

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

CONTENTS

	Page
1. List of contributors	1
2.1. Clients' sales	2
2.2. Balances at the period end	3
2.3. Analysis of sole lender and syndicate deals	4
2.4. Analysis of advances and client numbers by size of client turnover	4
2.5. Analysis of client numbers by industry sector	5
2.6. Average number of debtor days outstanding	5
3. Aggregate results of the members in the Republic of Ireland	6-7
4. Trends in business lending	8

1. CONTRIBUTORS

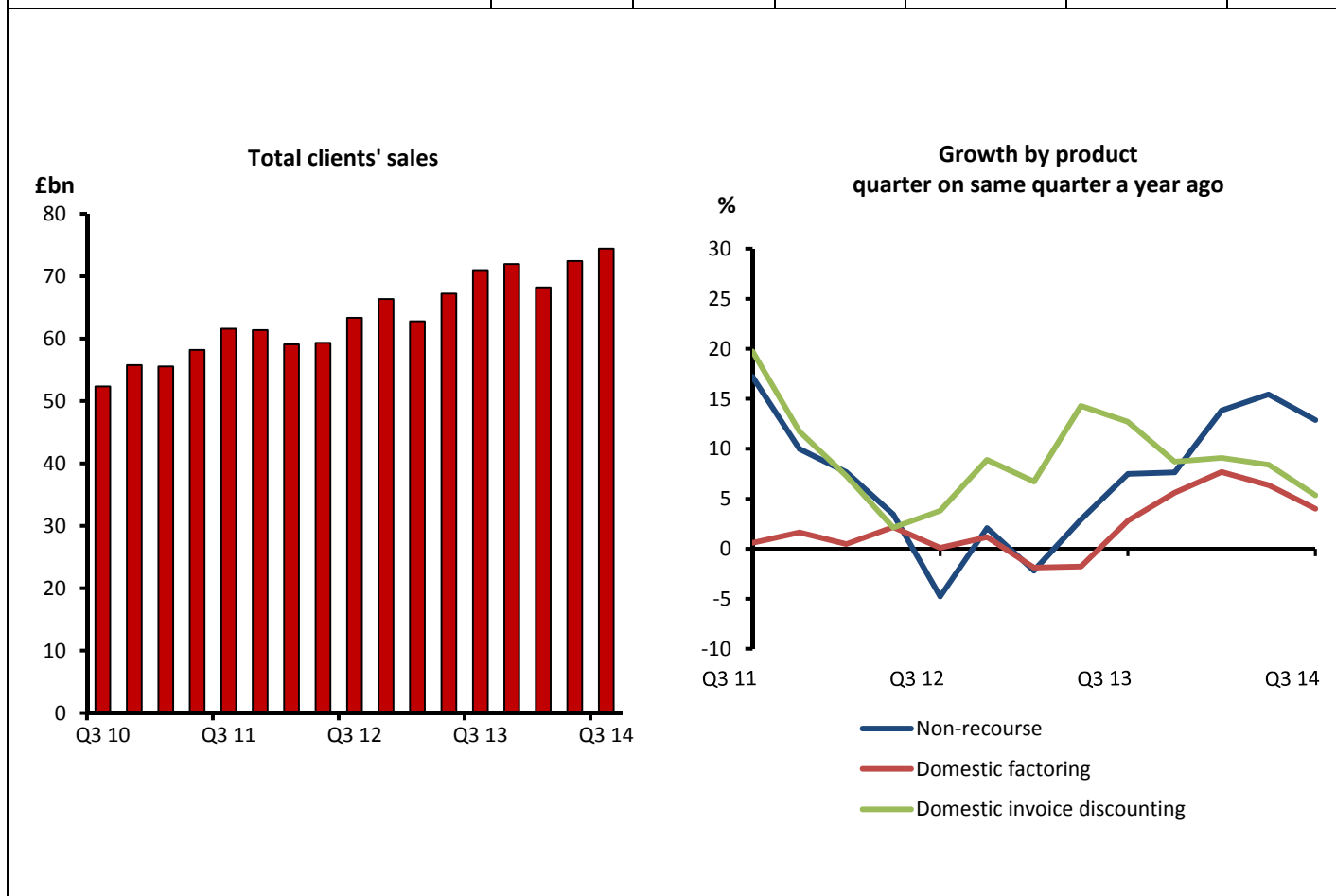
The members listed below contributed data for the period to September 2014:

<p>A ABN AMRO Commercial Finance AIB Commercial Finance 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, M, N 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 First Trust Bank Five Arrows Business Finance plc</p>	<p>S Santander Invoice Finance Shawbrook Business Credit Siemens Financial Services Limited Skipton Business Finance Ltd</p>
<p>G GE Capital Bank Limited</p>	<p>U, V Ulster Bank Invoice Finance (NI) Ulster Bank Invoice Finance Ultimate Finance Group plc</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 ...		
	Sep 14	Sep 13	% Change	Sep 14	Sep 13	% Change
Domestic factoring	5,011	4,818	4%	14,391	13,583	6%
Domestic invoice discounting	64,809	61,509	5%	186,967	173,839	8%
Export factoring	511	410	25%	1,510	1,398	8%
Export invoice discounting	3,897	4,027	-3%	11,605	11,584	0%
Import factoring	211	237	-11%	640	609	5%
Total clients' sales	74,439	71,001	5%	215,113	201,013	7%
Non-recourse included in total above	8,329	7,378	13%	23,777	20,849	14%
Credit protection payments to clients	4.0	4.9	-18%	17.3	15.4	12%



ABFA STATISTICS

Asset Based Finance Association

SEPTEMBER 2014

2.2. BALANCES AT THE PERIOD END

BALANCES AT PERIOD END (£M) (All products)	Balances as at the end of ...		
	Sep 14	Sep 13	% Change
Pure invoice finance – advances against debt	15,535	13,834	12%
ABL facilities:			
Advances against debt	2,554	2,331	10%
Advances against stock	563	483	17%
Advances against plant and machinery	337	259	30%
Advances against property	142	144	-1%
Advances against other assets	106	118	-10%
<i>Total excluding other commitments</i>	19,237	17,169	12%
Other commitments	27	10	170%
Total advances	19,264	17,179	12%
Total funding available	27,984	25,448	10%
Total facilities agreed	39,038	35,074	11%
Debtor outstandings	35,933	34,084	5%
Stock	2,501	2,312	8%
Property	282	269	5%
Plant and machinery	869	564	54%
Other trading assets	156	172	-9%
Total security values	39,741	37,401	6%

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Sep 14	Sep 13	% Change
Domestic factoring	17,421	18,235	-4%
Domestic invoice discounting	19,449	18,917	3%
Export and mixed export + domestic	5,424	5,029	8%
Import factoring	628	556	13%
Stock & ABL finance	786	602	31%
Total number of clients	43,708	43,339	1%
Clients lost in quarter	1,961	2,248	-13%
Clients gained in quarter	2,207	2,200	0%

