“We need to think not just about today but about the years to come, and we need to act with boldness and courage to solve our current issues and prepare Indiana for the ever-changing future.”

Governor Eric Holcomb
WELCOME TO EVANSVILLE, INDIANA

Mayor Lloyd Winnecke

A STATE THAT WORKS
WELCOME, NEW BOARD MEMBERS

KRISTIN M. MARCUCCILLI  
Experience:  
   » 2008 – present: Chief Operating Officer and Senior Vice President, STAR Financial Bank  
Civic Involvement:  
   » Boards: Arts United Fort Wayne Children’s Zoo, Greater Fort Wayne Inc. and Indiana Chamber of Commerce  
   » Founding member of Touchdown for Kids, an organization benefitting Peyton Manning’s Children Hospital

AMY SCHUMACHER  
Experience:  
   » 2005-present: President, Heritage Group  
Civic involvement:  
   » Member of Calumet Specialty Products Group Board of Directors and Young Presidents’ Organization

LINDA E. WHITE  
Experience:  
   » 2002-present: President and Chief Executive Officer, Deaconess Health System  
   » Retiring later this year and will serve as chief executive officer emerita for one year and become the executive director of the Deaconess Foundation  
Civic Involvement:  
   » Boards: University of Evansville, Rose-Hulman Institute of Technology and Old National Bancorp.
APPOINTMENTS TO COMMITTEES

The board hereby affirms the chairman’s appointments to the standing committees.

AUDIT & FINANCE
» Joel Gorelick (Chair)
» Linda E. White (Vice Chair)
» Michael L. Kubacki

ENTREPRENEURSHIP
» John T. Thompson (Chair)
» Kristin M. Marcuccilli (Vice Chair)
» Richard L. Johnson Jr.
» Mark Neal

BUSINESS DEVELOPMENT
» Dayton Molendorp (Chair)
» Amy Schumacher (Vice Chair)
» Mark D. Miles
» Fred J. Merritt

REGIONAL ECONOMIC DEVELOPMENT
» Dominic Grote (Chair)
» Angela F. Braly (Vice Chair)
» Dr. John C. Lechleiter
INDIANA: NEXT LEVEL

2017 Next Level Legislative Agenda

- Diversify our economy
- Upgrade our infrastructure
- Strengthen our workforce
- Attack the drug epidemic
- Deliver great government service

Strengthen and Diversify Indiana’s Economy

- Pass balanced budget
- Maintain healthy reserve balance
- Pass balanced budget amendment
- Next Level Trust Fund
- Regional Cities Initiative
- Incentivize direct flights
- Venture capital investment transferability
- IN Biosciences Research Institute
- Innovation and Entrepreneurship Fund
- Continue investment in 21 Fund

A STATE THAT WORKS
COMMITTEE UPDATES

» Audit & Finance
» Business Development
» Entrepreneurship
» Regional Economic Development
MAKING INDIANA A MAGNET FOR JOBS

SELECTION CRITERIA FOR NEW AND GROWING BUSINESSES:

1. Qualified Available Workforce
2. Proximity to Customer Base
3. Infrastructure Quality
4. Tax Structure and Regulations
5. Fiscal Structure of State
6. Energy Costs
7. Quality of Education
8. Quality of Place
9. State Incentives
10. Local Incentives
INDIANA BEST IN THE MIDWEST FOR BUSINESS

RANKINGS:
#1 in the Midwest and #5 nationally, Chief Executive 2017
#1 for Cost of Doing Business and Infrastructure, CNBC 2016
#1 for Government Efficiency, U.S. News & World Report 2017
#8 for Cost of Living, CNBC 2016
» Cost of Living: $100 in IN costs you $110 in IL and $127 in NY

HOOSIER ADVANTAGES:
» Crossroads of America
  » Within a one-day drive of nearly 60% of the U.S. population
  » Within an eight-hour drive to 20 U.S. municipalities
  » Home to the world’s second-largest FedEx air hub
» Low taxes and limited regulations
» Balanced budget
  » AAA bond rating from all three rating agencies
  » 12 percent of biennial budget in cash reserves
» Right-to-work state
» More Hoosiers working than ever before

TAKING INDIANA TO THE NEXT LEVEL:
» Increased industry diversification
» Make Indiana a hub for innovation
» Continue the momentum of the Regional Cities Initiative
» Preserve and enhance statewide infrastructure and increase global connectivity by land, water and air
MORE HOOSIERS WORKING THAN EVER BEFORE

2,676,200 JOBS
- +353,000 since July 2009

3.6% UNEMPLOYMENT
- Below the national average of 4.4%
- Below all neighboring states
- Lowest rate since 2001
- Decreased 7.1 percentage points since July 2009, ranking No. 4 in the nation

64.6% PARTICIPATION
- Above national labor force participation of 62.9%
- 34th consecutive month above the national average, ranking 11th in the U.S.
- 70% participation rate would increase workforce by 250,000 people

