

**ASSET BASED FINANCE ASSOCIATION
QUARTERLY STATISTICS
TO MARCH 2014**

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1. CONTRIBUTORS

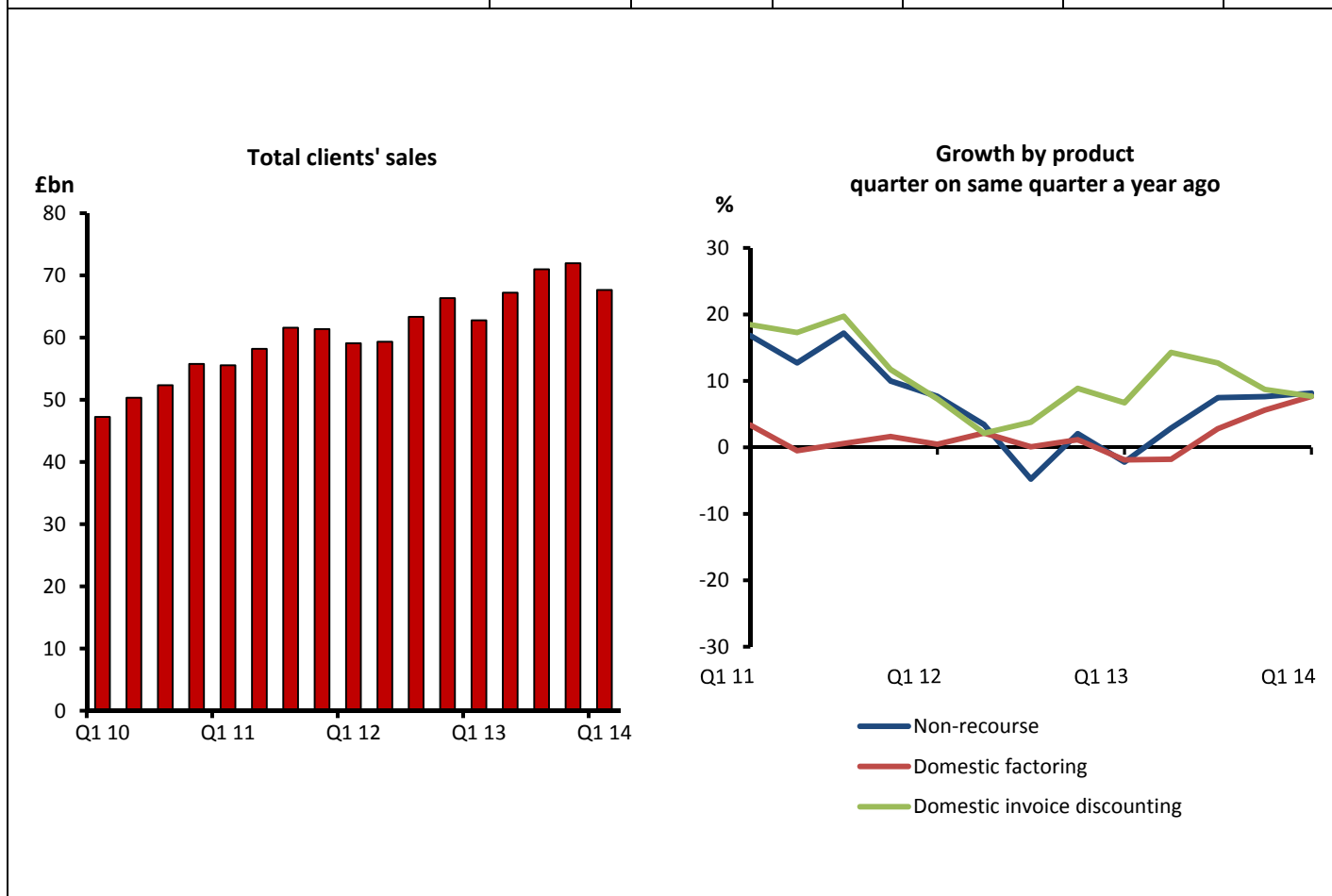
The members listed below contributed data for the period to March 2014:

A ABN AMRO Commercial Finance AIB Commercial Finance Ltd Aldermore Invoice Finance Ashley Commercial Finance	H, I, J Hitachi Capital (UK) plc HSBC Invoice Finance (UK) Ltd Independent Growth Finance JSM Finance Ltd
B Bank of Ireland Commercial Finance, Belfast Bank of Ireland Finance, Dublin Bank of London and The Middle East Barclays Trade and Working Capital UK & Ireland Bibby Financial Services Ltd BNP Paribas Commercial Finance Ltd Burdale Financial Ltd	K, L, N Leumi ABL Ltd Lloyds Bank Commercial Finance Ltd
C, D Cavendish Investments (Manchester) Ltd Centric Commercial Finance Close Brothers Invoice Finance Ltd Clydesdale Bank plc Danske Bank Danske Bank A/S	P, Q, R Positive Cashflow Finance Ltd Quantum Factors Ltd RBS Invoice Finance Regency Factors Invoice Finance Ltd Regency Factors plc
E, F Easy Invoice Finance Ltd Factor 21 plc First Trust Bank Five Arrows Business Finance plc	S Santander Invoice Finance Skipton Business Finance Ltd SME Invoice Finance Ltd
G GE Capital Bank Ltd	U, V Ulster Bank Invoice Finance (NI) Ulster Bank Invoice Finance Ultimate Finance Group plc

2.1. CLIENTS' SALES

The statistics below represent the aggregate of all those members contributing data.

CLIENTS' SALES (£M) (All products)	Quarter ended ...			Year-to-date ...		
	Mar 14	Mar 13	% Change	Mar 14	Mar 13	% Change
Domestic factoring	4,620	4,290	8%	4,620	4,290	8%
Domestic invoice discounting	58,413	54,238	8%	58,413	54,238	8%
Export factoring	441	524	-16%	441	524	-16%
Export invoice discounting	3,995	3,546	13%	3,995	3,546	13%
Import factoring	207	194	7%	207	194	7%
Total clients' sales	67,676	62,792	8%	67,676	62,792	8%
Non-recourse included in total above	7,019	6,488	8%	7,019	6,488	8%
Credit protection payments to clients	6.2	4.5	38%	6.2	4.5	38%



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2.2. BALANCES AT THE PERIOD END

BALANCES AT PERIOD END (£M) (All products)	Balances as at the end of ...		
	Mar 14	Mar 13	% Change
Pure invoice finance – advances against debt	14,157	13,246	7%
ABL facilities:			
Advances against debt	2,409	2,139	13%
Advances against stock	444	413	8%
Advances against plant and machinery	356	224	59%
Advances against property	158	148	7%
Advances against other assets	106	139	-24%
<i>Total excluding other commitments</i>	17,630	16,309	8%
Other commitments	31	10	210%
Total advances	17,661	16,319	8%
Total funding available	25,901	24,144	7%
Total facilities agreed	36,288	33,892	7%
Debtor outstandings	34,146	31,482	8%
Stock	2,219	1,874	18%
Property	326	245	33%
Plant and machinery	892	618	44%
Other trading assets	163	137	19%
Total security values	37,746	34,356	10%

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Mar 14	Mar 13	% Change
Domestic factoring	17,862	18,289	-2%
Domestic invoice discounting	19,168	18,617	3%
Export and mixed export + domestic	5,158	5,019	3%
Import factoring	617	560	10%
Stock & ABL finance	626	533	17%
Total number of clients	43,431	43,018	1%
Clients lost in quarter	2,185	2,244	-3%
Clients gained in quarter	2,185	2,362	-7%

