



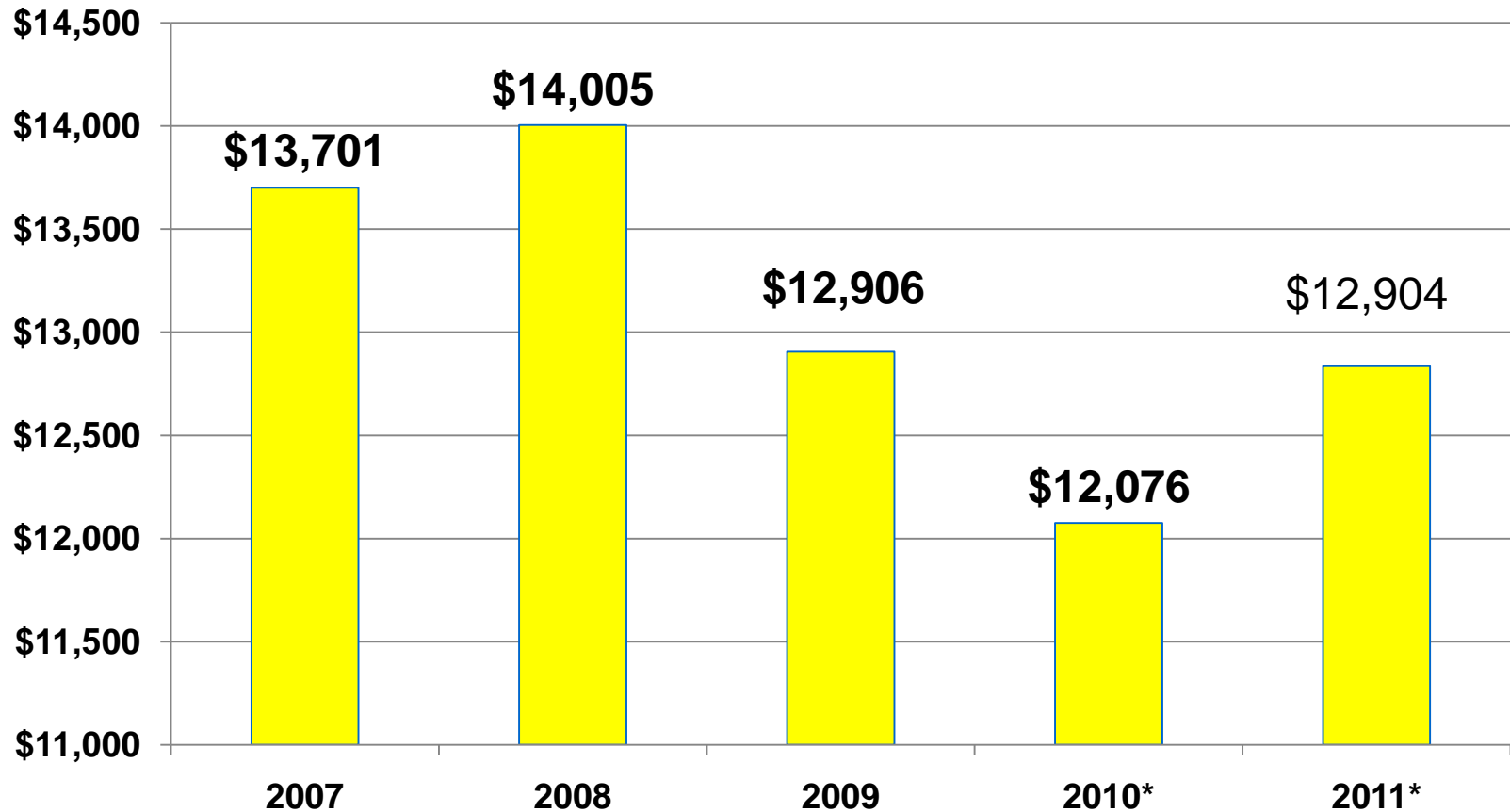
Recession of Opportunity

Indiana in position to emerge stronger than ever





FY 07 vs. FY 11 Revenue Collections



FY11 revenues below FY07 revenues by \$797M

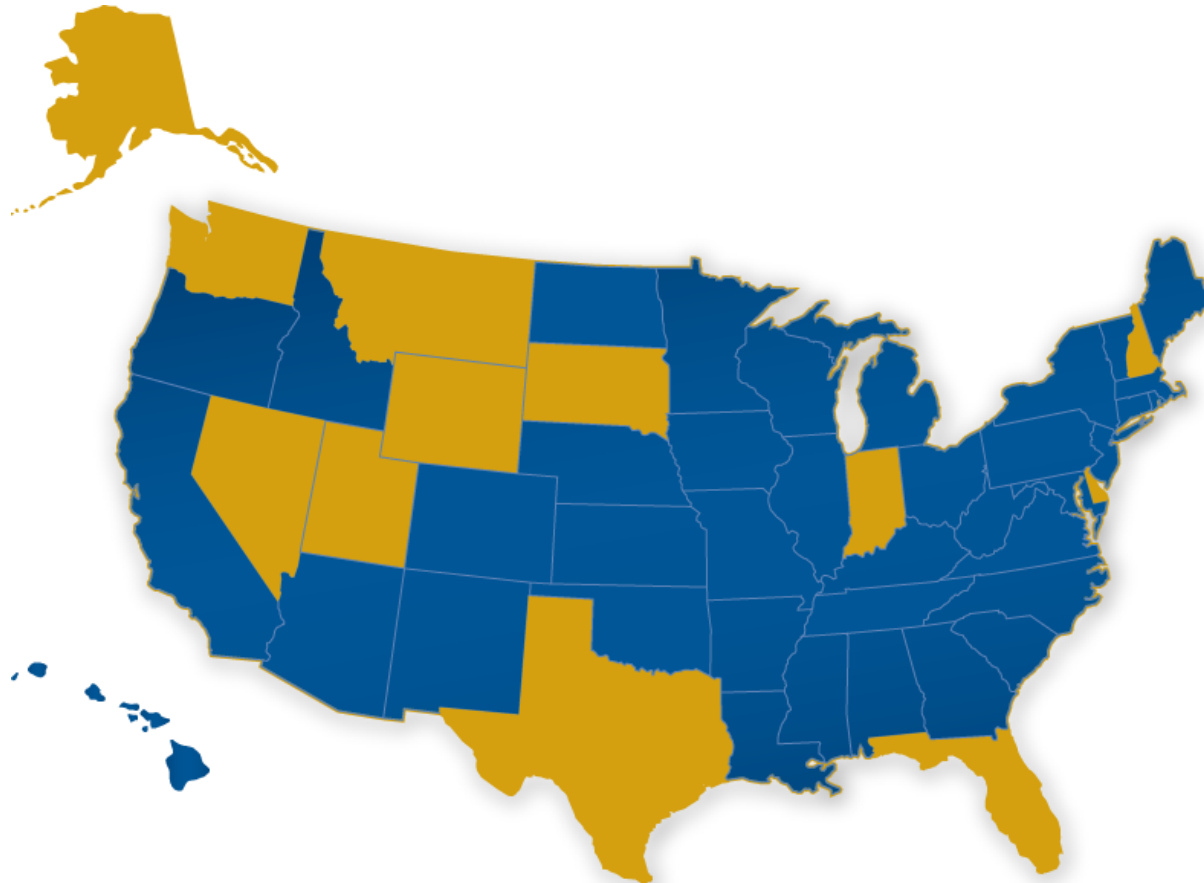


Actions Taken to Restrain Spending

- Most state agencies reduced by 25% since July 2008
- November 2008: Hiring freeze
- No raises for 2009 or 2010
- Voluntary Unpaid Leave
- Travel down 50%
- Targeted Medicaid Reductions
 - K-12 Education: \$297 million (3 %) reduction
 - Higher Education: \$150 million (6%) reduction
- State-owned vehicles reduced by over 2,500
- State agency capital projects put on hold
- Unused dedicated funds will be transferred to the general fund



