

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

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## 1. CONTRIBUTORS

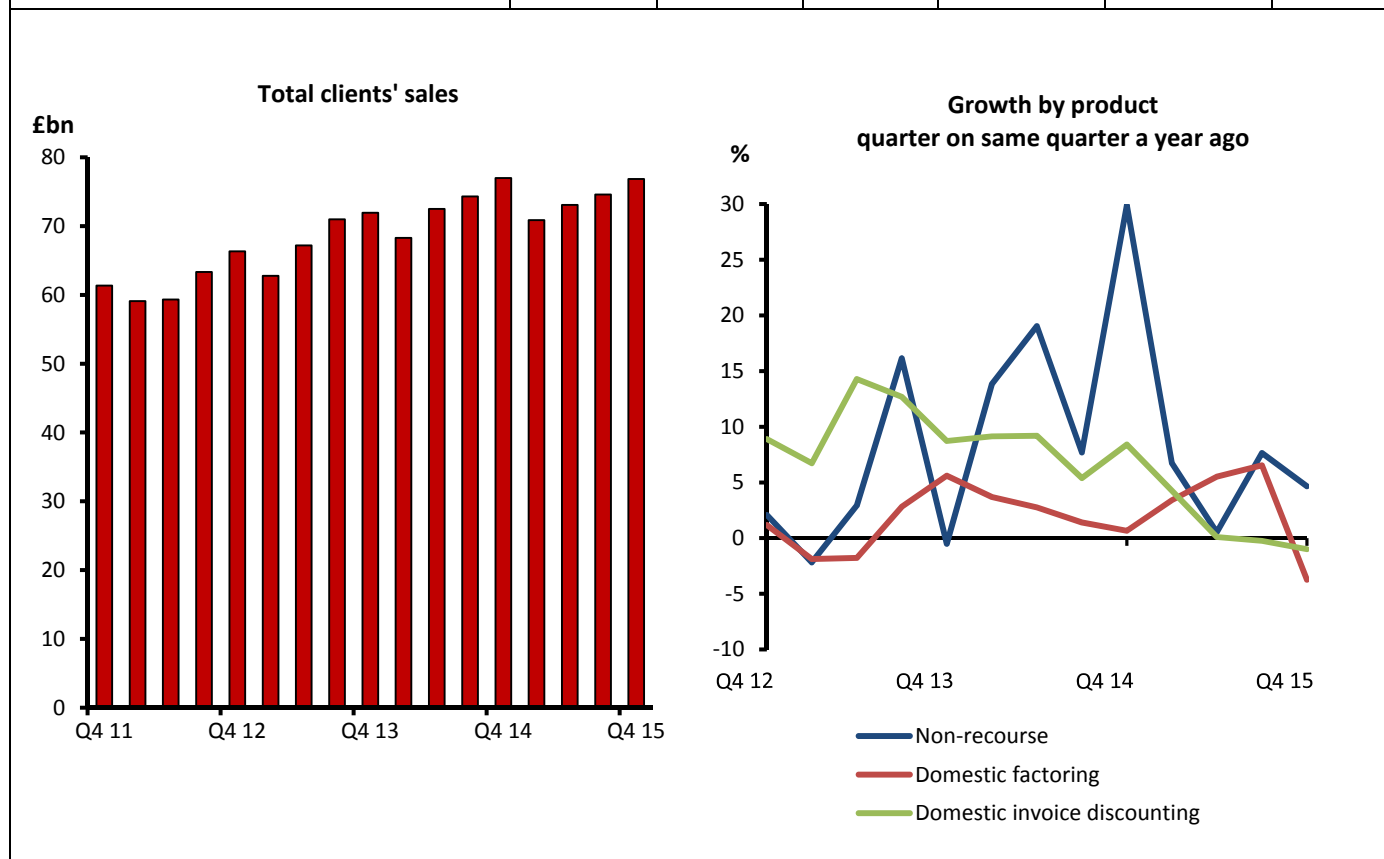
The members listed below contributed data for the period to December 2015:

<p><b>A</b>                      ABN AMRO Commercial Finance                      AIB Commercial Finance Ltd                      AIB Group (UK) plc                      Aldermore Invoice Finance                      Ashley Commercial Finance</p>	<p><b>H, I, J</b>                      Hampshire Trust Bank plc                      HH Cashflow Finance                      Hitachi Capital (UK) plc                      HSBC Invoice Finance (UK) Ltd                      IGF Invoice Finance                      JSM Finance Ltd</p>
<p><b>B</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 &amp; Ireland                      Bibby Financial Services Ltd                      BNP Paribas Commercial Finance Ltd</p>	<p><b>K, L, M</b>                      Leumi ABL Ltd                      Lloyds Bank Commercial Finance Ltd                      Metro Bank Asset &amp; Invoice Finance</p>
<p><b>C, D</b>                      Cavendish Investments (Manchester) Ltd                      Close Brothers Invoice Finance                      Clydesdale Bank plc                      Danske Bank                      Danske Bank A/S</p>	<p><b>P, Q, R</b>                      Paragon Bank Business Finance plc                      Positive Cashflow Finance Ltd                      Pulse Cashflow Finance Ltd                      Pulse Factoring Solutions Ltd                      Quantum Factors Ltd                      RBS Invoice Finance                      Regency Factors Invoice Finance Ltd                      Regency Factors plc</p>
<p><b>E, F</b>                      Easy Invoice Finance Ltd                      Factor 21 plc                      Factor 21 (North) Ltd                      Firstsource Solutions UK Ltd</p>	<p><b>S, T</b>                      Santander Invoice Finance                      Secure Trust Bank Commercial Finance                      Shawbrook Business Credit                      Siemens Financial Services Limited                      Skipton Business Finance Ltd                      Team Factors Ltd</p>
<p><b>G</b>                      GE Capital Bank Limited                      Gener8Finance</p>	<p><b>U, V, W</b>                      Ulster Bank Invoice Finance (NI)                      Ulster Bank Invoice Finance                      Ultimate Finance Group plc                      Wells Fargo Capital Finance                      Working Capital Partners Ltd</p>

## 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 ...		
	Dec 15	Dec 14	% Change	Dec 15	Dec 14	% Change
Domestic factoring	4,832	5,019	-4%	19,492	18,952	3%
Domestic invoice discounting	66,857	67,519	-1%	256,763	254,977	1%
Export factoring	303	340	-11%	1,215	1,324	-8%
Export invoice discounting	4,695	3,931	19%	17,274	16,065	8%
Import factoring	170	204	-17%	727	844	-14%
<b>Total clients' sales</b>	<b>76,857</b>	<b>77,013</b>	<b>0%</b>	<b>295,471</b>	<b>292,162</b>	<b>1%</b>
Non-recourse included in total above	9,880	9,440	5%	35,367	33,725	5%
Credit protection payments to clients	7.4	4.8	54%	29.8	22.0	35%



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## 2.2. BALANCES AT THE PERIOD END

BALANCES AT PERIOD END (£M) (All products)	Balances as at the end of ...		
	Dec 15	Dec 14	% Change
Pure invoice finance – advances against debt	15,847	15,786	0%
Invoice finance plus – advances against debt plus other assets	217	212	2%
ABL facilities:			
Advances against debt	2,415	2,320	4%
Advances against stock	607	499	22%
Advances against plant and machinery	341	350	-3%
Advances against property	136	140	-3%
Advances against other assets	115	99	16%
<i>Total excluding other commitments</i>	<i>19,678</i>	<i>19,406</i>	<i>1%</i>
Other commitments	14	26	-46%
<b>Total advances</b>	<b>19,692</b>	<b>19,432</b>	<b>1%</b>
<b>Total funding available</b>	<b>29,107</b>	<b>27,892</b>	<b>4%</b>
<b>Total facilities agreed</b>	<b>39,180</b>	<b>37,538</b>	<b>4%</b>
Debtor outstandings	36,422	36,539	0%
Stock	2,294	2,555	-10%
Plant and machinery	788	866	-9%
Property	227	253	-10%
Other trading assets	11	136	-92%
<b>Total security values</b>	<b>39,742</b>	<b>40,349</b>	<b>-2%</b>

