	33.8	39.0
2013-Q3	27.5	31.7	2017-Q3	33.7	34.7
2013-Q4	27.8	32.8	2017-Q4	34.0	36.2
2014-Q1	28.3	32.3	2018-Q1	34.8	36.4
2014-Q2	28.9	31.1	2018-Q2	33.2	33.2
2014-Q3	28.7	29.9	2018-Q3	34.9	33.7
2014-Q4	29.6	31.1	2018-Q4	34.8	29.8
2015-Q1	29.6	32.6	2019-Q1	31.5	33.0
2015-Q2	30.0	35.0	2019-Q2	35.2	35.6
2015-Q3	30.8	35.3	2019-Q3	34.1	40.0
2015-Q4	31.2	33.6	Change	-1.1	4.4
2016-Q1	32.0	36.1	Pct. Change	-3.0%	12.2%

PRIVATE CAPITAL ACCESS (PCA) AND PRIVATE CAPITAL DEMAND (PCD) INDEX RESULTS – WHOLE SAMPLE

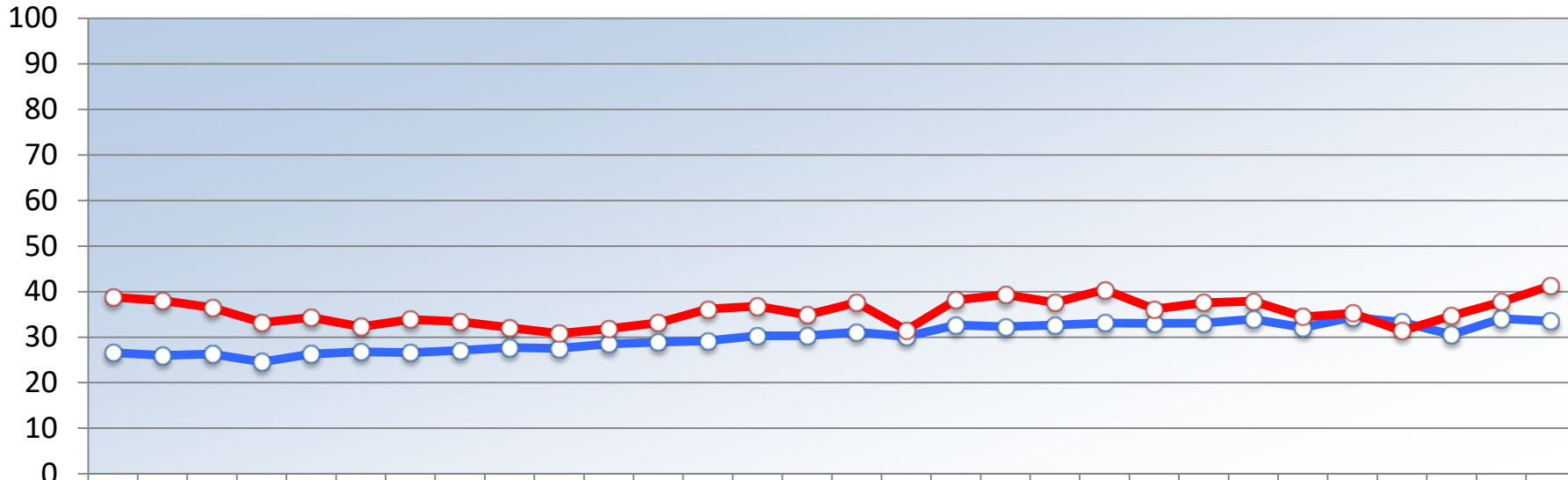


	2012-Q2	2012-Q3	2012-Q4	2013-Q1	2013-Q2	2013-Q3	2013-Q4	2014-Q1	2014-Q2	2014-Q3	2014-Q4	2015-Q1	2015-Q2	2015-Q3	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3	2017-Q4	2018-Q1	2018-Q2	2018-Q3	2018-Q4	2019-Q1	2019-Q2	2019-Q3
PCA Index	27.8	27.0	27.3	25.6	26.8	27.5	27.8	28.3	28.9	28.7	29.6	29.6	30.0	30.8	31.2	32.0	30.7	33.2	33.1	33.7	33.8	33.7	34.0	34.8	33.2	34.9	34.8	31.5	35.2	34.1
PCD Index	37.0	36.5	35.1	32.7	33.4	31.7	32.8	32.3	31.1	29.9	31.1	32.6	35.0	35.3	33.6	36.1	30.4	36.4	37.9	36.6	39.0	34.7	36.2	36.4	33.2	33.7	29.8	33.0	35.6	40.0

SMALL BUSINESS PCA AND PCD INDEX RESULTS (< \$5M IN REVENUES)

Total Market	PCA Index	PCD Index	Total Market	PCA Index	PCD Index
2012-Q3	26.6	38.8	2016-Q2	30.1	31.5
2012-Q4	26.0	38.0	2016-Q3	32.6	38.2
2013-Q1	26.3	36.5	2016-Q4	32.3	39.3
2013-Q2	24.6	33.2	2017-Q1	32.6	37.6
2013-Q3	26.3	34.3	2017-Q2	33.1	40.4
2013-Q4	26.8	32.3	2017-Q3	33.0	36.2
2014-Q1	26.6	33.9	2017-Q4	33.1	37.5
2014-Q2	27.1	33.4	2018-Q1	33.9	37.9
2014-Q3	27.7	32.1	2018-Q2	32.1	34.5
2014-Q4	27.5	30.8	2018-Q3	34.4	35.3
2015-Q1	28.5	31.9	2018-Q4	33.3	31.4
2015-Q2	28.9	33.2	2019-Q1	30.6	34.7
2015-Q3	29.2	36.2	2019-Q2	34.1	37.7
2015-Q4	30.3	36.8	2019-Q3	33.5	41.3
2016-Q1	30.3	34.9	Change	-0.5	3.6
	31.1	37.6	Pct. Change	-1.5%	9.5%

SMALL BUSINESS PCA AND PCD INDEX RESULTS (< \$5M IN REVENUES)

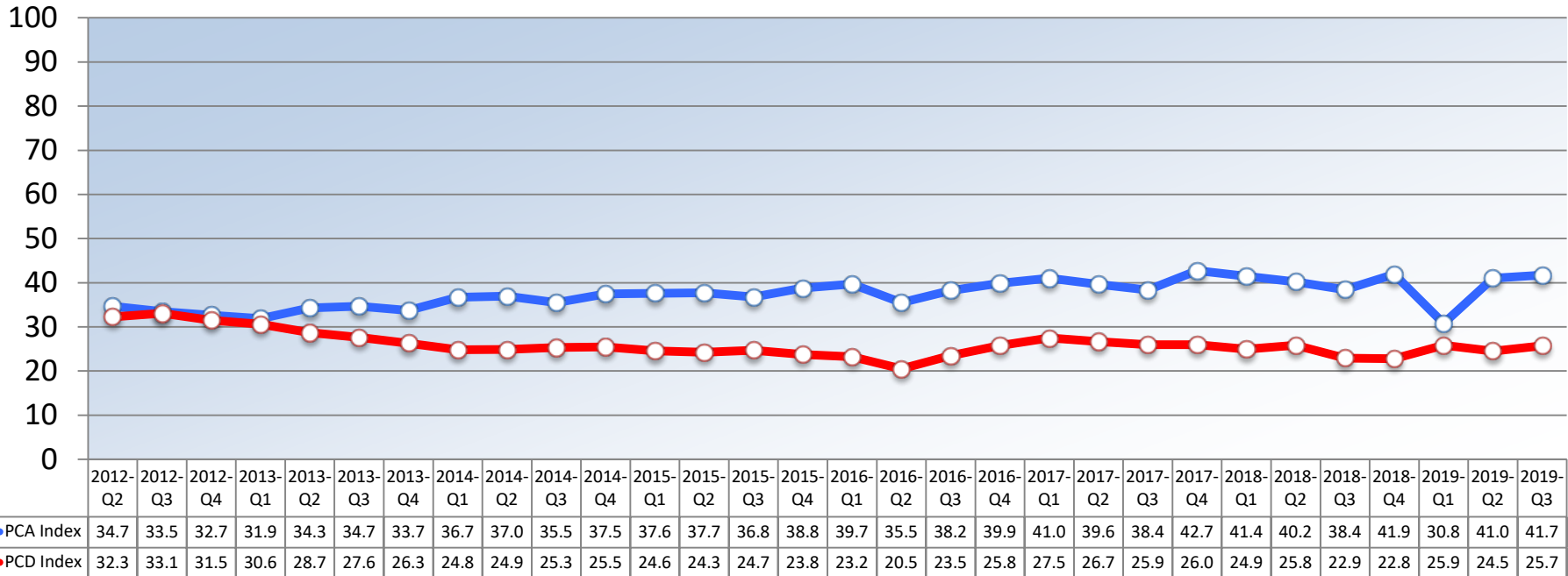


	2012-Q2	2012-Q3	2012-Q4	2013-Q1	2013-Q2	2013-Q3	2013-Q4	2014-Q1	2014-Q2	2014-Q3	2014-Q4	2015-Q1	2015-Q2	2015-Q3	2015-Q4	2016-Q1	2016-Q2	2016-Q3	2016-Q4	2017-Q1	2017-Q2	2017-Q3	2017-Q4	2018-Q1	2018-Q2	2018-Q3	2018-Q4	2019-Q1	2019-Q2	2019-Q3
PCA Index	26.6	26.0	26.3	24.6	26.3	26.8	26.6	27.1	27.7	27.5	28.5	28.9	29.2	30.3	30.3	31.1	30.1	32.6	32.3	32.6	33.1	33.0	33.1	33.9	32.1	34.4	33.3	30.6	34.1	33.5
PCD Index	38.8	38.0	36.5	33.2	34.3	32.3	33.9	33.4	32.1	30.8	31.9	33.2	36.2	36.8	34.9	37.6	31.5	38.2	39.3	37.6	40.4	36.2	37.5	37.9	34.5	35.3	31.4	34.7	37.7	41.3

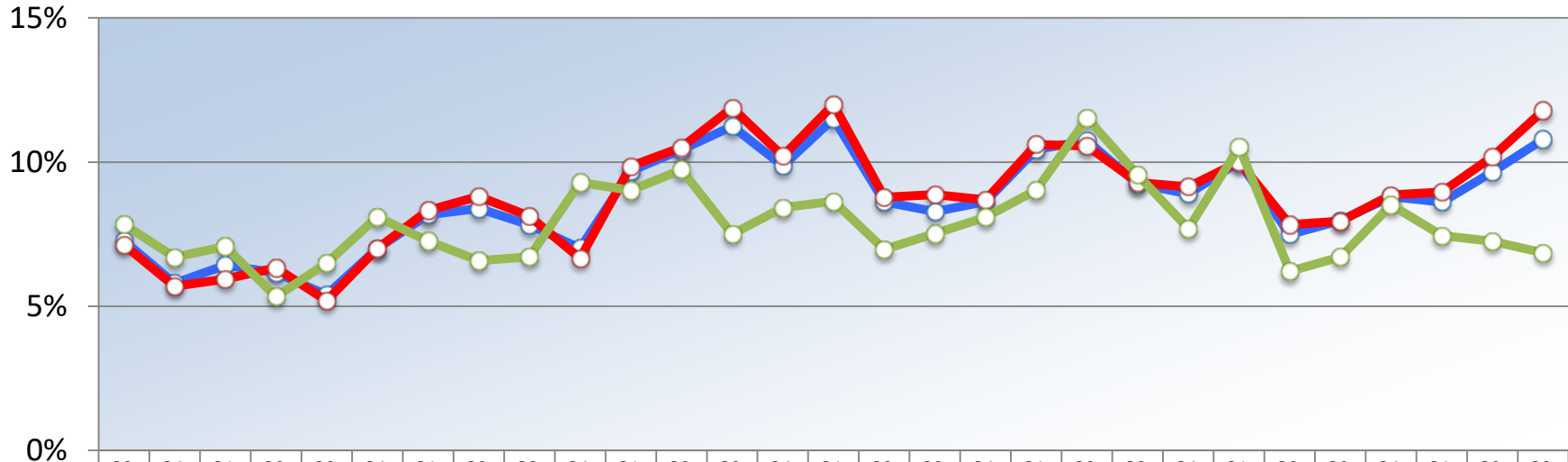
LOWER MIDDLE MARKET PCA AND PCD INDEX RESULTS (\$5M – \$100M IN REVENUES)