Best in Midwest for Low Taxes



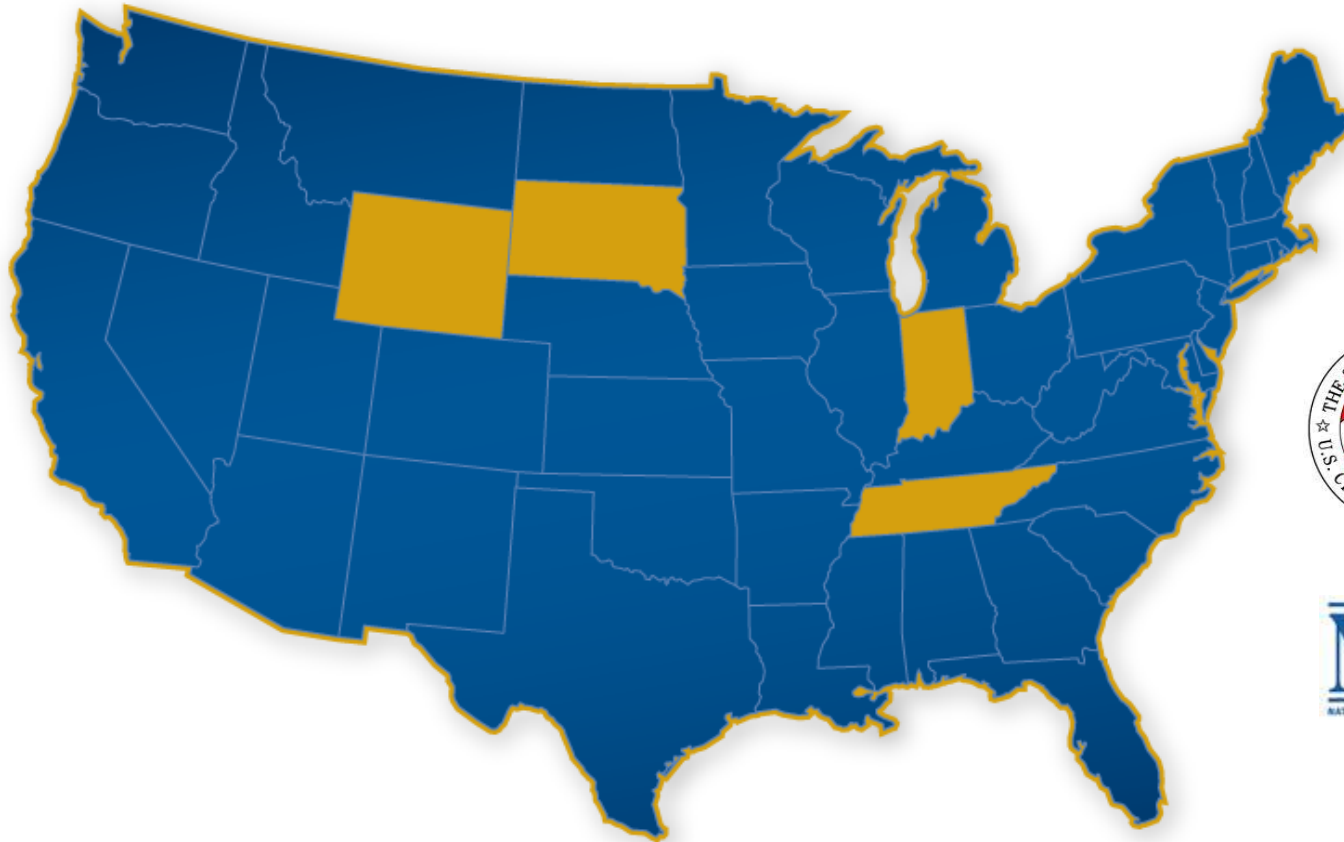
September, 2009

First in the Midwest and 12th nationally (up from 14th in 2008)

- Illinois (30th), Kentucky (20th), Michigan (17th), Ohio(47th)



