Facts & Figures 2022

Sesamlld

The Long Term **Rental Market**
2022

SUMMARY

TO REMEMBER

1 787 099
PC + LCV REGISTRATIONS
2022/2021 : **-9.9%**

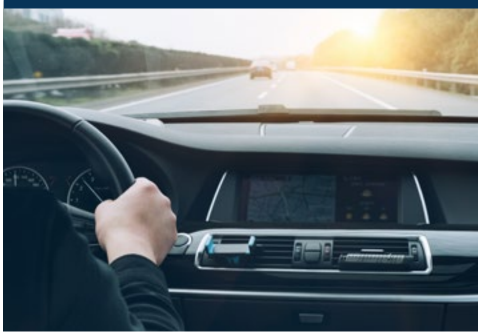
INCLUDING

487 236
REGISTRATIONS UNDER LONG-TERM RENTAL (LTR)
2022/2021 : **-11.4%**

27.3 %
is the share of LTR registrations in the total number of registrations in 2022

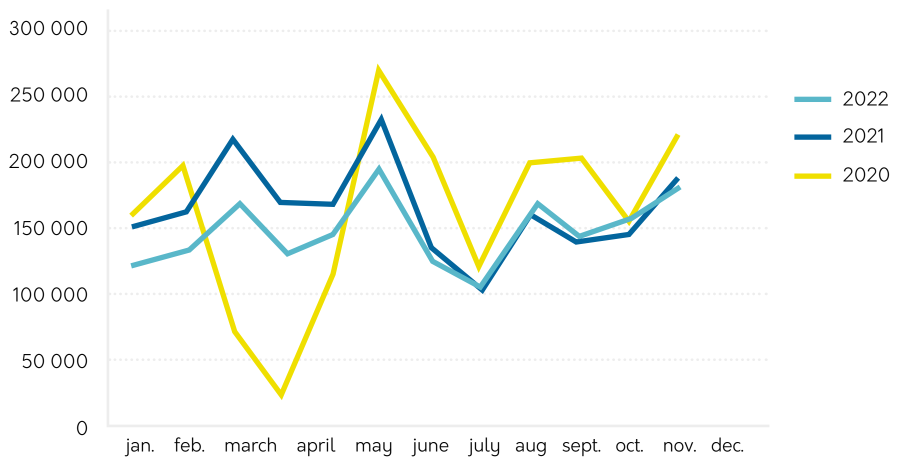
426 481
LTR VEHICLES PUT ON THE ROAD (DATAS FROM MEMBERS)
2022/2021 : **-7.8%**

403 431
RETURNS (DATAS FROM MEMBERS)
2022/2021 : **-23.9%**



1 CONTEXT OF THE AUTOMOTIVE MARKET

TOTAL CAR REGISTRATIONS (INCLUDING LTR)



The automotive market for light vehicles (≤ 3.5t inclusive) closes the year at a level historically close to that of 1973-1974. Down nearly 10% compared to 2021, the automotive market as a whole registers 1 787 099 new vehicles registered compared to 1 982 731 in 2021.
After a year of repeated confinements in 2020, followed by 2021 marked by the semiconductor crisis, 2022 is the year of war in Ukraine. Among the consequences of this succession of crises, two are noteworthy: the shortage of supply from certain manufacturers and the extension of delivery times. In fact, customer orders are being postponed, foreshadowing a lasting crisis. This drop in new vehicle sales is worsening, with the volume of vehicles registered in 2022 being 30.9% lower than in 2019.
In this context, the long-term rental market is maintaining its market share, with 487 236 registrations in 2022, or 27.3% of total registrations. In 2021, the 550 223 long term rental (LTR) registrations represented 27.7% of the market.

Breakdown of LTR registrations

394 445	59 743	33 048
Passenger cars (PC)	Light Commercial Vehicles (LCV)	Company cars (CC[1])

[1] Company Cars refers to passenger cars (PC) transformed into light commercial (LCV) vehicles by keeping only two seats in the front. This allows a tax advantage but must respect different obligations such as: the removal of the rear seats, the installation of securing points etc.

