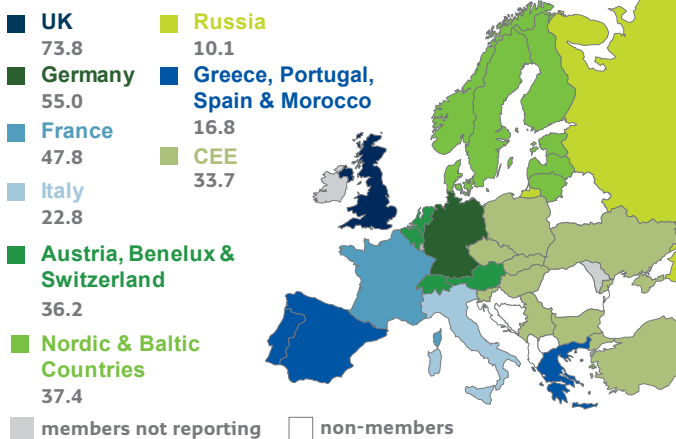


About Leaseurope

Leaseurope brings together 46 member associations in 33 European countries representing the leasing, long term and/or short term automotive rental industries. In 2016, these associations represented over 1,400 leasing firms and 500 short term rental companies.

The scope of products covered by Leaseurope members ranges from hire purchase to finance and 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 represented approximately 94% of the European leasing market in 2016.

New leasing volumes per cluster in 2016 (in Bil €)



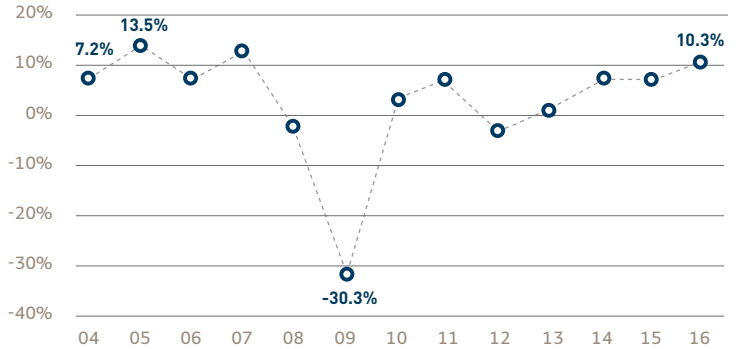
Source: Leaseurope 2016 Annual Statistical Enquiry

The European leasing market in 2016

In 2016, total new leasing volumes worth €333.7 billion were granted by the firms represented through Leaseurope's members. This represents an increase of 10.3%² compared to 2015. The portfolio of leased assets (outstandings) in Europe grew by 6.4%, reaching €779.1 billion at the end of 2016.

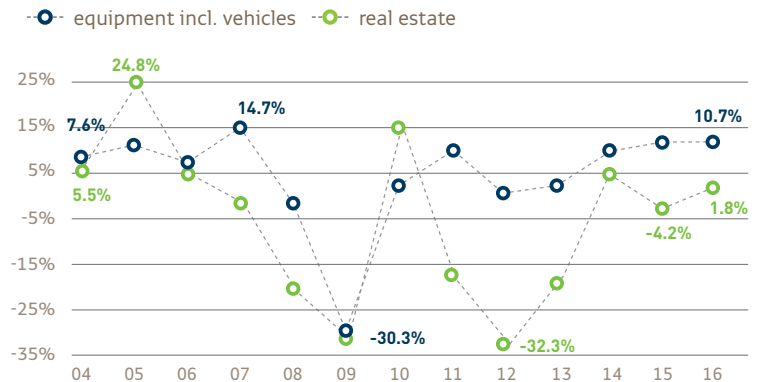
The UK was the largest European leasing market in 2016, with new volumes worth €73.8 billion, followed by Germany (€55.0 billion) and France (€47.8 billion). The leasing business entered its third year of solid recovery, which is now wide spread across all countries taking part in this survey and showing positive results. About half of the national markets experienced double digit growth. Notably Russia, Ukraine and Greece demonstrated high increases in new volumes, bouncing back after several years of subdued levels. The automotive sector has been a stable driver of the leasing market growth across the board.