One of nation's lowest business tax & regulation states

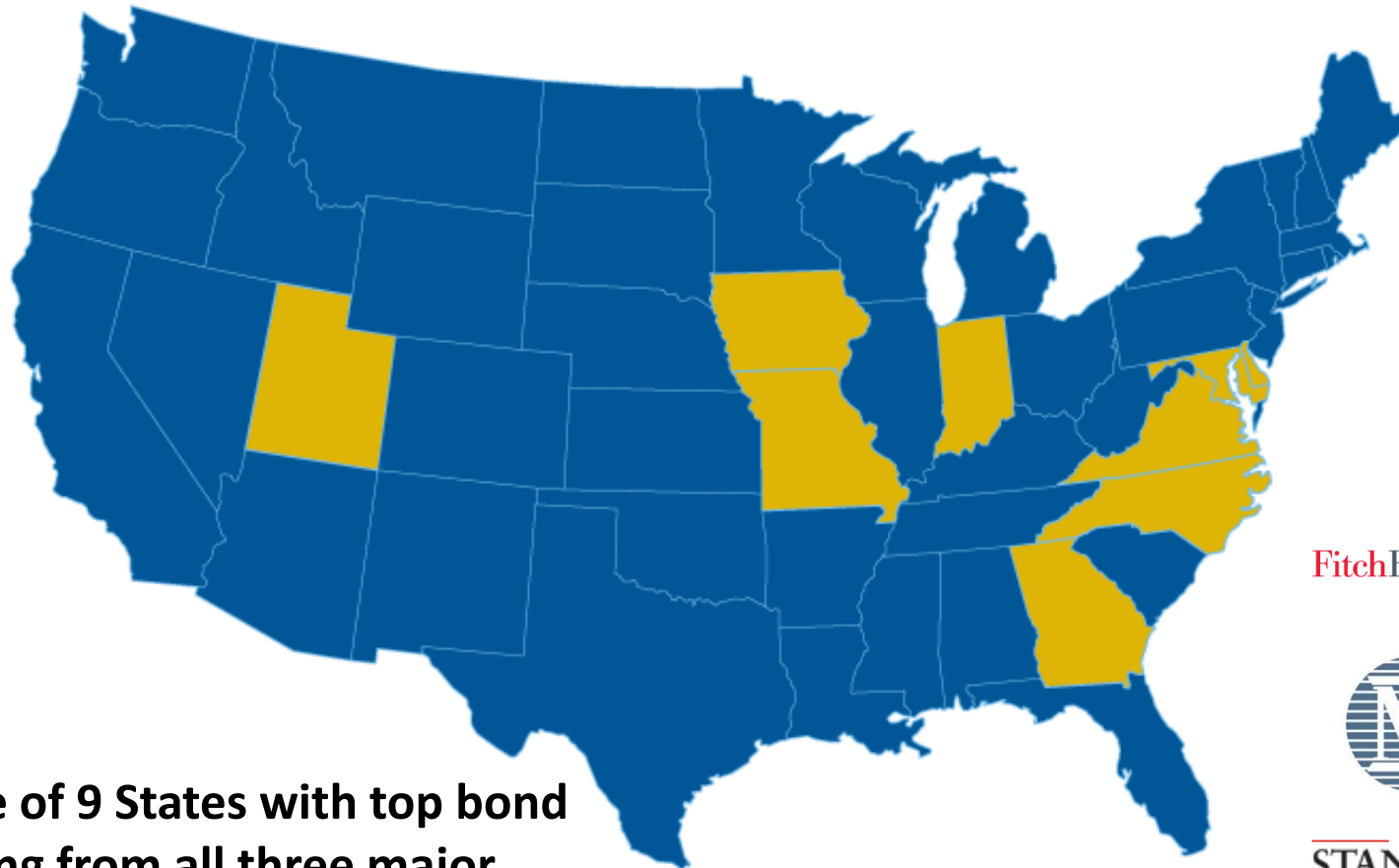


4TH nationally and a Midwest leader

Source: May 2010 Entering States by the U.S. Chamber of Commerce and National Chamber Foundation