Total Market	PCA Index	PCD Index	Total Market	PCA Index	PCD Index
Total Market	34.7	32.3	2016-Q2	35.5	20.5
2012-Q3	33.5	33.1	2016-Q3	38.2	23.5
2012-Q4	32.7	31.5	2016-Q4	39.9	25.8
2013-Q1	31.9	30.6	2017-Q1	41.0	27.5
2013-Q2	34.3	28.7	2017-Q2	39.6	26.7
2013-Q3	34.7	27.6	2017-Q3	38.4	25.9
2013-Q4	33.7	26.3	2017-Q4	42.7	26.0
2014-Q1	36.7	24.8	2018-Q1	41.4	24.9
2014-Q2	37.0	24.9	2018-Q2	40.2	25.8
2014-Q3	35.5	25.3	2018-Q3	38.4	22.9
2014-Q4	37.5	25.5	2018-Q4	41.9	22.8
2015-Q1	37.6	24.6	2019-Q1	30.8	25.9
2015-Q2	37.7	24.3	2019-Q2	41.0	24.5
2015-Q3	36.8	24.7	2019-Q3	41.7	25.7
2015-Q4	38.8	23.8	Change	0.7	1.2
2016-Q1	39.7	23.2	Pct. Change	1.7%	4.9%

LOWER MIDDLE MARKET PCA AND PCD INDEX RESULTS (\$5M – \$100M IN REVENUES)



ANNUAL REVENUE CHANGE EXPECTATIONS BY REVENUE SIZE



Whole sample	7.3%	5.8%	6.4%	6.2%	5.4%	7.0%	8.2%	8.4%	7.8%	7.0%	9.7%	10.4%	11.2%	9.9%	11.5%	8.6%	8.3%	8.6%	10.4%	10.7%	9.2%	8.9%	10.0%	7.5%	8.0%	8.8%	8.6%	9.7%	10.8%
< \$5 million	7.1%	5.7%	5.9%	6.3%	5.2%	7.0%	8.3%	8.8%	8.1%	6.7%	9.9%	10.5%	11.9%	10.2%	12.0%	8.8%	8.9%	8.7%	10.6%	10.6%	9.3%	9.1%	10.0%	7.8%	7.9%	8.9%	9.0%	10.2%	11.8%
\$5-\$100 million	7.8%	6.7%	7.1%	5.3%	6.5%	8.1%	7.3%	6.6%	6.7%	9.3%	9.0%	9.7%	7.5%	8.4%	8.6%	7.0%	7.5%	8.1%	9.0%	11.5%	9.6%	7.7%	10.5%	6.2%	6.7%	8.5%	7.5%	7.3%	6.9%

II. DEMAND FOR EXTERNAL FINANCING

DEMAND FOR FINANCING BY PURPOSE (% WITH ANY NEED REPORTED)

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Planned growth or expansion, including acquisitions (not yet realized)	66%	63%	61%	52%	54%	50%	52%	54%	50%	49%	50%	53%	59%	60%	58%	62%	55%	60%	65%	64%	67%	61%	64%	65%	61%	62%	53%	57%	65%	67%
Working capital fluctuations	65%	61%	57%	54%	56%	51%	52%	54%	52%	48%	52%	53%	58%	59%	56%	62%	54%	60%	64%	65%	66%	60%	60%	62%	58%	61%	55%	57%	62%	63%
Growth due to increased demand (already realized)	56%	53%	49%	43%	47%	44%	45%	47%	41%	40%	43%	46%	53%	52%	50%	56%	48%	54%	59%	59%	60%	56%	56%	57%	52%	52%	49%	52%	55%	58%
Finance worsening operating conditions	41%	41%	39%	35%	36%	32%	35%	33%	23%	23%	25%	27%	29%	28%	28%	30%	29%	35%	37%	34%	36%	31%	31%	34%	30%	29%	25%	26%	31%	32%
Refinance existing loans or equity	38%	37%	38%	31%	31%	28%	29%	28%	26%	22%	23%	21%	25%	23%	24%	27%	27%	31%	31%	33%	35%	31%	32%	35%	34%	29%	25%	29%	32%	33%
Withdraw wealth for owners	27%	26%	25%	24%	24%	21%	23%	23%	17%	16%	18%	17%	19%	18%	19%	18%	20%	23%	23%	23%	25%	18%	24%	22%	19%	20%	18%	16%	21%	24%

STRENGTH OF DEMAND FOR FINANCING (AMONG THOSE INDICATING DEMAND)

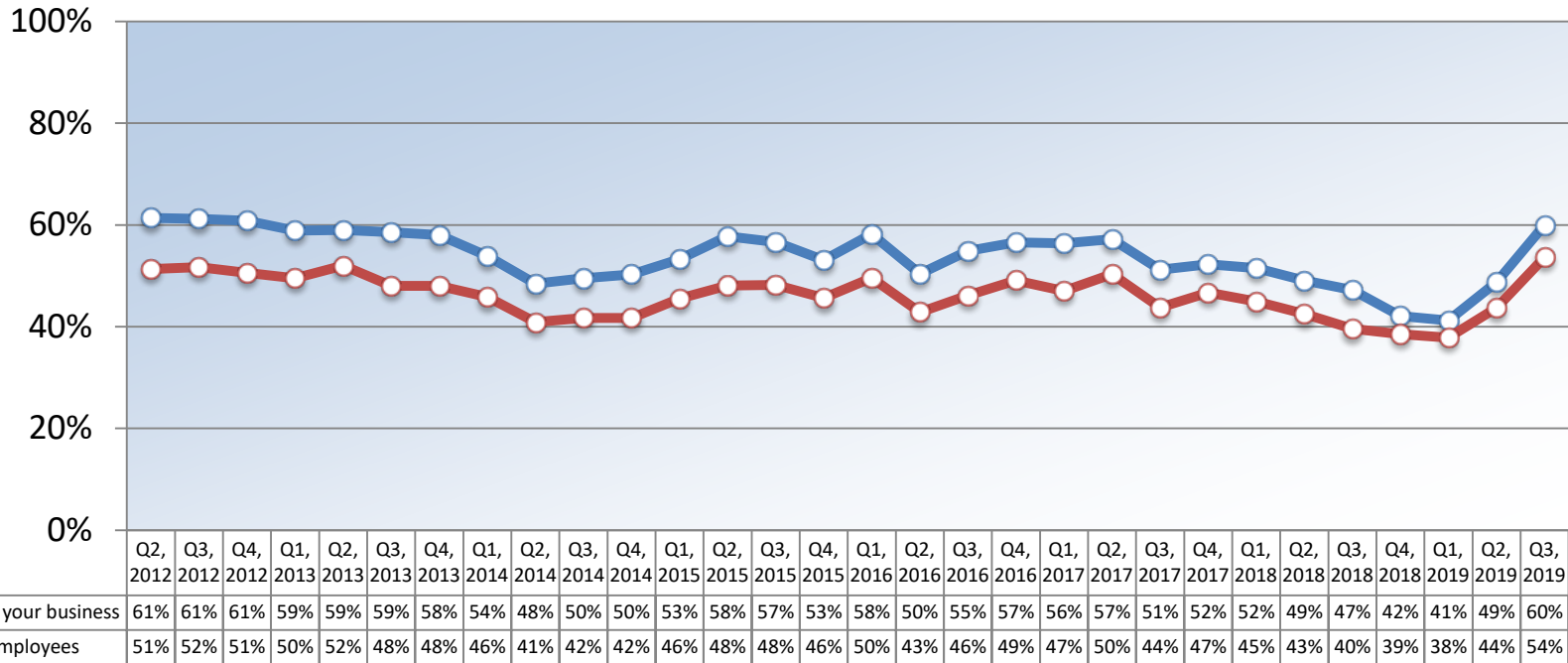
Scale 1-4: slight, moderate, high, extremely high need

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Planned growth or expansion, including acquisitions (not yet realized)	2.5	2.5	2.4	2.4	2.4	2.4	2.4	2.4	2.3	2.2	2.3	2.4	2.4	2.4	2.3	2.4	2.4	2.5	2.5	2.5	2.5	2.4	2.5	2.4	2.3	2.4	2.3	2.2	2.5	2.6
Working capital fluctuations	2.2	2.2	2.2	2.1	2.2	2.1	2.3	2.2	2.2	2.0	2.1	2.2	2.2	2.2	2.2	2.2	2.1	2.3	2.2	2.2	2.3	2.2	2.3	2.2	2.1	2.2	2.0	2.1	2.3	2.4
Growth due to increased demand (already realized)	2.1	2.2	2.1	2.1	2.1	2.1	2.2	2.2	2.0	2.0	2.0	2.1	2.2	2.2	2.1	2.2	2.1	2.3	2.3	2.2	2.3	2.2	2.3	2.3	2.1	2.2	2.1	2.0	2.3	2.4
Finance worsening operating conditions	2.2	2.2	2.2	2.0	2.1	2.0	2.1	2.1	2.1	1.9	2.0	2.1	2.1	2.1	2.0	2.0	2.0	2.2	2.2	2.1	2.2	2.1	2.2	2.2	2.0	2.2	2.0	2.0	2.2	2.2
Refinance existing loans or equity	2.4	2.4	2.5	2.4	2.4	2.3	2.1	2.3	2.0	2.1	2.3	2.3	2.2	2.4	2.3	2.3	2.3	2.5	2.4	2.4	2.4	2.4	2.3	2.3	2.4	2.4	2.4	2.2	2.3	2.6
Withdraw wealth for owners	1.9	2.0	2.0	2.1	2.0	1.9	2.0	2.0	1.8	1.9	1.9	2.0	2.1	2.0	2.0	2.0	2.1	2.2	2.1	2.0	2.1	2.2	2.1	2.2	2.1	2.0	2.0	1.6	2.0	2.2

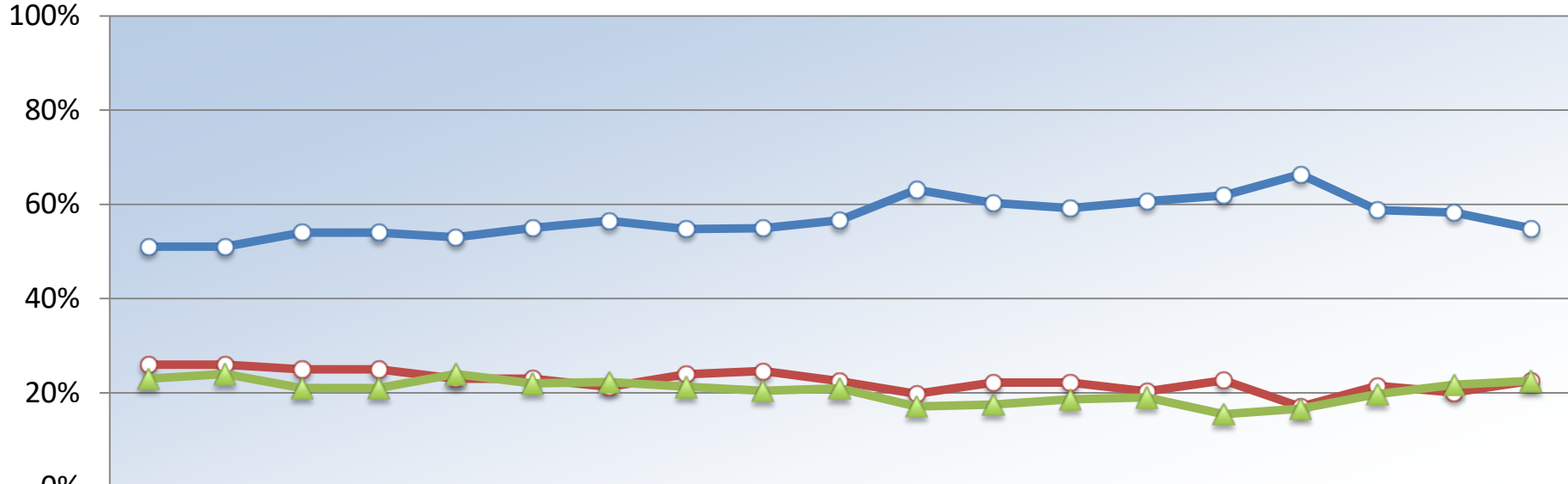
RESPONDENTS INDICATING HIGH AND EXTREMELY HIGH DEMAND FOR FINANCING (AMONG THOSE INDICATING DEMAND)

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Planned growth or expansion, including acquisitions (not yet realized)	47%	48%	47%	44%	46%	40%	44%	47%	41%	37%	41%	46%	43%	47%	42%	43%	42%	49%	48%	46%	47%	44%	45%	45%	41%	45%	36%	34%	47%	49%
Working capital fluctuations	37%	38%	37%	34%	36%	31%	42%	38%	37%	30%	33%	36%	36%	36%	35%	35%	33%	41%	38%	35%	40%	36%	39%	37%	30%	38%	29%	29%	39%	42%
Growth due to increased demand (already realized)	34%	36%	33%	30%	33%	32%	37%	36%	30%	29%	30%	34%	36%	38%	34%	36%	31%	41%	39%	37%	40%	36%	39%	40%	34%	34%	32%	28%	41%	43%
Finance worsening operating conditions	35%	39%	37%	29%	34%	31%	36%	36%	33%	25%	30%	34%	33%	32%	30%	29%	26%	39%	36%	33%	39%	33%	35%	34%	26%	35%	31%	29%	35%	37%
Refinance existing loans or equity	42%	47%	48%	44%	42%	40%	35%	31%	29%	34%	39%	41%	38%	43%	40%	40%	40%	49%	44%	46%	45%	46%	41%	39%	42%	42%	42%	33%	37%	50%
Withdraw wealth for owners	25%	30%	29%	32%	28%	29%	32%	28%	19%	25%	27%	30%	30%	29%	28%	29%	28%	36%	31%	28%	28%	36%	32%	38%	30%	27%	22%	13%	30%	36%

PERCENTAGE INDICATING “YES” TO “IS THE CURRENT BUSINESS FINANCING ENVIRONMENT RESTRICTING...”



