Vehicle leasing figures 2018

VNA

vereniging van nederlandse autoleasemaatschappijen

Contents

Compiled by: VNA

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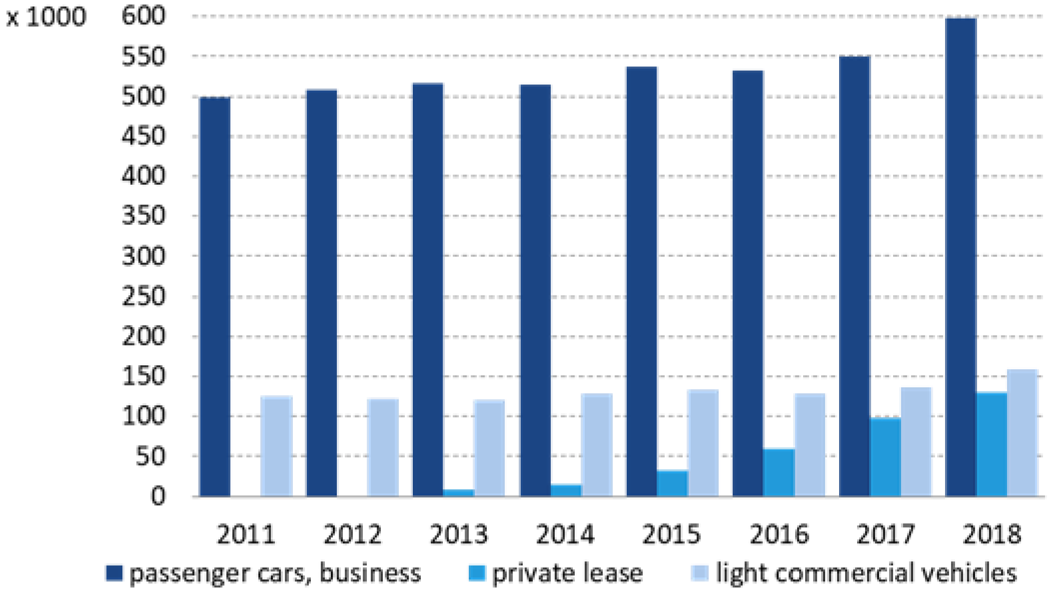
This report is an extended version of the infographics on www.vna-lease.nl/feiten-cijfers.This publication was made possible with the cooperation of BOVAG Research, the Central Agency for Mobility Information (RDC | CDMI), Periscoop Onderzoek & Advies and the VNA members.

1. Size of leased fleet and VNA's market share

Key outcomes

- By the end of 2018, the Dutch leased car fleet comprised an estimated one million cars.
- Of these, 886,300 (89%) are owned or managed by leasing companies who are members of the VNA.
- The fleet of the aggregate VNA members comprises over 100,000 more cars than last year.
- Growth in all three segments of *business passenger cars*, *private lease* and *light commercial vehicles* is substantial.

Figure 1: VNA members' fleet grow across the board



Source: RDC, VNA

Explanation

Based on data obtained from the Dutch Vehicle Approval Authority (RDW), RDC reports a total of 837,135 leased vehicles in the Netherlands, of which 630,290 are registered to a leasing company and 206,845 are registered in RTL.[1] *The RDC figures in this report are the sum total of those two categories.*

RDC does not recognise all leased vehicles as such. For this reason, the VNA has added to the RDC total the vehicles that are owned or managed by a leasing company, registered to the lessee, and not registered with a vehicle obligation in RTL. This is an estimated total of 163,000 cars. The VNA therefore estimates that as at year-end 2018, the leased fleet in the Netherlands totalled 837,135 + approx. 163,000 = approx. 1,000,000 passenger cars and light commercial vehicles, with a one-percent margin of uncertainty.

[1] The RDW supplementary register *Registration of Leasing Companies* (RTL) contains vehicles that are owned by the leasing company, but registered to the lessee or driver.

2. New lease registrations

Key outcomes

- More than half (53 percent) of the new passenger cars and light commercial vehicles purchased in the Netherlands in 2018 (279,300 out of 523,000) were leased vehicles.
- Of the newly leased cars, 82% (228,600 out of 279,300) were used as leased cars by a leasing company affiliated with the VNA.

Source: RDC, VNA

Explanation

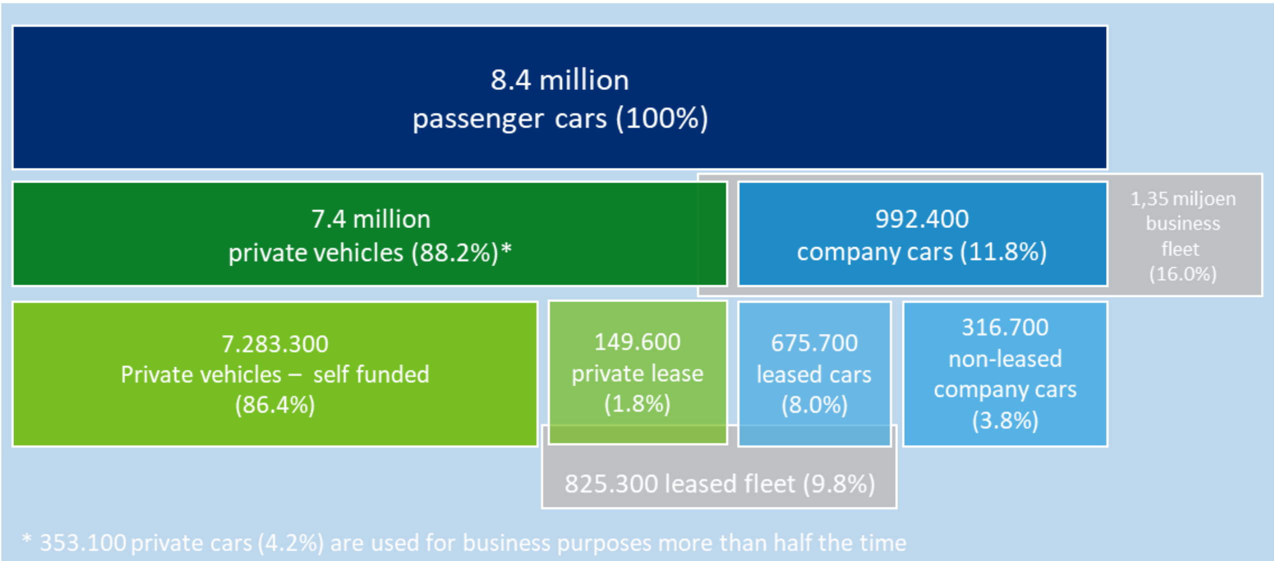
According to the RDC, 522,983 new vehicles were registered in the Netherlands in 2018, of which 235,459 were registered to leasing companies or in RTL. For the same reason as given above for the total leased fleet, the VNA has added to the RDC total the estimated number of new vehicles that are owned or managed by a leasing company, registered to the lessee, and not registered with a vehicle obligation in RTL. This is a total 43,800 vehicles. The VNA estimates that the number of newly leased vehicles in 2018 came to 279,300 passenger cars and light commercial vehicles.

3. Developments for passenger cars in business segment

Key outcomes

- 8.43 million passenger cars are registered in the Netherlands.
- Of those, 675,700 (8.0 percent) are leased by a legal entity.
- 149,600 cars (187 percent) are leased by a private consumer *(private lease)*.
- Together, the business and private leased cars comprise 9.8 percent of the passenger car fleet on the road.
- 316,700 vehicles (3.8 percent) are non-leased company cars: *small business* or *fleet owner.*
- The business leased cars and cars registered to companies (675,700 + 316,700 = 992,400) together form the Dutch *'company vehicle fleet'*: 11.8 percent of all passenger cars.
- Leased cars make up 68.1 percent of all company cars.
- 7.4 million cars (149,600 of which are *private lease*) are private cars, 88.2 percent of the total.
- Of those private cars, around 353,100 (4.8 percent of private cars, 4.2 percent of the total) are used for business purposes for more than half of the kilometres driven: 348,700 'real' private cars and 4,400 *private leased car*s.
- *The 'business vehicle' fleet* consists of 1.35 million passenger cars: cars registered to companies, business leased cars and private cars that are used for business purposes for more than half of the kilometres driven. That is 16.0 percent of the overall passenger car fleet.

