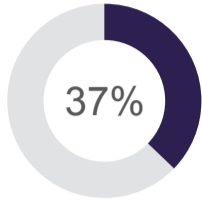


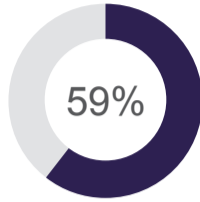
CEO Transition Study: Leading Growth Amidst Uncertainty

IMPORTANCE OF CEO PERCEPTION

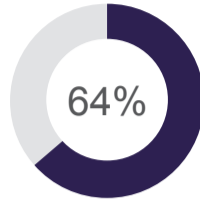
Leadership change puts significant enterprise value at risk



When the CEO has been brought in to sustain performance



When the CEO has been brought in to reinvigorate growth

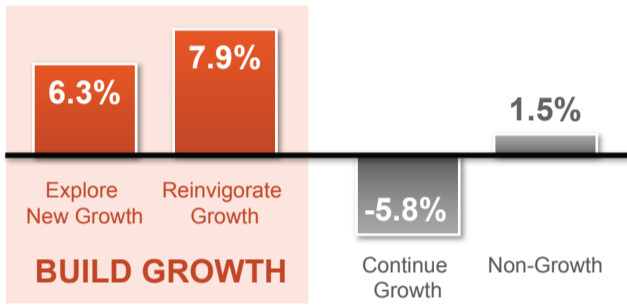


When the CEO has been brought in to pursue a new strategy for growth

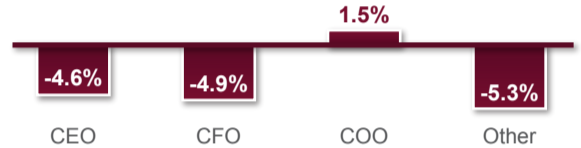
% of Investment Decision Based on Reception of CEO

New CEO performance relative to the market

BY CATEGORY OF GROWTH
(MEDIAN 12 MO. α)



BY PREVIOUS TITLE
(MEDIAN 12 MO. α)