ABFA STATISTICS

Asset Based Finance Association

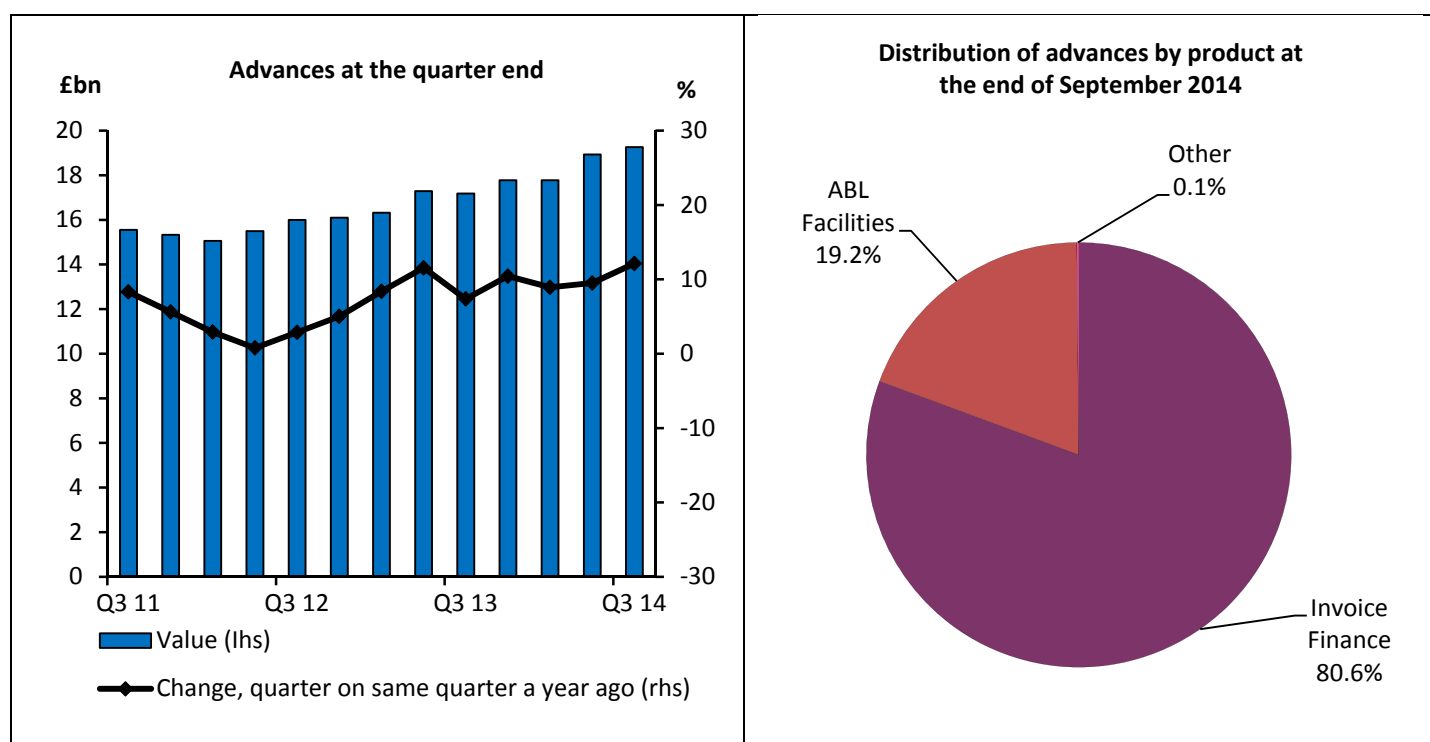
SEPTEMBER 2014

2.3. ANALYSIS OF SOLE LENDER AND SYNDICATE DEALS

	For the quarter ended September 2014			
	Sole lender deals	Syndicate deals		Total
		Lead	Non-Lead	
Clients' sales volumes (£m)	63,492	10,947	N/A	74,439
Advances at the period end (£m)	16,848	1,072	1,344	19,264
Number of clients at period end	43,633	75	N/A	43,708

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	14,553	687
0.5 – 1.0	6,521	580
1.0 – 5.0	14,579	3,042
5.0 – 10.0	3,884	2,098
10.0 – 50.0	3,455	5,173
50.0 – 100.0	397	1,879
Over 100.0	319	5,805
Total	43,708	19,264



