

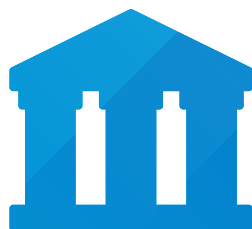


NATIONAL CENTER FOR
THE MIDDLE MARKET

FINANCIAL SERVICES

MIDDLE MARKET INDICATOR

2Q | 2021



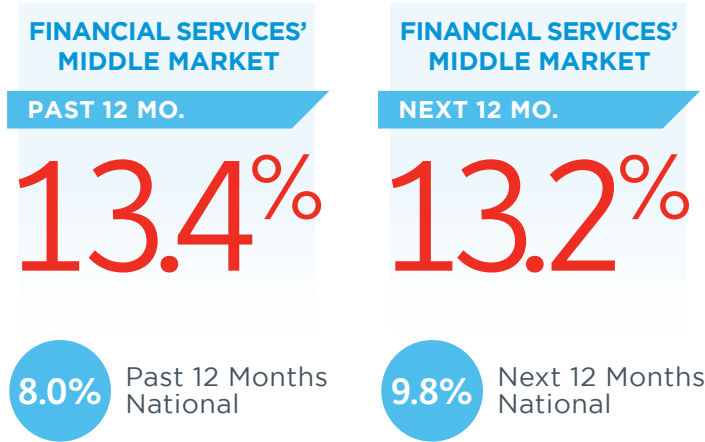
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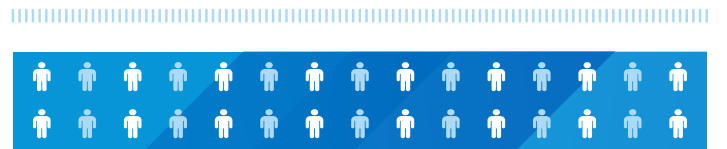
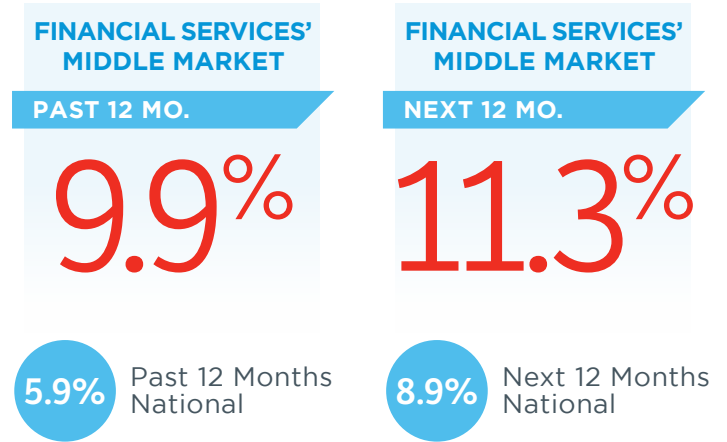
THE OHIO STATE UNIVERSITY
FISHER COLLEGE OF BUSINESS

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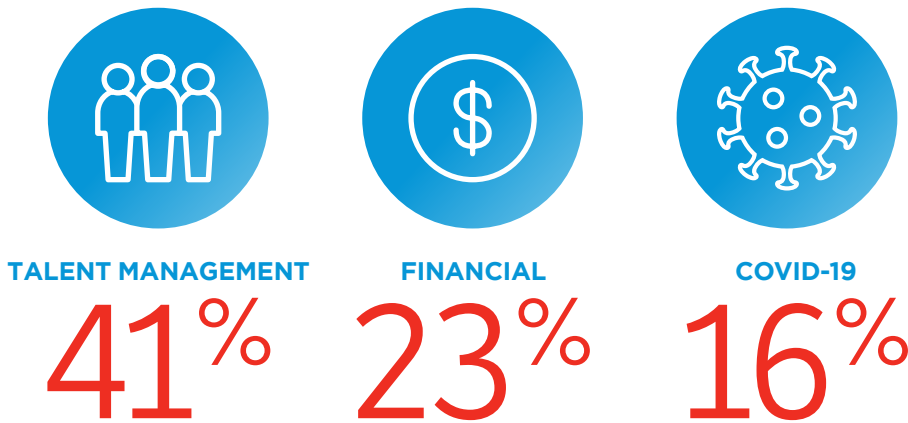
Financial Services' Revenue Growth vs. National



