

Tightening Credit Availability and Higher Bank Fees

Greenwich Insights – Summary of Key Findings

Our latest Greenwich Business Forum shows that many companies are seriously concerned about securing necessary financing in 2009 and are upset by increased bank fees and higher interest rates.

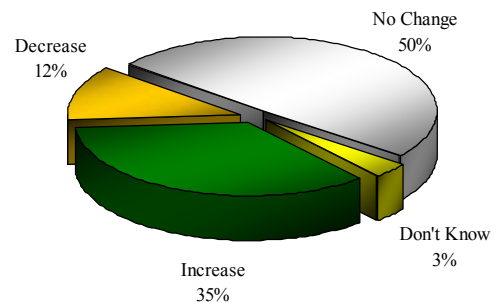
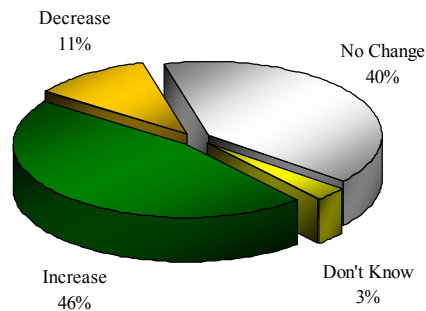
- Four in ten small and mid-sized companies expect their credit needs to increase in the coming year, and 75% of these companies are concerned about meeting their financing needs in 2009.
- About one-third of companies are paying higher banking fees or interest rates than 6-12 months ago. About half of small and mid-sized company executives feel they are being taken advantage of by their banks.
- The Greenwich Credit Availability Index has fallen rather significantly in the past 6 months, indicating severely decreased credit availability.

Expectations about Credit Needs and Level of Concern About Accessing Financing

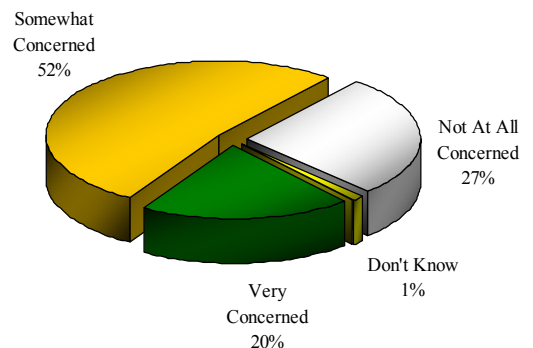
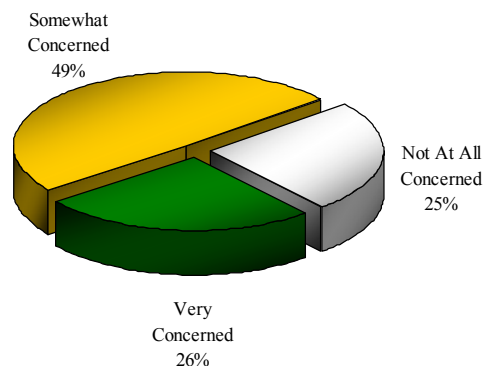
**Small Business Banking
(\$1–\$10 Million)**

**Middle Market Banking
(\$10–\$500 Million)**

Do you expect your credit needs to increase, decrease, or stay the same in the next 12 months?



How concerned are you about accessing the financing you need to run your business in 2009?

