

## The long-term rental market 4th Quarter 2013

In collaboration with BIPE

### Long Term Rental Market (\*) 2013 Q4

- 1 - The automotive market
- 2 - The Corporate market
- 3 - Long term rental market
- 4 - Long term rental data

### 2013 Q4 In figures

→ **476 885**

New passenger car registrations  
**2012/2013 : +2.7%**

→ **100,373**

New commercial vehicle registrations (<5t.)  
**2012/2013 : +3.5%**

→ **186,812**

Company<sup>(1)</sup> PC+ CV registrations  
**2012/2013 : +3.6%**

→ **102,510**

New long-term rentals put on the road  
**2012/2013 : -4.4%**

(1) excluding short-term rentals, demonstration vehicles, self-registrations

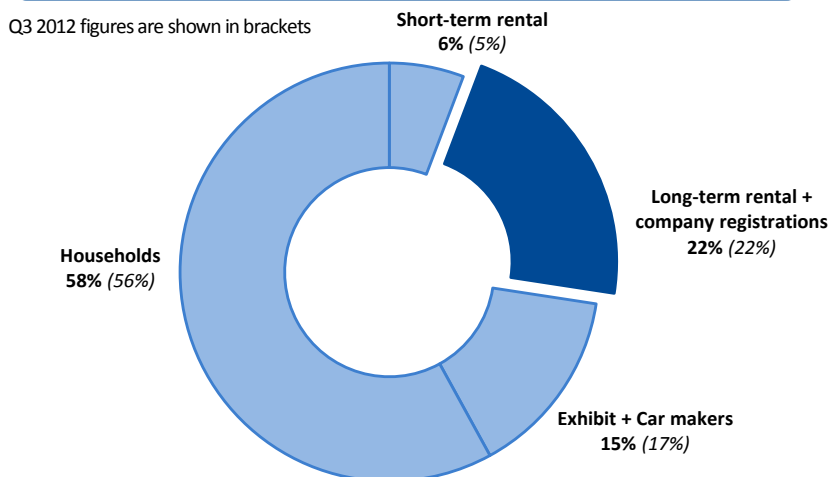
(\*) Analysis of the responses of the TOP 14 which represent 91% of the long-term rental market in France

## 1 The automotive market

In Q4 2013 there were 577,000 new Light Vehicle registrations (PC+LCV), i.e. up by 2.9% on Q4 2012. This is the first quarter to post growth since Q1 2011. For the full year, total registrations reached 2,121,000, i.e. down by 5.4% on 2012. This is the lowest annual total since 1998. The PC market reached 477,000 this quarter, i.e. +2.7%, while the LCV market rose 3.5% to 100,000. Nonetheless, for 2013 as a whole, PC registrations fell by 5.6% and LCV by 4.3% versus the previous year.

From 1<sup>st</sup> October, a new tax on company cars was added to the TVS (company car tax), ranging from €20 to €600 depending on the year the vehicle was first registered and its energy efficiency. From 1<sup>st</sup> November, the amounts of the ecological bonus were revised downwards and the trigger point tightened. This regulation will have an impact on the segmentation and powertrain structure of the market. Furthermore, from 1<sup>st</sup> January 2014, the malus has also been tightened: all amounts have been increased and the trigger point lowered.

### Breakdown of new passenger car registrations In Q4 2013, as % of the total



Sources: SNLVLD, CCFA, data processed by BIPE

## Le SNLVLD

Founded in 1978, the Syndicat National des Loueurs de Voitures en Longue Durée (SNLVLD) represents commercial companies that engage in the long-term rental of vehicles in France.

SNLVLD's members represent 97% of the sector's activity in France. The long-term rental of vehicles (passenger cars and commercial vehicles) has established its legitimacy in the corporate sector, since it provides a flexible solution to the organisational and management needs of companies. It provides significant support to the automotive industry

## 2 The corporate market

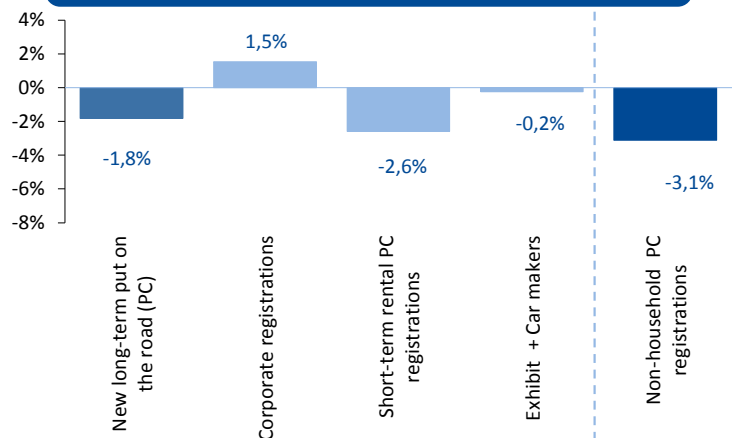
### The corporate market declined in the last quarter