Figure 2: Breakdown of car fleet in the Netherlands 2018



Source: RDC, VNA

Explanation

The overall vehicle fleet is the active fleet, i.e. excluding vehicles held in stock by car companies. The number of leased vehicles is an estimate (see section 1). As the total fleet is a given, the numbers of cars for fleet owners and consumers as reported by the RDC have been adjusted to the estimate for lease. The number of private cars where more than half the kilometres driven are for business purposes is an extrapolation based on a measurement in 2010.

4. Leased passenger cars and leased light commercial vehicles

Key outcomes

- Leased vehicles constitute 10.7 percent all of passenger cars and light commercial vehicles in the Netherlands.
- Of all passenger cars, 9.8 percent are leased: almost one in ten cars.
- Of all light commercial vehicles, 17.6 percent are leased: more than one in six cars.
- The market share of the joint VNA members in the leasing market is approximately 88 percent for business leased passenger cars, approximately 86 percent for private lease and approximately 91 percent for light commercial vehicles.

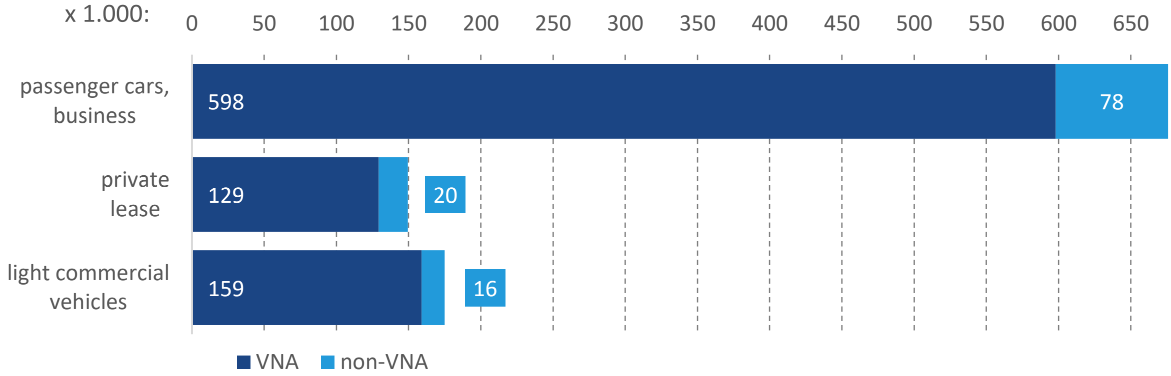
Table 1: Dutch leased fleet 2017-2018

	entire lease sector				VNA			
	total leased fleet	passenger cars business	private lease	light commercial vehicles	total leased fleet	passenger cars business	private lease	light commercial vehicles
2018	1,000,200	675,700	149,600	174,900	886,300	598,000	129,200	159,100
2017	859,400	597,500	103,200	158,700	782,200	549,100	97,000	136,100
growth/shrinkage	+140,800	+78,200	+46,400	+16,200	+104,10 0	+48,900	+32,200	+23,000
growth/shrinkage	+12.9%	+13.0%	+15.7%	+10.0%	+9.9%	+8.8%	+6.4%	+16.7%
fleet share The Netherlands	10.7%	8.0%	1.8%	18.4%	9.5%	7.1%	1.5%	16.8%

* Growth figures are based on the underlying non-rounded values.

Source: RDC, VNA

Figure 3: Number of leased vehicles in the Netherlands



Source: VNA, RDC

Explanation

For an explanation of how the number of leased vehicles has been calculated, see section 1. The figures for 2017 do not reconcile exactly to those reported last year, due to a number of retrospective adjustments.

5. Top 10 largest vehicle leasing companies within the VNA

- ALD Automotive
- Alphabet Netherlands
- Arval
- Athlon Netherlands
- BMW Group Financial Services
- Hiltermann Lease Group
- International Car Lease Holding
- LeasePlan Netherlands
- Terberg Leasing
- Volkswagen Pon Financial Services

Source: VNA

Explanation

The size has been measured in terms of the number of vehicles in lease and fleet management as at 31 December 2018. The companies are listed in alphabetical order, not by size. The list is made up solely of leasing companies that are VNA members.

6. Period of lease contracts

Key outcomes

- The average periods in the business passenger car segment in 2018 are the same as in 2017. The average theoretical period of all current business lease contracts for passenger cars is almost exactly four years: 47.0 months. The average theoretical period of newly concluded contracts is considerably shorter: 40.4 months. The average actual period of terminated contracts (including prematurely terminated contracts) is 39.0 months.
- The average period of new contracts is longer for private lease than for business lease: 45.8 months. This is nearly ten percent higher than in 2017. The average actual period of terminated contracts is 34.1 months. The lower score compared to business leasing can be attributed to the relatively short time that private lease exists in the market: there are not yet many terminated contracts with a long period.
- The average period for light commercial vehicles is longer than for passenger cars: 55.5 months for the entire portfolio, 49.2 months for new contracts concluded in 2018 and 47.7 months for terminated contracts. This means that the average periods are somewhat shorter than in 2017.

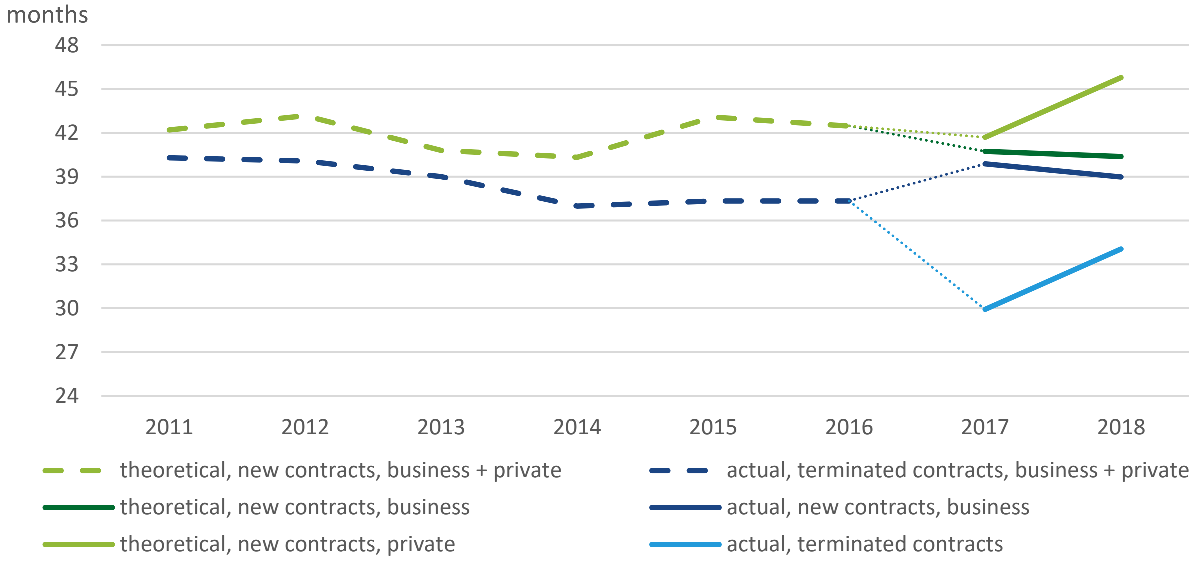
Table 2: Period of contracts

	passenger cars, business		private lease		light commercial vehicles	
	2017	2018	2017	2018	2017	2018
theoretical, all contracts	47.3	47.0	44.2	45.6	56.4	55.5
theoretical, new contracts	40.7	40.4	41.7	45.8	51.4	49.2
actual, terminated contracts	39.9	39.0	29.9	34.1	49.2	47.7

* Growth figures for light commercial vehicles are based on the underlying *non-rounded* values.

