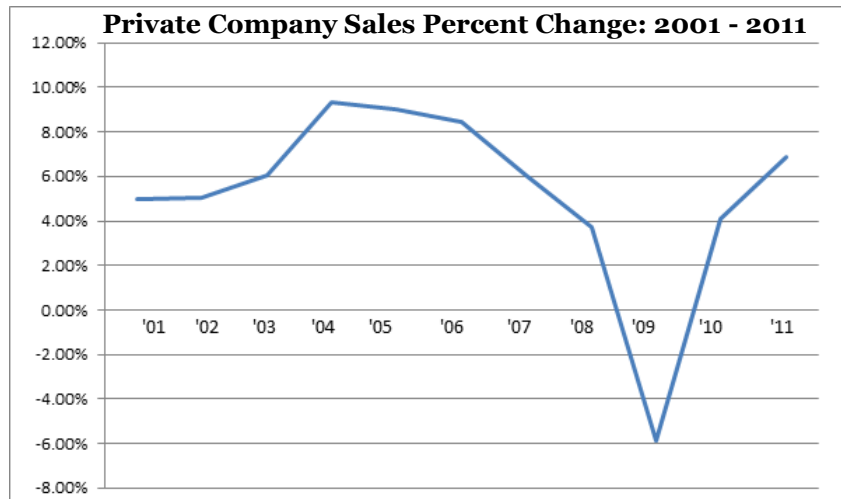


Sageworks Data Release August 31, 2011

Private Company Sales, Profit Margins, & Profit per Employee Trends

Privately-Held Company Sales, 2001-2011

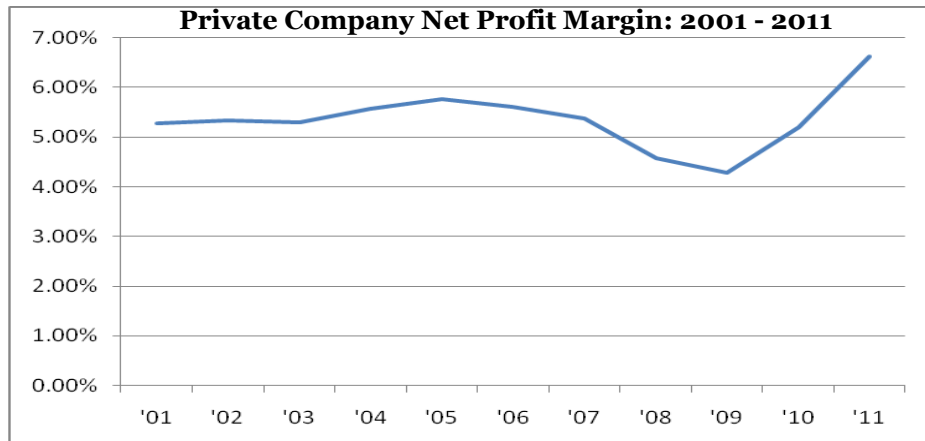
After significant declines in 2009, when privately-held companies' revenue fell by almost 6 percent across all industries, revenue has experienced growth for the last 19 months. Aggregately for all private industries, revenue grew by more than 4 percent in 2010 and nearly 7 percent thus far in 2011. At least as of now, private companies are rebounding, which may offer certainty and allow these businesses to forecast their expenses accordingly – an opportunity to plan for hiring.



Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Sales % Change	4.95%	5.05%	6.07%	9.31%	9.01%	8.45%	6.05%	3.74%	-5.86%	4.12%	6.89%

Privately-Held Company Net Profit Margins, 2001-2011

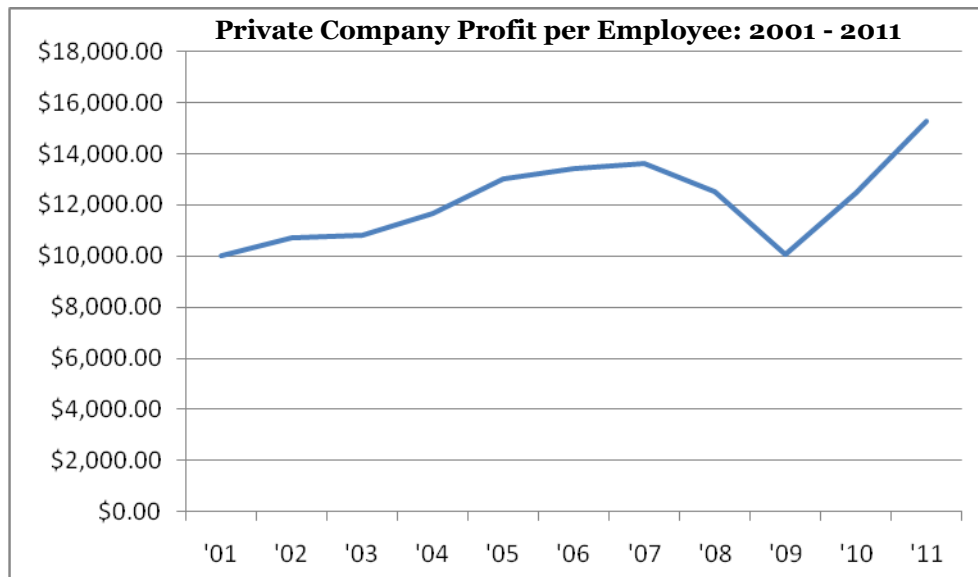
In the current year, privately-held businesses have seen an uptick in net profit margins. After a considerable decline in 2009, net profit margins have increased by 54.1 percent from a low of 4.29 percent in 2009 to a high of 6.61 percent in 2011. Aggregately for all private industries, net profit margins are at a 10 year record high. In turn, with net profit margins improving, privately-held businesses may have more dispensible income available – a positive sign for those companies that are responsible for approximately 70 percent of private sector GDP and up to 80 percent of new jobs.



Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Net Profit Margin	5.27%	5.33%	5.29%	5.56%	5.76%	5.61%	5.37%	4.57%	4.29%	5.19%	6.61%

Privately-Held Company Profit per Employee, 2001-2011

Private companies have seen dramatic increases in their profit per employee figures, particularly since the economic downturn in 2009. Since 2009, individual employee contribution to company profit has increased more than 50 percent, demonstrating high levels of worker productivity. Companies may consider this new found employee efficiency to be cost effective, which may deter businesses from bringing on new-hires in the short term – until profitability proves to be sustainable. The lack of optimism may also place a hold on hiring plans for these firms now.



2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
9998.21	10,716.71	10,813.91	11,663.59	13,026.41	13,428.02	13,638.99	12,533.96	10,045.56	12,488.02	15,278.72

About Sageworks' Data

Sageworks' data is aggregated in real time at a rate of approximately 1,000 financial statements per day in a shared data model with thousands of financial professionals. The majority of the data is sourced directly from audited and reviewed financial statements prepared by accounting firms. It is scrubbed through a rigorous process to remove extreme outliers and duplicate datasets. Sageworks' adherence to these and other strict guidelines for data integrity makes this information the most accurate and credible of its kind. The data is segmented and can be queried by 1,200 industry codes, 70 financial metrics, company size, and geographic location.