HOW DID RESPONDENTS BUSINESS OPERATE IN THE LAST QUARTER

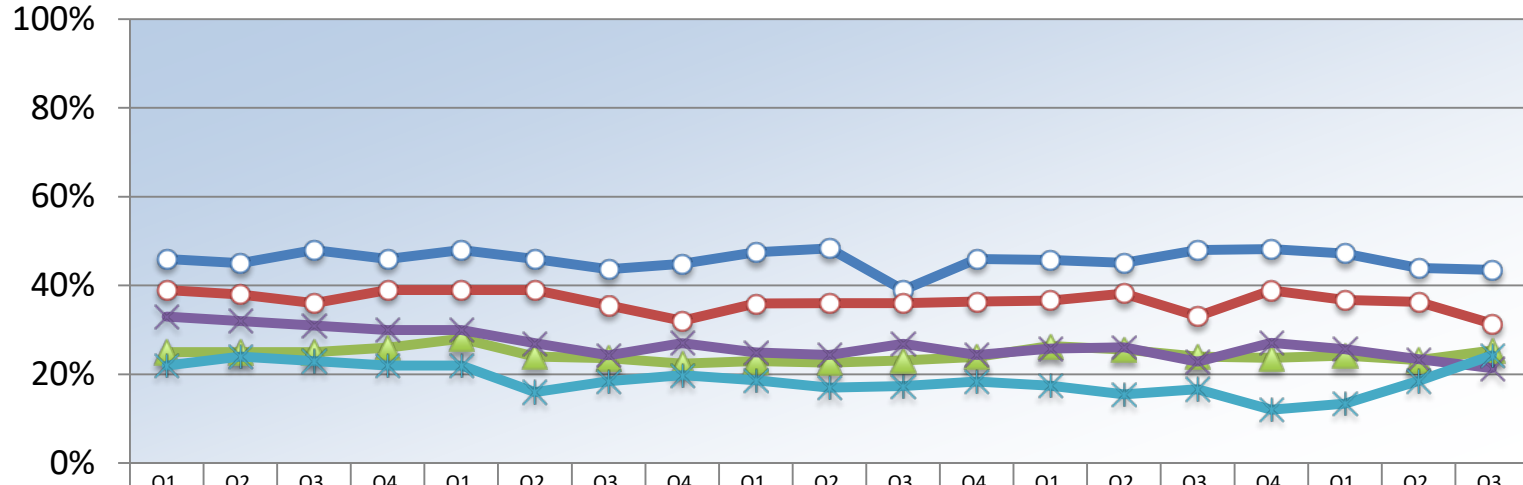


	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
profit	51%	51%	54%	54%	53%	55%	56%	55%	55%	57%	63%	60%	59%	61%	62%	66%	59%	58%	55%
break even	26%	26%	25%	25%	23%	23%	21%	24%	25%	22%	20%	22%	22%	20%	23%	17%	21%	20%	23%
loss	23%	24%	21%	21%	24%	22%	22%	21%	20%	21%	17%	18%	19%	19%	15%	17%	20%	22%	23%

RESPONDENTS PRIMARY SOURCE OF CREDIT IN THE LAST QUARTER

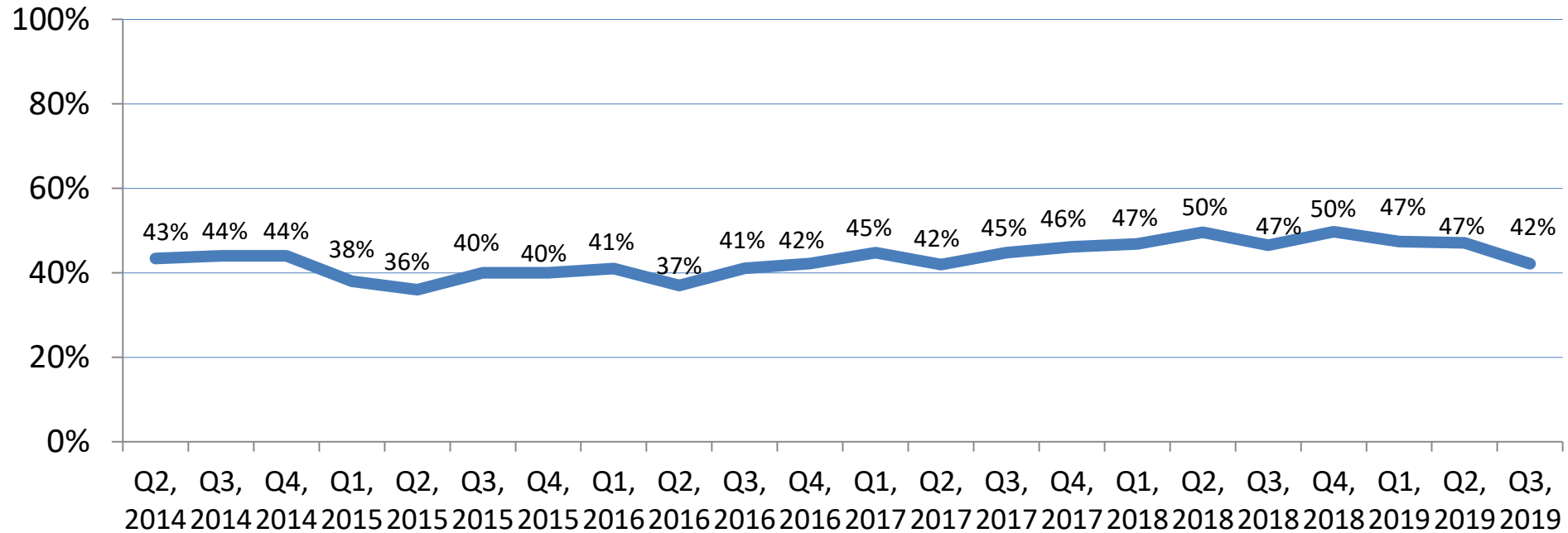
Primary source	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Large bank	15%	18%	16%	17%	18%	17%	17%	17%	19%	18%	18%	16%	18%	18%	22%	22%	20%	20%	18%
Community bank	12%	12%	12%	13%	13%	16%	14%	14%	17%	15%	13%	16%	15%	17%	13%	16%	17%	13%	9%
Credit union	3%	3%	3%	3%	2%	4%	3%	3%	3%	3%	2%	4%	3%	3%	2%	3%	4%	3%	3%
CDFI	1%	1%	1%	1%	1%	1%	1%	1%	1%	0%	1%	1%	1%	1%	1%	0%	0%	1%	1%
Online lender	2%	2%	3%	4%	4%	3%	5%	5%	5%	4%	5%	5%	7%	6%	6%	6%	6%	6%	7%
Trade credit provider	4%	4%	5%	5%	6%	5%	5%	7%	7%	7%	6%	7%	5%	6%	7%	5%	5%	6%	6%
Friends/family	8%	8%	7%	6%	7%	6%	6%	6%	5%	5%	6%	7%	5%	6%	6%	4%	5%	5%	5%
Other	10%	9%	9%	9%	9%	9%	10%	9%	9%	9%	11%	10%	9%	8%	8%	9%	11%	9%	11%
No credit	46%	43%	45%	44%	41%	40%	40%	39%	35%	38%	38%	36%	37%	36%	36%	35%	31%	38%	41%

WHY WAS THAT THE PRIMARY SOURCE OF CREDIT IN LAST QUARTER

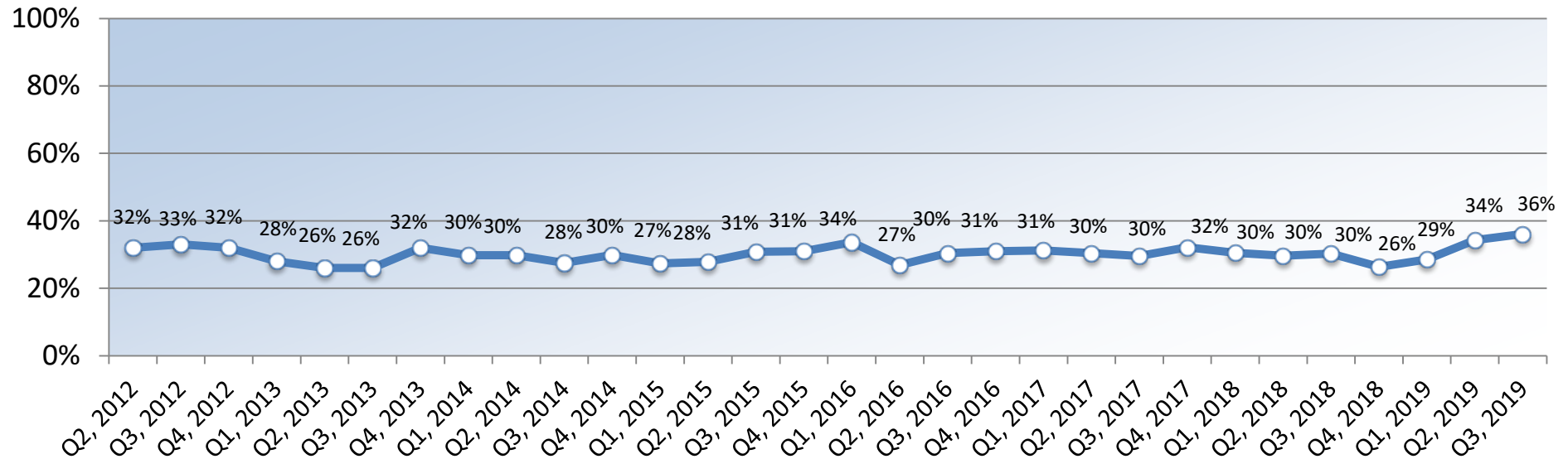


	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
I was able to qualify for it	46%	45%	48%	46%	48%	46%	44%	45%	47%	48%	39%	46%	46%	45%	48%	48%	47%	44%	44%
It had a reasonable interest rate	39%	38%	36%	39%	39%	39%	35%	32%	36%	36%	36%	36%	37%	38%	33%	39%	37%	36%	31%
The payments were affordable	25%	25%	25%	26%	28%	24%	24%	22%	23%	23%	23%	24%	26%	26%	24%	24%	24%	23%	25%
I intended to use it only as a reserve	33%	32%	31%	30%	30%	27%	24%	27%	25%	24%	27%	24%	26%	26%	23%	27%	26%	23%	21%
I did not qualify for other sources of financing	22%	24%	23%	22%	22%	16%	18%	20%	19%	17%	17%	18%	17%	15%	17%	12%	13%	18%	24%