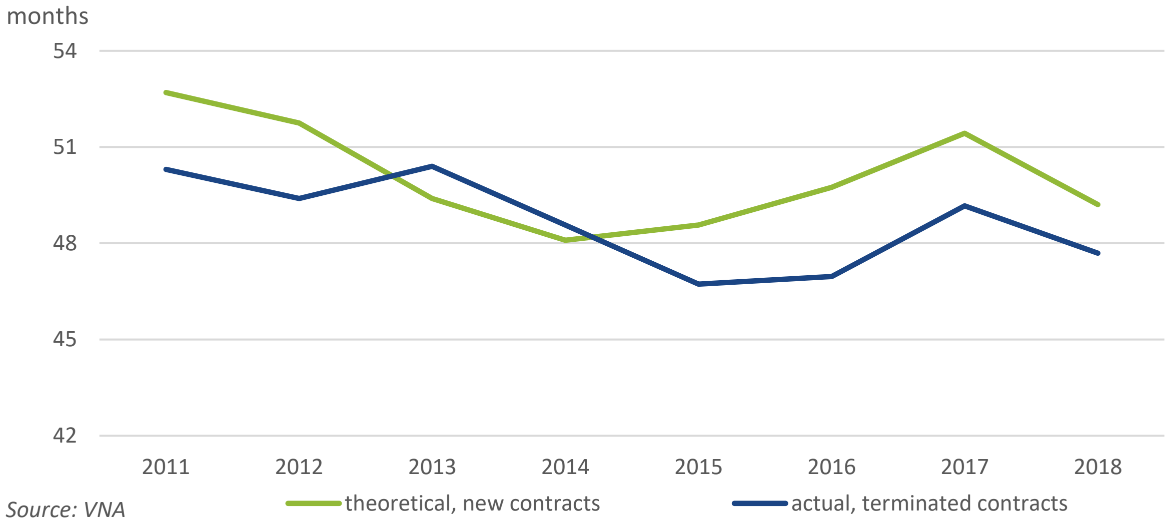
Source: VNA

Figure 4: Average period of passenger car lease contracts



Source: VNA

Figure 5: Average period light commercial vehicle lease contracts



Source: VNA

Explanation

The average periods have been calculated on the basis of contracts of leasing companies that were VNA members in 2017 and 2018. The values for 2017 deviate slightly from the outcomes for 2017 in the report Vehicle Leasing in Figures 2017. Those were based on the leasing companies that were VNA members in both 2016 and 2017. In the figures, the period from the original research year is used.

7. Annual mileage for lease contracts

Key outcomes

- For newly concluded lease contracts the pre-estimated average annual use for passenger cars in the business segment is 31,900 kilometres. For private leased cars this figure is 14,900 kilometres, and for light commercial vehicles 32,600 kilometres.
- The actual annual use of passengers cars of terminated car lessees is higher than the average theoretical use of new lessees: 32,600 for business leased cars and 16,200 for private lease.
- In both segments of passenger cars, the mileage (theoretical for new contracts) and the actual mileage for terminated contracts are lower than in 2017.
- The average theoretical mileage for light commercial vehicles is practically the same as for passenger cars in the business segment: 32,600 kilometres. The actual number of kilometres driven for terminated contracts is lower: 32,900 kilometres. These values are higher than in 2017.

Table 3: Annual mileage

	passenger cars, business		private lease		light commercial vehicles	
	2017	2018	2017	2018	2017	2018
theoretical, new contracts	32,500	31,900	15,600	14,900	32,100	32,600
difference 2017/18 (km / %)	-600	-1.8%	-700	-4.5%	+500	+1.6%
actual, terminated contracts	36,600	32,600	18,600	16,200	30,400	32,900
difference 2017/18 (km/%)	-4,000	-10.9%	-2,400	-12.9%	+2,500	+8.2%

* Growth figures for light commercial vehicles are based on the underlying *non-rounded* values.

Source: VNA

Explanation

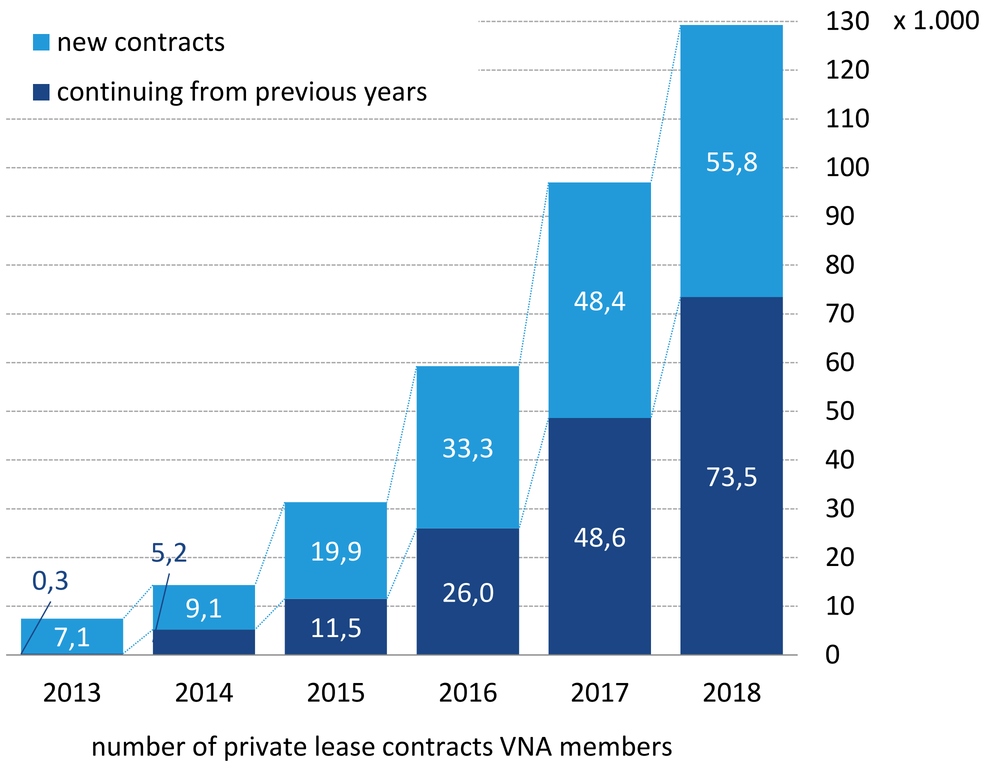
The average mileages have been calculated on the basis of contracts of leasing companies who were VNA members in 2017 and 2018. The values for 2017 deviate from the outcomes in the Vehicle Leasing Figures 2017 report. Those were based on the leasing companies that were VNA members in both 2016 and 2017.

8. Private lease

Key outcomes

- The number of private leased cars at VNA leasing companies continues to grow. In 2018 the number of private lease contracts at VNA members grew from 97,000 to 129,200: +33.3 percent.
- In December 2018 private lease made up eighteen percent of the total number of passenger cars leased by VNA leasing companies. In 2017 this was fifteen percent
- 82 percent of VNA members have private lease customers.
- As at 31 December, 43 percent of the private lease contracts (55,800 out of 129,200) were newly signed in 2018.
- The VNA estimates that the total number of private leased cars in the Netherlands came to 150,000 as at 31 December 2018. This means that the total market grew by almost 46 percent in 2018.
- The VNA members' combined share of the private lease market amounts to 86 percent.

Figure 6: Private lease contracts



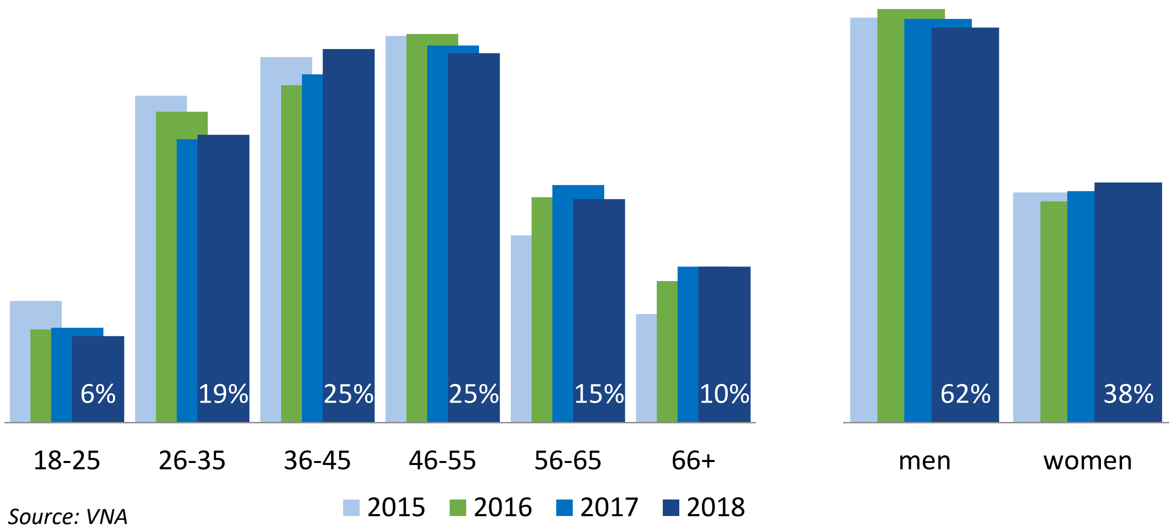
Source: VNA

Lease drivers, leased vehicles and lease contracts as at 31 December 2018

Private lease drivers, both men and women, are of all ages. Almost forty percent of private lease drivers are women (Figure 7). Half of the private lease vehicle drivers are aged between 36 and 55, but there are also substantial numbers of young people and older people. The estimated average age of private lease drivers is 45.6 years.