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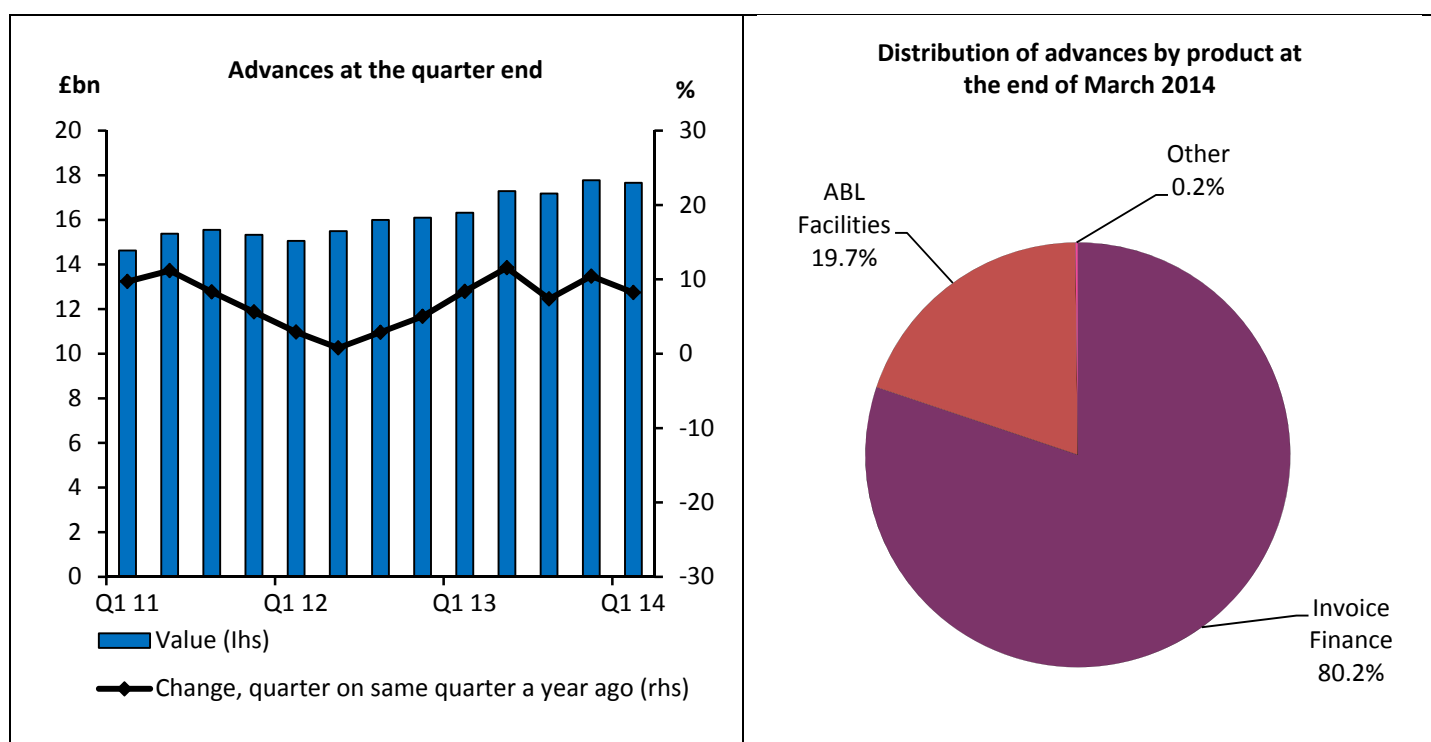
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2.3. ANALYSIS OF SOLE LENDER AND SYNDICATE DEALS

	For the quarter ended March 2014 ...			
	Sole lender deals	Syndicate deals		Total
		Lead	Non-Lead	
Clients' sales volumes (£m)	58,066	9,610	N/A	67,676
Advances at the period end (£m)	15,486	937	1,238	17,661
Number of clients at period end	43,360	71	N/A	43,431

2.4. ANALYSIS OF ADVANCES AND CLIENT NUMBERS BY SIZE OF CLIENT TURNOVER

Client annual turnover bands £m	Number of clients at the quarter end	Advanced at the quarter end £m
0.0 – 0.5	14,639	601
0.5 – 1.0	6,586	575
1.0 – 5.0	14,383	2,861
5.0 – 10.0	3,771	1,939
10.0 – 50.0	3,351	4,752
50.0 – 100.0	386	1,834
Over 100.0	315	5,099
Total	43,431	17,661