Financial Services' Employment Growth vs. National

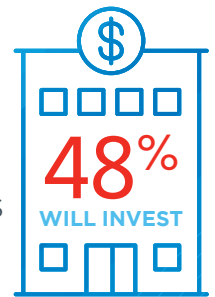


Financial Services' Top Internal Challenges Over The Next 12 Months



Capital Investment Plans Still On Hold

WILLINGNESS TO INVEST DECREASES AMONG MIDDLE MARKET FINANCIAL SERVICES COMPANIES SINCE 51% REPORTED IN 4Q'20.



VS. NATIONAL MIDDLE MARKET

| Talent Management | Financial | COVID-19 |
|-------------------|-----------|----------|
| 46% | 23% | 18% |

Long-Term Negative Impact of COVID-19 on Financial Services vs. Other Industries

| | ALL MIDDLE MARKET COMPANIES | BUSINESS SERVICES | MANUFACTURING | WHOLESALE TRADE | RETAIL TRADE | CONSTRUCTION | FINANCIAL SERVICES | HEALTHCARE | TECHNOLOGY* |
|------------------------------------|-----------------------------|-------------------|---------------|-----------------|--------------|--------------|--------------------|------------|-------------|
| SUPPLY CHAIN | 38% | 20% | 27% | 52% | 35% | 27% | 18% | 40% | 20% |
| BUSINESS OPERATIONS | 32% | 17% | 21% | 20% | 28% | 21% | 18% | 25% | 15% |
| 2022 PROJECTED REVENUE | 31% | 17% | 14% | 11% | 18% | 17% | 11% | 21% | 10% |
| GROWTH INITIATIVES | 31% | 17% | 15% | 20% | 27% | 12% | 12% | 23% | 12% |
| CUSTOMER DEMAND | 30% | 17% | 17% | 30% | 26% | 25% | 14% | 21% | 13% |
| EMPLOYMENT (I.E., NUMBER ON STAFF) | 30% | 22% | 22% | 37% | 19% | 21% | 15% | 33% | 15% |
| CAPITAL SPENDING | 27% | 16% | 18% | 20% | 24% | 8% | 13% | 31% | 14% |
| WORKING CAPITAL/CASH | 26% | 19% | 18% | 20% | 27% | 21% | 10% | 27% | 14% |
| PAYROLL (I.E., HOURS WORKED) | 25% | 15% | 17% | 11% | 24% | 11% | 12% | 21% | 15% |
| ACCESS TO CAPITAL | 23% | 13% | 13% | 5% | 13% | 17% | 16% | 24% | 14% |
| DIGITAL TRANSFORMATION | 14% | 10% | 9% | 15% | 16% | 9% | 12% | 9% | 10% |

Percent of respondents stating they expect a minor or major long-term negative impact from COVID-19

*Includes companies also represented in other industries, e.g., computer manufacturers, IT services, healthtech, fintech.

Financial Services' Middle Market Defined

ANNUAL REVENUE
\$10 MM-\$1B



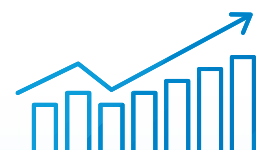
REPRESENTS
1.1%
OF ALL FINANCIAL
SERVICES COMPANIES

MORE THAN
8,100
BUSINESSES



EMPLOYS
28.2%
OF THE FINANCIAL
SERVICES WORKFORCE

GENERATING
\$455B
IN ANNUAL REVENUE



GENERATES
14.7%
OF ALL FINANCIAL SERVICES
BUSINESS REVENUE

Source: 2014 D&B Data

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