

PRESS RELEASE

FOR IMMEDIATE RELEASE

Leaseurope/Invigors European Business Confidence Survey December 2016

European leasing industry maintains optimistic outlook for H1 2017

Brussels, 20 February 2017 – 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 2016.

The December findings show a continuing positive sentiment towards the prospects for the European leasing business in the first half of 2017, despite the political upheavals and uncertainty of the past year.

The outlook for new business volumes in the first half of 2017 remains positive in line with previous research, with 80% of those surveyed expecting new business volumes to increase, while just 3% anticipate a decline. Respondents' expectations on the level of bad debt are mostly stable, with two thirds of participants (67%) forecasting that bad debt will remain unchanged over the coming six months. In terms of competitive pressures, 27% expect margins will decrease in their organisations, a slight decrease on the previous survey (31%), while a further 51% anticipate no change. Nonetheless, 51% of respondents anticipate that net profit in their organisations will increase over the next six months, while only 21% believe that this will fall.

This latest survey suggests that expectations of new competition have risen, compared to the previous study. 36% of those surveyed thought that competition from new entrants was more likely in their home market, up from 26% recorded last June. However, 28% expect merger and acquisition activity to increase in the first half of 2017, compared to the 68% who anticipate no change.

Industry expectations on a number of other key indicators covering service levels, expenditure and staffing show little change for the first six months of 2017.

Commenting on these results, Invigors EMEA Partner Richard Ryan adds, "This latest Business Confidence Survey suggests that the European leasing industry should enjoy a positive start to 2017. Growth in new business is predicted to remain strong for the first half of the year, while expectations on most of the other KPIs support either an improving or stable trend. Recent political challenges in the US and UK do not appear to have dented sentiment in the European leasing market, though it will be interesting to see if this resilience is maintained in the aftermath of the upcoming elections in France, Germany and the Netherlands."

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Notes for Editors

Summary findings of the December 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 46 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.