PERCENTAGE OF BUSINESSES THAT HAVE FINANCING COMING FROM OUTSIDE SOURCES

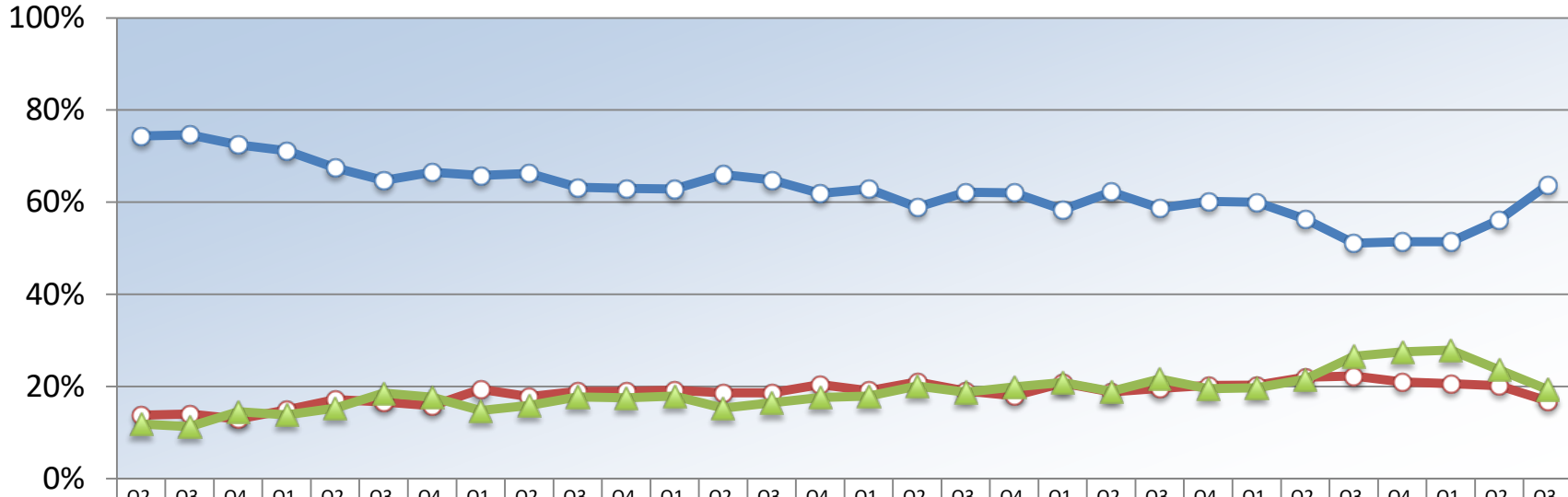


PERCENTAGE OF RESPONDENTS WHO ATTEMPTED TO RAISE OUTSIDE FINANCING IN THE LAST THREE MONTHS



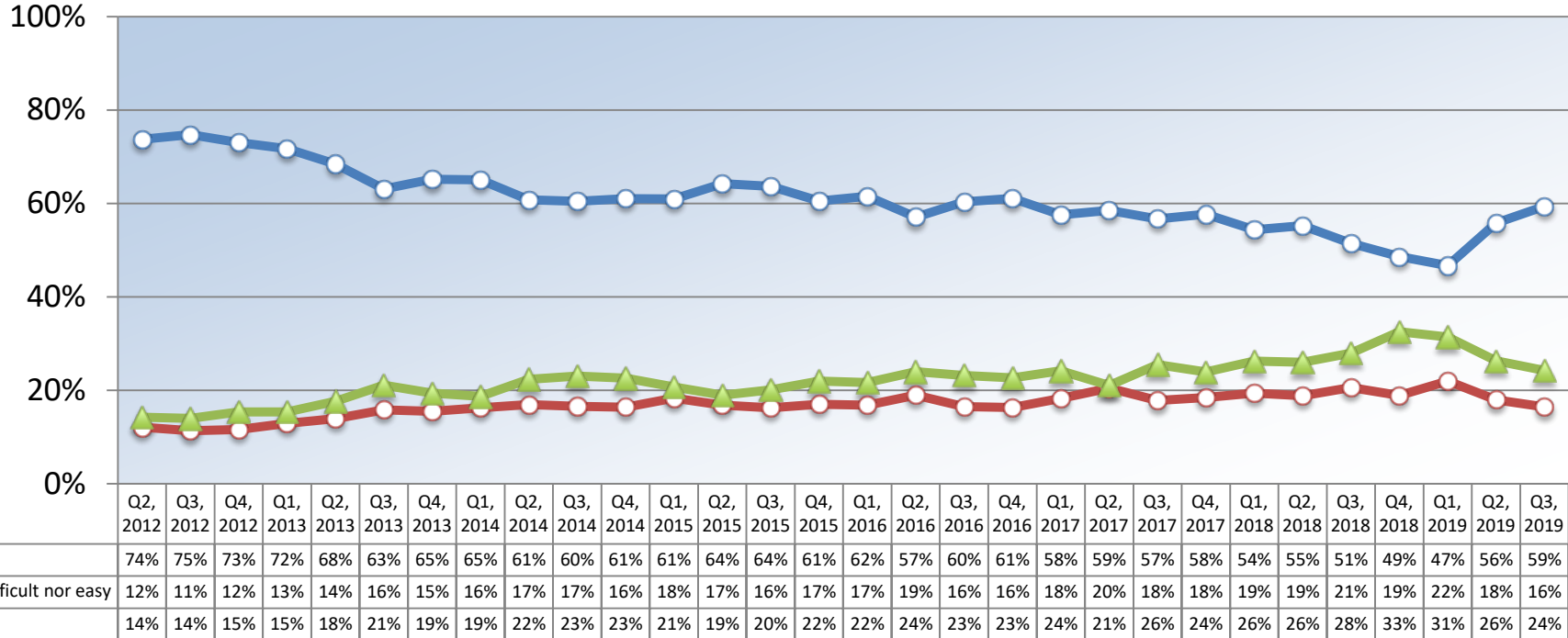
III. ACCESSIBILITY/SUCCESS RATE

IS IT DIFFICULT OR EASY TO RAISE NEW EXTERNAL EQUITY FINANCING?



Difficult	74%	75%	72%	71%	67%	65%	67%	66%	66%	63%	63%	63%	66%	65%	62%	63%	59%	62%	62%	58%	62%	59%	60%	60%	56%	51%	51%	51%	56%	64%
Neither difficult nor easy	14%	14%	13%	15%	17%	17%	16%	19%	18%	19%	19%	19%	19%	19%	20%	19%	21%	19%	18%	21%	19%	20%	20%	20%	22%	22%	21%	21%	20%	17%
Easy	12%	11%	15%	14%	15%	19%	18%	15%	16%	18%	18%	18%	15%	16%	18%	18%	20%	19%	20%	21%	19%	22%	20%	20%	22%	27%	28%	28%	24%	19%

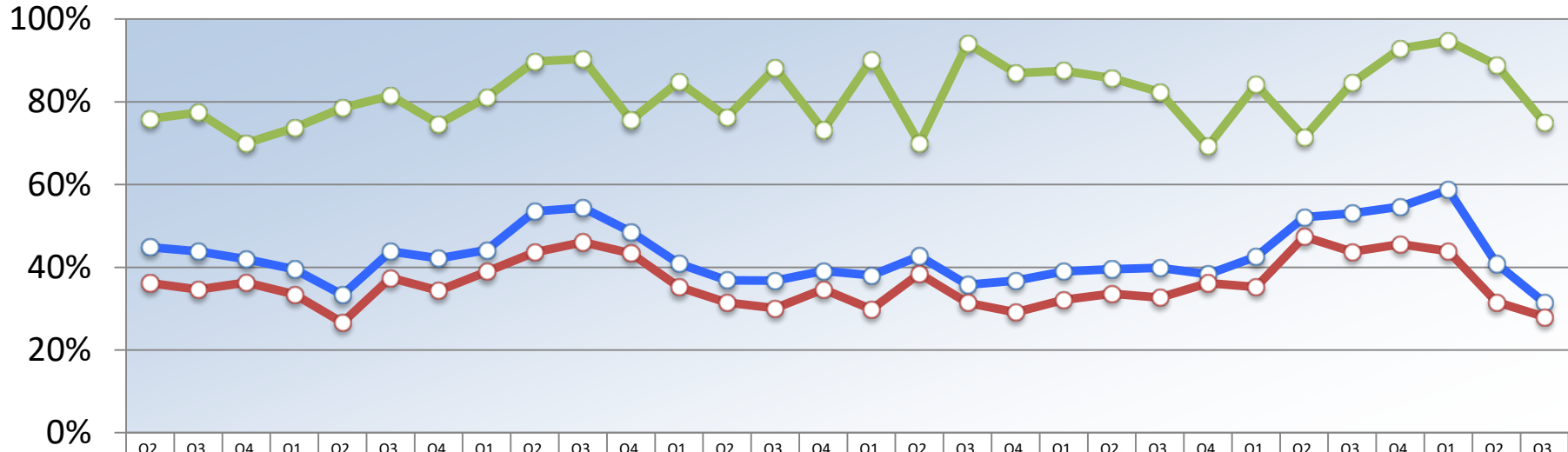
IS IT DIFFICULT OR EASY TO RAISE NEW EXTERNAL DEBT FINANCING?



FINANCING SUCCESS RATES BY TYPE AND BUSINESS SIZE FOR PRIOR THREE MONTHS

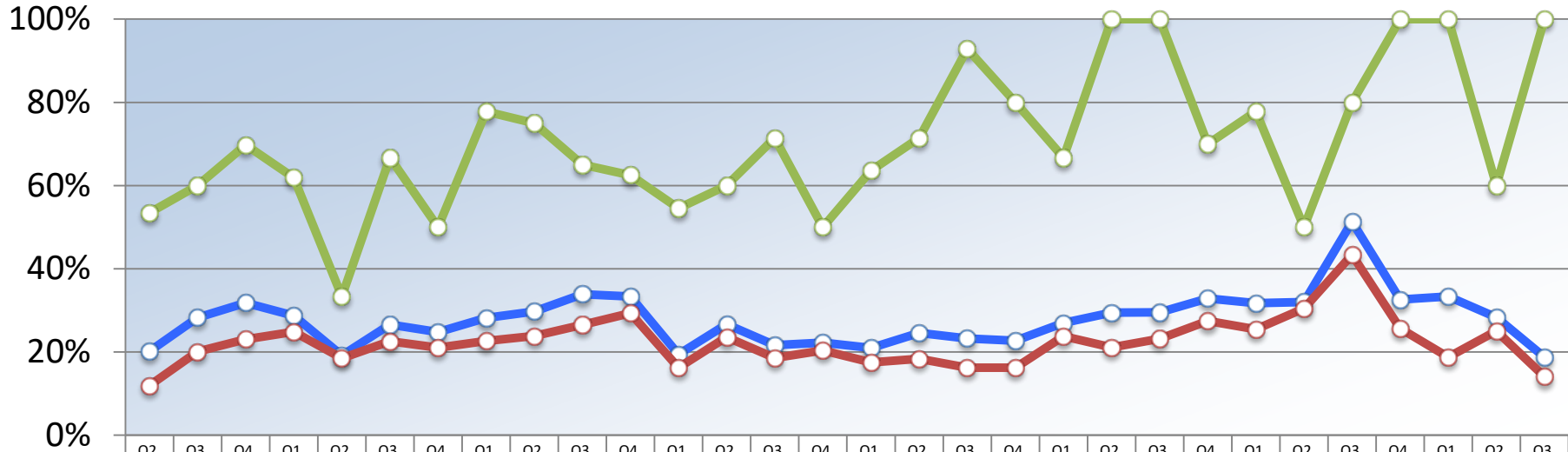
Source	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Friends and family	71%	68%	65%	71%	71%	63%	72%	73%	68%	69%	76%	68%	64%	67%	66%	71%	66%	55%	52%	67%	70%	65%	75%	66%	74%	61%	63%	76%	67%	63%
Grants (SBIR, STTR, etc.)	24%	21%	28%	32%	29%	22%	31%	33%	34%	35%	35%	28%	20%	26%	22%	23%	31%	26%	16%	33%	11%	24%	33%	14%	34%	25%	43%	57%	26%	22%
Crowd funding	7%	12%	13%	17%	13%	15%	29%	27%	16%	17%	27%	26%	14%	17%	7%	16%	16%	17%	9%	22%	14%	17%	19%	7%	18%	14%	11%	25%	13%	16%
Trade credit	64%	59%	63%	57%	57%	54%	63%	59%	68%	72%	65%	58%	60%	57%	56%	56%	56%	47%	60%	62%	63%	51%	68%	51%	70%	65%	56%	61%	57%	43%
Credit card - pers.	62%	62%	66%	66%	57%	57%	65%	61%	70%	70%	69%	66%	67%	66%	67%	68%	76%	61%	57%	67%	67%	68%	74%	70%	72%	75%	69%	78%	65%	53%
Loan - pers.	48%	47%	51%	44%	38%	45%	53%	48%	58%	54%	50%	45%	47%	44%	49%	47%	47%	43%	36%	49%	46%	51%	51%	45%	60%	56%	54%	58%	51%	35%
Credit card - biz.	59%	59%	61%	54%	53%	59%	63%	59%	71%	67%	65%	59%	59%	59%	61%	61%	69%	60%	54%	66%	62%	61%	68%	68%	72%	70%	65%	78%	65%	50%
Lease	59%	54%	59%	53%	42%	52%	57%	48%	54%	63%	64%	45%	53%	42%	52%	54%	36%	47%	42%	58%	49%	48%	60%	47%	66%	58%	55%	65%	48%	37%
Bank loan - biz.	45%	44%	42%	40%	33%	44%	42%	44%	54%	54%	49%	41%	37%	37%	39%	38%	43%	36%	37%	39%	40%	40%	38%	43%	52%	53%	55%	59%	41%	31%
CDFI/ Credit union	14%	13%	21%	14%	15%	15%	17%	14%	17%	18%	22%	15%	16%	14%	12%	19%	10%	16%	16%	17%	21%	20%	21%	27%	32%	38%	13%	42%	18%	14%
Asset based lender	20%	28%	32%	29%	19%	27%	25%	28%	30%	34%	33%	19%	27%	22%	22%	21%	25%	23%	23%	27%	29%	29%	33%	32%	32%	51%	33%	33%	28%	19%
Factor	31%	32%	38%	29%	37%	25%	40%	33%	42%	45%	33%	18%	34%	22%	25%	36%	25%	29%	31%	18%	37%	13%	26%	34%	63%	44%	41%	53%	23%	35%
Angel capital	20%	16%	20%	23%	19%	13%	18%	29%	13%	28%	20%	19%	30%	13%	13%	18%	14%	14%	14%	8%	15%	19%	18%	8%	42%	18%	9%	13%	7%	13%
Vent. capital	8%	9%	12%	14%	14%	7%	15%	16%	13%	14%	14%	11%	19%	11%	10%	13%	7%	9%	8%	13%	7%	10%	16%	12%	19%	13%	9%	15%	8%	8%
Private equity group	17%	15%	28%	21%	20%	24%	23%	23%	30%	25%	26%	6%	10%	19%	17%	18%	13%	19%	19%	17%	15%	17%	19%	10%	25%	19%	23%	21%	10%	16%
Mezz. lender	9%	9%	14%	8%	6%	4%	12%	16%	10%	13%	13%	13%	25%	2%	13%	12%	0%	5%	13%	9%	3%	7%	11%	13%	10%	17%	0%	10%	10%	7%
Hedge fund	2%	13%	6%	11%	7%	0%	5%	15%	9%	12%	3%	5%	13%	3%	10%	7%	4%	6%	7%	4%	0%	9%	12%	8%	0%	7%	0%	10%	6%	10%