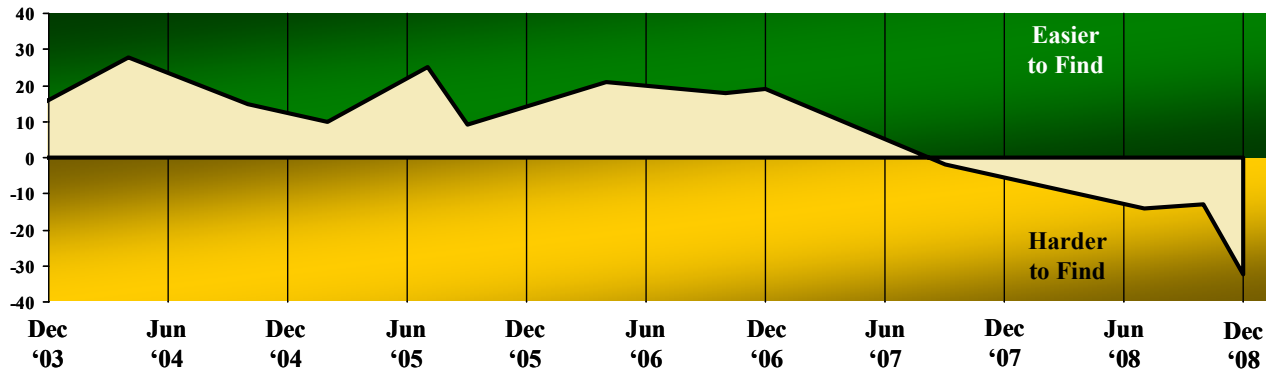


About Greenwich Business Forum

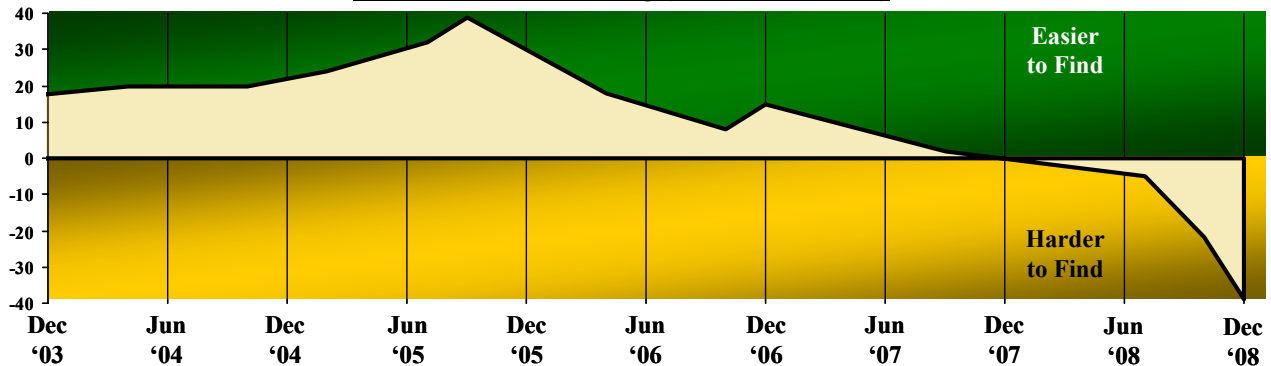
- Greenwich Business Forum is an online panel of over 30,000 financial decision makers at small (\$1–\$10 million) and midsize companies (\$10–\$500 million) in the United States.
- Regular research topics include: economic outlook, business compensation, insurance, credit/loan pricing, and other topics impacting strategic and management issues.
- For additional information, please visit www.greenwichbusinessforum.com or contact Sara Hayes at shayes@greenwich.com or (203) 625-5174

Greenwich Credit Availability Index – Credit Access Continues to be a Big Worry

Small Business Banking (\$1-\$10 Million)



Middle Market Banking (\$10-\$500 Million)



Corporate Executive Concerns about Accessing Financing

“Markets are irrational and banks/financial institutions are using these bad times to recoup their losses - therefore fees and applicable margin rates are much higher. Deals are also shorter, making them more expensive. In a time of economic difficulty, making your debt more expensive puts a burden on businesses that must refinance and can make it challenging to stay competitive (to do so, businesses will need to cut costs - layoffs, rollback on benefits, etc.).”

“Banks have tightened access to credit and are making it very difficult for "growing" businesses to get the financial support we need. It's the old story of financing being available to those who don't need it.”

“I know my business is solid but I am experiencing cash flow problems and the state government, despite press releases saying they want to help small businesses, is my single biggest obstacle to surviving.”

“The banking industry is a mess. There is still very limited liquidity.”

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