In Q4 2013, the household LV market (PC+LCV) grew by 4.6% on a year-on-year basis, with a total of 283,000 vehicle registrations. However, growth was weaker on the non-household LV market, at +1.3% on a year-on-year basis, with a total of 294,000 vehicle registrations. For the whole of 2013, registrations in both customer categories fell, although the household market (-7.6%) fell more sharply than the non-household market (-3.4%). At the end of Q4 2013, the share of corporate registrations in the LV total increased further and represented 53% of the 12-month total, compared with 52% in 2012.

After year-on-year growth of 3.4% in Q3, the non-household PC market posted very modest growth of 0.4%, i.e. a total of 200,000 vehicle registrations. For 2013 as a whole, the market fell by 3.1%. The short-term rental market was the worst hit, with -14.3% in Q4 2013 and -11.6% for the full year 2013. The other customer channels fared better. "0km" and "Manufacturers" vehicles fell by 3.7% in Q4 2013 and by 0.7% for 2013 as a whole. The corporate fleet channel (own purchases and long-term rentals) grew by 8.5% in Q4 2013, but was once again down for the full year 2013 (-0.6%).

In Q4 2013, the non-household LCV market recovered: +3.1% on a year-on-year basis, for 93,415 vehicles registered. For the full year 2013, the non-household LCV market fell by 4.1% with 337,000 vehicle registrations. The corporate fleet channel continued to decline, with -1.8% versus Q4 2012. This channel's share of the total LCV market fell by 1 percentage point over 2013 as a whole, and ended at 82%.

Contributions to the growth of the non-household passenger car market for 2013 as %



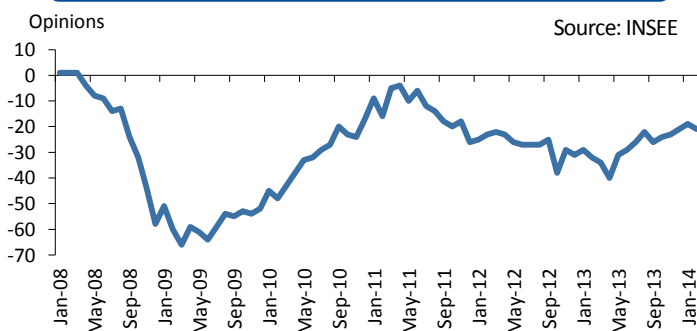
### The French economy is struggling to recover and investment continues to shrink

The rate of economic growth in France fell by 0.1% on a quarter-on-quarter basis in Q3 2013 (+0.2% on a year-on-year basis), under the effect of the good Q2 figure. Household consumption remained relatively buoyant in T3 (+0.1% on a quarter-on-quarter basis), but exports declined sharply (-1.3% in Q3 on a quarter-on-quarter basis) after the Q2 peak.

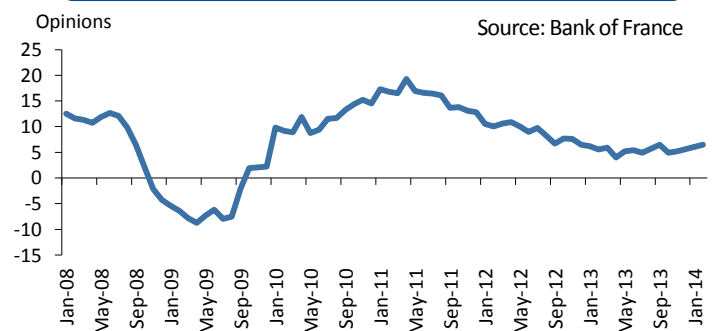
In addition, the contribution to growth of investment is still negative: -2.2% on a year-on-year basis. All these signals show that the French economy remains sluggish.

Nonetheless, export order books continue to trend upwards and the cash situation of businesses has improved slightly, while remaining at a low level.

Changes in order books in manufacturing industry (CVS)



End-of-month cash situation in the manufacturing industry (CVS)



### SNLVD members

AGL Services, ALD Automotive, Alphabet, Arval, Athlon Car Lease, Business Partner, CA Consumer Finance, CM-CIC bail, Crédiparc, CGFF, Cofiparc, Public LLD, DIAC Location, Elat, Euralog SAS, FAL Fleet, GE Capital Fleet Services, LCA, Leaseplan, Locauto, Mercedes Benz Financial Services, Natixis Car Lease, Parcours, Salva Location, Uca Lease, UCA Fleet, Véhiposte, Volkswagen Bank, 2R fleet services.