BANK LOANS: FINANCING SUCCESS RATES BY BUSINESS SIZE FOR PRIOR THREE MONTHS



	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Whole Sample	44.9%	43.8%	42.0%	39.5%	33.3%	43.9%	42.2%	44.2%	53.5%	54.4%	48.6%	40.9%	36.9%	36.8%	39.1%	38.1%	42.7%	35.8%	36.8%	39.0%	39.6%	39.8%	38.3%	42.6%	52.1%	53.1%	54.6%	58.7%	40.9%	31.5%
< \$5 million	36.2%	34.6%	36.3%	33.5%	26.6%	37.4%	34.4%	39.0%	43.7%	46.1%	43.4%	35.2%	31.5%	30.1%	34.7%	29.8%	38.5%	31.4%	29.1%	32.2%	33.6%	32.7%	36.2%	35.2%	47.4%	43.8%	45.6%	43.9%	31.6%	28.0%
\$5-\$100 million	75.9%	77.4%	70.0%	73.7%	78.6%	81.5%	74.6%	81.1%	89.7%	90.4%	75.6%	84.8%	76.3%	88.2%	73.2%	90.2%	70.0%	94.1%	87.0%	87.5%	85.7%	82.4%	69.2%	84.2%	71.4%	84.6%	92.9%	94.7%	88.9%	75.0%

ASSET BASED LOANS: FINANCING SUCCESS RATES BY BUSINESS SIZE FOR PRIOR THREE MONTHS



	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Whole Sample	20.1%	28.2%	31.8%	28.7%	19.2%	26.5%	24.8%	28.1%	29.7%	33.9%	33.3%	19.4%	26.6%	21.6%	22.2%	20.9%	24.6%	23.3%	22.7%	27.0%	29.4%	29.5%	32.9%	31.7%	32.0%	51.3%	32.6%	33.3%	28.3%	18.8%
< \$5 million	11.9%	20.1%	23.0%	24.8%	18.4%	22.5%	21.0%	22.6%	23.8%	26.5%	29.3%	16.2%	23.6%	18.5%	20.3%	17.5%	18.4%	16.2%	16.2%	23.7%	21.1%	23.2%	27.4%	25.4%	30.4%	43.3%	25.6%	18.8%	25.0%	14.0%
\$5-\$100 million	53.4%	60.0%	69.8%	61.9%	33.3%	66.7%	50.0%	77.8%	75.0%	65.0%	62.5%	54.5%	60.0%	71.4%	50.0%	63.6%	71.4%	92.9%	80.0%	66.7%	100.0%	100.0%	70.0%	77.8%	50.0%	80.0%	100.0%	100.0%	60.0%	100.0%

PERCENTAGE OF THOSE WHO ATTEMPTED TO RAISE FINANCING BY TYPE OF FINANCING FOR PRIOR THREE MONTHS

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Friends and family	38%	37%	34%	41%	41%	34%	34%	40%	30%	34%	35%	39%	40%	37%	38%	40%	36%	40%	67%	36%	35%	36%	38%	35%	29%	32%	30%	31%	36%	39%
Grants (SBIR, STTR, etc.)	24%	26%	23%	28%	29%	25%	14%	27%	20%	24%	21%	29%	28%	26%	27%	26%	30%	33%	66%	27%	26%	23%	21%	25%	15%	25%	23%	20%	25%	28%
Crowd funding	10%	13%	10%	14%	14%	14%	6%	16%	10%	13%	12%	19%	17%	14%	20%	22%	18%	22%	59%	17%	20%	16%	16%	18%	10%	15%	13%	14%	20%	22%
Trade credit	38%	35%	33%	34%	35%	33%	34%	32%	31%	30%	34%	32%	35%	32%	39%	40%	30%	38%	57%	37%	41%	37%	36%	34%	31%	37%	34%	29%	31%	38%
Credit card - pers.	38%	38%	36%	44%	45%	39%	21%	42%	33%	34%	40%	45%	47%	45%	47%	53%	49%	52%	44%	50%	51%	45%	43%	43%	36%	37%	45%	34%	43%	52%
Loan - pers.	44%	41%	41%	43%	45%	41%	32%	41%	35%	36%	38%	41%	43%	42%	43%	48%	40%	45%	42%	49%	45%	45%	34%	37%	37%	37%	40%	29%	43%	46%
Credit card - biz.	48%	45%	46%	47%	53%	45%	32%	50%	46%	40%	48%	51%	51%	55%	58%	60%	55%	60%	37%	57%	63%	53%	51%	52%	43%	51%	55%	42%	53%	62%
Lease	28%	28%	24%	26%	28%	27%	28%	27%	23%	26%	27%	25%	26%	25%	28%	32%	19%	34%	30%	34%	30%	24%	27%	26%	19%	24%	23%	24%	24%	31%
Bank loan - biz.	63%	63%	59%	54%	59%	58%	72%	55%	58%	58%	58%	48%	49%	50%	54%	54%	46%	56%	26%	53%	55%	50%	46%	46%	44%	54%	54%	49%	45%	58%
CDFI/ Credit union	26%	28%	27%	26%	33%	29%	20%	26%	24%	22%	25%	26%	26%	25%	28%	30%	23%	34%	22%	28%	27%	29%	21%	29%	22%	29%	22%	22%	25%	32%
Asset based lender	28%	30%	29%	30%	30%	31%	31%	27%	25%	26%	28%	25%	28%	26%	28%	29%	25%	35%	22%	29%	32%	32%	23%	26%	23%	27%	25%	16%	25%	32%
Factor	15%	15%	14%	14%	20%	17%	13%	17%	14%	15%	13%	15%	18%	15%	17%	19%	14%	20%	19%	15%	17%	13%	10%	18%	13%	18%	15%	11%	15%	22%
Angel capital	20%	20%	17%	20%	20%	17%	11%	21%	15%	16%	12%	19%	18%	17%	19%	18%	16%	22%	17%	16%	19%	18%	14%	16%	10%	16%	14%	14%	20%	24%
Vent. capital	18%	19%	17%	18%	18%	16%	11%	19%	15%	16%	12%	18%	18%	18%	18%	18%	15%	23%	14%	17%	18%	17%	13%	17%	10%	16%	15%	12%	18%	22%
Private equity group	18%	20%	19%	19%	20%	19%	12%	19%	17%	16%	14%	18%	20%	19%	19%	19%	15%	24%	13%	18%	17%	16%	13%	17%	11%	17%	16%	13%	18%	24%
Mezz. lender	10%	12%	11%	10%	12%	13%	9%	11%	8%	10%	9%	12%	13%	12%	13%	14%	10%	18%	11%	12%	12%	11%	8%	13%	5%	13%	10%	9%	12%	15%
Hedge fund	8%	9%	8%	9%	10%	10%	4%	10%	7%	9%	7%	11%	11%	9%	12%	13%	11%	15%	3%	10%	11%	9%	7%	12%	4%	12%	9%	8%	12%	17%

MAIN PURPOSE FOR RAISING OR ATTEMPTING TO RAISE FINANCING

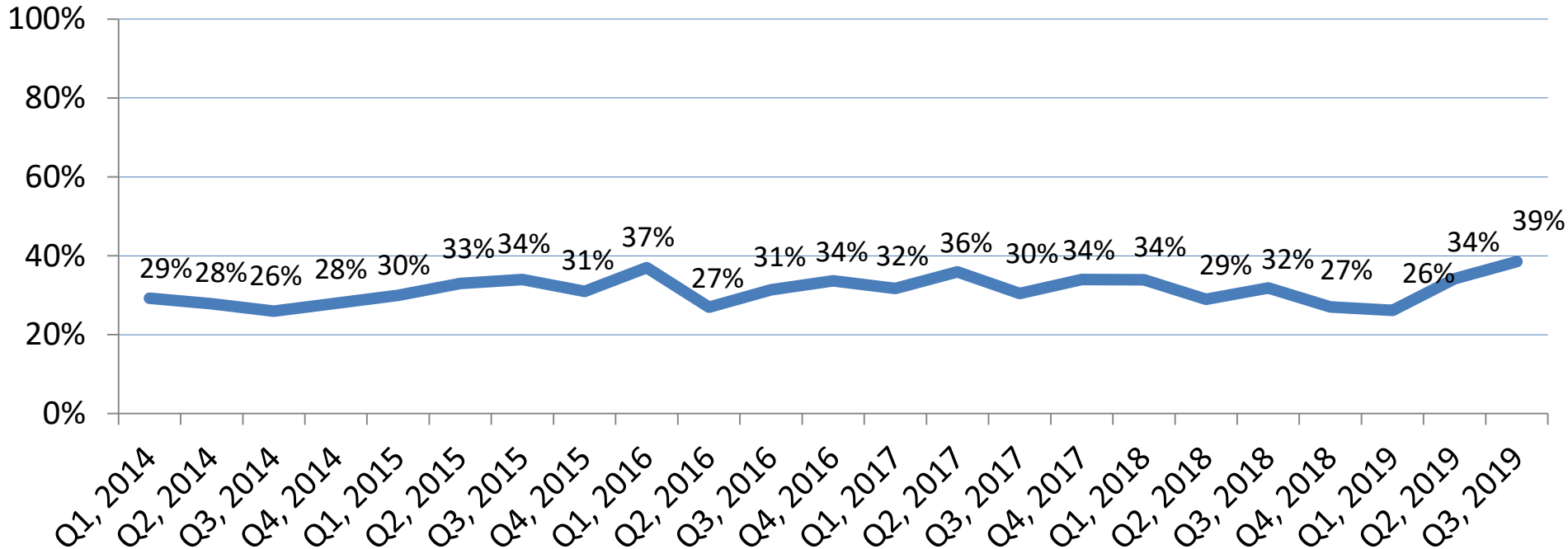
	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019	
Growth or expansion (incl. acquis.)	42%	42%	40%	42%	43%	42%	39%	41%	42%	42%	43%	44%	43%	49%	49%	45%	43%	44%	49%	43%	46%	49%	44%	43%	43%	52%	39%	33%	45%	47%	
Working capital fluctuations	29%	26%	23%	28%	25%	27%	30%	28%	25%	27%	29%	27%	31%	26%	26%	29%	30%	32%	28%	31%	29%	26%	27%	29%	29%	22%	33%	34%	29%	23%	
Refinancing existing loans or equity	12%	12%	15%	10%	11%	12%	11%	10%	12%	10%	8%	7%	6%	6%	6%	5%	6%	8%	7%	9%	9%	8%	8%	7%	9%	10%	10%	10%	8%	9%	
Replacing equipment or facilities unrelated to growth or expansion	6%	8%	9%	7%	6%	9%	10%	10%	8%	9%	11%	10%	8%	8%	8%	9%	8%	7%	7%	9%	7%	9%	11%	11%	9%	7%	8%	7%	7%	7%	
Finance worsening operations conditions	6%	6%	6%	6%	6%	4%	5%	4%	4%	4%	3%	4%	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%	4%	4%	3%	3%	2%	2%	3%	3%	3%
Withdraw wealth for owners	1%	1%	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	0%	1%	0%	1%	1%	0%	1%	1%	1%	2%	1%	
Other	5%	6%	5%	6%	8%	8%	5%	6%	8%	7%	5%	7%	8%	7%	7%	8%	9%	5%	5%	5%	6%	4%	5%	6%	6%	6%	6%	6%	13%	6%	10%