Total new leasing volumes (annual growth rates)



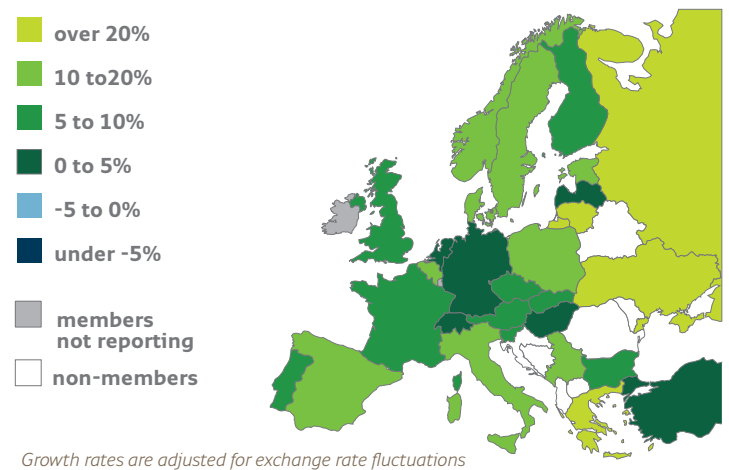
Annual growth rates based on a homogenous sample of members reporting from year to year in Leaseurope's Annual Statistical Enquiries and are adjusted for exchange rate fluctuations from 2007 onwards

New leasing volumes per asset type (annual growth rates)



Annual growth rates based on a homogenous sample of members reporting from year to year in Leaseurope's Annual Statistical Enquiries and are adjusted for exchange rate fluctuations from 2007 onwards

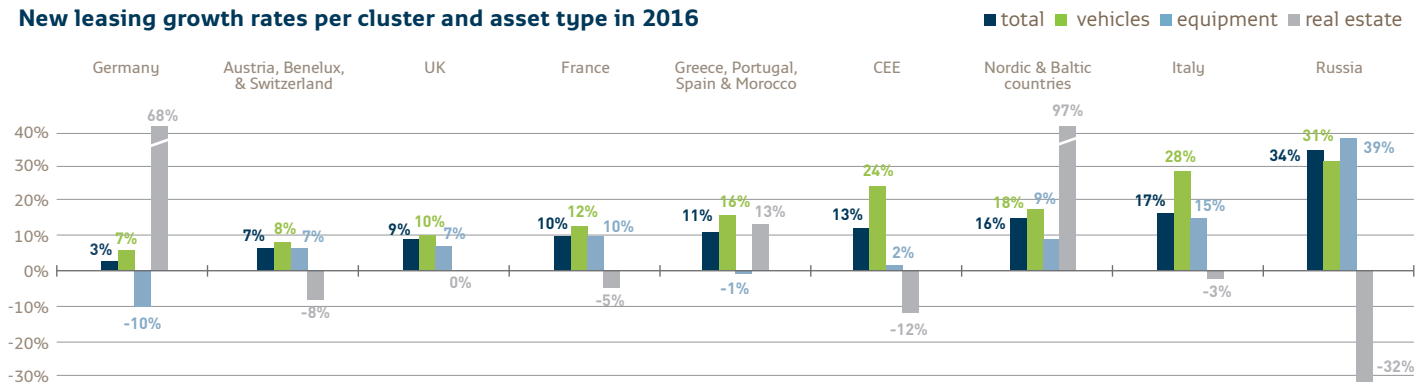
New leasing growth rates by country in 2016



Growth rates are adjusted for exchange rate fluctuations

1. Leaseurope conducts a yearly survey of European leasing activities and the figures represented here are based on the results of the Federation's 2016 Annual Statistical Enquiry of the following members reporting: 35 members in 29 countries reporting leasing data and 6 members in 6 countries providing short term rental data. Leaseurope members not reporting in this survey: Germany: Bundesverband der Autovermieter Deutschlands; Greece: Greek Car Rental Companies Association; Ireland: Car Rental Council of Ireland; Luxembourg: Fédération Luxembourgeoise des Loueurs de Véhicules; Malta: Rent A Car Association Malta; Netherlands: BOVAG; Spain: FENEVAL; Tunisia: Association Professionnelle Tunisienne des Banques et des Etablissements Financiers. 2. All growth rates reported here are calculated based on a homogenous sample of members reporting in Leaseurope's Annual Statistical Enquiries. The growth rates are adjusted to exclude the impact of exchange rate fluctuations unless otherwise stated.

New leasing growth rates per cluster and asset type in 2016



Annual growth rates based on a homogenous sample of members reporting in Leaseurope's 2016 Annual Statistical Enquiry and are adjusted for exchange rate fluctuations

During the year, European lessors granted new equipment (including vehicles) volumes of €317.9 billion and new real estate volumes of €15.8 billion. The equipment segment grew by 10.8% compared to the previous year, while real estate leasing saw a more modest increase of 1.8%.

