

ASSET BASED FINANCE ASSOCIATION
QUARTERLY STATISTICS
TO JUNE 2013

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1. CONTRIBUTORS

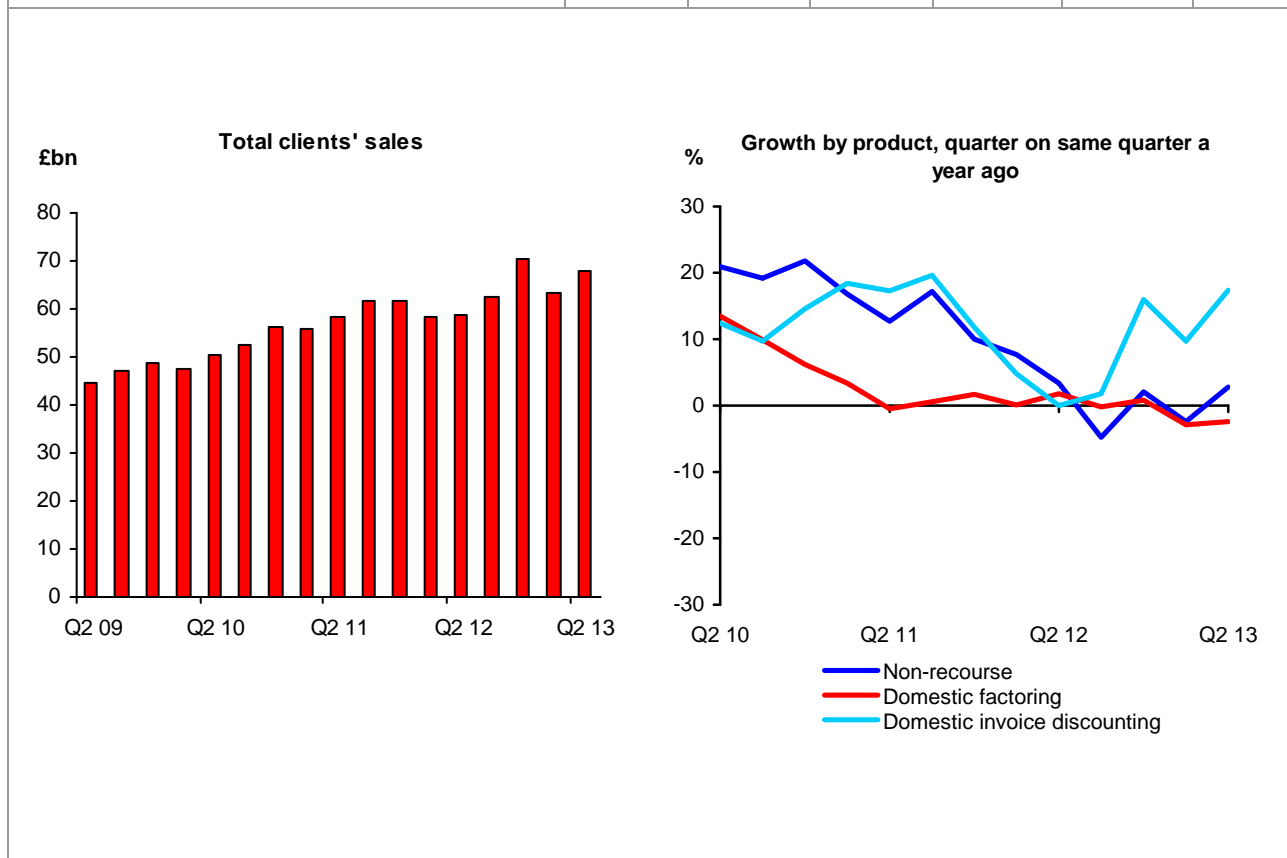
The members listed below contributed data for the period to June 2013:

<p>A ABN AMRO Commercial Finance AIB Commercial Services Ltd Aldermore Invoice Finance Ashley Commercial Finance</p>	<p>H, I, J 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 Burdale Financial Ltd</p>	<p>K, L, N Leumi ABL Ltd Lloyds TSB Commercial Finance</p>
<p>C, D Cavendish Investments (Manchester) Ltd Centric Commercial Finance Close Brothers Invoice Finance Ltd Clydesdale Bank plc Danske Bank Danske Bank A/S</p>	<p>P, Q, R PNC Business Credit 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 First Trust Bank</p>	<p>S Santander Invoice Finance Skipton Business Finance Ltd SME Invoice Finance Ltd State Securities plc</p>
<p>G GE Capital Bank Ltd</p>	<p>U, V Ulster Bank Invoice Finance (NI) Ulster Bank Invoice Finance Ultimate Finance Group plc</p>