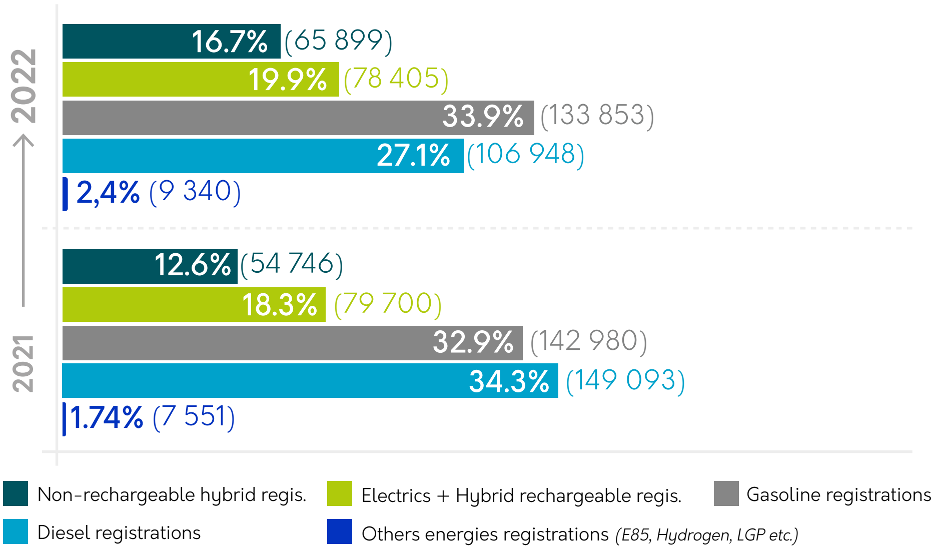
With 426 481 deliveries in 2022, compared with 462 805 in 2021, we can only observe the decline in available supply. LTR companies are flexible and are offering customers the opportunity to extend their contracts. This will result in a 24% drop in returns, with 403 431 returns in 2022 compared with 529 978 in 2021.

Regarding engines, manufacturers have been forced by the CAFE standard to achieve an average of 95 g/km (WLTP) of CO2 emissions from new cars. This regulation, combined with the tightening of taxes on the registration of polluting vehicles and the extension of the bonus, has transformed the energy mix of new cars. Traditional engines (gasoline, diesel) are being replaced by alternative engines, notably electric and rechargeable hybrids, but also «other» energies (LPG, E85, NGV, hydrogen, etc.).

Source : Dataneo

2 CHARACTERISTICS OF LTR REGISTRATIONS

ENERGY MIX OF PASSENGER CARS (PC) LTR REGISTRATIONS



58.3%

LTR registrations represent 58.3% of business market (excluding short-term rental, demonstration vehicles and manufacturer vehicles).

The energy mix continues to evolve

The change in the energy mix of newly registered vehicles is accentuated by the decline in volume registrations. One in three new registrations is a gasoline vehicle, i.e. 33.9% of all new registrations and 133 853 vehicles registered in 2022.
As a result of the creation of low-emission zones, the share of diesel vehicles will fall to 27.1% of registrations (34.3% in 2021), i.e. more than 40 000 fewer diesel vehicles than in 2021 and 180 000 fewer than in 2019. We are also seeing the emergence of alternative energy vehicles (E85, hydrogen, NGVs, etc.), which account for 1.7% of PCs under long-term rental compared with 0.3% in 2021.

Breakthrough for electric vehicles and decline of plug-in hybrids

Nearly **one out of every five vehicles LTR registered is electric or plug-in hybrid, representing 19.9% of registrations in 2022.** Plug-in hybrids are in the majority, but are declining in the renewal of rented fleets, with 11.5% of LTR registrations compared with 12.1% in 2021. **Conversely, the share of electric vehicles will increase by 2.1 points to represent 8.4% of all new registrations.** Overall, the share of electric vehicles and plug-in hybrids remains at 78 405 units, compared with 79 700 units in 2021.