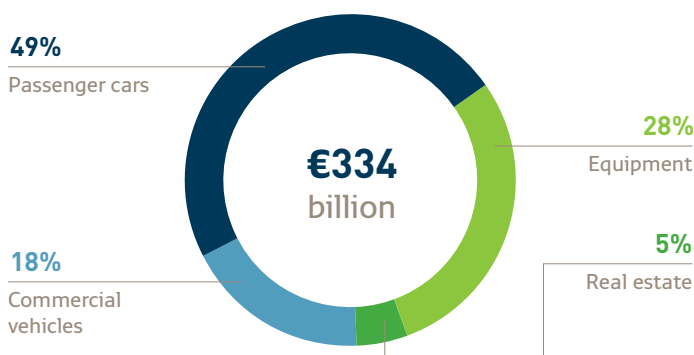
In 2016, Leaseurope's total penetration rate³, measured as the amount of overall new leasing volumes granted to businesses divided by investment in the 24 countries reporting, increased to 15.0% from 14.1% in 2015. When restricted to equipment and vehicles (i.e. excluding real estate from the calculation), the penetration rate stood at 26.1% compared to 25.1% in 2015⁴.

Equipment and vehicle leasing

Automotive assets, i.e. passenger cars and commercial vehicles, accounted for 67% (€225.3 billion) of total new volumes granted during 2016, remaining the largest individual asset segment of the European leasing market. The passenger car sector performed particularly well, growing by 12.6% and, according to Leaseurope estimates, European leasing and rental companies purchased over 9 million⁵ passenger cars in 2016. New leasing volumes for commercial vehicles peaked at 13.1% in 2016, to reach new leasing volumes of €61.2 billion.

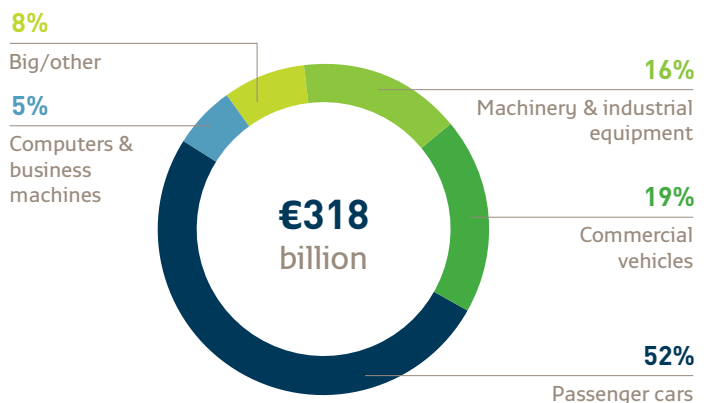
The machinery and industrial equipment segment also now returned to double digit growth after flattening out in 2015, increasing by 10.3% to reach 16% (€52.1 billion) of new equipment leasing volumes. The ships, aircraft, railway, and

New leasing volumes per asset type in 2016

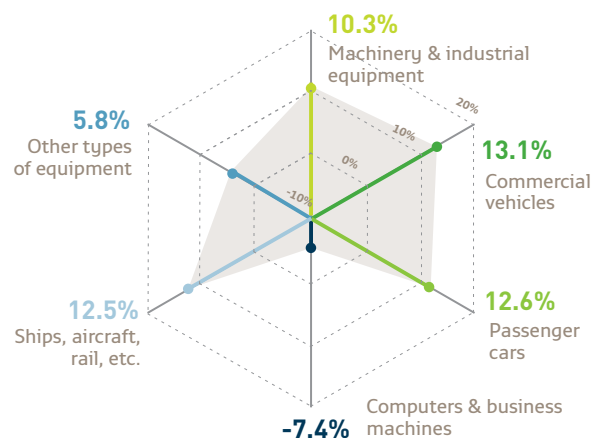


rolling stock segment and "other types of equipment", which includes energy generating assets, such as photovoltaic panels, saw an upturn, with each experiencing a rise of 12.5% and 5.8%, respectively. In contrast, new leasing volumes for computers and business machines fell by 7.4%, being the only segment for leased equipment witnessing a decline.

