

PRESS RELEASE

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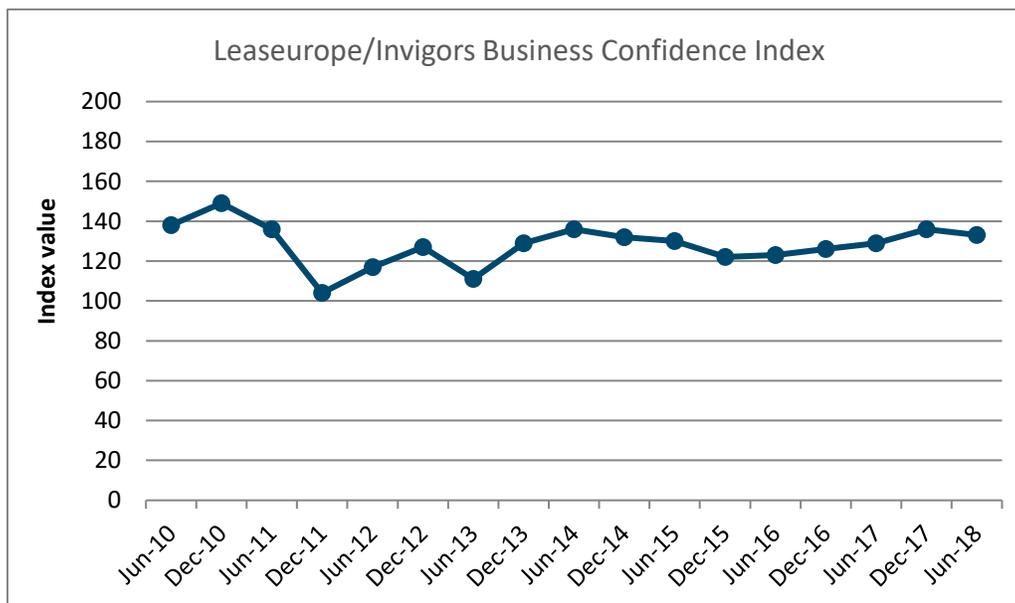
Leaseurope/Invigors European Business Confidence Survey June 2018

Optimistic outlook anticipated for the European leasing industry for the second half of 2018

Brussels, 25 September 2018 – 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 2018.

The latest findings show a positive outlook for the European leasing business for the remainder of 2018, encouraged by robust growth prospects for the European economy.

For the first time the survey introduces the Leaseurope/Invigors Business Confidence Index (BCI) tracking 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 133 in June 2018, a slight decrease from the 136 recorded in December 2017, though above the level seen in recent surveys. Factors such as expectations on new business growth, net profit and survey participants' overall perception of their company's prospects have all contributed to this positive trend.



The picture for new business volumes in the second half of 2018 remains positive in line with previous survey, with 87% 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 65% of participants forecasting that bad debt will remain unchanged over the coming 6 months and 13% anticipating a decrease. Competitive pressures are increasing, 39% expect margins will decrease in their organisations, compared to 29% in the previous survey, while 42% anticipate no change. Nonetheless, 70% 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 2018, 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 that the European leasing industry should enjoy a good finish to 2018. Growth in new business continues to remain strong, while expectations of most of the other KPIs support an overall positive trend. Sentiment on the outlook for the European leasing market remains optimistic overall, driven by sustained economic growth and investment, combined with continued access to liquidity."

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Notes for Editors

Summary findings of the June 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 45 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 94% 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.