2.1 CLIENTS' SALES AND BALANCES AT THE PERIOD END

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

CLIENTS' SALES (£M) (All products)	Quarter ended ...			Year-to-date ...		
	Jun 13	Jun 12	% Change	Jun 13	Jun 12	% Change
Domestic factoring	4,433	4,541	-2%	8,663	8,898	-3%
Domestic invoice discounting	58,735	50,033	17%	113,465	99,925	14%
Export factoring	479	370	29%	1,017	797	28%
Export invoice discounting	4,085	3,409	20%	7,707	6,814	13%
Import factoring	178	235	-24%	372	446	-17%
Total clients' sales	67,910	58,588	16%	131,224	116,880	12%
Non recourse included in total above	6,976	6,785	3%	13,449	13,418	0%
Credit protection payments to clients	6.0	5.1	18%	10.4	12.3	-15%



ABFA STATISTICS

Asset Based Finance Association

JUNE 2013

BALANCES AT PERIOD END (£M) (All products)	Balances as at the end of ...		
	Jun 13	Jun 12	% Change
Pure invoice finance – advances against debt	14,240	12,947	10%
ABL facilities:			
Advances against debt	1,885	1,778	6%
Advances against stock	529	506	5%
Advances against plant and machinery	344	239	44%
Advances against property	176	190	-7%
Advances against other assets	264	161	64%
<i>Total excluding other commitments</i>	17,438	15,821	10%
Other commitments	12	36	-67%
Total advances	17,450	15,857	10%
Total funding available¹	26,753	23,424	14%
Total facilities agreed¹	35,020	31,945	10%
Debtor outstandings	34,006	31,359	8%
Stock	2,588	2,108	23%
Property	317	345	-8%
Plant and machinery	615	697	-12%
Other trading assets	150	48	213%
Total security values	37,676	34,557	9%

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Jun 13	Jun 12	% Change
Domestic factoring	18,196	18,445	-1%
Domestic invoice discounting	18,790	18,497	2%
Export and mixed export + domestic	5,083	4,843	5%
Import factoring	586	584	0%
Stock & ABL finance	593	497	19%
Total number of clients	43,248	42,866	1%
Clients lost in quarter	2,233	1,699	31%
Clients gained in quarter	2,424	2,528	-4%

Note 1: Based on responses from members that accounted for 99.8% of total advances reported in Q2 2013.

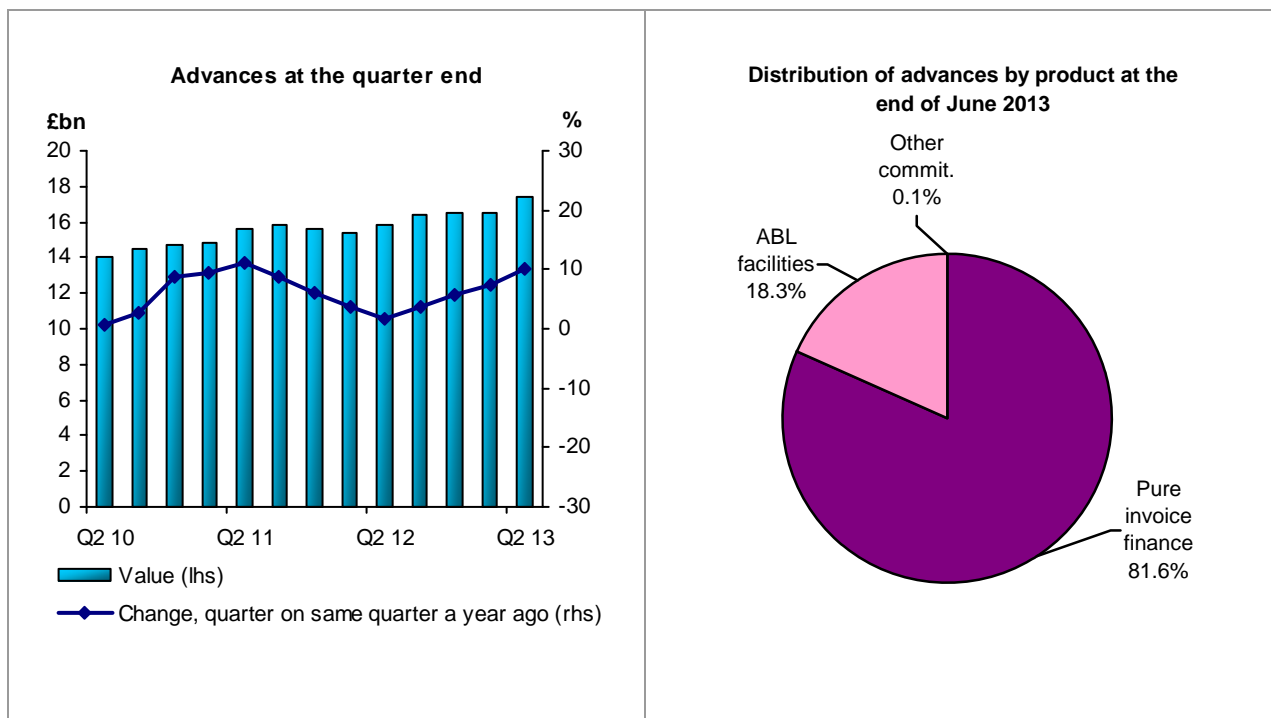
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2.2. ANALYSIS OF SOLE LENDER AND SYNDICATE DEALS