AAA Bond Rating – Best in History



One of 9 States with top bond rating from all three major credit rating agencies

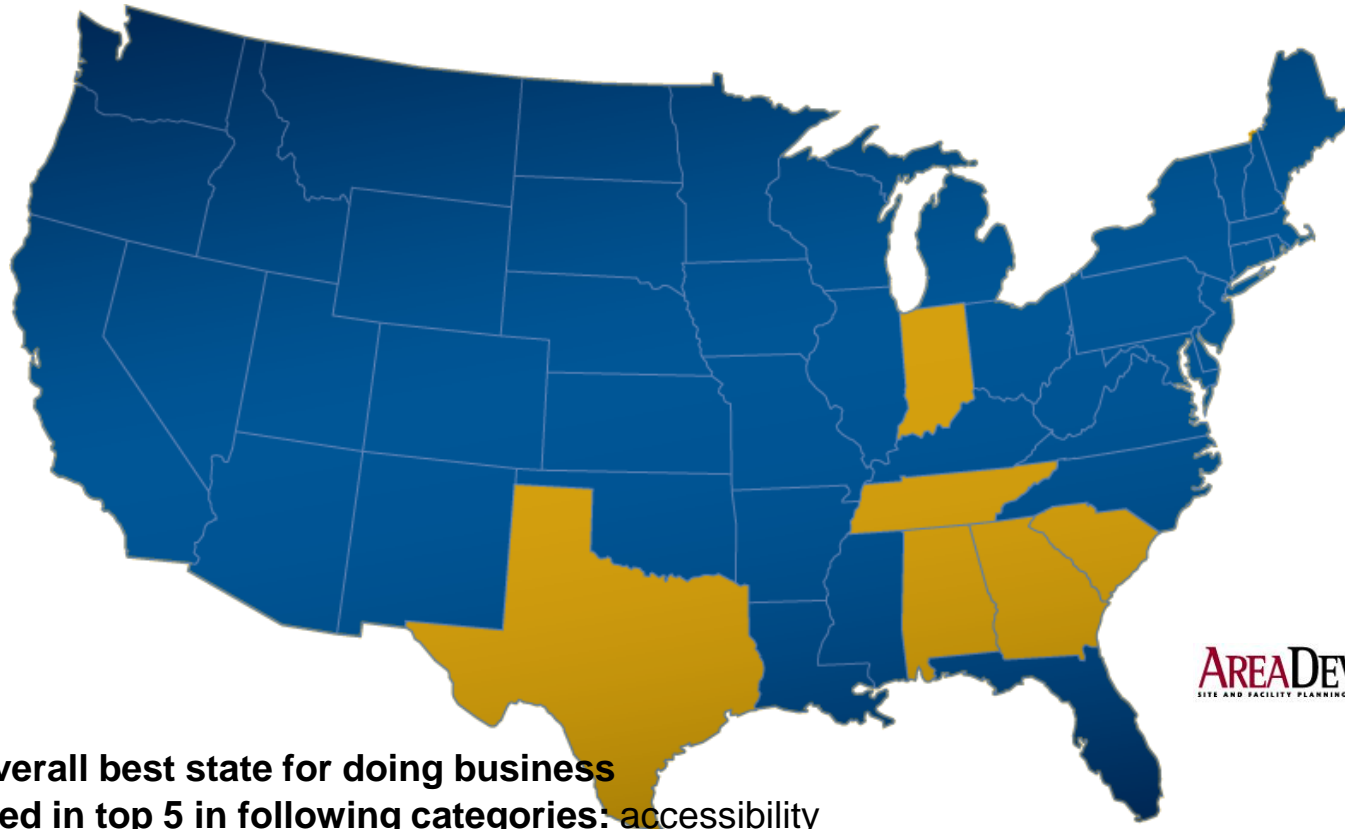
FitchRatings



**STANDARD
& POOR'S**



Top State for Doing Business



- **6th overall best state for doing business**
- **Ranked in top 5 in following categories: accessibility (2nd), labor climate (3rd), fast-track permitting (4th), business friendly (5th), business costs (5th).**
- **Based on site selection consultants ranking of states**

AREADEVELOPMENT
SITE AND FACILITY PLANNING
ONLINE

Source: Area Development
Magazine, October 2010



Best “sandbox” results in new jobs

Major initiatives since 2005 aimed at improving Indiana’s competitiveness:

Major Moves – Ten-year fully funded \$12 billion highway plan that includes more than 200 new construction and 200 major preservation projects

Telecommunications Reform - Indiana’s Telecommunications Deregulation Act has brought increased competition, leading to new investments and jobs

Patent Income Exemption - Exempts certain income derived from qualified patents from the calculation of a company’s tax liability

Buy Indiana – Pumps up to \$1.2 billion back into the Indiana economy by directing state agencies to purchase goods from Indiana businesses

Property Tax Relief – Cut property taxes by 1/3, capped property taxes on all classes of property, and eliminated nearly 1,000 township assessors