FOCUS ON CO2: the ltr is more virtuous than the global automobile market

The CO2 emissions of vehicles LTR registered are lower than those of the overall market.

The average CO2 emissions of vehicles registered in long-term rental remain lower than those of the French automobile market in 2022. The average CO2 emissions of new vehicles registered under long-term rental is 122.7 g/CO2 per km, compared with 125.7 g/CO2 per km for the car market as a whole. This is 2.4% less emissions than for the overall automotive market.

Top des véhicules immatriculés en LLD & constructeurs

TOP 3 PC

1. **208 5P** PEUGEOT
2. **CLIO** RENAULT
3. **C3** CITROËN

TOP 3 LCV

1. **BERLINGO** CITROËN
2. **TRAFIC** RENAULT
3. **JUMPY** CITROËN

TOP 5 ELECTRICS REGISTERED IN LTR (PC+LCV)

1. **208 5P** PEUGEOT
2. **ID3** VOLKSWAGEN
3. **MODEL 3** TESLA
4. **ZOE** RENAULT
5. **MEGANE E-TECH** RENAULT

TOP 3 CONSTRUCTEURS

1. **RENAULT**
2. **PEUGEOT**
3. **CITROËN**

Source : Dataneo

3 CHARACTERISTICS OF THE MEMBERS' STOCK

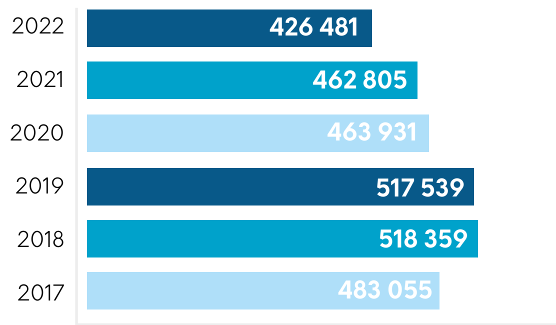
A falling number of new cars put on the road

LTR companies' order backlogs are full, but their capacity to meet them is limited. Impacted by the shortage of new vehicles, light vehicle registrations in 2022 will be 426 481 vehicles, down to a historically low level.

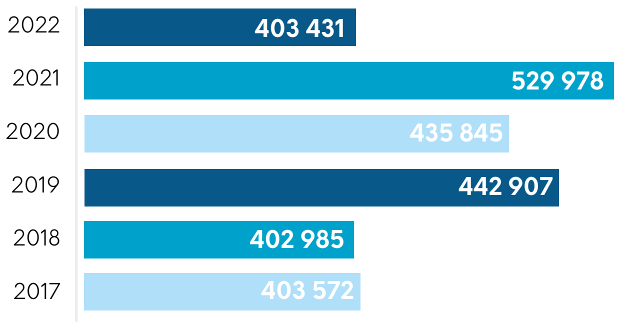
Uncertainty persists, as customers and long-term rental companies fear being trapped by delivery times of up to six to fourteen months for popular models.

Putting on the road: Number of deliveries declared by Sesamlld members. This figure is different from the registrations which come from the «Systeme d'Immatriculations des Véhicules» (SIV) database of the Ministry of the Interior.

