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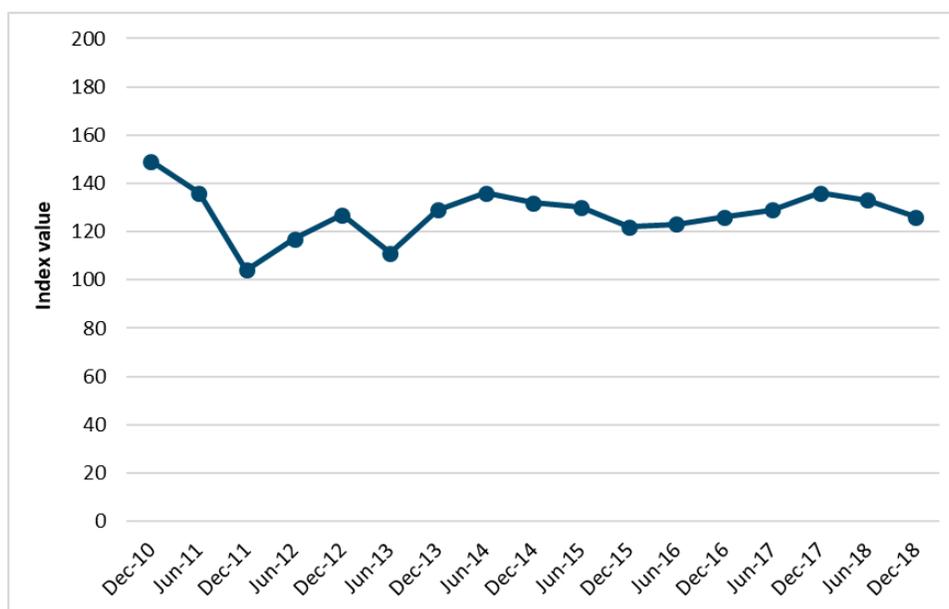
Leaseurope/Invigors European Business Confidence Survey December 2018

Outlook for the European leasing industry for the first half of 2019 is generally positive

Brussels, 12 February 2019 – Leaseurope, the representative body of the European leasing and automotive rental industry, together with Invigors EMEA, the specialist international equipment leasing and asset finance consultancy, have just published the results of the Leaseurope/Invigors European Business Confidence Survey, which was conducted in December 2018.

The latest findings show a generally positive outlook for the European leasing business for the first half of 2019, though there are growing signs of caution in some areas.

The Leaseurope/Invigors Business Confidence Index (BCI) tracks the European leasing market sentiment over time. Index values above 100 suggest an increased confidence in future business performance (a net positive balance of expectations) over the next six months, while values below 100 indicate pessimism towards future performance (a net negative balance). The Leaseurope/Invigors BCI stood at 126 in December, a decrease from the 133 recorded in June 2018 and 136 in December the previous year. Factors such as expectations on new business growth, net profit, bad debt and survey participants' overall perception of their company's prospects have all contributed to this trend.



The picture for new business volumes in the first half of 2019 remains positive though at a lower level than those seen in previous surveys, with 72% of those surveyed expecting new business volumes to increase, while 12% anticipate a decline. Respondents' expectations on the level of bad debt also show signs of change, with 40% of participants forecasting that bad debt will increase over the coming 6 months compared to 23% in the previous June survey. 49% anticipate no change and 11% predict a decrease. Competitive pressures are expected to ease, 20% expect margins will decrease in their organisations, compared to 39% in the previous survey, while 48% anticipate no change. Nonetheless, 60% of respondents anticipate that net profit in their organisations will increase over the next six months, while only 7% believe that it will fall.

Industry expectations on a number of other key indicators covering service levels and staffing show little change for first six months of 2019, though there are indications that marketing and training expenditure are expected to remain unchanged. On the contrary, operating and IT expenditure is anticipated to increase.

Commenting on these results, Invigors EMEA Partner Richard Ryan adds, "The latest Business Confidence Survey confirms while the European leasing industry should enjoy a good start to 2019, there are possibly some clouds on the horizon. Growth in new business continues to remain strong, though an increasing minority anticipate no change or a decline in volumes this year. Expectations of most of the other KPIs support an overall positive trend however, there appears to be increasing concern about growth in bad debt."

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Notes for Editors

Summary findings of the December 2018 Leaseurope/Invigors European Business Confidence Survey can be found [here](#).

For more information on the Leaseurope/Invigors European Business Confidence Survey, please consult Leaseurope's [website](#).

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About Leaseurope

As a Federation, Leaseurope brings together 43 associations throughout Europe representing either the leasing, long term and/or short term automotive rental industries. The scope of products covered by Leaseurope's members ranges from hire purchase and finance leases to operating leases of all asset types (automotive, equipment and real estate) and also includes the rental of cars, vans and trucks. It is estimated that Leaseurope represents approximately 93% of the European leasing market.

More information on Leaseurope and its members can be found at www.leaseurope.org

About Invigors EMEA

Invigors EMEA is a specialist international provider of equipment leasing and asset finance advisory services and part of The Alta Group, the industry's pre-eminent global consultancy. Together, they offer clients the unique combination of broad experience, expertise and practical counsel. Invigors EMEA's clients number many international leading lessors and asset finance companies as well as equipment manufacturers and vendors. The major practice areas include consulting; corporate restructuring; strategic marketing; research; legal support services; M&A; tax, regulatory and accounting services; business process re-engineering; sales performance management; learning and development; and vendor and captive programmes. Visit www.invigors.com for more information.