New leased equipment volumes per asset type in 2016



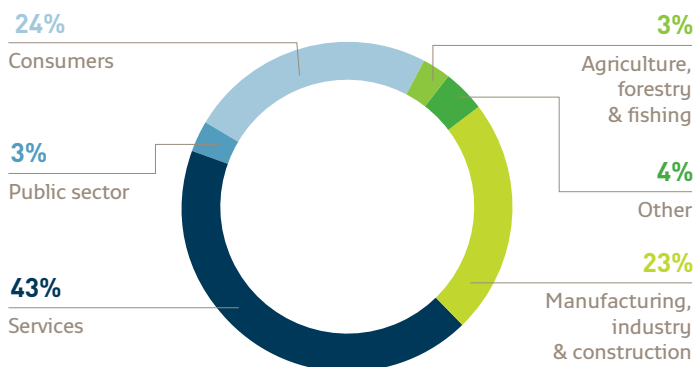
Growth rates for new equipment leasing volumes per asset type in 2016



Annual growth rates are based on a homogenous sample of members reporting in Leaseurope's 2016 Annual Statistical Enquiry and are adjusted for exchange rate fluctuations

3. The penetration rate shows the amount of business investment in a given country financed by leasing and hire purchase. For the purpose of Leaseurope's penetration rate, investment is defined as Gross Fixed Capital Formation in equipment (UIGEQ) and non-residential construction and civil engineering (UIGNR) taken together. 4. All of the figures in this paragraph are expressed in current prices. Data was extracted from the European Commission's DG ECFIN database AMECO on 13/07/2017. When data was not available from AMECO, assumptions were made using data available from Eurostat. 5. Includes an estimate for short term rental.

**New equipment (including vehicles)
leasing volumes per client category in 2016**



Just under three quarters of new leasing volumes for equipment (including vehicles) were made to the private sector, with 24% granted to consumers and 3% to public authorities. Leasing to consumers was the only client category that has been steadily increasing since 2010.

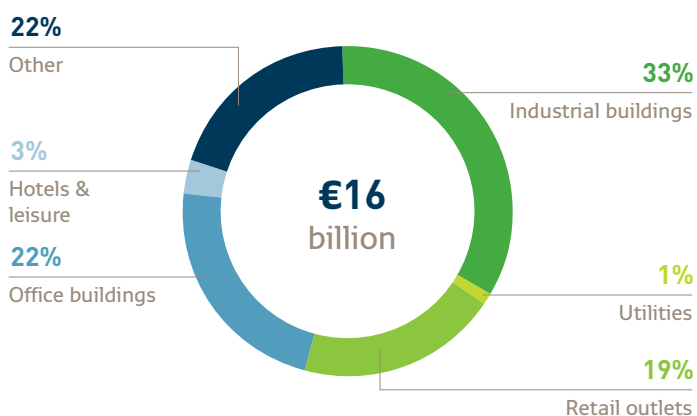
As in previous years, the vast majority of new equipment and vehicle contracts (70.8%) were made for an original contract term between 2 to 5 years, with the average contract size being about €29,800, an 0.8% increase compared to 2015⁶.

Real estate leasing

Real estate leasing saw some improvement in new volumes, growing by 1.8% in 2016 to reach €15.8 billion. The number of new contracts⁷ granted increased by 0.5%.

The largest segment of all property leases was industrial buildings, comprising 33% of total new real estate leasing volumes. In 2016, new business in this segment rose by 8.5%. New leases for hotels and leisure buildings, as well as other types of buildings, also experienced growth of 9.9% and 17.1%, respectively. These areas

New real estate leasing volumes per building type in 2016



of growth outweighed the negative developments in other segments of property leases, namely utilities contracting by 57.5%, while retail outlets and office buildings each lost approximately 5 to 6%.

Short term car rental

The short term car rental members reporting in the Leaseurope 2016 Annual Enquiry purchased around 459,500 cars during the year and, at year end, owned a fleet of approximately 474,900 cars. In total, the firms represented through these members made over 25.3 million individual rental contracts during the course of the year.

Country	Leaseurope member*	Short term car rental 2016	
		# of cars	
		Purchased	Fleet Size
BE	RENTA	23,000	18,500
IT	ANIASA	96,491	111,558
PT	ARAC	42,620	63,980
TR	Tokkder	16,081	27,470
UK	BVRLA	281,260	253,388
TOTAL		459,452	474,896

* Acronyms: RENTA - Fédération Belge des Loueurs de Véhicules, ANIASA - Associazione Nazionale Industria dell'Autonoleggio e Servizi Automobilistici, ARAC - Assoc. dos Industriais de Aluguer de Automóveis sem Conductor, Tokkder - Auto Leasing and Rental Companies Association (Turkey), BVRLA - British Vehicle Rental and Leasing Association.

Figures in italics are estimates

Visit the Leaseurope website at www.leaseurope.org for more information on the Federation's members and activities.

Further details on our statistics and research publications can be found on the **Market Trends and Research** section of our website.

6. Average contract size calculated from data provided by 25 members reporting both number of contracts and new volumes (excludes real estate) granted during 2016 and 2015.

7. Based on data provided by 16 member associations.