Regional unemployment, April 2017

A STATE THAT WORKS
BUSINESS DEVELOPMENT JOB PROJECTIONS

A STATE THAT WORKS
BUSINESS DEVELOPMENT 2017 PROGRESS

COMPETITIVE PROJECTS

NEW JOB PROJECTIONS

CAPITAL INVESTMENT PROJECTIONS

A STATE THAT WORKS
HOOSIER AVERAGE WAGE

2017 Average Hourly Wage Goal: $26.50

Source: Quarterly Census Employment and Wages (QCEW)
INDIANA’S ECONOMY DIVERSIFIED GROWTH

AEROSPACE, AVIATION & DEFENSE
- 2015-2016: 13.5% increase in exports
- Since 2013: $900 million invested, 1,200 committed new jobs
- Leading firms such as Rolls-Royce, BAE Systems, Raytheon, GE Aviation

ADVANCED MANUFACTURING
- Highest concentration of manufacturing jobs in the U.S.
- 104,400 new jobs added since 2009
- 8,500 facilities, supporting 1 in 5 jobs
- Second-largest automotive state by GDP

AGRIBUSINESS
- $31 billion economic impact
- Supports 100,000 Hoosier jobs
- $11.2 billion of products sold, ranking No. 10 in the U.S.

LIFE SCIENCES
- $62 billion economic impact
- $9.8 billion in exports, No. 2 in U.S.
- Accounts for 28% of Indiana’s exports
- 2,000+ firms, supporting 56,000 Hoosier jobs

LOGISTICS
- Global leader
- No. 6 in U.S. for waterborne shipping with three maritime ports
- Only statewide port system with access to two U.S. coasts

TECH
- 2013-2015: Nearly 30% job growth; 2x the U.S. average
- Named No. 5 in the nation for tech job growth (Forbes)
- 25,000 Hoosiers in Indy region alone
2017 TELLING INDIANA'S STORY

FOREIGN DIRECT INVESTMENT IN INDIANA
» 800 foreign-owned business establishments
» 170,800 jobs supported by global companies
» 2012-2015: $6 billion in international investment and over 20,000 new jobs committed

DOMESTIC SALES TRIPS:
» San Francisco (February)
» Atlanta (April)
» Aviation Summit (April)
» 101st Indy 500 (May)

INTERNATIONAL TRADE MISSIONS:
» WSJ Mid-Market Summit (May)
» Seattle (July)
» New York (August)
» Chicago (November)
» Israel, India, Japan, France, Hungary, United Kingdom

A STATE THAT WORKS
Next week, Governor Holcomb will depart for Europe on his first international trade mission as Governor, visiting Hungary and France to:

**BUILD NEW INTERNATIONAL PARTNERSHIPS**
- One of the fastest-growing economies in Europe
- Establish a framework to encourage economic cooperation between Indiana and Hungary

**TARGET GROWTH IN AEROSPACE & AVIATION**
- Meet with global leaders in the industry at the International Paris Airshow, including:
  - Arconic, GE Aviation, Praxair, Raytheon and Rolls-Royce
- Since 2013, aviation, aerospace and defense companies have announced plans to invest more than $900 million and create 1,200+ new jobs in Indiana

**ADVANCE AUTOMOTIVE & MOTORSPORTS IN INDIANA**
- Meet with leading companies at 24 Hours of Le Mans, one of the largest auto races in the world, including:
  - Dallara, Chip Ganassi Racing and Hoosier Continental Tire
- Each of Indiana’s 92 counties has at least one motorsports firm; the industry supports more than 421,000 related Hoosier jobs
INTERNATIONAL WIN  INFOSYS PICKS INDIANA

GLOBAL LEADER
» Consulting tech & next-generation services firm
» Global headquarters in India; U.S. headquarters in San Francisco
» Operations in more than 50 countries, employing 200,000+ people

PROJECT SUMMARY
» Establish a tech and innovation hub in Indianapolis
» $8.7 million investment
» 2,000 new, high-wage jobs by 2021

ADVANCING TECH MOMENTUM
» Adding jobs at double the rate of the U.S. average
INTERNATIONAL WIN  INFOSYS PICKS INDIANA

A STATE THAT WORKS
INTERNATIONAL WIN  BWI Chooses Indiana

GLOBAL COMPANY
» Supplier, designer and manufacturer of brake and suspension systems for global auto industry
» Headquartered in Beijing, China
» Employs more than 5,000 associates across 17 facilities around the world

PROJECT SUMMARY
» $80 million investment
» 276,000-square-foot facility in Greenfield
» 441 new, high-wage jobs
REGIONAL CITIES INITIATIVE MOMENTUM BUILDS

MEASURING SHORT-TERM SUCCESS
To date:
» State funding approved for 35 projects.
» Over one-half of state’s $126 million disbursed.
» Increased private sector investment.

