

**ASSET BASED FINANCE ASSOCIATION
QUARTERLY STATISTICS
TO JUNE 2015**

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1. CONTRIBUTORS

The members listed below contributed data for the period to June 2015:

<p>A ABN AMRO Commercial Finance AIB Commercial Finance Ltd AIB Group (UK) plc Aldermore Invoice Finance Ashley Commercial Finance</p>	<p>H, I, J Hampshire Trust Bank plc HH Cashflow Finance Hitachi Capital (UK) plc HSBC Invoice Finance (UK) Ltd Independent Growth Finance JSM Finance Ltd</p>
<p>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</p>	<p>K, L, M Leumi ABL Ltd Lloyds Bank Commercial Finance Ltd Metro Bank SME Finance</p>
<p>C, D Cavendish Investments (Manchester) Ltd Close Brothers Invoice Finance Clydesdale Bank plc Danske Bank Danske Bank A/S</p>	<p>P, Q, R Positive Cashflow Finance Ltd Quantum Factors Ltd RBS Invoice Finance Regency Factors Invoice Finance Ltd Regency Factors plc</p>
<p>E, F Easy Invoice Finance Ltd Factor 21 plc Five Arrows Business Finance plc</p>	<p>S Santander Invoice Finance Secure Trust Bank Commercial Finance Shawbrook Business Credit Siemens Financial Services Limited Skipton Business Finance Ltd</p>
<p>G GE Capital Bank Limited Gener8Finance</p>	<p>U, V, W Ulster Bank Invoice Finance (NI) Ulster Bank Invoice Finance Ultimate Finance Group plc Wells Fargo Capital Finance</p>

ABFA STATISTICS

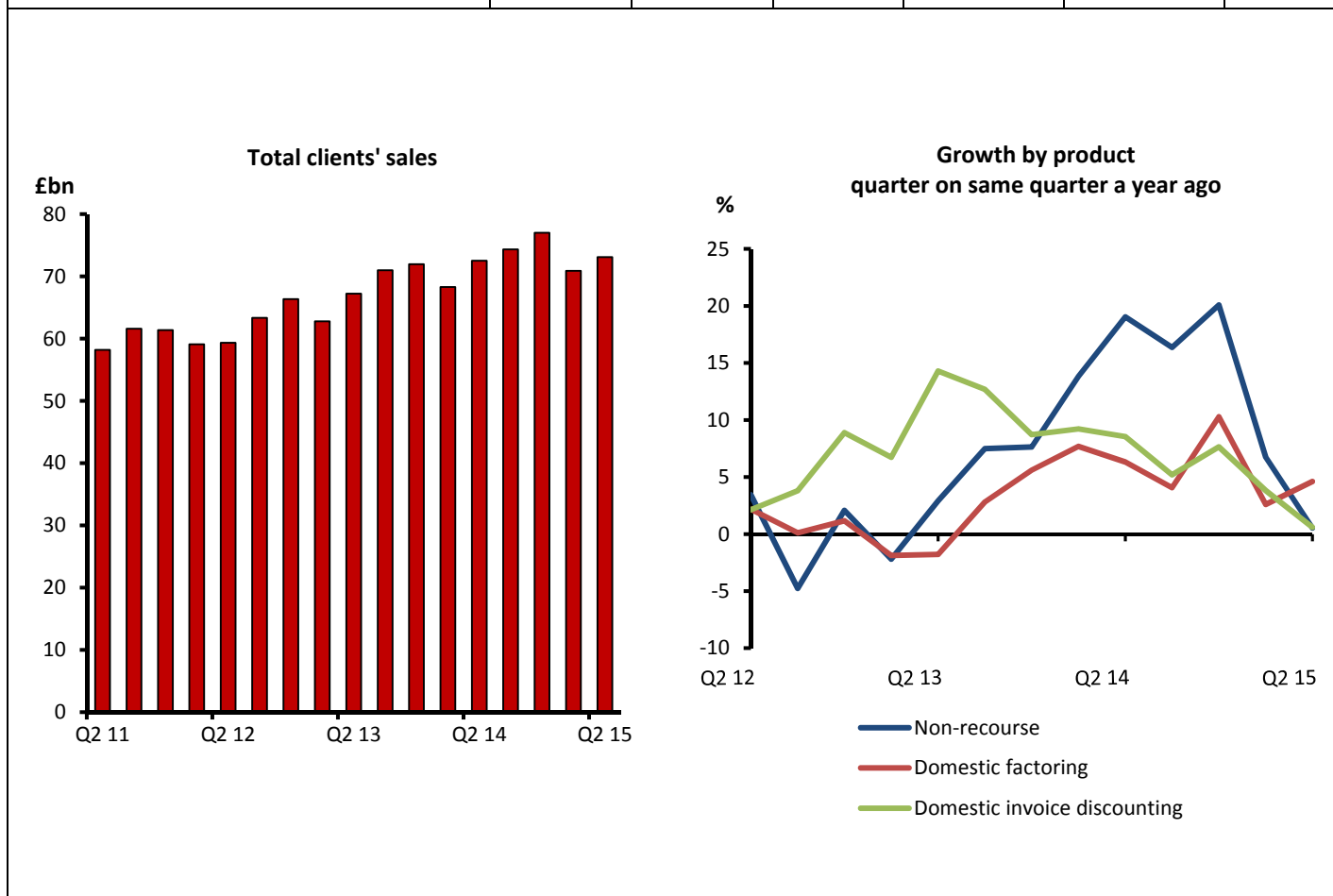
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2.1. CLIENTS' SALES