REASONS FOR BUSINESSES NOT ATTEMPTING TO RAISE EXTERNAL FINANCING (MULTIPLE SELECTIONS)

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Enough cash flow	45%	45%	45%	50%	47%	52%	51%	50%	55%	56%	54%	50%	46%	49%	51%	50%	52%	52%	50%	47%	46%	53%	49%	53%	54%	50%	59%	53%	57%	48%
Sufficient financing in place	25%	25%	26%	24%	26%	27%	25%	26%	27%	27%	27%	25%	24%	26%	25%	26%	26%	24%	25%	28%	20%	28%	26%	29%	26%	30%	33%	30%	26%	21%
Weak economy	23%	23%	23%	21%	18%	15%	18%	18%	19%	12%	13%	11%	10%	8%	9%	11%	11%	10%	12%	10%	11%	7%	8%	7%	8%	6%	7%	7%	6%	7%
Business would be rejected	22%	22%	20%	17%	18%	17%	17%	16%	15%	15%	17%	17%	20%	19%	15%	18%	14%	16%	17%	17%	17%	15%	17%	17%	14%	16%	11%	10%	16%	19%
Lack of expertise	13%	13%	13%	10%	9%	8%	10%	8%	8%	9%	9%	13%	14%	13%	13%	14%	12%	12%	12%	12%	14%	10%	13%	11%	12%	10%	8%	9%	11%	14%
Not enough time	12%	12%	10%	9%	9%	9%	9%	7%	9%	9%	10%	10%	11%	10%	10%	9%	8%	9%	9%	9%	11%	9%	7%	10%	9%	9%	8%	8%	9%	9%
Loss of control / flexibility	6%	6%	6%	6%	4%	4%	6%	4%	6%	5%	4%	3%	4%	4%	4%	4%	3%	3%	5%	3%	4%	4%	4%	3%	4%	3%	3%	3%	4%	3%
Waiting for cheaper financing	8%	8%	7%	6%	6%	5%	4%	6%	7%	7%	6%	6%	7%	8%	7%	9%	7%	8%	9%	8%	11%	9%	10%	8%	10%	9%	8%	7%	9%	11%
Cease operation / liquidate	2%	2%	1%	2%	2%	1%	1%	1%	1%	1%	1%	1%	2%	1%	1%	2%	2%	1%	1%	1%	1%	0%	1%	1%	1%	1%	1%	2%	0%	2%
Other	7%	7%	9%	8%	8%	7%	8%	7%	8%	7%	7%	8%	8%	7%	8%	7%	9%	8%	7%	7%	8%	8%	8%	6%	10%	6%	6%	8%	7%	11%

IV. EXPECTED DEMAND FOR EXTERNAL FINANCING

PERCENTAGE OF BUSINESSES PLANNING TO RAISE FINANCING IN THE NEXT SIX MONTHS



PERCENTAGE OF RESPONDENTS INDICATING DEMAND FOR NEW FINANCING IN THE NEXT SIX MONTHS

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Planned future growth or expansion	63%	61%	59%	54%	53%	53%	54%	54%	52%	50%	51%	55%	61%	62%	59%	65%	55%	59%	64%	64%	66%	62%	64%	64%	60%	61%	52%	59%	65%	69%
Expected working capital fluctuations	61%	57%	55%	51%	52%	50%	50%	51%	50%	47%	50%	52%	57%	58%	56%	60%	52%	57%	60%	59%	64%	56%	58%	59%	53%	56%	51%	51%	60%	61%
Growth due to expected increased demand	59%	54%	51%	47%	50%	45%	47%	48%	45%	43%	46%	50%	56%	56%	53%	60%	50%	54%	60%	58%	62%	56%	60%	58%	53%	55%	50%	49%	59%	62%
Expected worsening operating conditions	35%	35%	34%	31%	31%	29%	31%	29%	23%	21%	24%	24%	28%	29%	28%	32%	26%	33%	35%	30%	34%	29%	31%	30%	26%	26%	21%	24%	30%	33%
Refinance existing loans or equity	36%	35%	36%	31%	31%	29%	29%	27%	25%	23%	24%	23%	27%	26%	27%	30%	26%	31%	32%	32%	34%	29%	32%	33%	32%	30%	27%	28%	31%	38%
Withdraw wealth for owners	25%	24%	23%	22%	21%	20%	19%	20%	17%	16%	17%	18%	20%	19%	19%	21%	18%	22%	23%	23%	25%	20%	23%	22%	20%	23%	17%	19%	21%	26%

STRENGTH OF EXPECTED DEMAND FOR NEW EXTERNAL FINANCING IN THE NEXT SIX MONTHS (SCALE 1-4: SLIGHT, MODERATE, HIGH, EXTREMELY HIGH)

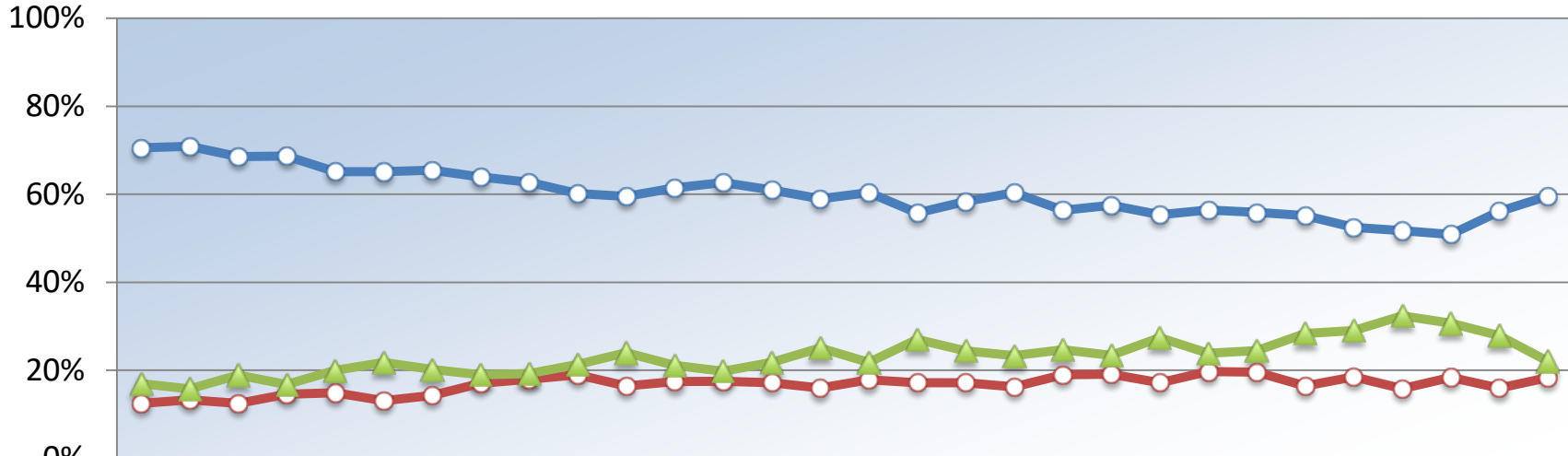
	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Planned future growth or expansion	2.4	2.5	2.4	2.4	2.4	2.3	2.4	2.4	2.4	2.3	2.4	2.5	2.5	2.6	2.5	2.5	2.4	2.6	2.5	2.4	2.6	2.4	2.4	2.5	2.3	2.4	2.3	2.2	2.4	2.6
Expected working capital fluctuations	2.2	2.2	2.2	2.1	2.2	2.1	2.3	2.3	2.2	2.1	2.1	2.3	2.3	2.3	2.3	2.3	2.2	2.4	2.4	2.3	2.3	2.2	2.3	2.2	2.1	2.2	2.0	2.0	2.3	2.4
Growth due to expected increased demand	2.2	2.3	2.2	2.2	2.3	2.1	2.2	2.3	2.2	2.2	2.2	2.3	2.4	2.4	2.4	2.4	2.2	2.5	2.4	2.3	2.4	2.3	2.3	2.4	2.2	2.2	2.2	2.1	2.3	2.5
Expected worsening operating conditions	1.9	2.1	2.0	2.0	2.2	2.0	2.2	2.2	2.1	1.9	2.0	2.2	2.2	2.2	2.1	2.1	2.0	2.3	2.2	2.2	2.2	2.1	2.1	2.1	2.0	2.3	1.9	1.9	2.0	2.3
Refinance existing loans or equity	2.4	2.3	2.4	2.3	2.4	2.2	2.1	2.1	1.9	2.2	2.4	2.4	2.3	2.4	2.4	2.3	2.3	2.5	2.5	2.5	2.5	2.4	2.3	2.4	2.4	2.3	2.3	2.3	2.3	2.5
Withdraw wealth for owners	1.9	2.0	2.0	2.0	2.0	1.9	2.1	2.0	1.8	2.0	2.0	2.1	2.1	2.1	2.1	2.1	2.0	2.2	2.2	2.1	2.3	2.2	2.1	2.2	1.9	2.1	2.0	1.7	2.1	2.3

RESPONDENTS INDICATING HIGH OR EXTREMELY HIGH EXPECTED DEMAND FOR NEW EXTERNAL FINANCING IN THE NEXT SIX MONTHS

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Planned future growth or expansion	46%	47%	46%	43%	46%	41%	44%	46%	45%	40%	44%	50%	48%	51%	47%	47%	44%	51%	49%	46%	50%	45%	45%	46%	42%	44%	39%	33%	48%	52%
Expected working capital fluctuations	37%	37%	35%	34%	38%	31%	43%	41%	37%	32%	35%	40%	40%	41%	39%	41%	35%	43%	43%	41%	41%	39%	41%	37%	34%	36%	29%	28%	42%	43%
Growth due to expected increased demand	39%	39%	39%	35%	40%	34%	38%	39%	36%	37%	36%	43%	42%	46%	44%	44%	36%	46%	45%	43%	46%	41%	38%	44%	36%	37%	34%	32%	39%	46%
Expected worsening operating conditions	28%	34%	29%	31%	38%	29%	36%	37%	30%	28%	27%	35%	38%	36%	33%	32%	29%	40%	37%	37%	36%	32%	35%	34%	25%	41%	27%	24%	30%	38%
Refinance existing loans or equity	44%	43%	45%	39%	45%	36%	34%	34%	23%	39%	40%	44%	43%	43%	44%	41%	39%	50%	49%	49%	47%	45%	40%	45%	41%	39%	41%	39%	41%	47%
Withdraw wealth for owners	24%	29%	27%	28%	29%	25%	33%	30%	16%	30%	28%	32%	30%	31%	31%	31%	30%	35%	34%	32%	37%	35%	31%	37%	24%	31%	25%	17%	31%	39%

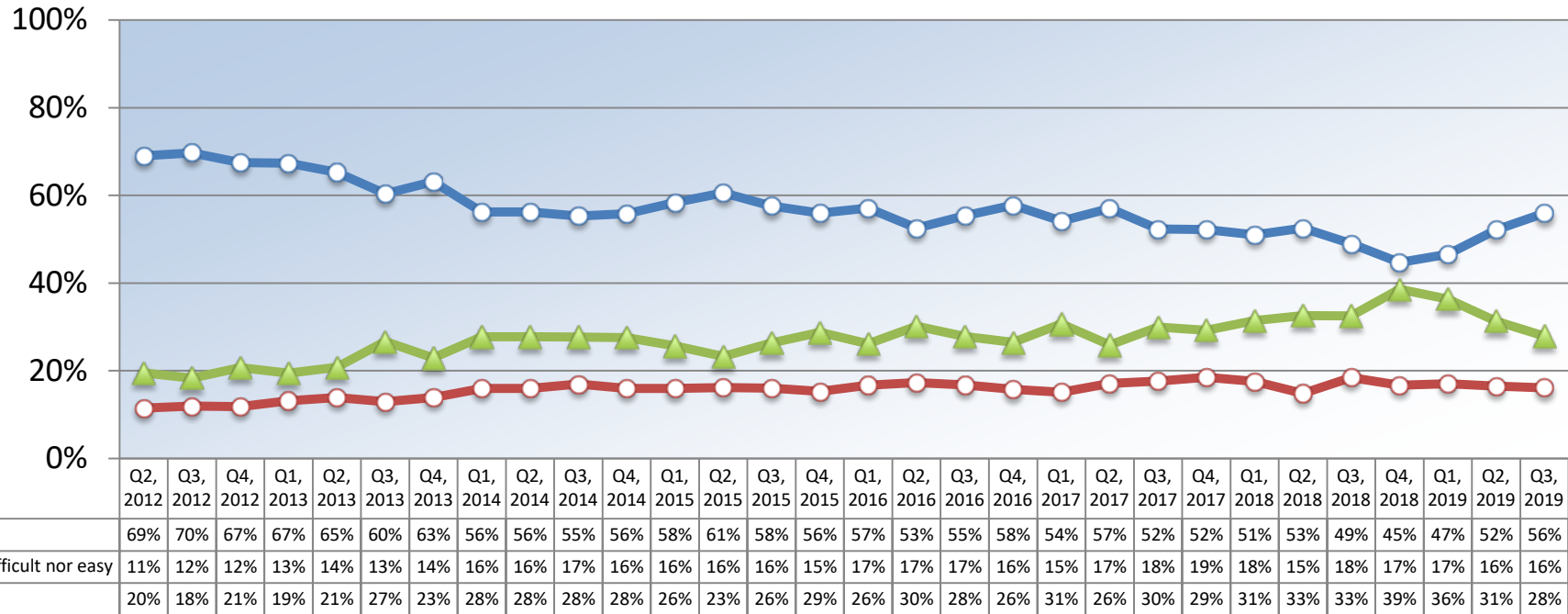
V. EXPECTED ACCESS RATES

DO YOU EXPECT IT WOULD BE EASY OR DIFFICULT TO RAISE NEW EQUITY FINANCING IN THE NEXT SIX MONTHS?