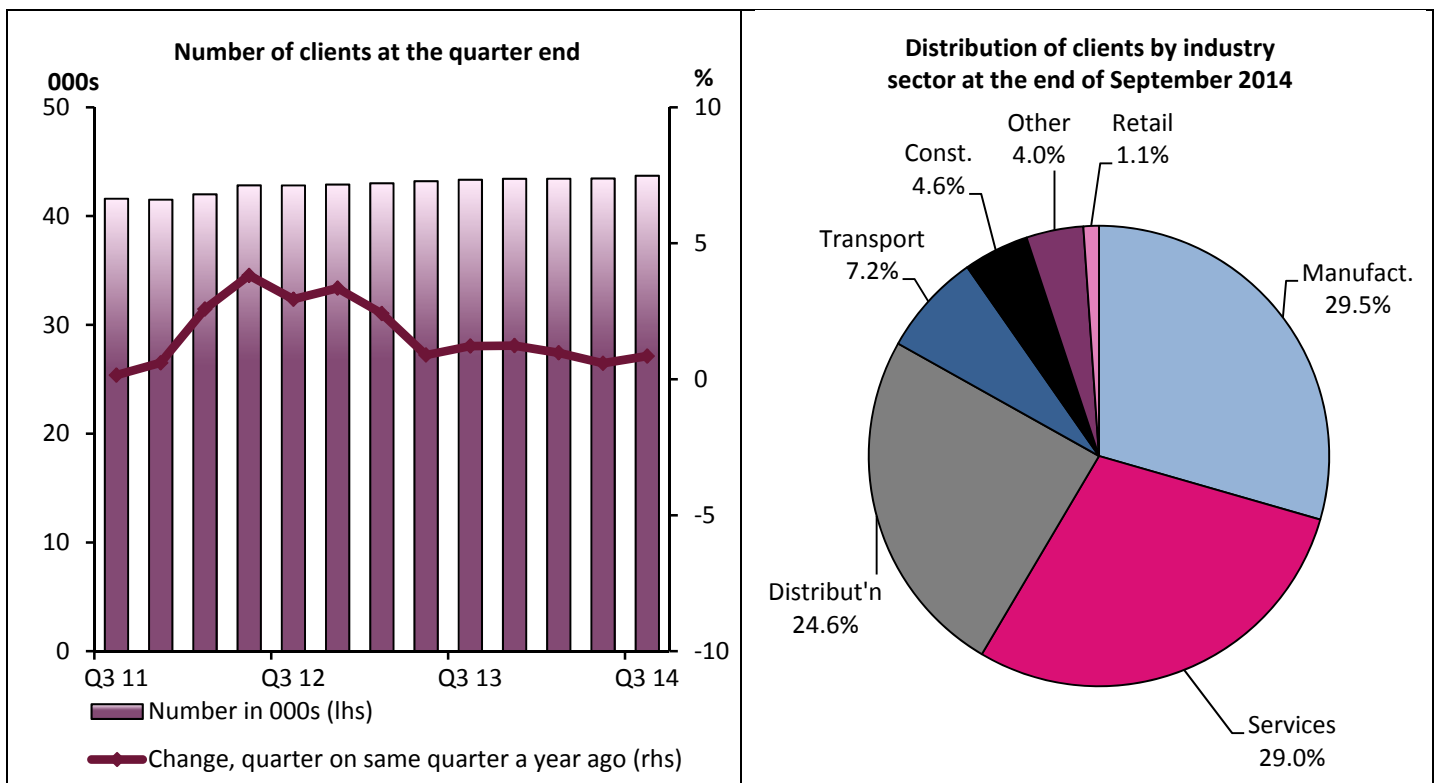
2.5. ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR

Industry sector	Number of clients at the quarter end
Manufacturing	12,873
Distribution	10,764
Services	12,695
Transport	3,138
Retail	474
Construction	2,009
Other	1,755
Total	43,708

2.6. AVERAGE NUMBER OF DEBTOR DAYS OUTSTANDING

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

Factoring clients	57.0
Discounting clients	54.0



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 ...		
	Sep 14	Sep 13	% Change	Sep 14	Sep 13	% Change
Total clients' sales	6,514	5,359	22%	18,445	15,689	18%

BALANCES AT PERIOD END (€M) (All products)	Balances as at the end of ...		
	Sep 14	Sep 13	% Change
Total advances	1,302	1,220	7%
Total securities values	2,918	2,833	3%
Total funding available	2,065	1,821	13%
Total funding agreed	3,105	2,546	22%

NUMBER OF CLIENTS AT PERIOD END (All products)	Number of clients as at the end of ...		
	Sep 14	Sep 13	% Change
Total number of clients	1,916	1,942	-1%
Clients lost in quarter	46	55	-16%
Clients gained in quarter	44	46	-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	349	152
0.5 – 1.0	218	43
1.0 – 5.0	909	323
5.0 – 10.0	209	163
10.0 – 50.0	189	231
50.0 – 100.0	25	164
Over 100.0	17	226
Total	1,916	1,302

ANALYSIS OF CLIENT NUMBERS BY INDUSTRY SECTOR

Industry sector	Number of clients at the quarter end
Manufacturing	344
Distribution	777
Services	480
Transport	78
Retail	51
Construction	25
Other	161
Total	1,916

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 UK economy continued to grow in Q3 2014, with **GDP** 0.7% higher than in Q2 2014. While the services sector remained the main driver of growth, the third quarter also saw growth in output from the construction sector, the production industries and the agricultural sector of 0.8%, 0.5% and 0.3% respectively.

The **total value outstanding** to private non-financial corporations (PNFCs) stood at £381.5 billion at the end of September 2014, down from £384.2 billion at the end of the previous quarter.

Total **gross lending** to PNFCs increased in the twelve months to September 2014 by 20.9% compared with the same period in the previous year. Gross lending to SMEs increased by 26.5% over this period, while lending to large-sized businesses grew by 18.9%.