Please note: The data on age and gender of private lease customers is based on the data for the lessees. The lessee is often the same person as the driver, but not always: practice has shown that a private leased car is sometimes used as a second car by another family member or that parents give their children a private leased car as a present.

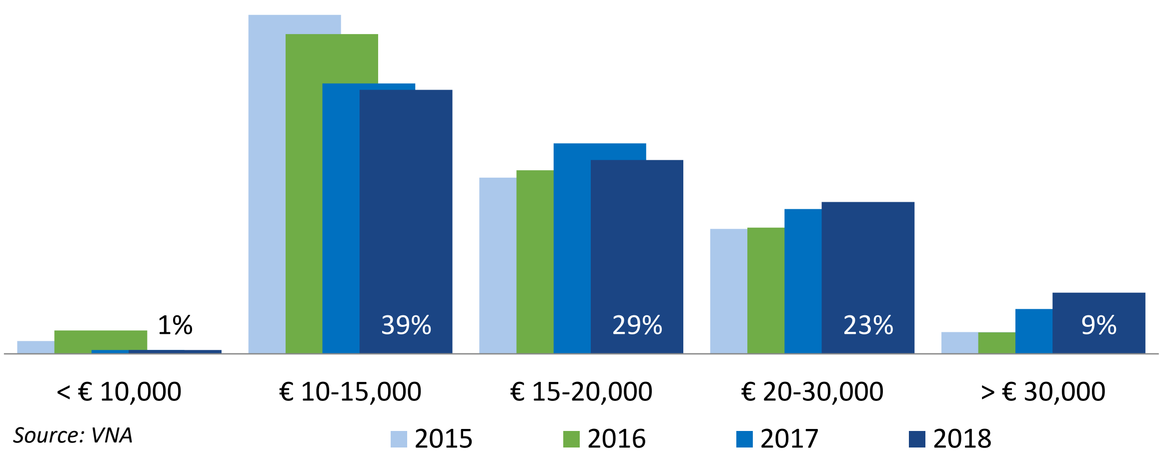
Figure 7: Age and gender of private lease drivers



Source: VNA

Private leased cars come in all price categories. Almost forty percent have a purchase value of less than 15,000 euros (Figure 8). In 2018 there was a slight shift towards more expensive segments. The average list price for all private leased cars is 14,600 euros.

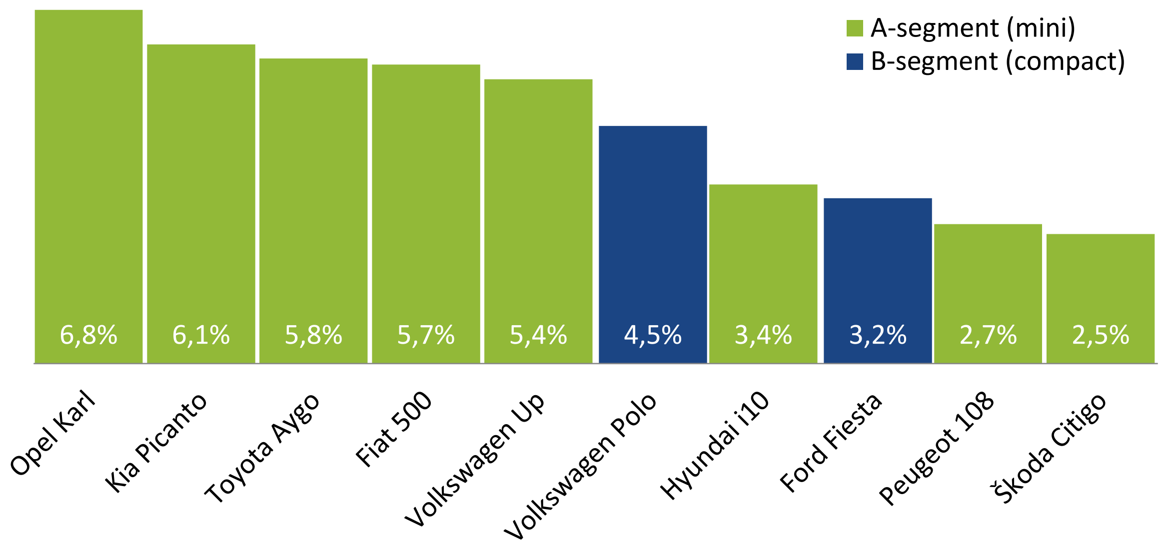
Figure 8: Purchase value (consumer price) of private leased cars



Source: VNA

Just as private leased cars come in all price categories, they also come in many makes and models. The ten most popular models (see Figure 9) together account for around 46 percent of the total private leased fleet. Of the top ten, eight are in the A-segment, and two in the B-segment. Leader *Opel Karl* was only in 5th place last year. Newcomers in the top 10 are the *Kia Picanto* (at 2!) and the *Škoda Citigo*. The *Volkswagen Golf* and the *Seat Ibiza* dropped out of the top 10.

Figure 9: Most popular private leased cars in 2018

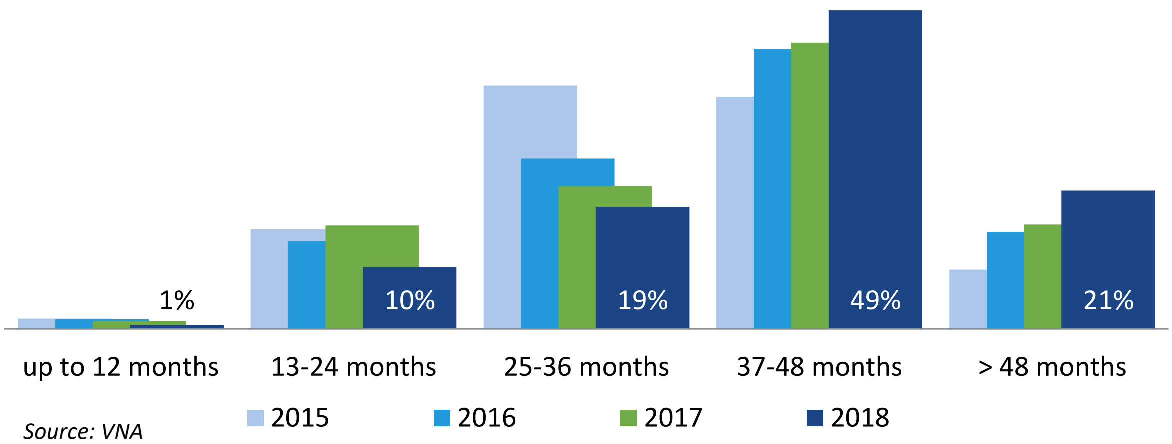


Source: VNA

Virtually all private leased cars (97 percent) are petrol cars. 2.7% are hybrids. The share of other types (in descending number: diesel, electric, CNG, LPG) is marginal.

Half of the private lease contracts are concluded for periods of between three and four years (which in practice often means four years, 48 months), see Figure 10. The share of contracts with a longer period is increasing.