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

CLIENTS' SALES (£M) (All products)	Quarter ended ...			Year-to-date ...		
	Jun 15	Jun 14	% Change	Jun 15	Jun 14	% Change
Domestic factoring	4,978	4,758	5%	9,719	9,378	4%
Domestic invoice discounting	63,435	63,056	1%	124,940	122,296	2%
Export factoring	583	558	4%	1,191	999	19%
Export invoice discounting	3,896	3,918	-1%	7,772	7,709	1%
Import factoring	201	223	-10%	375	429	-13%
Total clients' sales	73,093	72,513	1%	143,997	140,811	2%
Non-recourse included in total above	8,358	8,313	1%	15,361	15,699	-2%
Credit protection payments to clients	8.7	7.2	21%	15.7	13.4	17%



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2.2. BALANCES AT THE PERIOD END

BALANCES AT PERIOD END (£M) (All products)	Balances as at the end of ...		
	Jun 15	Jun 14	% Change
Pure invoice finance – advances against debt	15,105	15,093	0%
Invoice finance plus – advances against debt plus other assets	203	210	-3%
ABL facilities:			
Advances against debt	2,584	2,466	5%
Advances against stock	870	520	67%
Advances against plant and machinery	299	336	-11%
Advances against property	129	159	-19%
Advances against other assets	96	116	-17%
<i>Total excluding other commitments</i>	19,286	18,900	2%
Other commitments	17	30	-43%
Total advances	19,303	18,930	2%
Total funding available	28,003	27,555	2%
Total facilities agreed	40,989	37,450	9%
Debtor outstandings	36,215	34,899	4%
Stock	2,466	2,364	4%
Plant and machinery	659	959	-31%
Property	222	335	-34%
Other trading assets	47	158	-70%
Total security values	39,609	38,715	2%

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Jun 15	Jun 14	% Change
Domestic factoring	16,942	17,641	-4%
Domestic invoice discounting	19,936	19,286	3%
Export and mixed export + domestic	5,480	5,271	4%
Import factoring	626	634	-1%
Stock Finance	69	101	-32%
ABL facilities	868	516	68%
Total number of clients	43,921	43,449	1%
Clients lost in quarter	2,218	2,251	-1%
Clients gained in quarter	2,339	2,277	3%

