

## PRESS RELEASE

### FOR IMMEDIATE RELEASE

#### **Preliminary results for European leasing show that leasing remained a key source of finance for businesses' investment needs in 2008**

**Brussels, 4 February, 2009** – Preliminary market data from Leaseurope, the trade association representing the European leasing and automotive rental industries, reveals that the portfolio of leased assets in Europe at the end of the 2008 is estimated to be in the region of €780 billion, a 4.5% increase compared to the previous year.

While the European lease portfolio has continued to progress, new business volumes granted by the leasing companies represented through Leaseurope member associations fell somewhat during the course of 2008. Based on data provided by its members, Leaseurope estimates that total new volumes worth €316 billion will have been granted in 2008, a decrease of around 7.7% in relation to 2007<sup>1</sup>. However, it is important to note that exchange rate variations have been more important than in previous years and, if these effects are excluded, the estimated decline in new volumes in real terms is less severe and is close to 5%.

Piero Biagi (Nolé SpA, Italy), who chairs Leaseurope's Statistics & Marketing Committee comments that "while the European leasing business remained steady in the first half of the year, the overall decline in 2008 new volumes can be attributed to a particularly difficult second part of 2008. Like other industries, European leasing was generally touched by the prevailing financial turmoil and its spill over into the real economy, although some individual markets are still expected to show growth."

In terms of 2008 estimates for the various leased asset segments, unsurprisingly it is the real estate leasing market that has been the most impacted, with a decline in new business in the neighbourhood of 20.9%. Nevertheless, the main leasing markets were much less affected, with vehicle leasing volumes experiencing a fall of approximately 4.6% and equipment leasing losing only around 3.1%<sup>2</sup>.

Although leasing volumes will have slowed in 2008, European leasing was still responsible for financing on average approximately 28% of European investment, excluding real estate<sup>3</sup>. Leaseurope Chairman, Rüdiger von Fölkersamb (Deutsche Leasing, Germany), stresses that "the leasing industry's contribution to the European economy remains strong. Given the security of the asset, leasing companies can often provide a viable alternative form of finance to businesses who are struggling to find funds in the current economic climate."

Piero Biagi adds that "as long as leasing firms themselves have sufficient access to funds, they are well placed to continue to fulfil their role as an enabler of European investment. Now more than ever, leasing is a key means of finance for all European businesses and SMEs in particular."

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<sup>1</sup> All growth rates given are based on a constant sample of Leaseurope members for which data in both 2007 and 2008 is available

<sup>2</sup> Estimated year-on-year growth rates, excluding exchange rate effects

<sup>3</sup> Average leasing penetration rate within 21 countries for which data was available. Penetration is calculated as new leasing volumes for equipment and vehicles divided by gross fixed capital formation (excluding real estate) taken from Eurostat

## Note to the Editors

Leaseurope conducts an in-depth annual enquiry of the European leasing market. The 2008 edition of this enquiry, which provides detailed information on European leasing, including country and asset breakdowns, will be released in May 2009.

More information on the European leasing market in previous years can be found on the Leaseurope website at [www.leaseurope.org](http://www.leaseurope.org)

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## About Leaseurope

As a Federation, Leaseurope brings together 47 member associations in 34 countries 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. In 2007, it was estimated that Leaseurope represented approximately 93% of the European leasing market.