	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Difficult	71%	71%	69%	69%	65%	65%	66%	64%	63%	60%	60%	61%	63%	61%	59%	60%	56%	58%	60%	56%	58%	55%	56%	56%	55%	52%	52%	51%	56%	60%
Neither difficult nor easy	12%	13%	12%	15%	15%	13%	14%	17%	18%	19%	16%	17%	18%	17%	16%	18%	17%	17%	16%	19%	19%	17%	20%	20%	16%	19%	16%	18%	16%	18%
Easy	17%	16%	19%	17%	20%	22%	20%	19%	19%	21%	24%	21%	20%	22%	25%	22%	27%	24%	23%	25%	23%	27%	24%	24%	28%	29%	32%	31%	28%	22%

DO YOU EXPECT IT WOULD BE EASY OR DIFFICULT TO RAISE NEW DEBT FINANCING IN THE NEXT SIX MONTHS?



LIKELY SOURCES OF FINANCING

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Friends and family	32%	32%	33%	33%	36%	30%	35%	35%	34%	23%	23%	31%	31%	31%	26%	27%	29%	27%	32%	26%	33%	34%	32%	33%	34%	23%	30%	21%	32%	28%
Grants (SBIR, STTR, etc.)	29%	32%	31%	38%	36%	36%	38%	39%	33%	32%	31%	44%	39%	35%	33%	28%	38%	37%	36%	41%	38%	31%	29%	33%	28%	31%	25%	25%	30%	40%
Crowd funding	10%	11%	12%	16%	15%	15%	19%	20%	17%	16%	15%	22%	21%	16%	19%	21%	19%	34%	34%	40%	40%	36%	34%	30%	32%	26%	28%	24%	30%	40%
Trade credit	35%	35%	32%	29%	34%	35%	35%	37%	32%	30%	29%	30%	33%	33%	33%	34%	22%	23%	20%	22%	25%	15%	17%	23%	17%	13%	17%	16%	19%	21%
Credit card - pers.	22%	23%	23%	23%	26%	26%	25%	25%	24%	21%	23%	24%	28%	28%	29%	30%	24%	26%	27%	32%	37%	28%	31%	31%	24%	21%	28%	20%	29%	35%
Loan - pers.	32%	33%	32%	30%	37%	34%	33%	34%	31%	27%	31%	32%	35%	34%	33%	36%	31%	33%	36%	35%	41%	36%	35%	36%	26%	35%	35%	38%	35%	39%
Credit card - biz.	40%	41%	39%	41%	44%	46%	43%	44%	36%	37%	37%	46%	48%	48%	49%	49%	39%	47%	44%	52%	55%	49%	54%	47%	43%	42%	42%	41%	54%	54%
Lease	33%	32%	31%	29%	29%	30%	33%	33%	31%	33%	31%	32%	31%	29%	31%	29%	22%	36%	30%	41%	40%	34%	35%	29%	23%	29%	29%	24%	30%	31%
Bank loan - biz.	68%	65%	66%	59%	63%	62%	60%	61%	66%	66%	67%	62%	61%	63%	62%	65%	53%	63%	59%	76%	73%	75%	71%	67%	67%	67%	63%	71%	70%	68%
CDFI/ Credit union	36%	36%	35%	35%	38%	39%	36%	37%	31%	37%	38%	41%	43%	41%	40%	41%	36%	43%	40%	49%	55%	46%	43%	42%	36%	41%	33%	39%	41%	50%
Asset based lender	35%	35%	36%	29%	35%	34%	32%	34%	31%	36%	40%	32%	36%	35%	33%	36%	29%	38%	32%	47%	49%	40%	32%	36%	32%	35%	31%	34%	37%	34%
Factor	17%	13%	13%	14%	15%	14%	17%	17%	13%	13%	15%	16%	17%	14%	14%	15%	13%	12%	14%	20%	19%	17%	14%	15%	8%	16%	15%	13%	11%	19%
Angel capital	30%	27%	25%	29%	26%	27%	24%	29%	27%	28%	24%	31%	33%	27%	27%	29%	26%	29%	29%	25%	37%	36%	25%	26%	26%	27%	26%	26%	26%	33%
Vent. capital	26%	24%	22%	26%	24%	27%	22%	25%	24%	27%	24%	28%	29%	27%	26%	27%	24%	28%	30%	27%	34%	33%	26%	21%	24%	22%	22%	24%	23%	26%
Private equity group	28%	28%	26%	26%	24%	28%	24%	26%	26%	29%	28%	26%	29%	27%	24%	29%	28%	29%	30%	29%	35%	35%	26%	25%	23%	27%	23%	30%	25%	30%
Mezz. lender	14%	14%	16%	14%	15%	18%	13%	17%	15%	16%	18%	15%	17%	16%	15%	17%	11%	17%	18%	18%	21%	22%	13%	16%	10%	15%	13%	19%	14%	19%
Hedge fund	8%	8%	9%	7%	8%	9%	7%	10%	7%	11%	9%	9%	12%	11%	11%	12%	7%	9%	10%	10%	14%	12%	10%	11%	7%	11%	10%	7%	9%	15%

MAIN PURPOSE FOR RAISING EXPECTED FINANCING

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Growth or expansion (incl. acquisition)	58%	58%	57%	57%	58%	59%	55%	61%	60%	58%	61%	63%	60%	67%	59%	63%	57%	57%	62%	57%	62%	65%	63%	56%	57%	62%	56%	57%	63%	64%
Working capital fluctuations	21%	18%	17%	18%	19%	19%	21%	19%	15%	19%	18%	18%	21%	16%	22%	18%	21%	21%	21%	21%	19%	19%	19%	20%	20%	18%	22%	24%	17%	15%
Refinancing existing loans or equity	9%	8%	11%	9%	10%	6%	8%	6%	11%	7%	8%	7%	6%	6%	6%	7%	8%	10%	5%	8%	8%	6%	6%	8%	10%	11%	7%	9%	7%	7%
Replacing equipment or facilities unrelated to growth or expansion	5%	7%	6%	6%	6%	7%	9%	5%	6%	8%	7%	6%	7%	6%	7%	7%	6%	6%	7%	7%	6%	4%	7%	6%	6%	4%	8%	2%	8%	5%
Finance worsening operations conditions	3%	4%	4%	4%	3%	4%	3%	4%	3%	3%	3%	2%	2%	1%	2%	1%	1%	2%	2%	2%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%
Withdraw wealth for owners	1%	1%	2%	1%	0%	1%	1%	0%	3%	2%	1%	0%	1%	1%	1%	1%	1%	1%	1%	1%	0%	1%	0%	1%	1%	1%	2%	0%	1%	1%
Other	3%	4%	4%	5%	4%	4%	5%	4%	3%	3%	3%	3%	3%	3%	3%	3%	5%	3%	3%	3%	3%	4%	4%	5%	5%	4%	5%	6%	2%	5%

LEVEL OF CONFIDENCE FOR SUCCESSFUL FINANCING (SCALE 0-4: NONE; SOME; MODERATELY; VERY; COMPLETELY)

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Friends and family	1.9	2.0	2.0	2.0	2.0	2.2	2.1	2.0	2.1	2.2	2.1	2.0	2.2	2.1	2.0	2.1	2.2	1.9	1.9	2.1	1.9	2.1	2.2	2.1	2.0	2.0	1.9	2.9	2.2	1.9
Grants (SBIR, STTR, etc.)	1.5	1.5	1.6	1.7	1.6	1.7	1.6	1.6	1.4	1.8	1.6	1.6	1.8	1.8	1.6	1.9	1.6	1.6	1.7	1.5	1.9	1.6	2.0	1.6	1.8	1.6	1.8	2.2	1.6	1.6
Crowd funding	2.1	2.1	2.1	2.1	2.1	1.9	2.1	2.0	2.1	2.1	2.0	1.8	1.9	1.9	1.5	1.8	1.4	1.8	2.0	2.1	2.3	2.1	2.5	2.1	2.2	2.1	2.0	2.3	2.1	2.0
Trade credit	1.3	1.5	1.3	1.5	1.9	1.7	1.0	1.7	1.1	1.5	1.4	1.9	2.0	1.9	2.1	2.2	2.0	1.5	1.6	1.5	1.4	1.8	1.8	1.6	1.3	1.3	1.4	2.1	1.6	1.6
Credit card - pers.	2.0	1.9	1.9	2.3	2.1	2.0	2.1	1.4	2.1	2.0	1.9	1.9	2.1	2.1	2.1	1.0	1.9	1.9	2.1	1.8	2.2	2.0	2.4	2.2	2.1	2.4	2.4	2.1	2.0	1.9
Loan - pers.	1.7	1.8	1.6	1.7	1.6	1.8	1.6	1.4	1.8	1.6	1.6	1.6	1.8	1.7	1.7	1.3	1.6	1.7	1.6	1.6	2.0	1.8	2.1	2.0	1.9	1.9	1.8	2.1	1.8	1.3
Credit card - biz.	1.9	2.0	1.7	1.9	1.8	1.7	1.9	2.0	2.1	1.9	1.9	1.9	1.9	1.9	2.0	2.3	2.1	1.9	1.9	2.0	2.2	2.1	2.3	2.2	2.1	1.9	1.9	2.5	1.9	1.7
Lease	2.1	2.2	2.2	2.2	1.9	2.2	2.2	1.8	2.1	2.3	2.1	2.1	2.1	2.0	2.1	2.4	2.1	2.0	2.1	2.2	2.4	2.1	2.3	2.0	2.3	2.2	2.3	2.9	2.1	1.8
Bank loan - biz.	1.6	1.6	1.5	1.6	1.5	1.7	1.6	2.0	1.6	1.7	1.6	1.7	1.7	1.6	1.8	2.4	1.6	1.7	1.8	1.7	1.9	1.7	1.9	1.8	1.7	1.8	2.0	2.0	1.7	1.5
CDFI/ Credit union	1.2	1.2	1.2	1.3	1.2	1.4	1.3	2.2	1.0	1.4	1.3	1.4	1.5	1.4	1.5	1.7	1.5	1.5	1.6	1.4	1.8	1.6	1.8	1.7	1.6	1.5	1.4	1.9	1.5	1.3
Asset based lender	1.4	1.4	1.5	1.5	1.5	1.5	1.4	1.6	1.3	1.8	1.5	1.5	1.5	1.6	1.5	2.5	1.4	1.4	1.7	1.4	1.7	1.6	1.8	1.7	1.7	1.5	1.8	2.0	1.9	1.0
Factor	2.0	1.8	1.8	1.9	1.8	1.9	1.9	1.4	1.9	2.0	1.8	1.8	1.8	1.9	1.2	2.3	0.6	1.8	2.2	2.0	1.9	1.6	2.3	1.9	2.5	1.4	2.0	2.0	1.6	1.9
Angel capital	1.4	1.5	1.4	1.5	1.3	1.5	1.3	1.5	1.3	1.5	1.5	1.5	1.7	1.6	1.7	1.8	1.8	1.6	1.8	1.5	1.6	1.3	1.6	1.5	1.7	1.2	1.5	1.5	1.4	1.4
Vent. capital	1.3	1.4	1.4	1.4	1.4	1.4	1.4	1.8	1.3	1.4	1.5	1.5	1.6	1.5	1.6	1.4	1.7	1.5	1.6	1.2	1.5	1.4	1.6	1.5	1.8	1.1	1.6	1.5	1.6	1.5
Private equity group	1.4	1.5	1.6	1.4	1.5	1.6	1.5	1.5	1.5	1.5	1.6	1.6	1.6	1.7	1.5	2.3	1.5	1.7	1.8	1.7	1.6	1.5	1.7	1.4	1.8	1.4	1.6	1.6	1.6	1.5
Mezz. lender	1.4	1.3	1.3	1.3	1.4	1.4	1.1	1.4	1.4	1.3	1.3	1.4	1.5	1.6	1.6	1.4	1.4	1.4	1.8	1.7	1.5	1.3	1.5	1.2	1.7	1.2	1.3	1.3	1.4	1.0
Hedge fund	1.4	1.3	1.3	1.4	1.6	1.2	1.3	1.7	1.5	1.7	1.5	1.4	1.6	1.7	1.2	2.0	0.7	1.5	1.9	1.3	1.4	1.4	1.4	1.3	1.7	1.6	1.3	0.8	1.5	1.2

