Factoring & Leasing

Factoring

Factoring is a flexible and bank-independent concept for corporate financing. Liquidity is ensured through the ongoing sale of cash receivables from goods, deliveries and services. In 2018, factoring volume in Germany was EUR 241.8 billion. The factoring ratio was higher than seven percent for the very first time, with a 7.1 percent factoring rate development rate also maintained in 2018. This also indicates that Germany has significant growth potential in comparison to other countries that are reaching market saturation (Belgium – 16%, France – 14%, UK – 13%).

Factoring in Germany

Industry Shares in Factoring (2018, in %)

- Trade / Trade negotiations: 25.2%
- Manufacturing of metal products and machines: 7.2%
- Vehcile construction: 7.9%
- Electronics and electronic components: 6.6%
- Food and beverage industry: 5.8%
- Manufacturing of chemical products: 6.2%
- Healthcare: 4.9%
- Manufacturing of rubber and plastic products: 4.1%
- Services: 9.4%
- Metal production and processing: 8.5%
- Others: 15.2%

Source: Deutscher Factoring Verband e.V. [German]

Factoring is a particularly well established instrument of SME financing in Germany. Almost all clients (92.2 percent) are located in the factoring turnover segment of EUR 10 million or less for the year 2018. More than half of all clients (58%) belong to the factoring turnover segment that generated less than EUR 250 million in the same year.

Source: Deutscher Factoring Verband e.V. [German]

Leasing
The leasing sector is Germany’s largest investor, generating annual investment volume of EUR 67 billion in 2017. The leasing share of equipment investment is 24.1 percent. Within Europe, Germany is in joint leading position with the UK.

**Leasing in Germany**

**Major Leasing Markets in Europe**  
(New Business – Leasing and Lease Purchase in EUR bn)

- **UK**: 76
- **Germany**: 70
- **France**: 43
- **Italy**: 30
- **Poland**: 19

*Source: Bundesverband Deutscher Leasingunternehmen e.V. (BDL)*

Small and medium-sized enterprises are important leasing clients. The most important leasing clients are service companies (37%) and companies in the manufacturing sector (20%). Private households account for around 11 percent of leasing volume.

*Source: The Bundesverband Deutscher Leasingunternehmen e.V. (BDL)*

**Contact Us**

Dr. Josefine Dutschmann  
+49 30 200 099 204

Submit your question