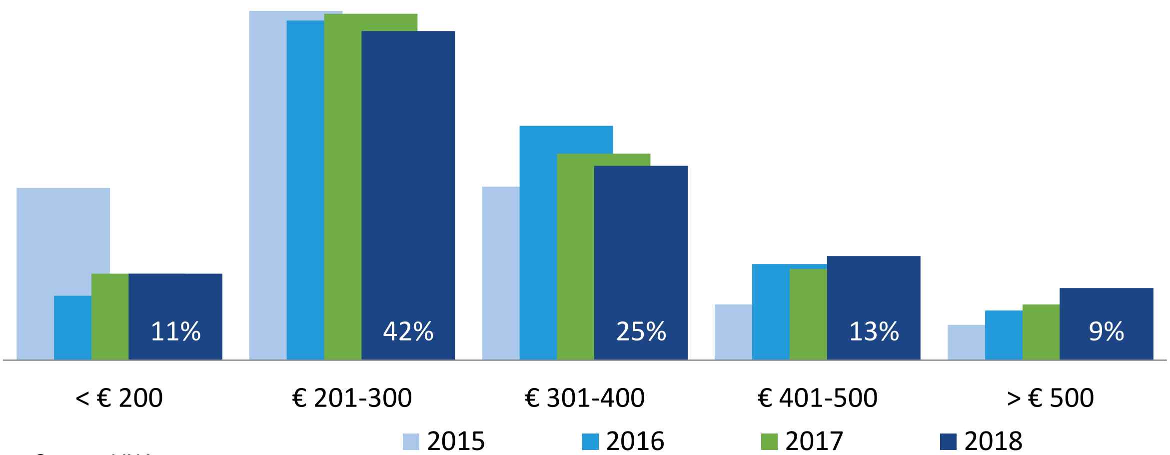
Figure 10: Period of private lease contracts



Source: VNA

The monthly lease instalment depends on the vehicle type, the contract period and the kilometres to be driven. For more than half of the private lease contracts, the monthly instalment is less than 300 euros. The price class between 200 and 300 euros is most common. The share of contracts with a higher monthly instalment is increasing slightly, indicating a slight increase in the number of private leased cars in a more expensive price class. On the other hand, longer contract periods have a decreasing effect on the monthly instalments.

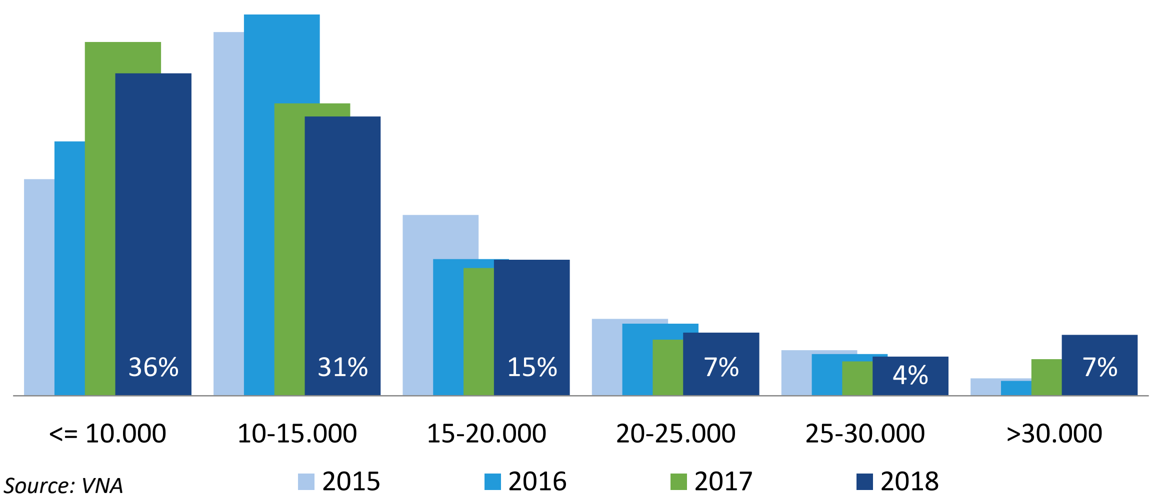
Figure 11: Monthly lease instalments (including VAT) for private lease contracts



Source: VNA

Most private lease contracts are based on a limited number of kilometres per year. Two thirds of the contracts are based on 15,000 kilometres per year or less (Figure 12). The share of contracts based on more than 30,000 kilometres increased in 2018.

Figure 12: Annual mileage for private lease contracts



Source: VNA

Explanation

The figures are based on the private lease contracts of all leasing companies affiliated with the VNA. Together these companies have a market share of around 86 percent in the private lease market. The figures are representative of the entire market.

9. Average age of leased fleet

Key outcomes

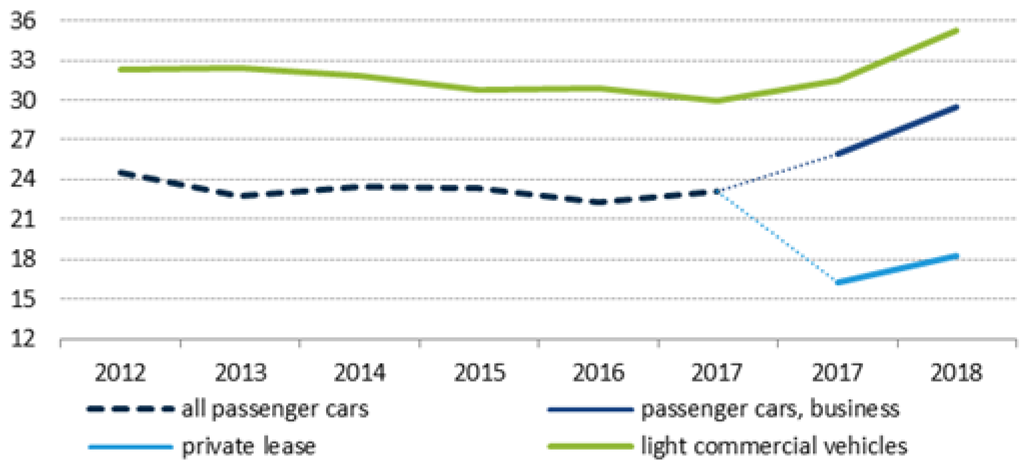
- The average age of the passenger cars in the fleet of the leasing companies affiliated with the VNA that are leased out under business lease contracts is almost exactly two and a half years (29.5 months). This is 3.6 months older than last year (+13.8 percent).
- The average age of private leased cars is 18.3 months. The difference between business lease and private lease is mainly due to the fact that most private lease customers are relatively new.
- The average age of the light commercial vehicles in the fleet of VNA members is almost three years: 35.3 months. That is 3.5 months older than in 2017 (+11 percent).

Table 4: Age of leased fleet

months	passenger cars, business	private lease	light commercial vehicles
average age of fleet	29.5	18.3	35.3
change compared to 2017	+3.6	+2.1	+3.5

Source: VNA

Figure 13: Light commercial vehicles on average more than six months older than passenger cars



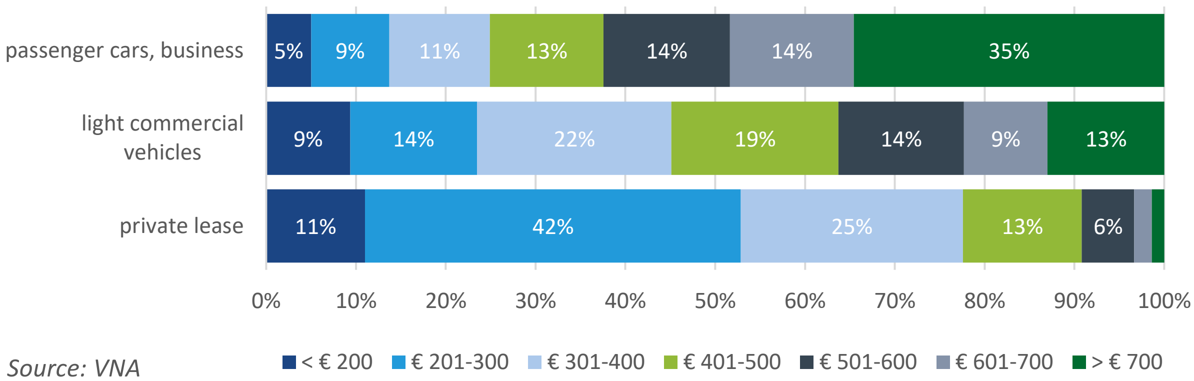
Source: VNA

10. Lease instalments

Key outcomes

More than half of the monthly instalments for private lease contracts are below 300 euros (see also Figure 11). The situation is different for the other segments: half of the lease instalments for passenger cars in the business segment are above 600 euros. The light commercial vehicles have a balanced spread between low and high monthly instalments.