REASONS FOR NOT PLANNING ON RAISING FINANCING

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Enough cash flow	61%	59%	61%	50%	47%	52%	51%	50%	67%	67%	69%	65%	62%	68%	68%	68%	68%	66%	66%	65%	65%	68%	67%	71%	69%	73%	74%	67%	74%	68%
Sufficient financing in place	37%	33%	32%	24%	26%	27%	25%	26%	36%	33%	32%	33%	35%	34%	33%	35%	34%	33%	33%	36%	32%	38%	35%	35%	39%	34%	41%	38%	34%	34%
Weak economy	19%	22%	22%	21%	18%	15%	18%	18%	12%	12%	12%	10%	9%	7%	8%	10%	11%	10%	11%	9%	11%	6%	8%	7%	7%	6%	5%	9%	6%	4%
Business would be rejected	13%	13%	12%	17%	18%	17%	17%	16%	13%	10%	9%	9%	11%	10%	9%	8%	7%	7%	8%	11%	10%	7%	9%	8%	7%	8%	7%	5%	5%	11%
Lack of expertise	6%	5%	4%	10%	9%	8%	10%	8%	5%	4%	4%	4%	6%	5%	5%	4%	5%	4%	4%	5%	5%	5%	4%	4%	4%	2%	3%	3%	3%	4%
Not enough time	6%	6%	5%	9%	9%	9%	9%	7%	4%	6%	5%	6%	5%	5%	4%	5%	5%	5%	4%	4%	6%	5%	5%	7%	5%	4%	3%	3%	5%	5%
Loss of control / flexibility	5%	5%	4%	6%	4%	4%	6%	6%	6%	4%	4%	3%	3%	4%	3%	4%	3%	3%	3%	4%	3%	5%	3%	3%	3%	3%	1%	3%	4%	5%
Waiting for cheaper financing	4%	4%	4%	6%	6%	5%	4%	4%	4%	3%	3%	3%	3%	3%	4%	4%	3%	3%	4%	5%	6%	5%	4%	5%	5%	3%	4%	3%	2%	4%
Cease operation / liquidate	2%	2%	3%	2%	2%	1%	1%	1%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%	1%	1%	1%	2%	2%	2%	2%	1%	1%	1%	3%
Other	5%	6%	5%	8%	8%	7%	8%	7%	4%	5%	6%	6%	5%	6%	5%	5%	4%	5%	4%	3%	5%	5%	5%	3%	6%	4%	5%	5%	6%	7%

VI. HIRING / GROWTH OUTLOOKS AND FINANCING FAILURE IMPACTS

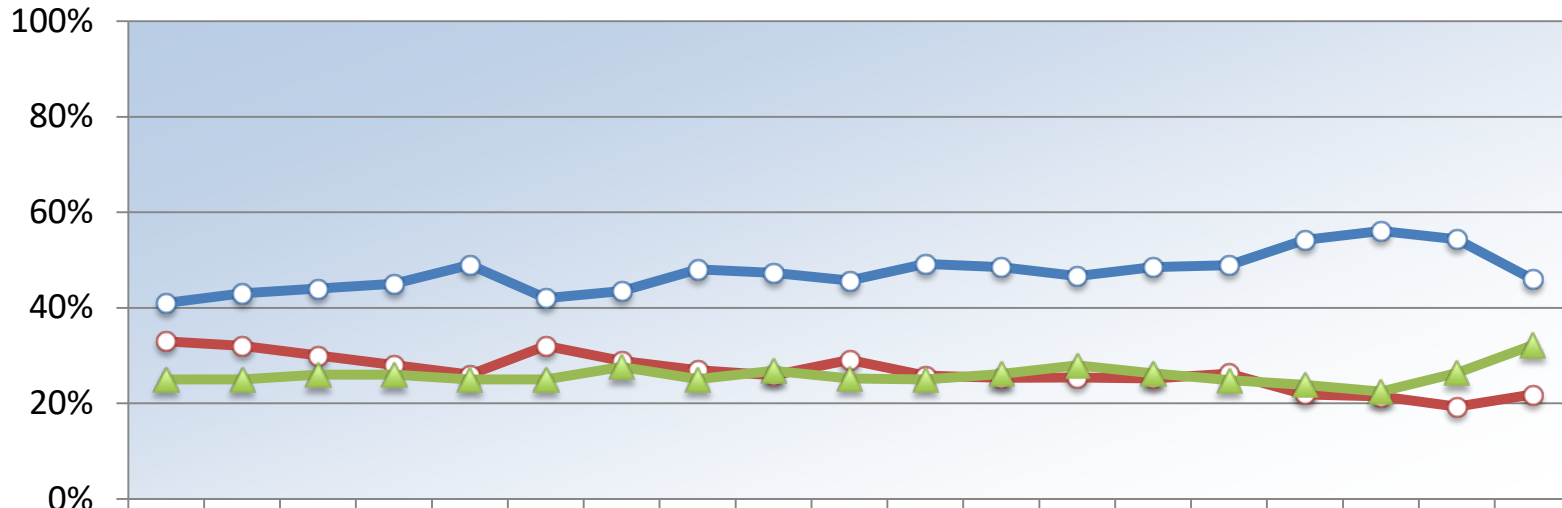
NUMBER OF EMPLOYEES PLANNED TO BE HIRED IN THE NEXT SIX MONTHS

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
0	31%	38%	38%	45%	45%	46%	45%	42%	43%	42%	42%	42%	38%	36%	38%	32%	42%	39%	38%	34%	34%	34%	29%	32%	33%	33%	36%	31%	28%	30%
1-2	34%	32%	33%	32%	31%	31%	30%	33%	34%	33%	33%	34%	34%	34%	35%	34%	35%	35%	37%	38%	33%	37%	40%	37%	38%	36%	37%	36%	36%	34%
3-5	19%	15%	15%	13%	14%	13%	14%	14%	12%	13%	14%	15%	17%	18%	16%	19%	14%	15%	14%	16%	19%	16%	18%	17%	17%	19%	16%	20%	20%	21%
6-10	8%	7%	7%	5%	5%	6%	5%	6%	6%	6%	6%	5%	6%	7%	5%	7%	5%	6%	6%	6%	8%	6%	8%	7%	6%	6%	8%	7%	8%	8%
11-15	3%	2%	2%	2%	2%	1%	2%	2%	2%	2%	2%	1%	2%	1%	2%	3%	2%	2%	1%	2%	2%	3%	2%	3%	2%	1%	2%	3%	3%	2%
16-20	2%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	2%	1%	2%	1%	2%	1%	2%	1%	1%	1%	1%
21-30	1%	1%	1%	1%	1%	0%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	0%	0%	0%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
31-40	1%	1%	1%	0%	1%	0%	1%	0%	0%	1%	1%	0%	0%	1%	1%	1%	0%	1%	1%	0%	1%	1%	1%	1%	1%	1%	0%	0%	0%	2%
41-50	1%	1%	1%	0%	1%	0%	0%	0%	0%	1%	0%	0%	0%	0%	1%	0%	1%	0%	1%	1%	0%	0%	0%	0%	0%	0%	1%	0%	0%	0%
51-75	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	1%
76-100	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

REASONS PREVENTING RESPONDENTS FROM HIRING

	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Economic uncertainty/confidence (domestic)	34%	32%	36%	36%	41%	33%	32%	36%	28%	29%	27%	25%	32%	45%	34%	38%	32%	24%
Government regulations and taxes	17%	19%	19%	20%	23%	16%	18%	16%	13%	19%	5%	20%	7%	5%	7%	13%	2%	2%
Consumer/business demand (spending)	17%	15%	19%	14%	11%	15%	17%	12%	18%	16%	12%	10%	14%	12%	4%	22%	5%	7%
Access to capital	17%	18%	14%	15%	12%	19%	17%	20%	23%	13%	28%	29%	23%	14%	26%	3%	40%	46%
Ability to find qualified employees	12%	13%	10%	12%	12%	16%	12%	15%	16%	21%	25%	15%	23%	21%	29%	22%	22%	17%
Inflation	0%	0%	0%	2%	0%	0%	1%	0%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%
International economic uncertainty	2%	2%	2%	2%	2%	1%	1%	1%	2%	1%	2%	0%	0%	0%	0%	3%	0%	2%
Competitiveness with foreign trading partners	0%	2%	0%	0%	0%	0%	1%	0%	0%	2%	0%	0%	2%	2%	0%	0%	0%	2%

WILL EMPLOYEES PLANNED TO BE HIRED BE FULL-TIME OR PART-TIME



	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Mostly full-time employees	41%	43%	44%	45%	49%	42%	43%	48%	47%	46%	49%	49%	47%	49%	49%	54%	56%	54%	46%
Mostly part-time employees	33%	32%	30%	28%	26%	32%	29%	27%	26%	29%	26%	25%	25%	25%	26%	22%	21%	19%	22%
A combination of full-time and part-time	25%	25%	26%	26%	25%	25%	28%	25%	27%	25%	25%	26%	28%	26%	25%	24%	22%	26%	32%

IMPACTS OF UNSUCCESSFUL FINANCING EVENT IN THE NEXT SIX MONTHS FOR THOSE PLANNING TO RAISE CAPITAL (MULTIPLE SELECTIONS)

	Q2, 2012	Q3, 2012	Q4, 2012	Q1, 2013	Q2, 2013	Q3, 2013	Q4, 2013	Q1, 2014	Q2, 2014	Q3, 2014	Q4, 2014	Q1, 2015	Q2, 2015	Q3, 2015	Q4, 2015	Q1, 2016	Q2, 2016	Q3, 2016	Q4, 2016	Q1, 2017	Q2, 2017	Q3, 2017	Q4, 2017	Q1, 2018	Q2, 2018	Q3, 2018	Q4, 2018	Q1, 2019	Q2, 2019	Q3, 2019
Slower business growth	73%	71%	71%	70%	67%	65%	67%	73%	67%	66%	64%	64%	68%	67%	66%	65%	63%	66%	67%	70%	68%	65%	56%	59%	68%	58%	59%	58%	65%	68%
Reduce number of employees (layoffs)	58%	54%	52%	52%	48%	48%	53%	54%	52%	46%	37%	37%	37%	36%	39%	40%	37%	34%	41%	37%	40%	37%	39%	34%	41%	31%	39%	40%	39%	46%
Hire fewer new employees than planned	23%	23%	22%	19%	17%	18%	20%	20%	24%	19%	16%	13%	13%	12%	13%	11%	10%	13%	15%	16%	11%	13%	13%	10%	14%	8%	9%	12%	14%	14%
Sell business assets or shut down	24%	22%	22%	20%	19%	20%	17%	18%	21%	18%	16%	16%	14%	14%	15%	15%	15%	17%	17%	13%	16%	13%	15%	15%	10%	14%	18%	18%	17%	19%
No expected impacts on growth, business size, or hiring plans	11%	13%	14%	14%	15%	19%	16%	13%	17%	21%	17%	20%	19%	18%	20%	19%	21%	19%	16%	17%	19%	20%	17%	20%	14%	19%	22%	18%	14%	14%

About Pepperdine Private Capital Markets Project

The Pepperdine Private Capital Markets Project at the Graziadio School is the first simultaneous, comprehensive, and on-going investigation of the major private capital market segments. The research seeks to understand the true cost of private capital across market types and the investment expectations of privately-held business owners; providing lenders, investors and the businesses that depend on them with critical data to make optimal investment and financing decisions, and better determine where the opportunities to create lasting economic value may be realized. Download reports and find more information at

<http://bschool.pepperdine.edu/privatecapital>.

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Anchored in the core values of integrity and innovation, the [Pepperdine Graziadio Business School](#) challenges individuals to think boldly and drive meaningful change that positively impacts their organizations and communities. With an entrepreneurial spirit, the Graziadio School advances experiential learning in small classes that deepen connections and stimulate critical thinking. Through our wide continuum of MBA, MS and Executive degree programs offered across six California campuses, Graziadio faculty inspire full time students and working professionals to realize their greatest potential as values-centered, Best for the World Leaders. Follow Pepperdine Graziadio on [Facebook](#), [Twitter](#) at [@GraziadioSchool](#), [Instagram](#) and [LinkedIn](#).

Thank You

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