Regulatory Reform – All state agencies align objectives to job growth



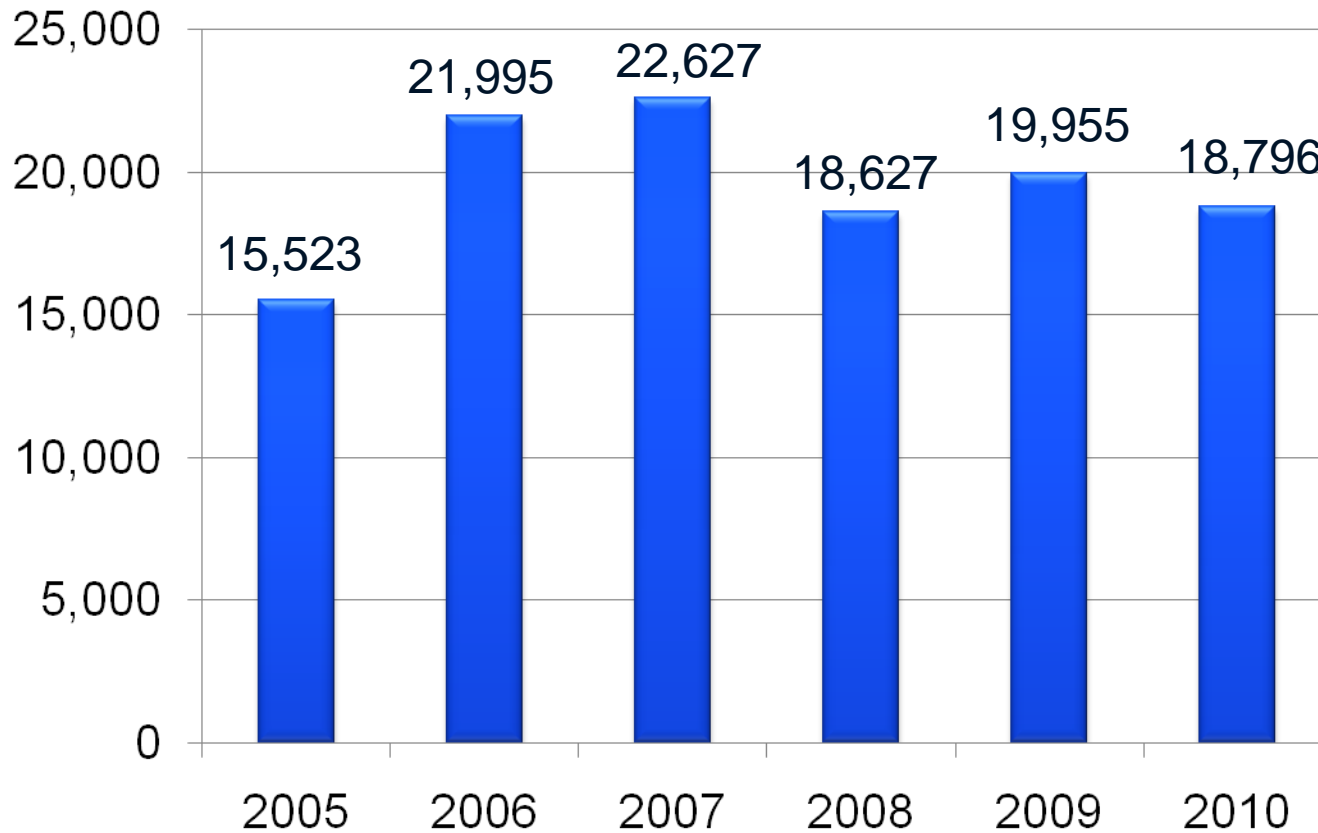
Investment Committed Year-to-Date

(in billions)