Figure 14: Monthly lease payments



Source: VNA

Explanation

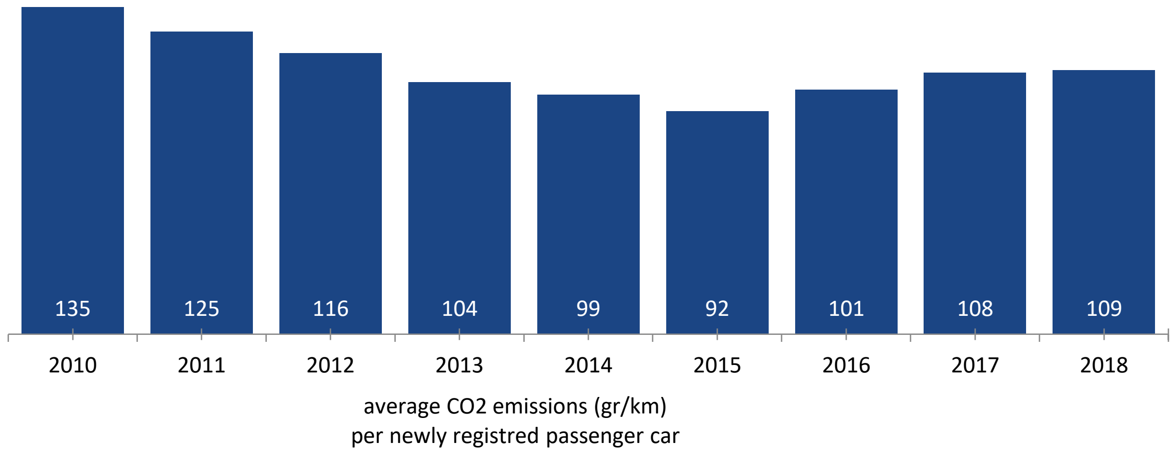
The amounts for passenger cars in the business segment and for light commercial vehicles exclude VAT; the amounts for private lease include VAT.

11. CO_2 emissions

Key outcomes

- The average CO_2 emissions of newly leased passenger cars in 2018 came to 109 grams per kilometre.
- 2018 saw a slight continuation of the trend break that emerged in 2017, when the reduction in average emissions achieved until 2016 was reversed.
- In 2018, 6 percent of the newly leased passenger cars fell into the 4 percent tax benefit category, and 94 percent fell into the 22 percent tax benefit category.

Figure 15: CO_2 emissions of newly leased cars



Source: RDC

The CO_2 emissions figures are derived from vehicle manufacturer reports. Unlike in previous years, from 2017 *Figure 15* is based on all newly leased vehicles, not only those vehicles registered to a leasing company. *There is little difference.*

12. Contract types

Key outcomes

- Over the past years, the leased passenger car fleet of VNA members has grown steadily.
- Growth in 2018 was seen in all segments and contract forms, with the exception of fleet management.
- *Private lease* is always operational lease.
- The growth in financial lease (both passenger cars and light commercial vehicles) is largely due to changes in VNA membership.

Table 5: Lease contract types for passenger cars and light commercial vehicles

Passenger cars

	private lease	business customers			total
		operational lease	financial lease	fleet management	
2008		478,500	33,400	23,600	535,500
2009		449,600	28,800	26,000	504,400
2010		440,600	28,600	25,100	494,300
2011		442,500	30,700	25,500	498,800
2012		449,400	33,200	25,200	507,800
2013	7,400	443,400	35,600	30,400	516,800
2014	14,300	447,500	33,400	33,300	528,500
2015	31,400	462,800	37,400	36,800	568,300
2016	59,300	468,800	27,700	35,900	591,700
2017	97,000	482,300	31,200	35,600	646,100
2018	129,200	507,400	55,200	35,400	727,200
2018 %	18%	70%	8%	5%	100%

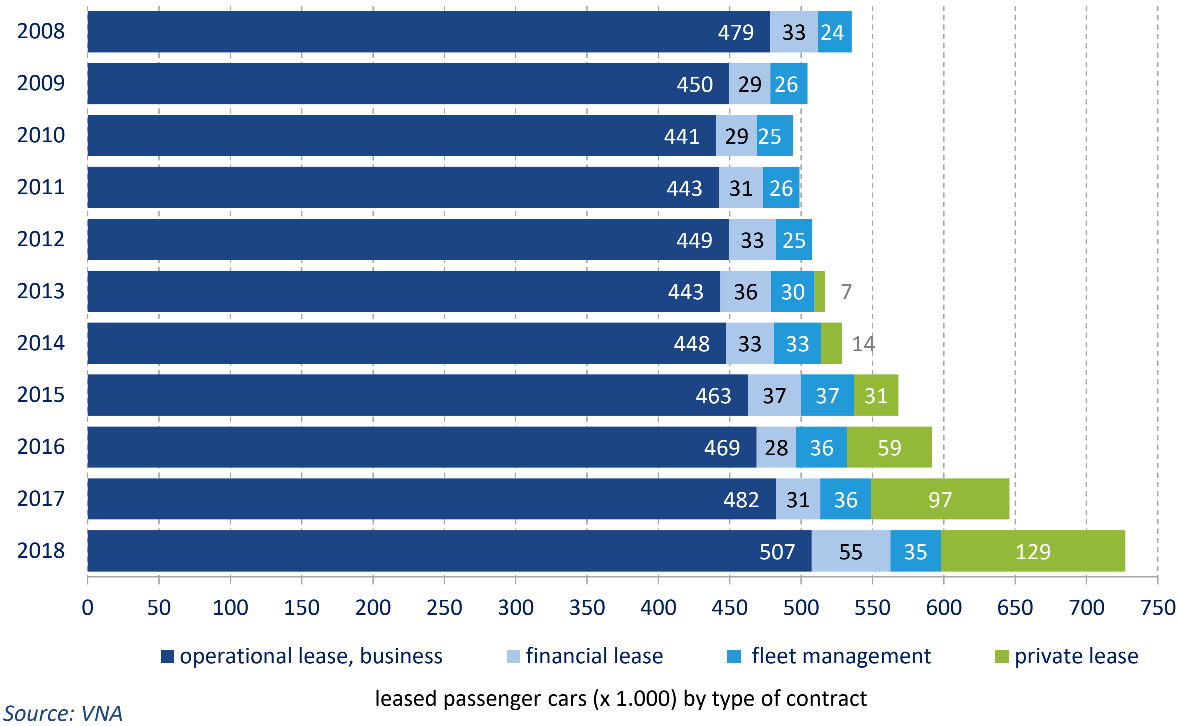
Light commercial vehicles

	operational lease	financial lease	fleet management	total
2008	101,100	20,200	11,900	133,200
2009	95,200	20,000	12,600	127,800
2010	94,500	19,400	11,600	125,500
2011	92,200	21,300	11,700	125,100
2012	89,300	21,800	11,100	122,200
2013	85,100	24,400	11,200	120,700
2014	83,400	32,200	13,100	128,700
2015	85,700	34,600	12,500	132,800
2016	86,800	27,600	13,300	127,400
2017	88,900	33,100	14,100	136,100
2018	97,500	47,600	14,000	159,000
2018 %	61%	30%	9%	100%

Figures have been rounded to hundreds. As a result, the total may differ from the sum of the addition.