# 3 The long-term rental market

## This quarter, more vehicles were returned, leading to a fall in the long-term rental stock

In Q4 2013, new LV registrations (PC + LCV) fell again, for the 7<sup>th</sup> consecutive quarter: they fell by 4.4% versus Q4 2012, with a volume of 102,510 light vehicles registered by SNLVLD long-term rental companies. This is the worst end-of-year result since Q4 2010. For the full year 2013, LV registrations fell by 5.6% on a year-on-year basis. As a result, the share of long-term rentals in corporate fleet registrations has fallen: 59% in total for 2013, versus 61% in 2012.

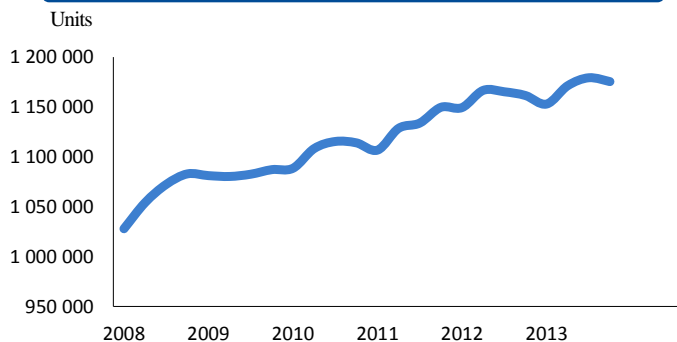
New PC registrations stabilised at -0.1% in Q4 2013 on a year-on-year basis. This represents 70,440 vehicles. The change to the malus scale from 1<sup>st</sup> January did not therefore generate strong delivery opportunities during the quarter. New LCV registrations (Commercial Vehicles + Company

Cars) fell sharply (-13.3% versus Q4 2012), finishing at 30,417 units. The total for the full year 2013 also fell: -5.3% for PC and -11% for LCV on a year-on-year basis. At the same time, the total number of returns also fell on a year-on-year basis (-4.4%), with 106,380 vehicles returned in Q4 2013. In total, the total long-term rental stock shed 379,245 vehicles during 2013 as a whole (-5% on a year-on-year basis).

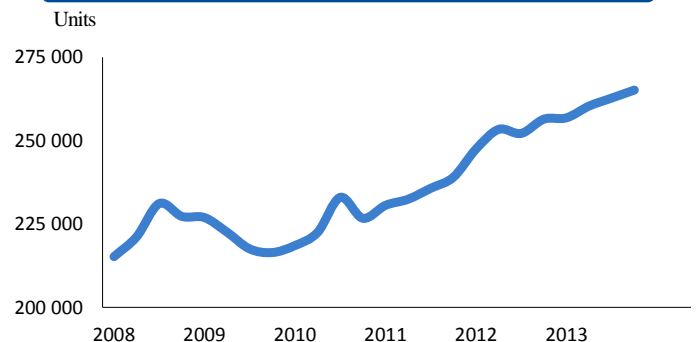
Compared with Q3 2013, the long-term rental stock on the road fell slightly by 0.3% to 1,175,296 units (PC+CV+CC), but was up by 1.2% on Q4 2012.

The Fleet Management stock continued to grow in Q4 2013 and reached 265,124 units, i.e. an increase of 0.9% versus the previous quarter and an increase of 3.4% since the beginning of the year.

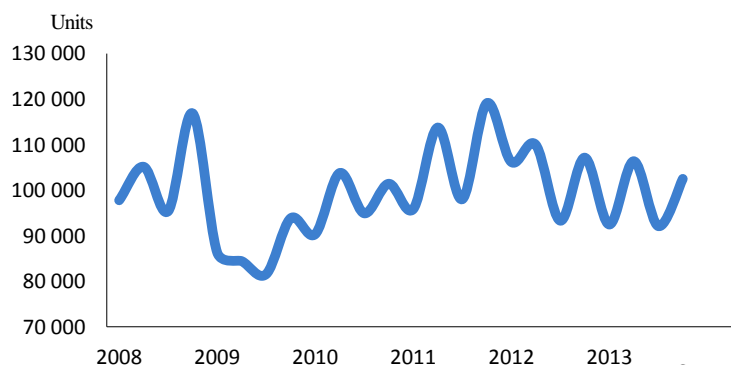
Fluctuations in long-term rental stocks



Fluctuations in fleet management stocks



Fluctuations in new long-term rentals put on the road



Sources: SNLVLD, data processed by BIPE

### BIPE

Set up in 1958, on the initiative of the public authorities and major French companies, the BIPE provides economic analyses and strategic forecasts to private companies and public authorities.