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Dec 15	Dec 14	% Change
Domestic factoring	16,858	17,279	-2%
Domestic invoice discounting	19,847	19,512	2%
Export and mixed export + domestic	5,580	5,327	5%
Import factoring	556	627	-11%
Stock Finance	115	113	2%
ABL facilities	912	697	31%
<b>Total number of clients</b>	<b>43,868</b>	<b>43,555</b>	<b>1%</b>
Clients lost in quarter	2,392	2,098	14%
Clients gained in quarter	2,112	1,957	8%

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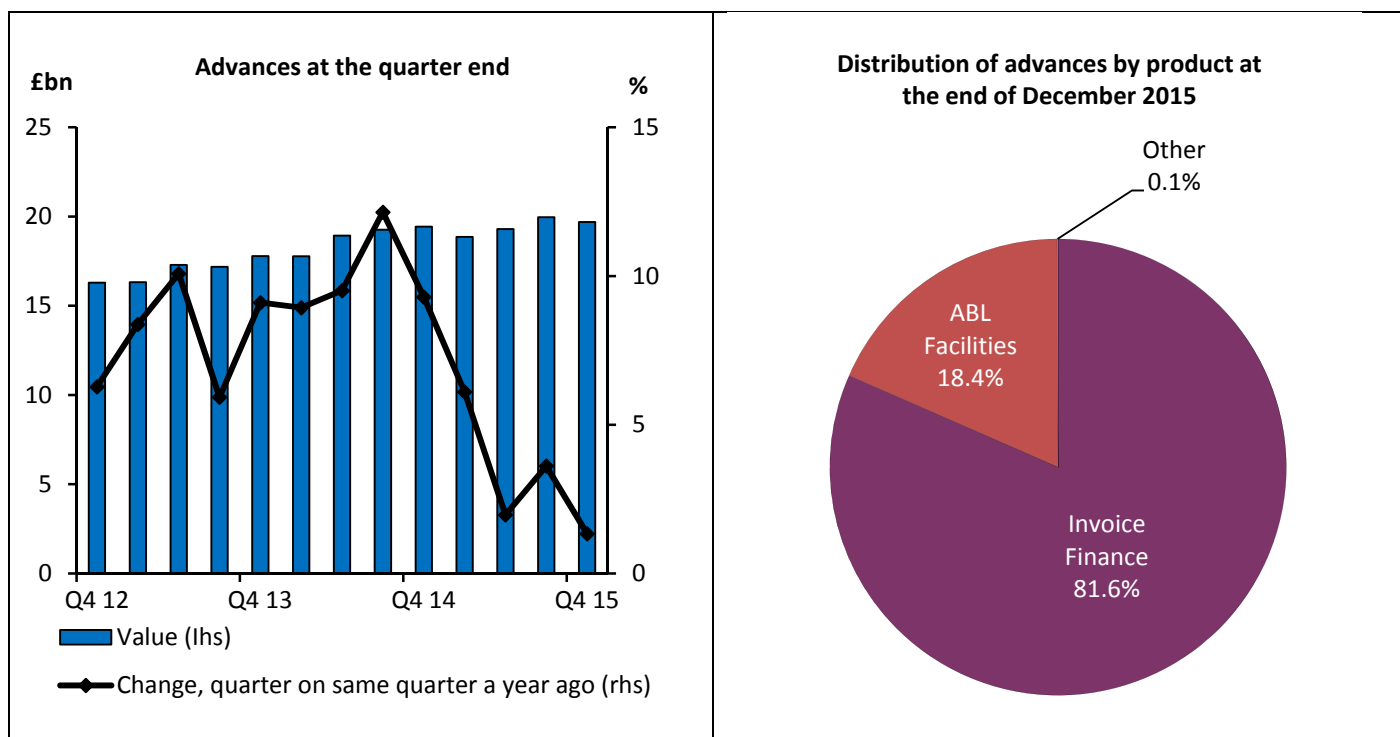
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## 2.3. ANALYSIS OF SOLE LENDER AND SYNDICATE DEALS

