

PRESS RELEASE

FOR IMMEDIATE RELEASE

Leaseurope/Invigors European Business Confidence Survey June 2016

Leasing Industry Anticipates a Strong Second Half to 2016

Brussels, 13 October 2016 – 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 June-July 2016.

Reflecting on the conclusions, Leon Dhaene, Director General Leaseurope, said: *“The latest June findings indicate a generally positive outlook for the European leasing business in the second half of 2016, despite increasing economic and political uncertainty in the region, with most of the survey’s measures maintaining the positive sentiment identified in the previous survey conducted in December 2015”.*

The outlook for new business volumes in the second half of 2016 remains positive, with 69% of those surveyed expecting new business volumes to increase, while just 6% anticipate a decline. Respondents’ expectations on the level of bad debt are mostly stable, with the majority of participants (64%) forecasting that bad debt will remain unchanged over the coming 6 months. In terms of competitive pressures, 31% expect margins will decrease in their organisations, a marked decline on the previous survey (51%), while a further 53% anticipate no change. Nonetheless, nearly 60% of respondents anticipate that net profit in their organisations will increase over the next six months, while only 15% believe that this will fall.

The latest survey suggests that expectations of new competition and M&A are being lowered, compared to earlier studies. Just 26% of those surveyed thought that competition from new entrants was more likely in their home market, a much lower percentage that previously recorded. Also 25% expect merger and acquisition activity to increase over the remainder of 2016, compared to the 69% who anticipate no change.

Industry expectations on a number of other key indicators covering service levels, expenditure and staffing show little change for the last six months of 2016.

Commenting on these results, Invigors EMEA Partner Richard Ryan adds, *“This latest Business Confidence Survey suggests that the European leasing industry should continue its optimistic trend for the rest of 2016. Growth is forecast to remain positive over the second half of the year, while the balance of opinion on many of the other KPIs is generally favourable. While most of the survey responses were received after the UK referendum on EU membership, there appears to be little immediate impact of the “Brexit” vote, though it is likely that this has yet to filter down to overall business confidence and investment intentions.”*

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Notes for Editors

Summary findings of the June 2016 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 47 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.