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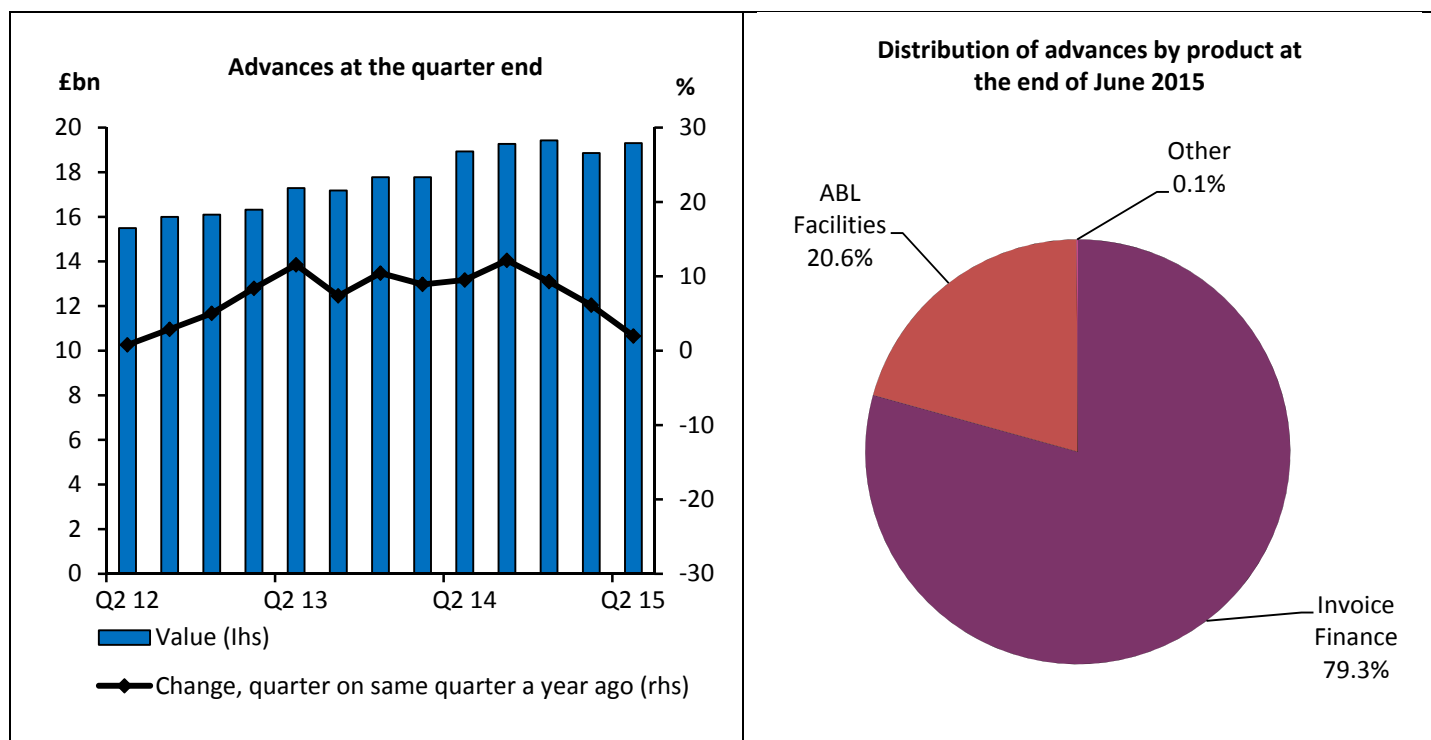
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2.3. ANALYSIS OF SOLE LENDER AND SYNDICATE DEALS

	For the quarter ended June 2015			Total deals
	Sole lender deals	Syndicate deals		
		Lead	Non-Lead	
Clients' sales volumes (£m)	61,590	11,503	N/A	73,093
Advances at the period end (£m)	16,454	1,433	1,416	19,303
Number of clients at period end	43,829	92	N/A	43,921

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	14,014	616
0.5 – 1.0	6,519	527
1.0 – 5.0	14,944	2,900
5.0 – 10.0	4,039	1,946
10.0 – 25.0	2,535	3,048
25.0 – 50.0	1,081	2,277
50.0 – 100.0	454	2,145
Over 100.0	335	5,844
Total	43,921	19,303



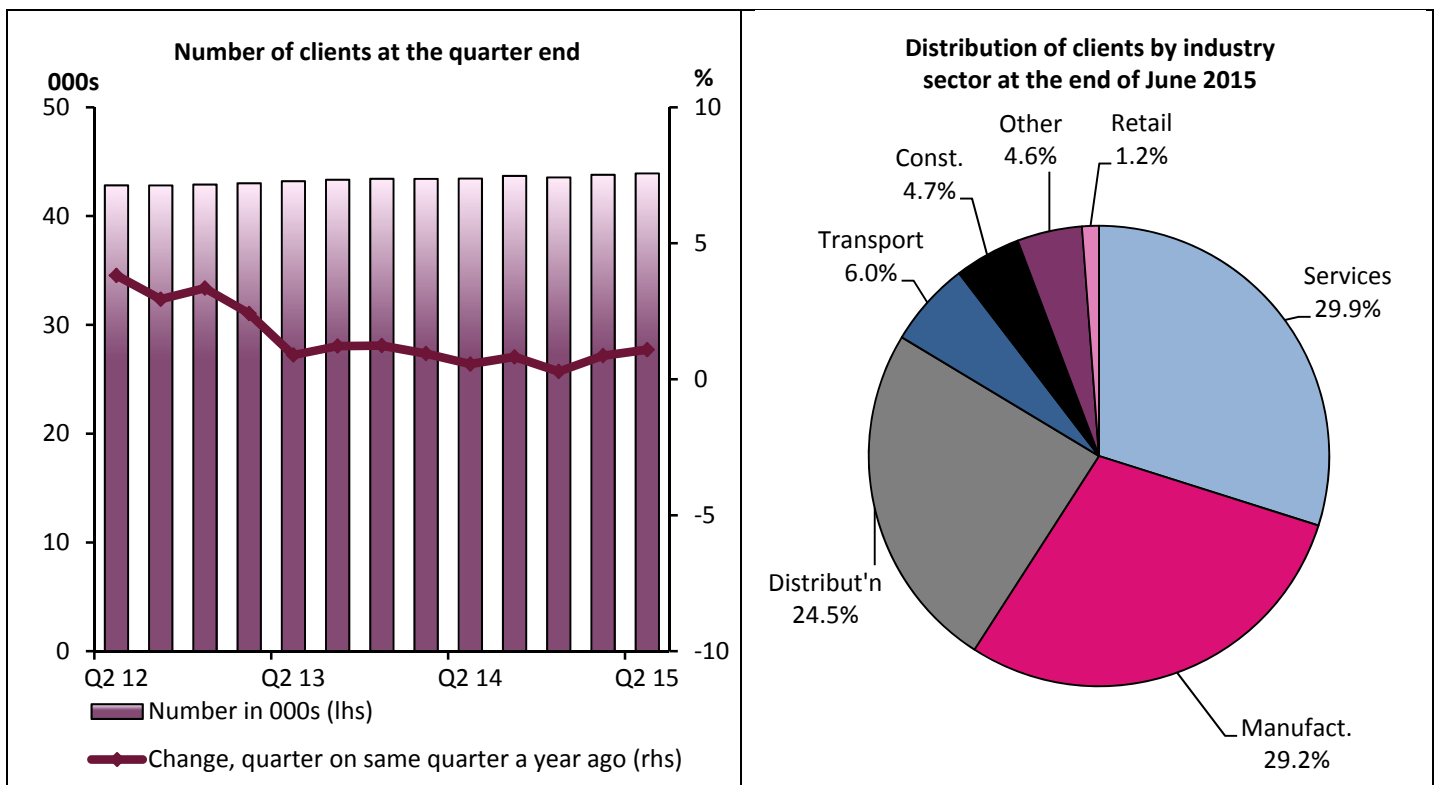
2.5. ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR

