

**Equipment Leasing and Finance Association's
Survey of Economic Activity: Monthly Leasing and Finance Index**

*November New Business Up 3 Percent Year-over-year, Down 13 Percent Month-to-month, Up 5 Percent
Year-to-date*

Washington, DC, December 20, 2013— The Equipment Leasing and Finance Association's (ELFA) Monthly Leasing and Finance Index (MLFI-25), which reports economic activity from 25 companies representing a cross section of the \$827 billion equipment finance sector, showed their overall new business volume for November was \$6.6 billion, up 3 percent from new business volume in November 2012. Month-over-month, new business volume was down 13 percent from October. Year to date, cumulative new business volume increased 5 percent compared to 2012.

Receivables over 30 days were at 1.8 percent in November, up slightly from 1.5 percent in October. Delinquencies declined from 2 percent in the same period in 2012. Charge-offs declined to once again match the all-time low of 0.3 percent from 0.4 percent the previous month.

Credit approvals totaled 76.5 percent in November, a slight decrease from 77.6 percent the previous month. Forty-seven percent of participating organizations reported submitting more transactions for approval during October, a level more in line with previous months' activity after a spike to 82 percent last month.

Finally, total headcount for equipment finance companies was up 1.4 percent year over year.

Separately, the Equipment Leasing & Finance Foundation's Monthly Confidence Index (MCI-EFI) for December is 55.8, a decrease from the November index of 56.9, reflecting industry concerns over uncertainty regarding capital expenditures (capex) and competitive market pressures in 2014, among other issues.

ELFA President and CEO William G. Sutton, CAE, said: "Overall new business activity in the equipment finance sector continues to trend positively, despite some softness in November compared to late-summer and early-fall performance. Year-to-date volume also is encouraging as we head into the final month of the year, which is typically a strong period for the sector. Fiscal pressures seem to be dissipating as well with the U.S. Congress agreeing on a two-year budget, which should lessen the chance of any potential government shutdown and provide a measure of comfort to U.S. businesses trying to make planning decisions for the coming year and beyond. Credit quality continues its strong showing, notwithstanding a slight uptick in November delinquencies."

Christopher Enbom, CEO and Chairman, Allegiant Partners Incorporated, said, "The continued growth in equipment finance from the previous year shows continued strength in the economy and in equipment spending. The numbers are especially good considering the fact there were fewer working days in November 2013 than 2012. We are expecting a strong 2014 in the small company segment we serve. The budget deal is increasing stability and has boosted our forecast for next year."

About the ELFA's MLFI-25

The MLFI-25 is the only index that reflects capex, or the volume of commercial equipment financed in the U.S. The MLFI-25 is released globally at 8 a.m. Eastern time from Washington, D.C., each month on

the day before the U.S. Department of Commerce releases the durable goods report. The MLFI-25 is a financial indicator that complements the durable goods report and other economic indexes, including the Institute for Supply Management Index, which reports economic activity in the manufacturing sector. Together with the MLFI-25 these reports provide a complete view of the status of productive assets in the U.S. economy: equipment produced, acquired and financed.

The MLFI-25 is a time series that reflects two years of business activity for the 25 companies currently participating in the survey. The latest MLFI-25, including methodology and participants is available below and also at <http://www.elfaonline.org/Research/MLFI/>

MLFI-25 Methodology

The ELFA produces the MLFI-25 survey to help member organizations achieve competitive advantage by providing them with leading-edge research and benchmarking information to support strategic business decision making.

The MLFI-25 is a barometer of the trends in U.S. capital equipment investment. Five components are included in the survey: new business volume (originations), aging of receivables, charge-offs, credit approval ratios, (approved vs. submitted) and headcount for the equipment finance business.

The MLFI-25 measures monthly commercial equipment lease and loan activity as reported by participating ELFA member equipment finance companies representing a cross section of the equipment finance sector, including small ticket, middle-market, large ticket, bank, captive and independent leasing and finance companies. Based on hard survey data, the responses mirror the economic activity of the broader equipment finance sector and current business conditions nationally.

ELFA MLFI-25 Participants

ADP Credit

BancorpSouth Equipment Finance

Bank of America

Bank of the West

BB&T Bank

BMO Harris Equipment Finance

Canon Financial Services

Caterpillar Financial Services

CIT

De Lage Landen Financial Services

Dell Financial Services

Direct Capital Corporation

EverBank Commercial Finance

Fifth Third Equipment Finance

First American Equipment Finance, a City National Bank Company

GreatAmerica Financial Services

Hitachi Credit America

HP Financial Services

Huntington Equipment Finance

John Deere Financial

Key Equipment Finance

LEAF Commercial Capital

M&T Bank

Marlin Leasing
Merchants Capital
PNC Equipment Finance
RBS Asset Finance
SG Equipment Finance
Siemens Financial Services
Stearns Bank
Suntrust
Susquehanna Commercial Finance
TCF Equipment Finance
US Bancorp Equipment Finance
Verizon Capital
Volvo Financial Services
Wells Fargo Equipment Finance

About the ELFA

The Equipment Leasing and Finance Association (ELFA) is the trade association that represents companies in the \$827 billion equipment finance sector, which includes financial services companies and manufacturers engaged in financing capital goods. ELFA members are the driving force behind the growth in the commercial equipment finance market and contribute to capital formation in the U.S. and abroad. Its 580 members include independent and captive leasing and finance companies, banks, financial services corporations, broker/packageers and investment banks, as well as manufacturers and service providers. For more information, please visit www.elfaonline.org.

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ELFA is the premier source for statistics and analyses concerning the equipment finance sector. Please visit <http://www.elfaonline.org/Research/> for additional information.

The Equipment Leasing & Finance Foundation is the non-profit affiliate to the Equipment Leasing and Finance Association, providing future-focused research to the equipment finance industry. For more information please visit the website at www.leasefoundation.org

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