New Jobs Committed Year to Date

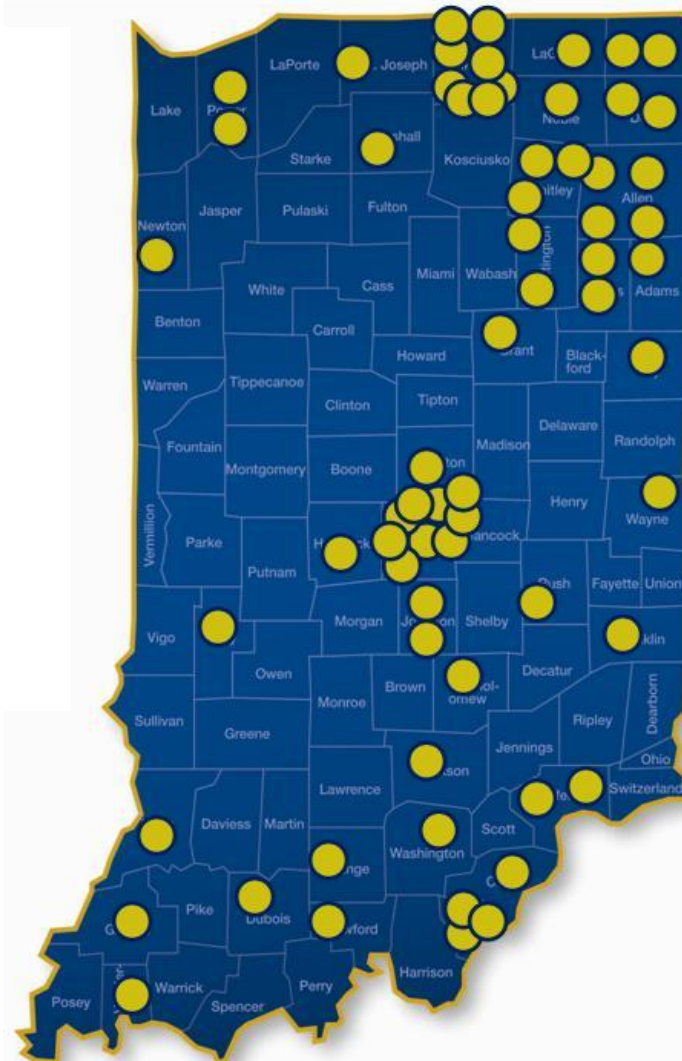




Competitive Consolidations

01/01/09 – 08/20/10

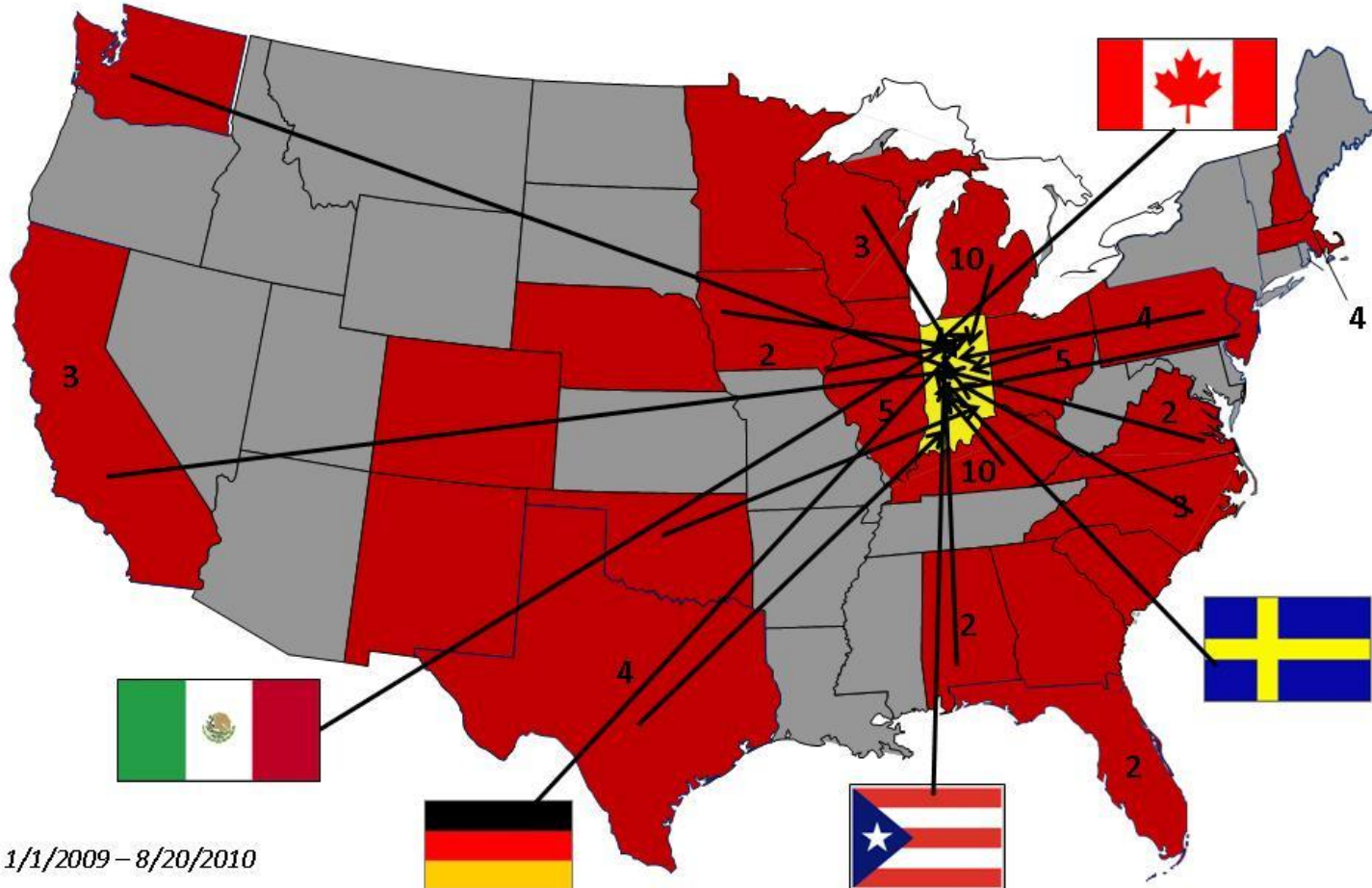
- **66 Consolidations**
- **10,466 Job Commitments**
- **14,442 Jobs Retained***
- **\$362M in Committed Capital Investment**