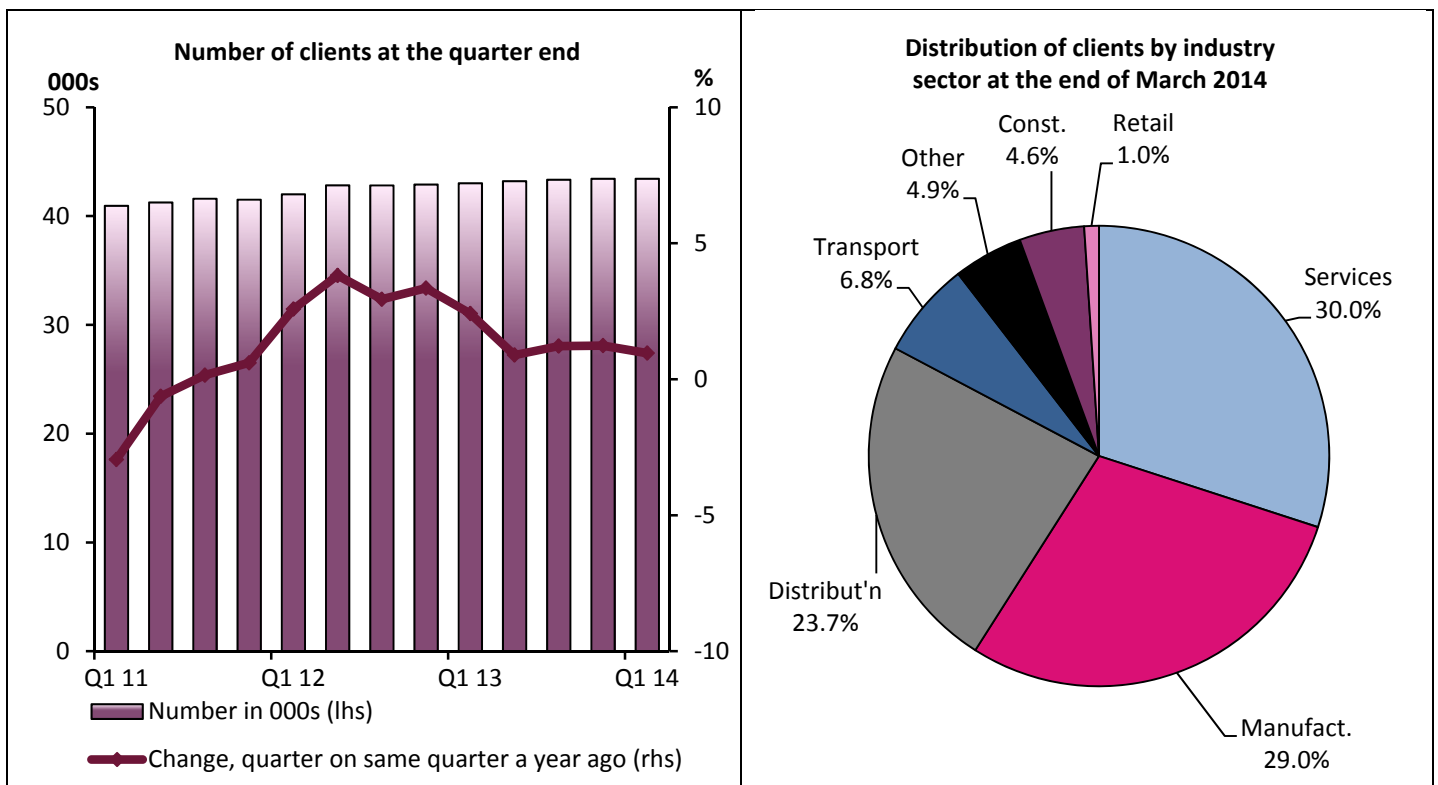
2.5. ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR

Industry sector	Number of clients at the quarter end
Manufacturing	12,607
Distribution	10,301
Services	13,028
Transport	2,951
Retail	448
Construction	1,977
Other	2,119
Total	43,431

2.6. AVERAGE NUMBER OF DEBTOR DAYS OUTSTANDING

Results based on taking a simple average of those members reporting data:

Factoring clients	53.7
Discounting clients	55.1



3. AGGREGATE RESULTS OF THE MEMBERS IN THE REPUBLIC OF IRELAND

In the following tables figures are quoted in euros (€). Notes 1 and 2 on page 7 should be read in conjunction with this section.

CLIENT'S SALES VOLUME (€M) (All products)	Quarter ended ...			Year-to-date ...		
	Mar 14	Mar 13	% Change	Mar 14	Mar 13	% Change
Total clients' sales	5,254	4,885	8%	5,254	4,885	8%

BALANCES AT PERIOD END (€M) (All products)	Balances as at the end of ...		
	Mar 14	Mar 13	% Change
Total advances	1,257	1,270	-1%
Total securities values	3,128	2,755	14%
Total funding available	1,933	1,816	6%
Total funding agreed	2,826	2,531	12%

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Mar 14	Mar 13	% Change
Total number of clients	1,924	1,968	-2%
Clients lost in quarter	89	63	41%
Clients gained in quarter	50	47	6%

ANALYSIS OF ADVANCES AND CLIENT NUMBERS BY SIZE OF CLIENT TURNOVER

Client annual turnover bands (£m)	Number of clients at the quarter end	Advanced at the quarter end €m
0.0 – 0.5	244	116
0.5 – 1.0	285	92
1.0 – 5.0	999	324
5.0 – 10.0	223	169
10.0 – 50.0	145	193
50.0 – 100.0	18	140
Over 100.0	10	223
Total	1,924	1,257

ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR

Industry sector	Number of clients at the quarter end
Manufacturing	361
Distribution	773
Services	478
Transport	80
Retail	50
Construction	23
Other	159
Total	1,924

Notes to the Republic of Ireland statistics

1. The group comprises of:

- AIB Commercial Finance Ltd;
- Bank of Ireland Finance, Dublin;
- Bibby Financial Services (Ireland);
- Danske Banke A/S;
- Lloyds Bank Commercial Finance (Ireland);
- Ulster Bank Invoice Finance Ltd.

