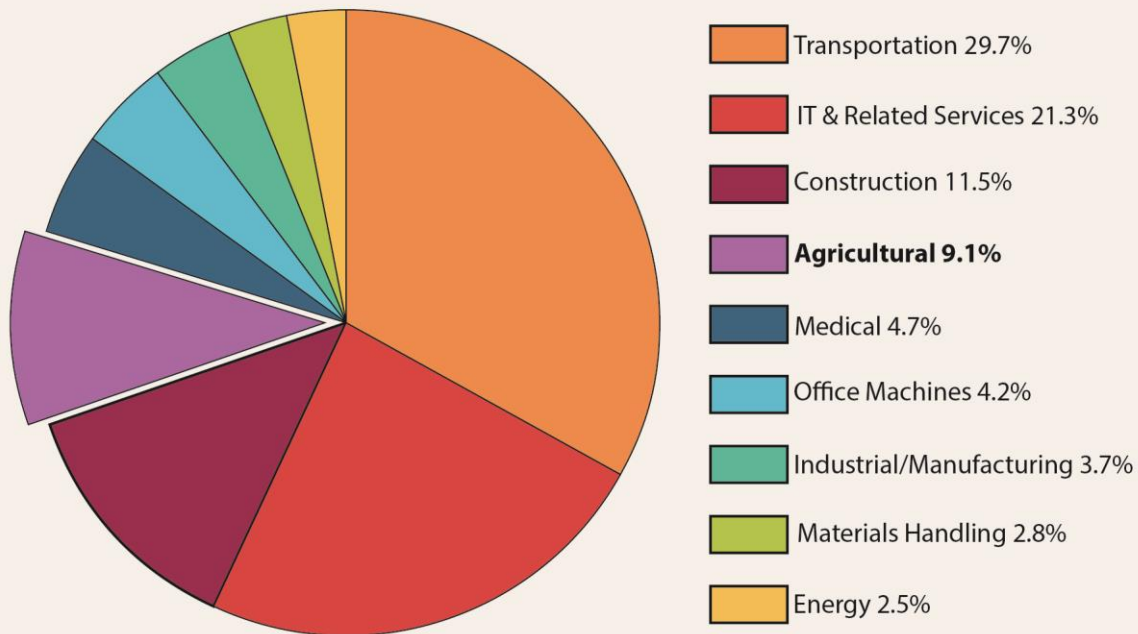


Fact Sheet: Equipment Finance in the Agriculture Industry

EQUIPMENT FINANCE IN THE AGRICULTURE INDUSTRY

Agricultural equipment represented 9.1% of equipment financing new business volume in the United States in 2015, down from 12.4% in 2014.



Source: 2016 Survey of Equipment Finance Activity.
Learn how the equipment finance industry equips the agriculture industry for success:
www.EquipmentFinanceAdvantage.org/Abt/facts.cfm

Equipment Financing Volume

According to the Equipment Leasing and Finance Association's (ELFA) [2016 Survey of Equipment Finance Activity](#), in 2015:

- Agricultural equipment represented 9.1% of equipment financing new business volume reported by ELFA member companies, down from 12.4% in 2014.
- As an end-user of equipment finance, the agriculture industry represented 11.9% of new business volume reported by ELFA member companies, down from 14.5% in 2014.

Investment

According to the Equipment Leasing & Finance Foundation's [Q3 2016 Equipment Leasing & Finance U.S. Economic Outlook](#):

- Investment in agriculture machinery decreased in Q1 2016 at an annual rate of 35.6%.
- In July 2016 agriculture machinery investment was down 12.7% year over year.

Agricultural Machinery Manufacturing Industry

According to First Research, Inc.:

- The U.S. agricultural machinery manufacturing industry includes about 1,000 companies with combined annual revenue of about \$36 billion.
- Imports of agricultural equipment, primarily from countries such as Germany, China, Japan, Mexico and Canada make up about 25% of the U.S. market. Exports account for about 25% of U.S. production.

Tractor and Combine Sales

According to the [Association of American Equipment Manufacturers](#) (AEM), in June 2016:

- Total U.S. farm tractor sales were 22,468, up 0.3% from 22,410 sold during the same month in 2015.
- Year-to-date, the total of farm tractors sold was 109,200, up 3.8% from 105,189 sold through June 2015.
- Sales of self-propelled combines were 376, up 8.0% from the same month in 2015.
- Year-to-date, 1,784 self-propelled combines were sold, down 23.3% from the same period in 2015.

2016 Outlook

According to [information from John Deere](#):

- Industry sales for agricultural equipment in the U.S. and Canada are forecast to be down 15% - 20% for 2016. The decline, reflecting the impact of low commodity prices and stagnant farm incomes, is expected to be most pronounced in the sale of higher-horsepower models.
- Industry sales of turf and utility equipment in the U.S. and Canada are expected to be flat to up 5% for 2016.

About ELFA

The Equipment Leasing and Finance Association (ELFA) is the trade association that represents companies in the \$1 trillion 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/packagers and investment banks, as well as manufacturers and service providers. For more information, please visit www.elfaonline.org. Follow ELFA on Twitter @ELFAonline.

ELFA is the premier source for statistics and analyses concerning the equipment finance sector. Please visit www.elfaonline.org/Data/ for additional information.

ELFA believes that information and education about available options regarding investment in equipment are important to all businesses. ELFA offers resources, including types of finance products, a loan/lease comparison, a glossary of terms, an analysis to help determine suitable financing options, videos and topical articles available for reprint free of charge, at www.EquipmentFinanceAdvantage.org

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