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Consolidating into Indiana



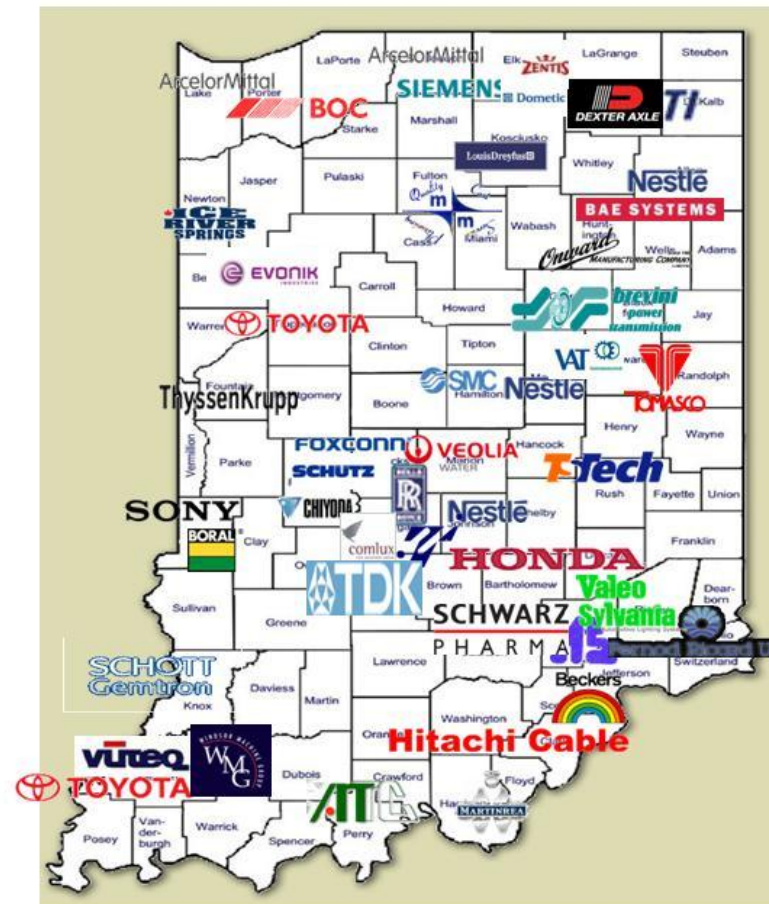
1/1/2009 – 8/20/2010

Source: Indiana Economic Development Corporation



Foreign Direct Investment

- ❑ More than 17,400 new jobs and \$8 Bn investment from foreign direct investment since 2005
- ❑ Second in North America for attraction of production jobs through foreign direct investment
(2009 IBM Global Location Trends)
- ❑ Indiana is home to more than 700 international companies including Rolls-Royce, Bosch, Evonik, ArcelorMittal, Siemens, Brevini Wind, and Nestlé.





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