## 4 Long-term rental data

### New registrations

	Number of units	% versus stock	Change versus the same period the previous year
On 31.12.12	107,175	9.2%	-10.0%
On 31.03.13	92,475	8.0%	-13.0%
On 30.06.13	106,394	9.1%	-3.3%
On 30.09.13	92,123	7.8%	-1.3%
On 31.12.13	102,510 (p)	8.7%	-4.4%

(p) provisional data

Sources: SNLVLD, data processed by BIPE

### Long-term rental stocks

	Number of units	Change over the quarter	Change since the start of the current year	Change over the last 12 months
On 31.12.12	1,161,383	-0.3%	1.8%	1.8%
On 31.03.13	1,152,827	-0.7%	-0.7%	0.2%
On 30.06.13	1,171,176	1.6%	0.8%	0.4%
On 30.09.13	1,179,165	0.7%	1.5%	1.2%
On 31.12.13	1,175,296 (p)	-0.3%	1.2%	1.2%

(p) provisional data

Sources: SNLVLD, data processed by BIPE

### Fleet Management stocks

	Number of units	Change over the quarter	Change since the start of the current year	Change over the last 12 months
On 31.12.12	256,402	1.7%	7.3%	7.3%
On 31.03.13	256,817	0.2%	0.2%	3.8%
On 30.06.13	260,337 (p)	1.4%	1.5%	2.8%
On 30.09.13	262,737 (p)	0.9%	2.5%	4.2%
On 31.12.13	265,124 (p)	0.9%	3.6%	3.4%

(p) provisional data

Sources: SNLVLD, data processed by BIPE

### Alternative fuel vehicles in Q3 2013

	PC-CV Registrations automobile market (CCFA)	New long-term rentals put on the road PC+CV
Electric	3,798	666
Hybrid Petrol	13,485 (petrol+diesel)	1,445
Hybrid Diesel		1,208

12 of the biggest companies in the TOP 14 answered this question.

The responses show that rental companies registered 17.5% of the electric vehicles and 20% of the hybrid vehicles of the LV market, i.e. a smaller proportion than in Q3.

# Long-term rental data

## Total stock managed – Top 14 as at 31.12.13

	Long-term rentals (p)	Fleet Management (p)	Total (p)
ALD	191,728	124,434	<b>316,162</b>
DIAC	199,900	78,513	<b>278,413</b>
CREDIPAR	206,089	22,702	<b>228,791</b>
ARVAL	205,613	7,745	<b>213,358</b>
LEASEPLAN	86,649	513	<b>87,162</b>
ALPHABET	74,253	-	<b>74,253</b>
GE CAPITAL FLEET SERVICES	53,018	17,282	<b>70,300</b>
PARCOURS	50,763	-	<b>50,763</b>
FAL	23,372	12,829	<b>36,201</b>
VW BANK	35,516	-	<b>35,516</b>
NATIXIS CAR LEASE	15,850	977	<b>16,827</b>
ATHLON	14,968	70	<b>15,038</b>
CMCIC	10,229	-	<b>10,229</b>
UCALEASE	7,348	58	<b>7,406</b>
VEHIPOSTE (2)	54,859	-	<b>54,859</b>
BUSINESS PARTNER (2)	17,474	374	<b>17,848</b>
<b>Total</b>	<b>1,175,296</b>	<b>265,497</b>	<b>1,513,126</b>

(p) provisional data

(2) Data already recorded in the TOP 14 companies

Sources: SNLVLD, data processed by BIPE

## Vehicles put on the road – Top 10 as at 31.12.13

	Q4 2013	Q3 2013
1	RENAULT CLIO	RENAULT CLIO
2	Peugeot 208	Peugeot 208
3	Citroën C3	Citroën C3
4	Citroën C4 + Picasso	RENAULT SCENIC + GD
5	RENAULT KANGOO	RENAULT KANGOO
6	RENAULT SCENIC + GD	Citroën C4 + Picasso
7	RENAULT MEGANE	RENAULT MEGANE
8	RENAULT TWINGO	VOLKSWAGEN GOLF
9	VOLKSWAGEN GOLF	Peugeot 3008
10	RENAULT MASTER	Peugeot 308

Sources: SNLVLD, data processed by BIPE