	For the quarter ended June 2013 ...			
	Sole lender deals	Syndicate deals		Total
		Lead	Non-Lead	
Clients' sales volumes (£m)	58,181	9,729	N/A	67,910
Advances at the period end (£m)	15,454	878	1,118	17,450
Number of clients at period end	43,175	73	N/A	43,248

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

Client annual turnover bands £m	Number of clients at the quarter end	Advanced (quarter end balance £m)
0.0 – 0.5	14,936	646
0.5 – 1.0	6,720	591
1.0 – 5.0	14,140	2,950
5.0 – 10.0	3,644	1,965
10.0 – 50.0	3,161	4,745
50.0 – 100.0	356	1,800
Over 100.0	291	4,753
Total	43,248	17,450



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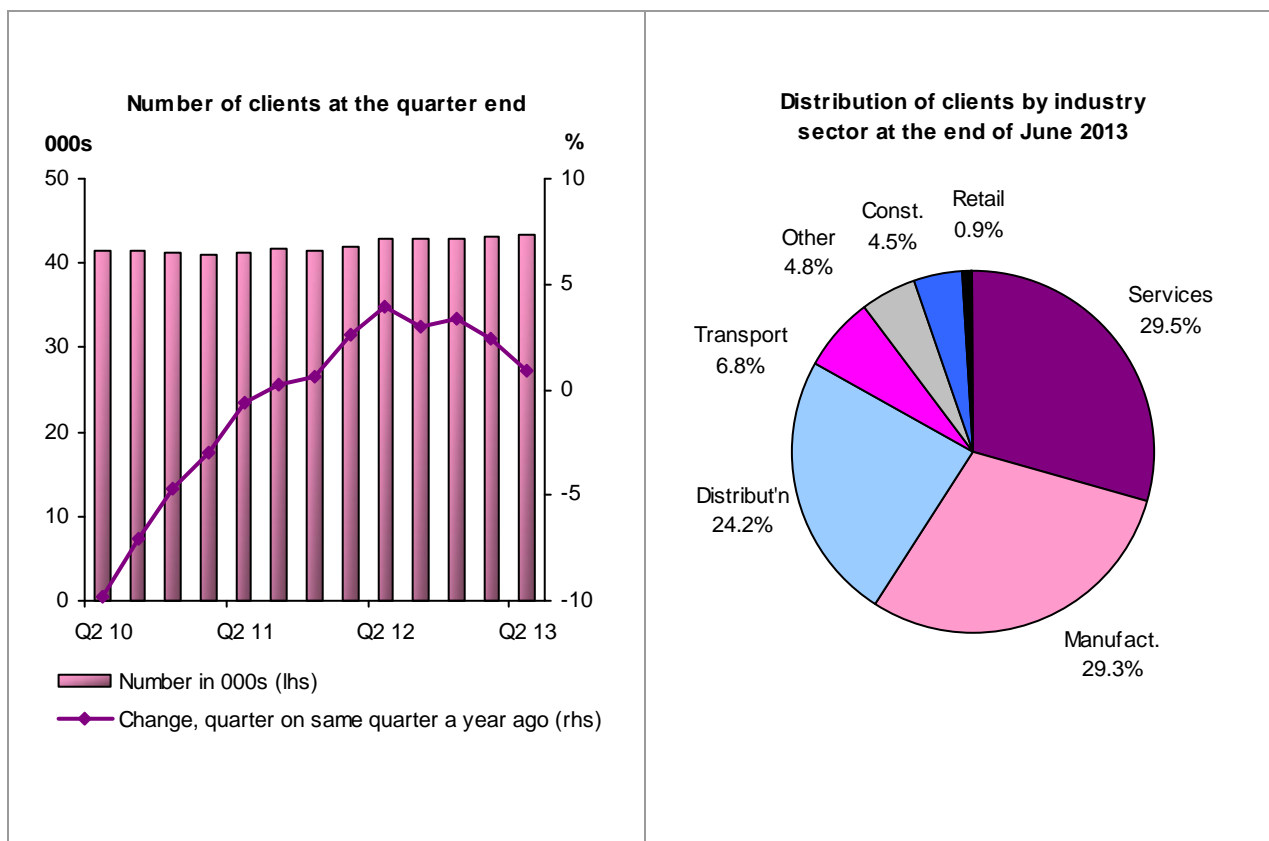
2.4. ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR

Industry sector	Number of clients at the quarter end
Manufacturing	12,676
Distribution	10,482
Services	12,757
Transport	2,929
Retail	377
Construction	1,941
Other	2,086
Total	43,248

2.5. AVERAGE NUMBER OF DEBTOR DAYS OUTSTANDING

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

Factoring clients	55.9
Discounting clients	56.4



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.

CLIENTS' SALES VOLUMES (€M) (All products)	Quarter ended ...			Year-to-date ...		
	Jun 13	Jun 12	% Change	Jun 13	Jun 12	% Change
Total clients' sales	5,445	4,802	13%	10,330	9,393	10%

BALANCES AT PERIOD END (€M) (All products)	Balances as at the end of ...		
	Jun 13	Jun 12	% Change
Total advances	1,307	1,273	3%
Total security values	2,883	2,945	-2%
Total funding available	1,912	1,799	6%
Total funding agreed	2,659	2,773	-4%

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Jun 13	Jun 12	% Change
Total number of clients	1,951	1,990	-2%
Clients lost in quarter	62	31	100%
Clients gained in quarter	45	51	-12%

ANALYSIS OF ADVANCES AND CLIENT NUMBERS BY SIZE OF CLIENT TURNOVER

Client annual turnover bands (€m)	Number of clients at period end	Advanced (quarter end balance €m)
0.0 – 0.5	337	51
0.5 – 1.0	287	88
1.0 – 5.0	937	344
5.0 – 10.0	220	192
10.0 – 50.0	138	226
50.0 – 100.0	20	151
Over 100.0	12	255
Total	1,951	1,307

ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR

Industry sector	Number of clients at the quarter end
Manufacturing	348
Distribution	792
Services	501
Transport	84
Retail	47
Construction	30
Other	149
Total	1,951

Notes to the Republic of Ireland statistics

1. The group comprises of:

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

The value outstanding to private non-financial corporations (PNFCs) at the end of June 2013 stood at £391.8 billion, the lowest level for almost seven years. **Net lending** continued to contract, falling by 3.5% in the twelve months to June 2013 compared with the same period in 2012. This marked the biggest fall in net lending since June 2012.

Outstandings by sector in Q2 2013 showed falls in construction and manufacturing sector outstandings of 4.9% and 4.2% respectively compared with the previous quarter. Business services outstandings also contracted by 1.6% over the same period.

Larger companies continued to access funding through bond issuance, raising net funds of £4.7 billion in Q2 2013. This was offset by a fall in funds raised through equity issuance and loans, resulting in an overall decrease of £4.9 billion in net funds raised by businesses from UK monetary financial institutions.

Net lending to small and medium sized companies (SMEs) increased by £136 million in June 2013, but SME net lending in the second quarter as a whole remained negative. The most recent Bank of England's Credit Conditions Survey suggested that demand for credit by small companies in Q2 2013 increased for the first time in almost a year. Demand from medium and large firms was at its highest level since 2007, driven in part by mergers and acquisitions and balance sheet restructuring. Demand from SMEs is expected to increase over the next three months, but at a slower rate compared with the previous quarter.

Asset finance provided through **leasing and hire purchase** by FLA members increased by 6% in Q2 2013 compared with the same quarter in the previous year to almost £5.8 billion.

Growth was reported across most asset sectors in the second quarter including IT equipment finance (+32%), business equipment finance (+26%) and commercial vehicle finance (+10%). While finance for new cars also increased by 4%, used car finance fell by 36% in Q2 2013 compared with the same period in 2012.

Data sources: Bank of England, Finance & Leasing Association.