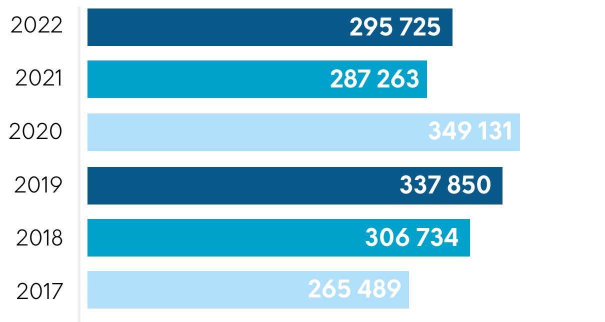
VEHICLES PUT ON THE ROAD



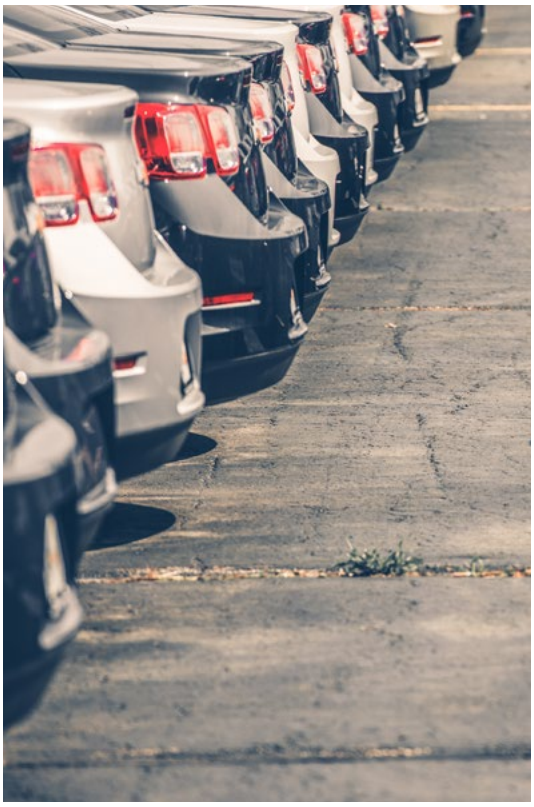
EVOLUTION IN RETURNS



EVOLUTION OF THE FLEET MANAGEMENT



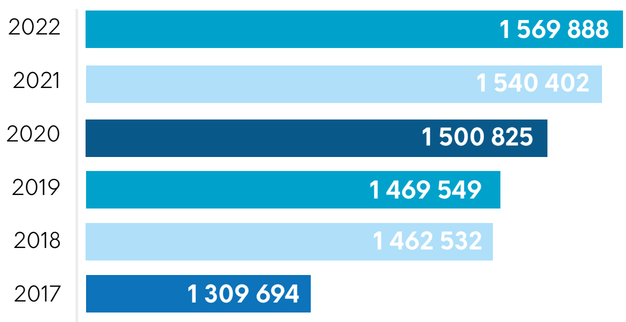
* Upgrade following the revision of a member's fleet accounting.



The rental fleet is growing despite the economic downturn

The cumulative fleet (fleet management + long term rental) of SesamLLD member companies stood at 1 865 613 vehicles at December 31 2022 (+2.1%). 403 431 vehicles were returned in 2022 (-23.9%), a significant variation caused by the extension of contracts, which automatically postpones returns.
SesamLLD's members' LTR fleet is outperforming the automotive market and is up by 1.9% to 1 569 888 vehicles in the fleet. At the same time, fleet management is maintaining its growth momentum with 297 725 vehicles managed by SesamLLD members at December 31, 2022, up 2.9% on 2021.

EVOLUTION IN LONG TERM RENTAL FLEET



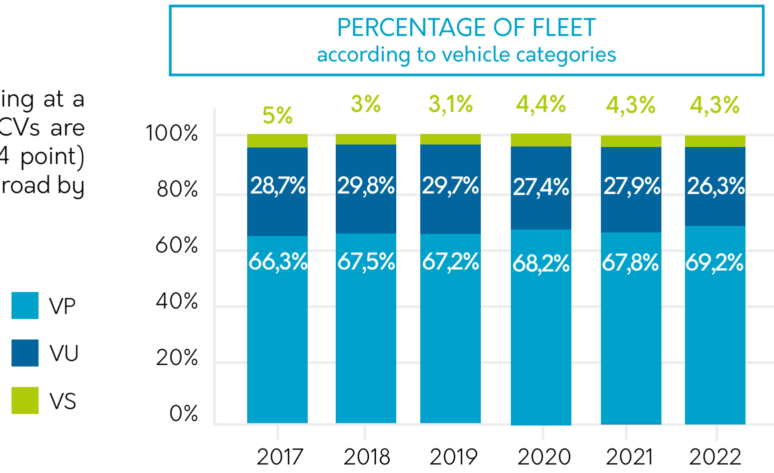
* Mise à niveau du parc en LLD suite l'adhésion de KINTO à Sesamlld.