2. Data on the average number of debtor days outstanding for factoring and discounting clients have not been published since not all contributors are currently able to supply this information.

4. TRENDS IN BUSINESS LENDING

Economic output in the UK grew by 0.8% in the first quarter of 2014 compared with the previous quarter. Strong and sustained growth over the past year suggests that the economy is likely to achieve its pre-recession level of output by next quarter. As a result of the continuing recovery and rising house prices, financial markets are expecting the first Bank Rate rise during the first half of 2015.

The **total value outstanding** to private non-financial corporations (PNFCs) stood at £382.6 billion at the end of March 2014. Total **gross lending** to PNFCs increased in the first quarter of 2014 by 9.3% compared with the same quarter in the previous year. Gross lending to SMEs increased by 15.5% over this period, while lending to large-sized businesses grew by 7.1%. Nevertheless, **net lending** to PNFCs fell by 2.5% in the twelve months to March 2014, as repayments continued to outweigh gross lending.

Outstandings by sector in the first quarter of 2014 grew by 0.3% in the manufacturing sector compared with the previous quarter, while the construction and services sectors reported falls of 0.4% and 2.8% respectively over the same period.

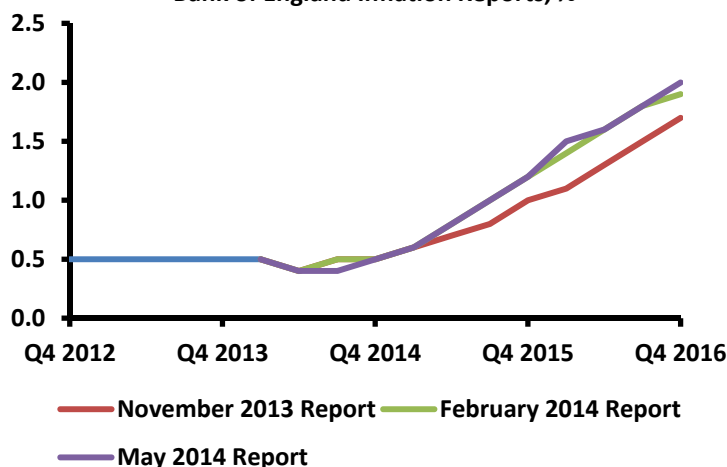
Total net funds raised by PNFCs in the UK fell by £5.2 billion in the first quarter of 2014. The decrease was driven by a fall in loans of £3.3 billion compared with the previous quarter. Net bond issuance and funds raised through commercial papers also fell, while equity issuance increased by £1.1 billion.

Asset finance provided through **leasing and hire purchase** by members of the Finance & Leasing Association (FLA) increased by 13% in Q1 2014 compared with the same quarter in 2013 to almost £5.7 billion.

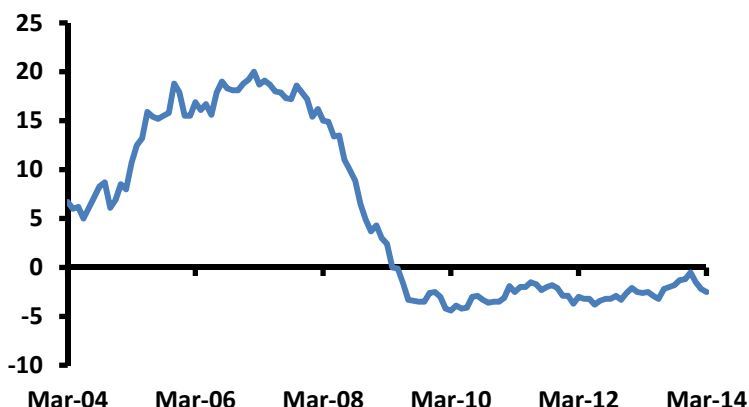
Strong growth was reported across the main asset sectors. This included double-digit growth in finance provided for plant and machinery (+21%), business equipment (+20%), commercial vehicles (+19%), business new car finance (+15%) and IT equipment (+11%).

Data sources: Bank of England, FLA

Bank Rate and forward market interest rates
Bank of England Inflation Reports, %



M4 net lending to PNFCs
seasonally adjusted 12 months % change



Net funds raised by UK businesses
(£ billions)