- Total investment: $784.5 million
- Private funding: $595.1 million (75.9% of total)
- Local/other funding: $116.9 million (1.59-to-1 local match)
- RCI funding: $73.3 million (10.3-to-1 ratio)

State funding under review for 10 projects:
» $200.8 million total investment
» $22.5 million potential RCI funds
REGIONAL CITIES INITIATIVE  MOMENTUM BUILDS

WEST CENTRAL

» Redeveloping American Can building, which has stood vacant since early 2000s
» New 165 new loft-style apartments
» $23 million investment (State funding: $4.7 million in Industrial Recovery Tax Credits)

NORTHEAST

» Renovation of Clyde Theatre, which has sat vacant since 1990s, into a multi-use entertainment and events facility
» $5.03 million investment (State funding: $1 million)

SOUTHWEST

» New public media center
  » Radio and television studio
  » Public theatre
» Used to educate region’s high school and college students
» $3.8 million investment (State funding: $500,000)
INNOVATION & ENTREPRENEURSHIP

MAKE $1B AVAILABLE OVER 10 YEARS
» Develop Indiana’s future innovators
» Advance entrepreneurial culture
» Spark new ideas and companies
» Support entrepreneurial education and research
» Propel long-term economic growth and job creation

LEGISLATIVE APPROVALS SUPPORTING THE INITIATIVE
» $250 million for Next Level Indiana fund
» $30 million/year for the 21 Fund
» $15 million/year for strategic industry partnerships, marketing direct flights, international trade, Regional Cities Initiative and the establishment of a new Indiana port

EXECUTION STRATEGY
» Strategic sector designations
» Public private partnership support
» Statewide entrepreneurship competitions
» K-12 innovation and entrepreneurship focused programs
TELLING INDIANA’S STORY

SAN FRANCISCO
January 2017
February 2017
March 2017

CHICAGO
November 2016
December 2016
January 2017

NEW YORK
May 2017
June 2017
July 2017

ATLANTA
March 2017
April 2017
May 2017

A STATE THAT WORKS
TELLING INDIANA’S STORY TARGETED MARKETS
REGIONAL CAMPAIGN NEW YORK

Does your commute feel like a part-time job?
AStateThatWorks.com®

Hours Per Year Stuck In Traffic

<table>
<thead>
<tr>
<th>City</th>
<th>20</th>
<th>40</th>
<th>60</th>
<th>80</th>
<th>100</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOS ANGELES</td>
<td></td>
<td></td>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>NEW YORK</td>
<td></td>
<td></td>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>SAN FRANCISCO</td>
<td>*</td>
<td></td>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>ATLANTA</td>
<td></td>
<td></td>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>MIAMI</td>
<td></td>
<td></td>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>D.C.</td>
<td></td>
<td></td>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>DALLAS</td>
<td></td>
<td></td>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>BOSTON</td>
<td></td>
<td></td>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>CHICAGO</td>
<td></td>
<td></td>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>SEATTLE</td>
<td></td>
<td></td>
<td></td>
<td>*</td>
<td></td>
</tr>
<tr>
<td>INDIANAPOLIS</td>
<td></td>
<td></td>
<td></td>
<td>*</td>
<td></td>
</tr>
</tbody>
</table>

Hours Saved If You Lived in Indiana

<table>
<thead>
<tr>
<th>City</th>
<th>Hours Saved</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOS ANGELES</td>
<td>86 hrs.</td>
</tr>
<tr>
<td>NEW YORK</td>
<td>73 hrs.</td>
</tr>
<tr>
<td>SAN FRANCISCO</td>
<td>65 hrs.</td>
</tr>
<tr>
<td>ATLANTA</td>
<td>53 hrs.</td>
</tr>
<tr>
<td>MIAMI</td>
<td>47 hrs.</td>
</tr>
<tr>
<td>D.C.</td>
<td>43 hrs.</td>
</tr>
<tr>
<td>DALLAS</td>
<td>41 hrs.</td>
</tr>
<tr>
<td>BOSTON</td>
<td>40 hrs.</td>
</tr>
<tr>
<td>CHICAGO</td>
<td>39 hrs.</td>
</tr>
<tr>
<td>SEATTLE</td>
<td>37 hrs.</td>
</tr>
</tbody>
</table>

INRIX.COM/SCORECARD

A STATE THAT WORKS
The Wall Street Journal would like to thank the 2017 sponsors for their generous support of the Middle Market Network annual conference.

For more information please visit middlemarket.wsj.com
SMART MANUFACTURING SUMMIT
SEATTLE

A STATE THAT WORKS
SMALL BUSINESS WEEK 2017

A STATE THAT WORKS
TELLING INDIANA’S STORY

Mountains of savings. Oceans of opportunity.

A STATE THAT WORKS
“We need to think not just about today but about the years to come, and we need to act with boldness and courage to solve our current issues and prepare Indiana for the ever-changing future.”

Governor Eric Holcomb