Source : Sesamlld

Distribution of the fleet by vehicle category

The share of Company Cars (CC) in the fleet is stabilizing at a level close to that of 2021. As supply difficulties for LCVs are more significant, they are less present in the fleet (-1.4 point) than PCs (+1.4 point). The number of vehicles put on the road by all rental companies in 2022 is broken down as follows :

PCs : 69.2% (67.8% en 2021, i.e. +1.4 point)
LCVs : 26.3% (27.9% en 2021, i.e. -1.4 point)
CC : 4.3% (4.3% en 2021)

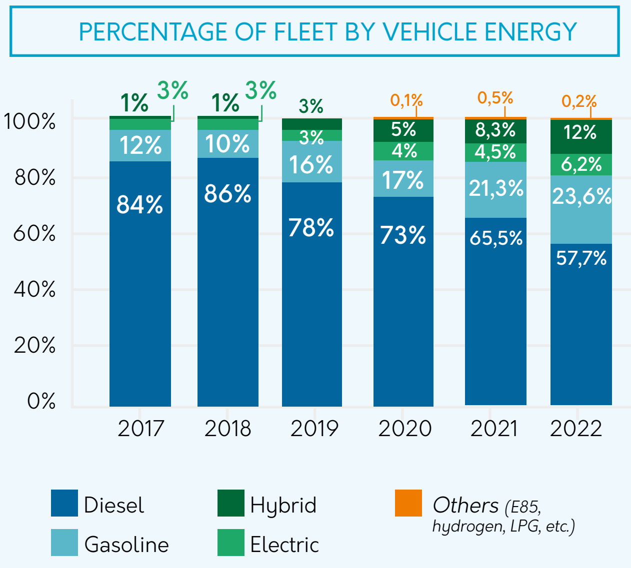


Distribution of the stock by energy

For several years, we have seen a restructuring of fleets towards gasoline vehicles rather than diesel. This trend is continuing, with 23.6% of the fleet stock made up of gasoline vehicles in 2022, compared with 21.3% in 2021.

The share of diesel vehicles follows the opposite path, with nearly two out of three vehicles being diesel (65.5%) in 2021. This share drops to 57.7% of the fleet in 2022. The implementation of the CAFE standard since January 1st 2021 and the extension of the ecological bonus are contributing to the growth of plug-in hybrid and electric vehicles. The number of hybrid vehicles in the fleet will reach 12% in 2022, compared with 8.3% in 2021. Although more timidly, electric vehicles are increasing and will constitute 6.2% of the fleet compared to 4.5% in 2021.

The new trend towards alternative fuels (E85, hydrogen, CNG, etc.) remains marginal in SesamLLD members' fleets. In detail, the share of alternative energies represents 0.5% of the fleet in 2022, compared to only 0.1% in 2021.