Industry sector	Number of clients at the quarter end
Manufacturing	12,832
Distribution	10,773
Services	13,125
Transport	2,622
Retail	518
Construction	2,048
Other	2,003
Total	43,921

2.6. AVERAGE NUMBER OF DEBTOR DAYS OUTSTANDING

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

Factoring clients	54.7
Discounting clients	53.8



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 ...		
	Jun 15	Jun 14	% Change	Jun 15	Jun 14	% Change
Total clients' sales	6,564	6,444	2%	12,734	11,930	7%

BALANCES AT PERIOD END (€M) (All products)	Balances as at the end of ...		
	Jun 15	Jun 14	% Change
Total advances	1,251	1,268	-1%
Total securities values	3,118	2,950	6%
Total funding available	2,057	2,105	-2%
Total funding agreed	3,179	3,123	2%

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Jun 15	Jun 14	% Change
Total number of clients	1,932	1,918	1%
Clients lost in quarter	28	41	-32%
Clients gained in quarter	48	35	37%

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	292	163
0.5 – 1.0	230	68
1.0 – 5.0	965	313
5.0 – 10.0	236	134
10.0 – 25.0	131	129
25.0 – 50.0	41	115
50.0 – 100.0	23	122
Over 100.0	14	207
Total	1,932	1,251

ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR

Industry sector	Number of clients at the quarter end
Manufacturing	381
Distribution	782
Services	364
Transport	79
Retail	65
Construction	27
Other	234
Total	1,932

Notes to the Republic of Ireland statistics

1. The group comprises of:

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

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

The first estimate of **GDP** in Q2 2015 published by the Office for National Statistics showed that the UK economy grew by 0.7% compared with the previous quarter. This followed growth of only 0.4% in the first quarter of 2015. In Q2 2015, the services sector continued to be the main driver of growth as output from this sector increased by 0.7% compared with Q1 2015. Other sectors fared less well over the same period as manufacturing output contracted by 0.3% and agricultural output decreased by 0.7%. Growth in construction output was flat in the second quarter.

The **total amounts outstanding** to private non-financial corporations (PNFCs) stood at £368.6 billion at the end of June 2015, down from £384.9 billion at the end of June 2014. Net lending to PNFCs overall fell by 0.7% in the 12 months to June 2015. Excluding real estate, net lending to PNFCs increased by 2.8% over the same period.

Total **gross lending** to PNFCs increased by 18.5% in the twelve months to June 2015 to more than £206 billion. Over the same period, gross lending to SMEs increased by 21.0% to £57.3 billion, while lending to large-sized businesses grew by 17.5% to £149.0 billion.

Total net funds raised by PNFCs in the UK was positive for the fifth consecutive quarter in Q2 2015, at £3.4 billion. Net bond issuance made a positive contribution of £2.7 billion. Net equity issuance was also positive in Q2 2015 at just over £1 billion.

Asset finance provided through **leasing and hire purchase** by FLA members increased by 16% in Q2 2015 compared with the same quarter in the previous year, to £7.4 billion. Plant and machinery finance, commercial vehicle finance and IT equipment finance grew at double digit rates in Q2 2015, with new business up by 10%, 11% and 43% respectively, compared with the same period in 2014.