	For the quarter ended December 2015			Total deals
	Sole lender deals	Syndicate deals		
		Lead	Non-Lead	
Clients' sales volumes (£m)	65,975	10,882	N/A	76,857
Advances at the period end (£m)	17,122	1,253	1,317	19,692
Number of clients at period end	43,762	106	N/A	43,868

## 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	13,653	689
0.5 – 1.0	6,530	512
1.0 – 5.0	15,143	2,921
5.0 – 10.0	4,017	1,964
10.0 – 25.0	2,583	3,081
25.0 – 50.0	1,049	2,003
50.0 – 100.0	499	2,445
Over 100.0	394	6,077
<b>Total</b>	<b>43,868</b>	<b>19,692</b>



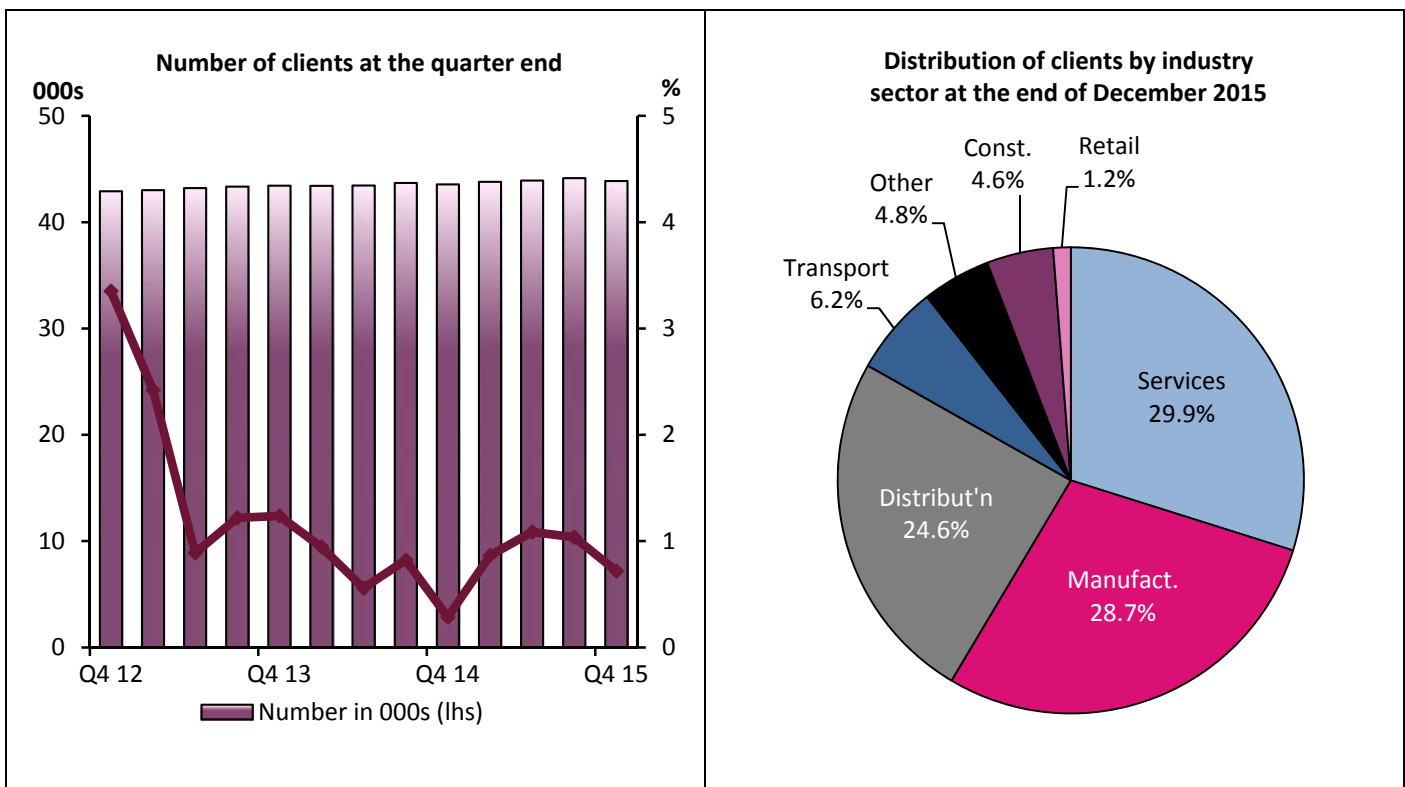
**2.5. ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR**