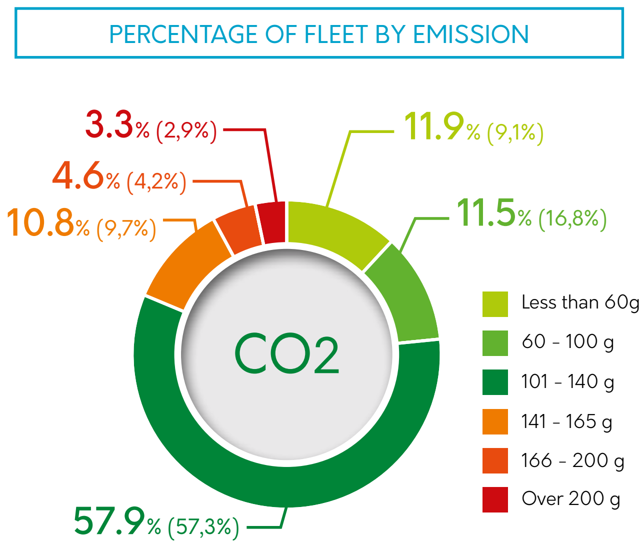


Distribution according to CO2 emission classes

As a lever for the greening of fleets, the long-term rental fleet is gradually being transformed, with a major shift to vehicles emitting less than 60 g CO2/km. With 11.9% in 2022, these low-emission vehicles (LEVs) are on the rise within fleets. Vehicles emitting between 60 and 100 g CO2/km represent 11.5% of the stock.

For the CO2 emission classes above 100 g/km, the distribution remains close to that of 2021. In the lead, the 101 to 140 g CO2/km range represents 57.9% compared to 57.3% in 2021 (+0.6 point), followed by the 141 - 165 g CO2/km range which reaches 10.8% of the fleet (9.7% in 2021).

The share of vehicles with the highest emissions (over 166 g CO2/km) increases little. Vehicles emitting between 166 and 200 g CO2/km account for 4.6% compared to 4.2% in 2021. Similarly, the share of vehicles above 200 g CO2/km increases to 3.3% from 2.9% in 2021.



2021 data in brackets

Source : Sesamlld

4 NEW CONTRACTS CHARACTERISTICS

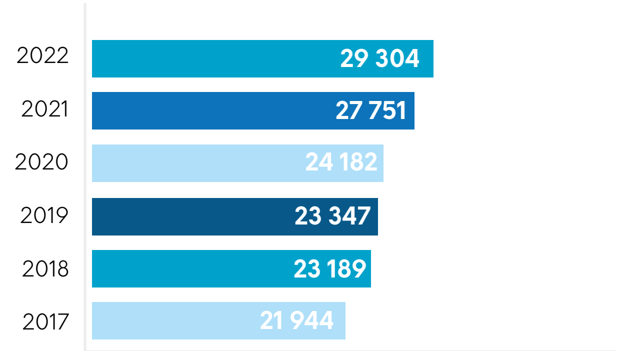
THE AVERAGE AMOUNT FINANCED

The average amount of a LTR contract in 2022 is

29 304€

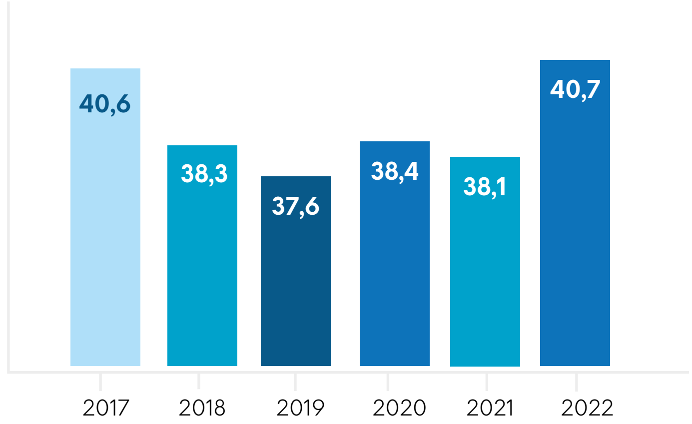
Compared to 2021, this amount has increased by

+5.6%



THE AVERAGE DURATION

Tensions in the supply of new vehicles are lengthening delivery times. In order to overcome this supply crisis, LTR companies are offering customers the opportunity to extend their contracts. As a result, the average length of a new LTR contract in 2022 will increase to 40.7 months, compared with 38.1 months in 2021.