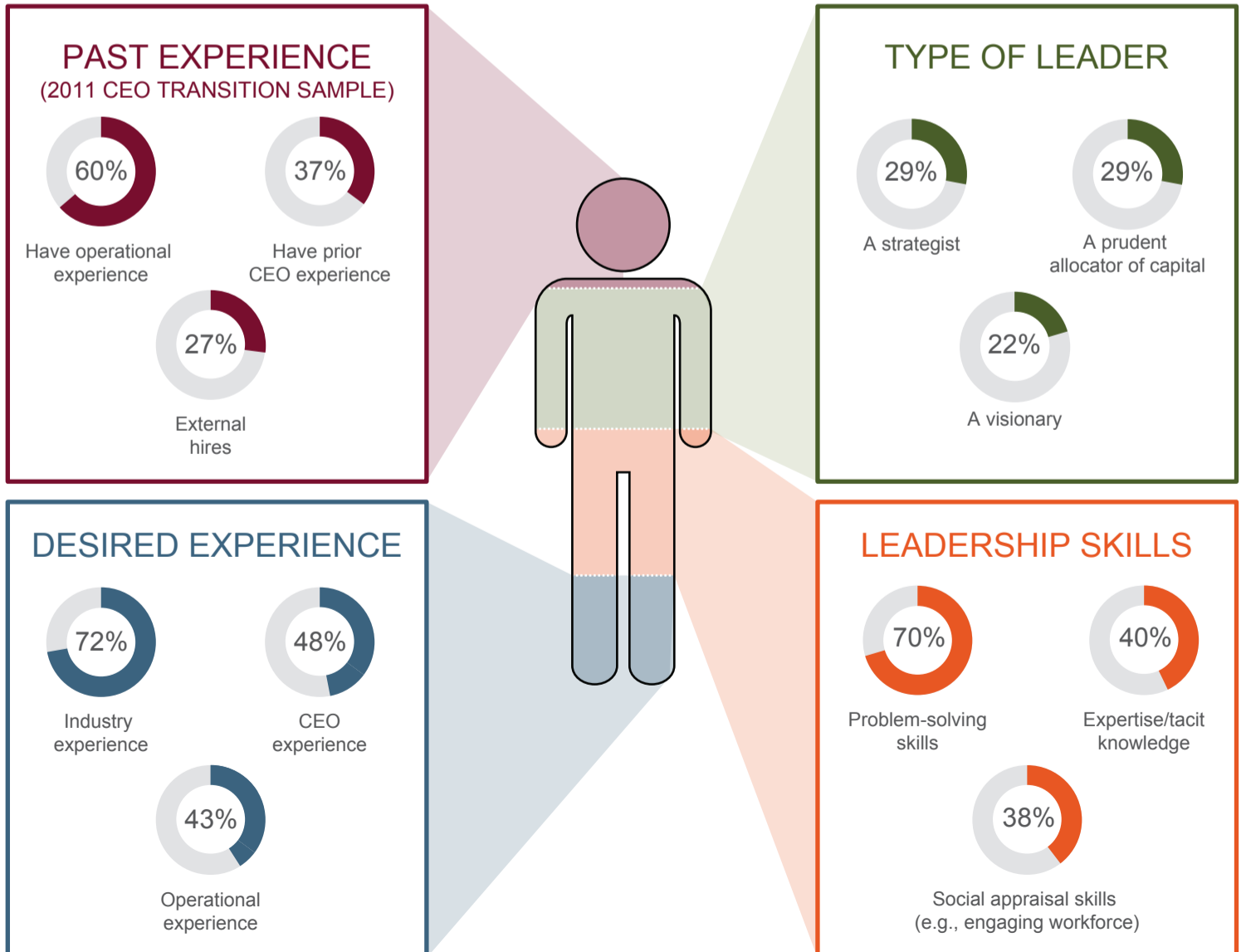


BY BACKGROUND
(MEDIAN 12 MO. α)

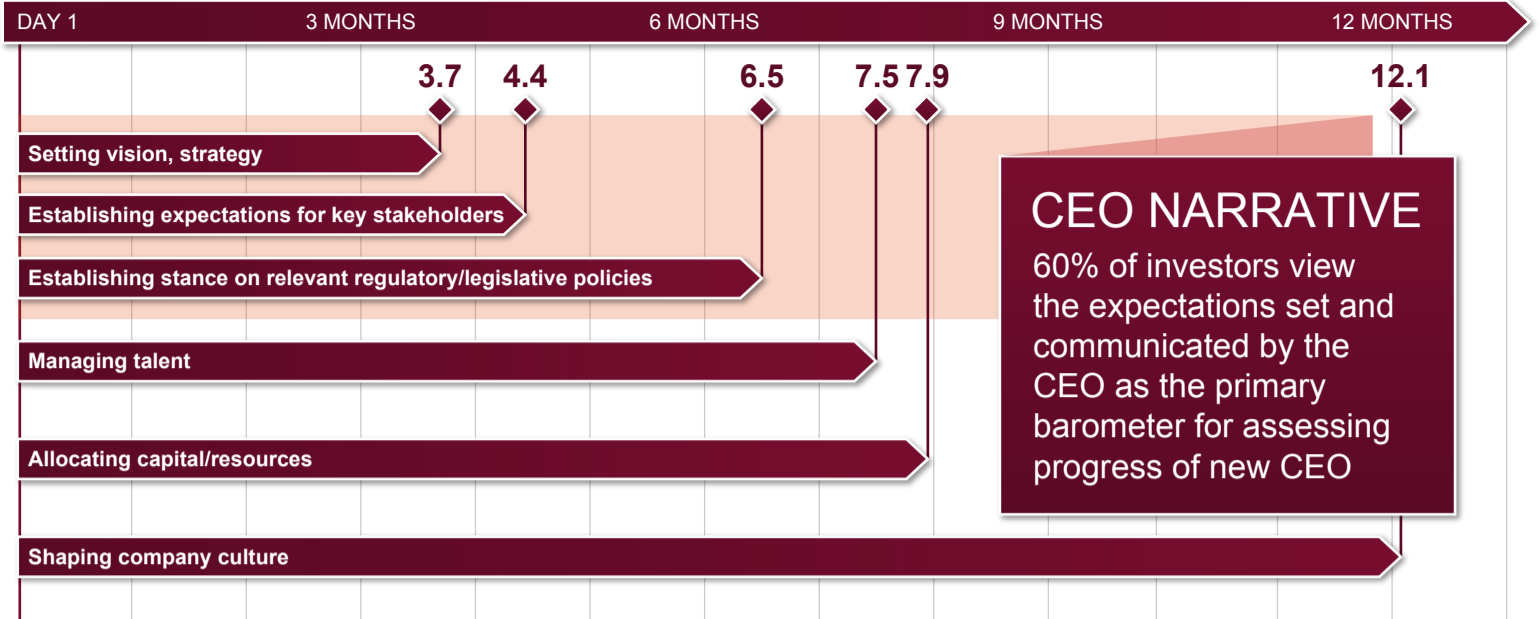


*Alpha performance is stock return netted against the sector index return as measured by GICS codes