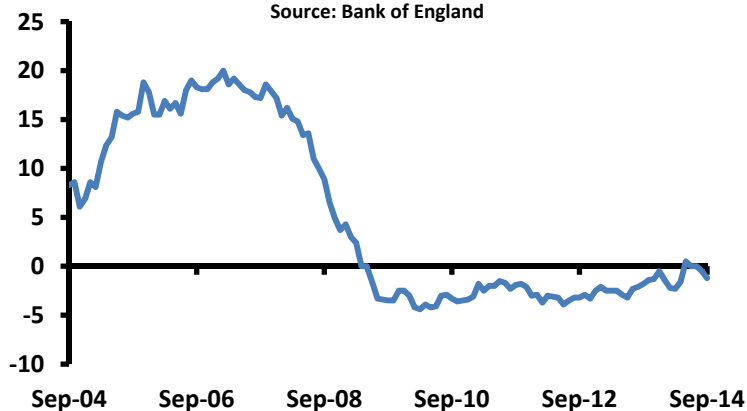
In Q3 2014, **total net funds** raised by PNFCs in the UK was positive for the first time since Q1 2013, at £13.5 billion. Bond issuance was strong in the third quarter, with net bond issuance of £7.5 billion. Net funds raised through commercial paper was positive for the first time in a year at £1.6 billion. Net equity issuance remained positive in Q3 2014 at £0.7 billion, but this was the smallest quarterly figure reported so far in 2014.

Asset finance provided through **leasing and hire purchase** by members of the Finance & Leasing Association (FLA) increased by 21% in Q3 2014 compared with the same quarter in 2013, to £6.6 billion.

Q3 2014 saw growth in all of the key asset finance sectors, including business new car finance and plant and machinery finance which increased by 34% and 20% respectively compared with Q3 2013.

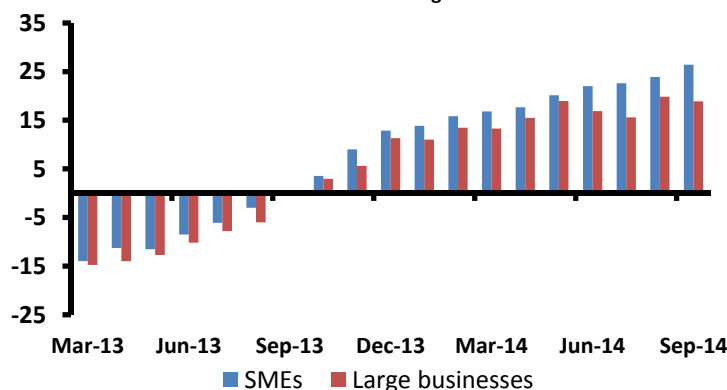
M4 net lending to PNFCs, seasonally adjusted, 12 months % change

Source: Bank of England



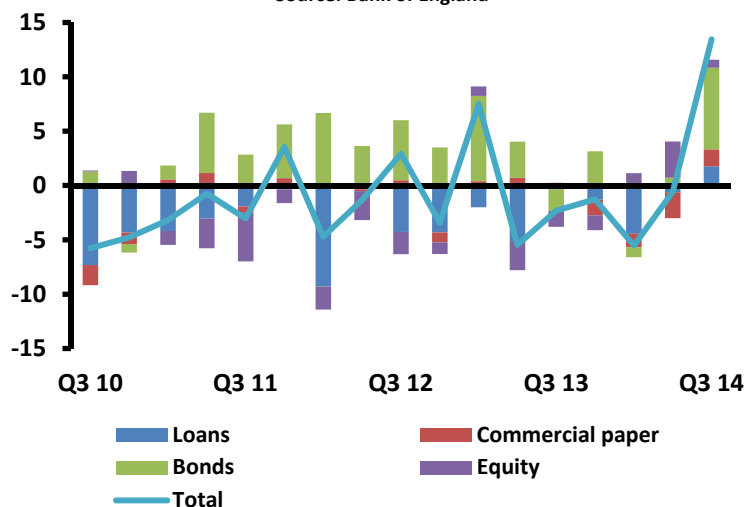
Gross lending to non-financial businesses by MFIs, not seasonally adjusted, 12 months % change

Source: Bank of England



Net funds raised by PNFCs

Source: Bank of England



Data sources: Bank of England, FLA