AVERAGE MILEAGE

The average mileage of a LTR contract in 2022 will be 87 879 km, an increase of 6.1% compared to 2021. Extending contracts is one of the solutions offered by LTR companies to fleet managers in response to the problems posed by the lack of a manufacturer's offer.

ROLLING LAW

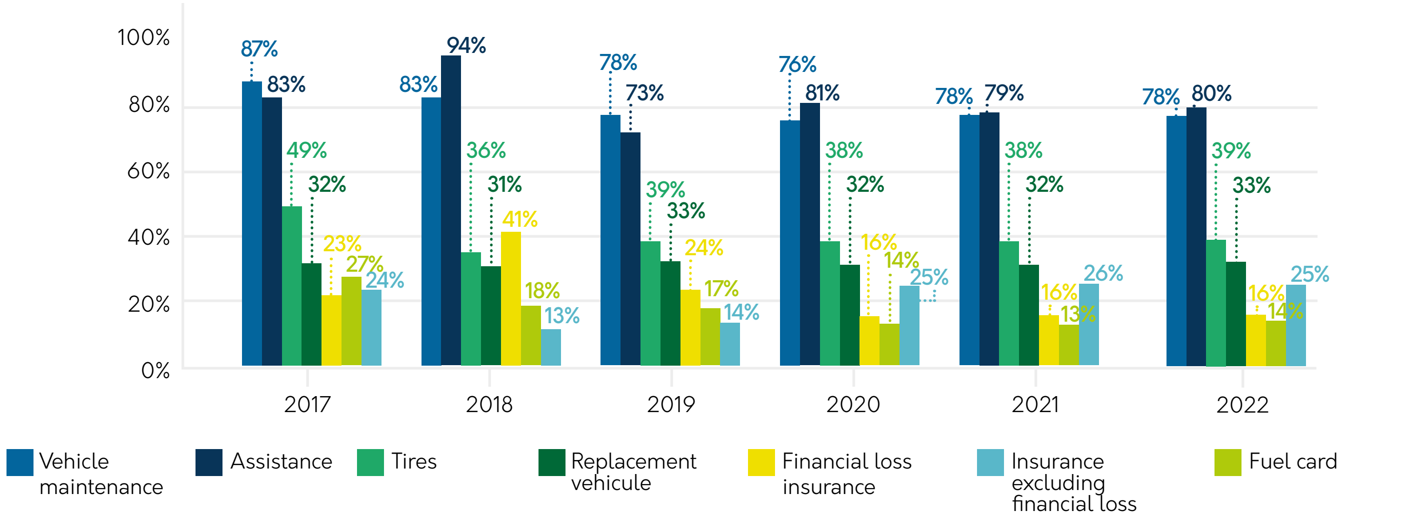
These data allow us to calculate the annual rolling law for 2022 (average km/average duration x 12),

i.e. **25 879 Km**

(26 092 km in 2021).

ASSOCIATED SERVICES

The graph on the right is for fleet stock, not new contracts. Service subscription remains relatively stable in the fleet compared to 2021.



Source : Sesamlld

Associated members

DETAIL OF SOME MANAGEMENT ELEMENTS

TIRES	DAYS OF ST RENTALS	FUEL IN THOUSANDS OF LITERS	FINES	PARTIAL AUTOMOBILE CLAIMS MANAGED
1 156 1123 or up to 74 interventions per 100 vehicles/year	**1 990 482** (nearly 5 STR days per vehicle)	**331 679 M L** (1535L year/fuel card)	**490 186** (54 per 100 veh/year)	**117 490** (13 / 100 veh/year)

Members

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Sesamlld Organisation

An employers' organization representing the profession of long-term car rental companies, Sesamlld was created in 1978 under the name SNLVLD. Sesamlld's members represent 91,5% of the sector's activity in France. The long-term rental of vehicles (passenger cars and commercial vehicles) has established its legitimacy in the corporate sector, since it provides a flexible solution to the organisational and management needs of companies. It provides significant support to the automotive industry.

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