PROFILE OF THE NEW GROWTH CEO



INVESTOR EXPECTATIONS & PRIORITIES FOR A NEW CEO



EVALUATING NEW CEO PROGRESS

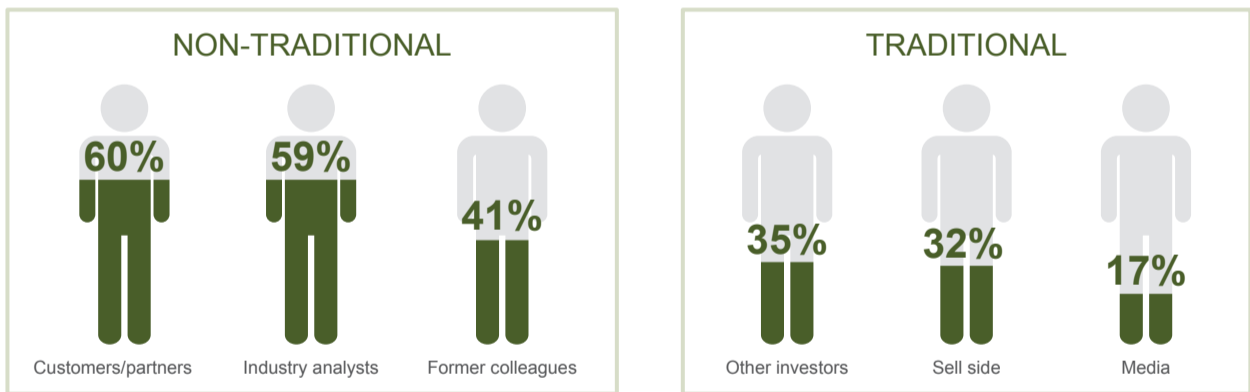
Only 8% of investors measure CEO success based purely on financial performance

How Investors Measure CEO Success



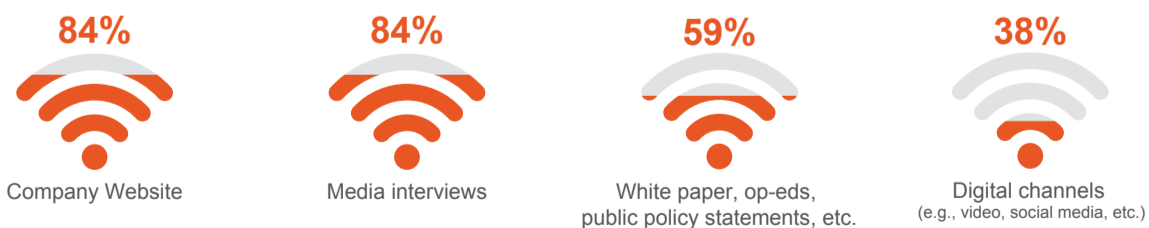
SOURCES OF INFLUENCE

Non-traditional sources of information were viewed as significantly more influential



CHANNELS OF COMMUNICATION

Websites and interviews are the most important channels of communication for a new CEO, outside of direct interactions



RESEARCH METHODOLOGY

FTI executed a multi-phased research program including primary research among the U.S. investment community and secondary research of recent U.S. CEO transitions. The secondary research comprised of 212 CEO transitions executed by U.S. companies with market capitalization greater than \$250M in 2011.

PRIMARY RESEARCH DEMOGRAPHICS

A total of 90 buy-side investors completed the survey; among those nearly 60% considered themselves generalists. From an investment style perspective, approximately 44% of participants considered themselves growth-oriented, while an equal percentage consider themselves value-oriented.



The Strategic Communications practice of FTI Consulting is one of the world's most highly regarded communications consultancies. With more than 25 years of experience advising management teams in critical situations, we help our clients leverage communications to protect and enhance their reputation and enterprise value.

CONTACT
Elizabeth Saunders
Americas Chairman
Strategic Communications
1+312.553.6737
elizabeth.saunders@fticonsulting.com

CONTACT
Bryan Armstrong, CFA
Managing Director
Strategic Communications
1+312.553.6707
bryan.armstrong@fticonsulting.com