Industry sector	Number of clients at the quarter end
Manufacturing	12,584
Distribution	10,812
Services	13,100
Transport	2,730
Retail	531
Construction	2,024
Other	2,087
<b>Total</b>	<b>43,868</b>

**2.6. AVERAGE NUMBER OF DEBTOR DAYS OUTSTANDING**

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

Factoring clients	54.1
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 ...		
	Dec 15	Dec 14	% Change	Dec 15	Dec 14	% Change
<b>Total clients' sales</b>	6,778	7,031	-4%	25,978	25,476	2%

BALANCES AT PERIOD END (€M) (All products)	Balances as at the end of ...		
	Dec 15	Dec 14	% Change
<b>Total advances</b>	1,273	1,237	3%
<b>Total securities values</b>	3,014	2,870	5%
<b>Total funding available</b>	2,357	2,046	15%
<b>Total funding agreed</b>	3,595	3,390	6%

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Dec 15	Dec 14	% Change
<b>Total number of clients</b>	1,945	1,913	2%
<b>Clients lost in quarter</b>	49	51	-4%
<b>Clients gained in quarter</b>	47	48	-2%



## 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	245	159
0.5 – 1.0	256	72
1.0 – 5.0	951	299
5.0 – 10.0	272	148
10.0 – 25.0	137	105
25.0 – 50.0	43	157
50.0 – 100.0	27	117
Over 100.0	14	216
<b>Total</b>	<b>1,945</b>	<b>1,273</b>

## ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR

Industry sector	Number of clients at the quarter end
Manufacturing	383
Distribution	787
Services	368
Transport	85
Retail	68
Construction	25
Other	229
<b>Total</b>	<b>1,945</b>

### 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.

**3. TRENDS IN BUSINESS LENDING**

The UK economy continued to grow in the final quarter of 2015 as GDP increased by 0.5% compared with the previous quarter. Growth was once again driven by a strong performance by the services sector as its output grew by 0.7% compared with Q3 2015. The manufacturing sector came out of recession in Q4 2015, reporting growth flat compared with the previous quarter. By contrast, the construction sector fell into recession with output down by 0.4% over the same period. A weaker global economic outlook has led to downward revisions to the growth forecasts for the UK economy in 2016 and reduced the likelihood of a rise in Bank Rate this year.

The **total value outstanding** to private non-financial corporations (PNFCs) stood at £368.9 billion at the end 2015, 1% lower than at the end of 2014.

Total **gross lending** to PNFCs continued to grow but at a slower rate in 2015, increasing by 8.3% compared with the previous year. Gross lending to SMEs and large-sized businesses each grew by 8.3% in 2015 to reach £57.9 billion and £147.4 billion respectively.

In Q4 2015, the **total net funds** raised by PNFCs in the UK was positive for the seventh consecutive quarter, at £7.4 billion. Once again each of the main sources of funds reported positive net funds in Q4 2015. In that period, net funds raised from commercial paper was £2.9 billion while net bond issuance raised was £2.3 billion.

Asset finance new business provided through **leasing and hire purchase** by members of the Finance & Leasing Association grew in 2015 by 12% compared with 2014. This was the second consecutive year of double-digit growth, as total new business grew to a seven-year high of £29.1 billion.

The IT equipment finance sector was the strongest performer in terms of growth as new business increased by 38%. Other strong performers in 2015 included the commercial vehicle finance and business car finance sectors, with new business up 14% and 11% respectively.