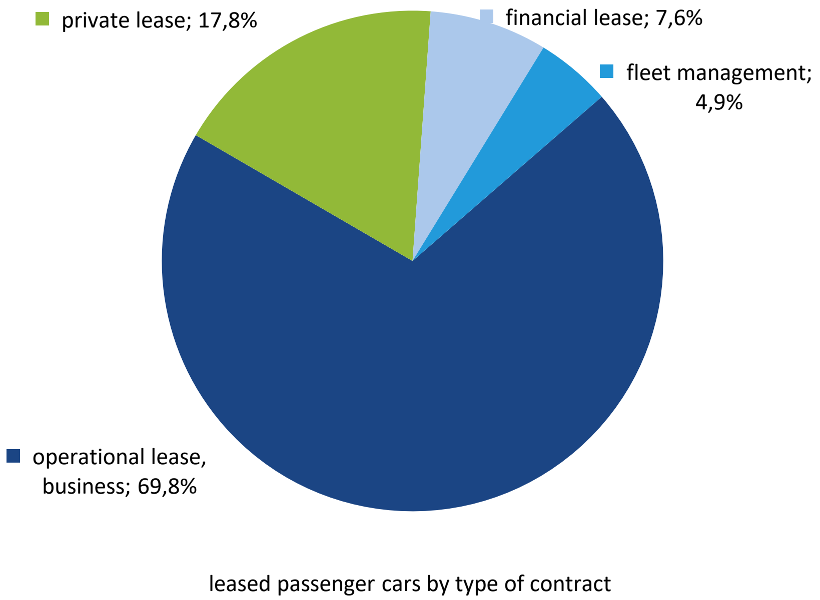
Source: VNA

Figure 16: VNA passenger car fleet



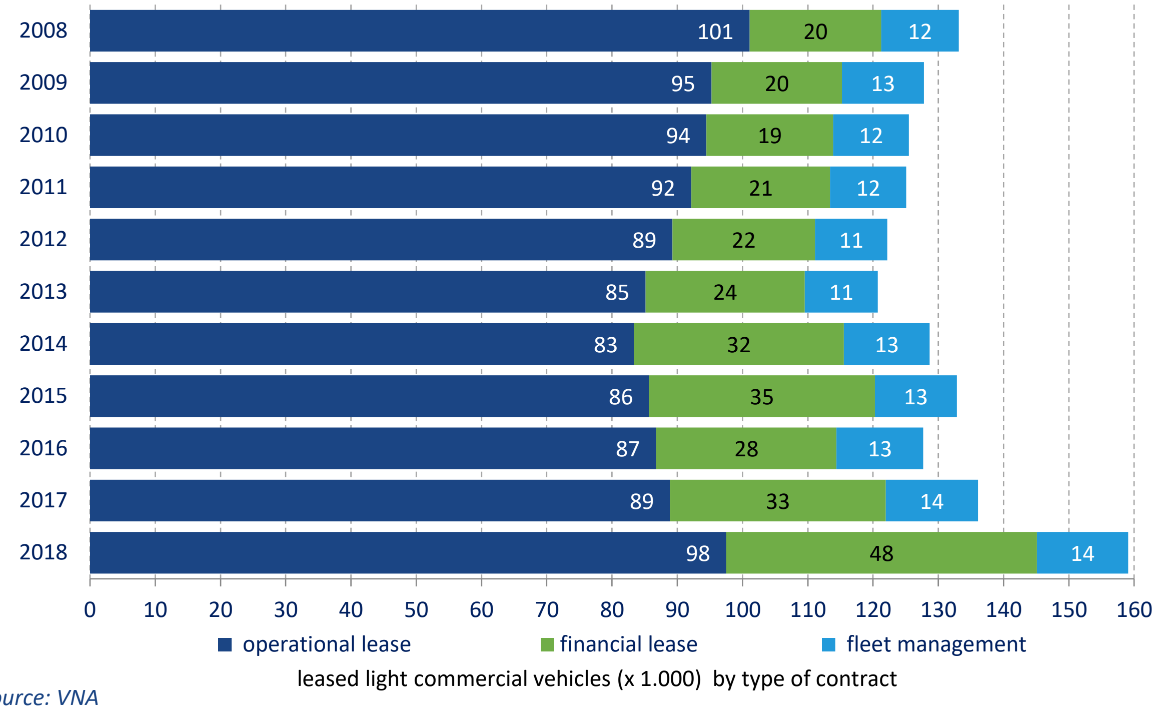
Source: VNA

Figure 17: Lease contract types for passenger cars



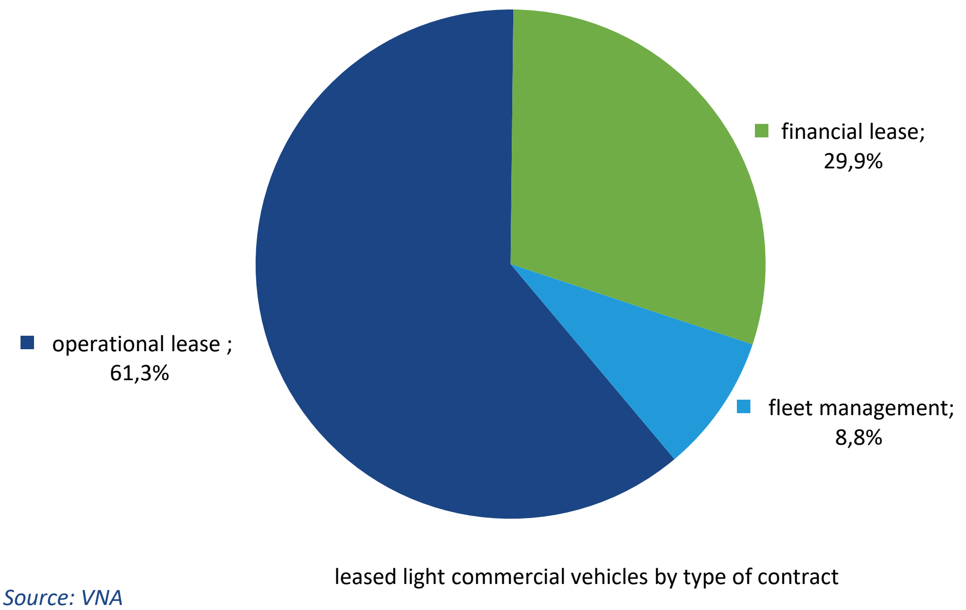
Source: VNA

Figure 18: VNA light commercial vehicle fleet



Source: VNA

Figure 19: Lease contract types for light commercial vehicles



Source: VNA

Explanation

Changes in the size of the aggregate fleet of all VNA members are caused by changes in the number of VNA members, as well as changes in the fleet size of members.

13. Top 10 newly leased vehicles

Key outcomes

Passenger cars

- Volkswagen continues to dominate new sales, with top-two positions in both passenger cars and light commercial vehicles.
- The Volkswagen Polo, which is doing well both in private leasing and in the business segment, is at the top of the list.
- A striking newcomer in the top 10 is the Tesla Model S.

Light commercial vehicles

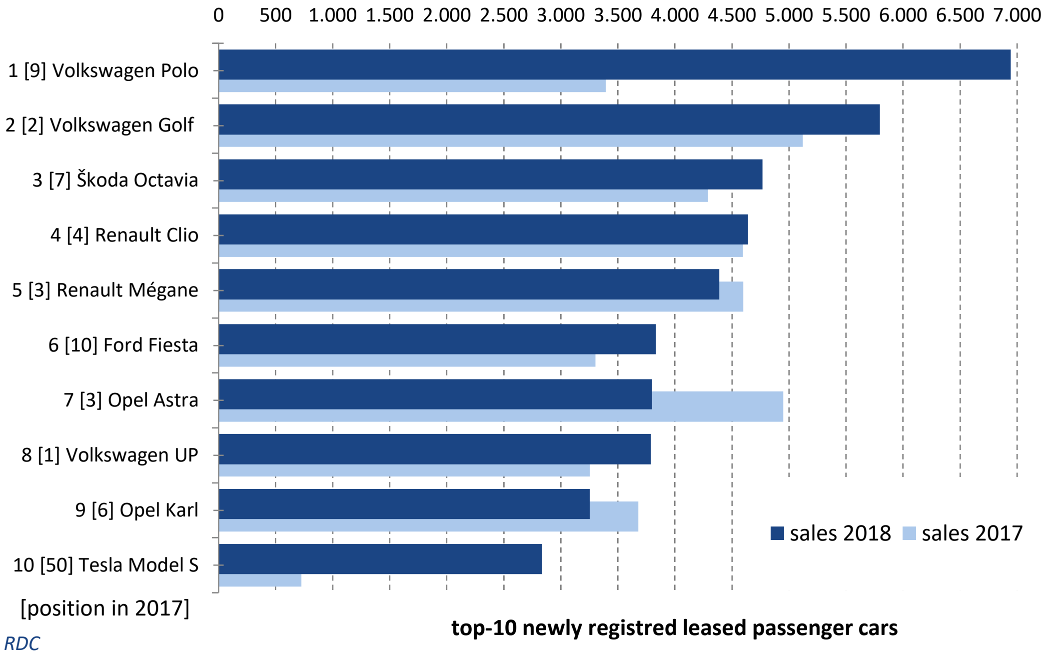
- The picture for the top 10 leased light commercial vehicles is stable.
- The top 3 is identical to the top 3 in 2017.

Table 6: Top 10 of newly sold leased passenger cars by model

	Passenger cars	2018	2017	Light commercial vehicles	2018	2017
1	Volkswagen Polo	6,945	3,392	Volkswagen Caddy	3,245	3,180
2	Volkswagen Golf	5,797	5,122	Volkswagen Transporter	2,452	2,198
3	Škoda Octavia	4,769	4,291	Opel Vivaro	1,683	1,948
4	Renault Clio	4,642	4,596	Mercedes-Benz Sprinter	1,659	1,666
5	Renault Mégane	4,388	4,598	Renault Trafic	1,514	1,343
6	Ford Fiesta	3,834	3,304	Volkswagen Crafter	1,409	1,290
7	Opel Astra	3,801	4,951	Ford Transit Custom	1,344	1,199
8	Volkswagen Up	3,788	3,253	Mercedes-Benz Vito	1,202	1,008
9	Opel Karl	3,253	3,680	Renault Kangoo	984	969
10	Tesla Model S	2,835	725	Ford Transit Connect	911	881

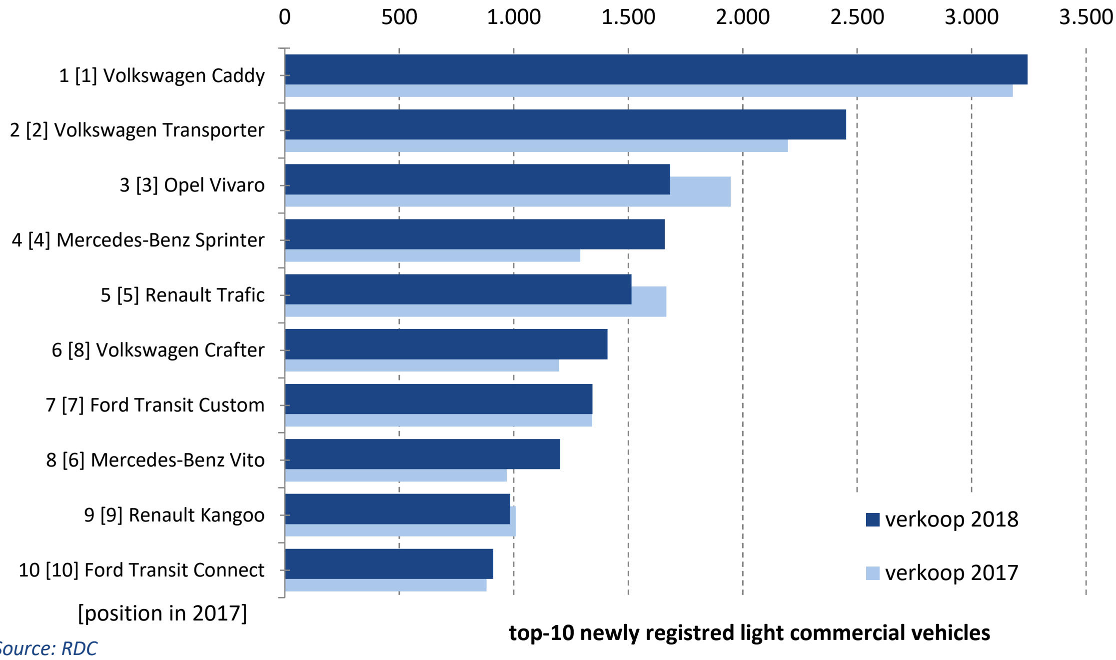
Source: RDC

Figure 20: Most popular newly leased cars



Source: RDC

Figure 21: Most popular newly leased light commercial vehicles



Source: RDC

Explanation

The data on newly leased cars relates to all newly leased cars registered to a leasing company.

14. Lease package components

Key outcomes

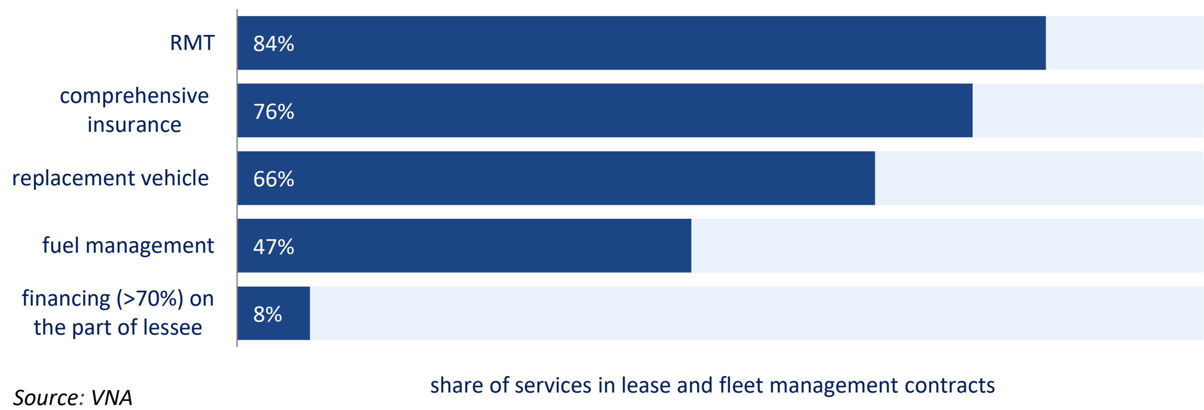
- RMT (repairs, maintenance and tyres) is a service package which is practically always included in operational lease and fleet management, and rarely in financial lease packages.
- In 2018, leasing companies were responsible for the comprehensive insurance for 76 percent of the vehicles in the fleet, which is one percentage point lower than in 2017.
- 66 percent of cars in the fleet had an arrangement for a replacement vehicle. That is nearly three percentage points higher than in 2017.
- 47 percent of cars in the fleet had an arrangement for fuel management in the form of advances or settlements. This is nine percentage points lower than in 2017. This decrease is due to the growth in private lease, where generally no fuel arrangement exists.
- Eight percent of the cars in the fleet have been (co-)financed by the lessee by at least 70 percent. That is five percentage points higher than in 2017.

Table 7: Lease package components

	total	fleet share
total VNA fleet	886,300	100%
with RMT	741,700	84%
with comprehensive insurance	674,600	76%
with a replacement vehicle	582,300	66%
with fuel management	419,900	47%
with financing (>70%) by lessee	66,800	8%

Source: VNA

Figure 22: Lease package components as percentage of the fleet



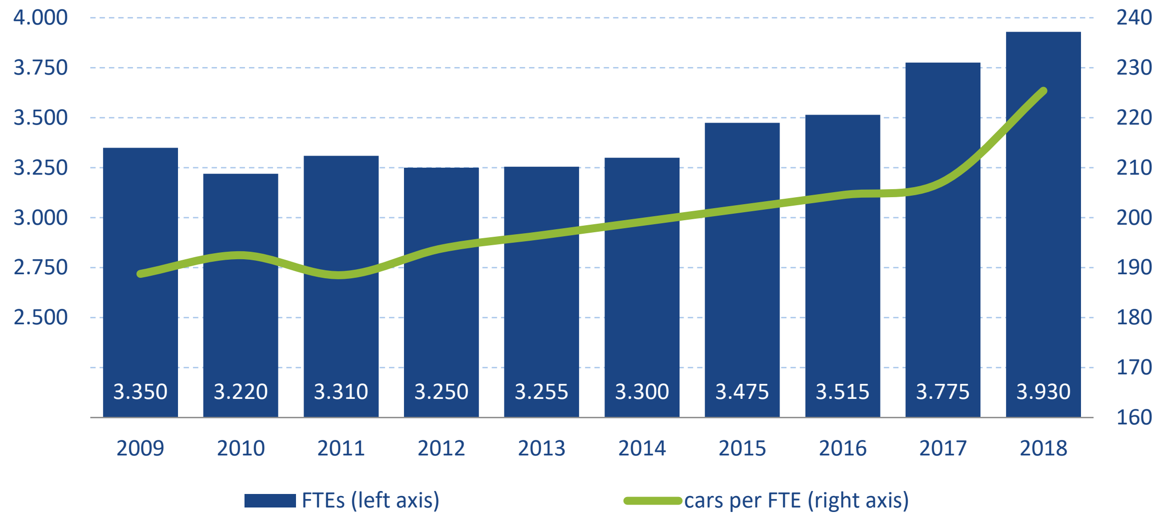
Source: VNA

15. Number of employees at leasing companies

Key outcomes

- For more than ten years, employment at VNA leasing companies has fluctuated between 3,300 and 4,000 FTEs.
- In 2018 the number of FTEs came to 3,930.
- Since 2012, the average number of vehicles per FTE has been steadily rising. That is partly due to the consolidation in the sector, which has enabled scale benefits.

Figure 23: Employment and average number of vehicles per FTE at VNA leasing companies



Source: VNA

Explanation

In consultation with one of the major leasing companies, retrospective adjustments have been made for the years 2013-2017. As a result, the values for these years in this figure differ from previous editions.

The number of FTEs is partly determined by the internal organisation of leasing companies. Activities can be done in-house or outsourced, and support services may or may not be shared with sister companies or bought from a parent company. Consequently, only limited conclusions can be drawn from the number of FTEs and the average number of vehicles per FTE.