Car Cost Index

LeasePlan Corporation N.V. - Consultancy Services

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The Car Cost Index

- LeasePlan's Car Cost Index is a comprehensive analysis of the costs of owning and operating a small to medium-size car in **18 European countries**.
- It factors in all the various costs that must be payed for corporate leasing in each country, including fuel, depreciation, taxes, insurance and maintenance.
- All costs are averaged over the first three years of ownership and assume **20,000 km of driving a year**.
- The data is based on corporate lease contracts and not on private lease contracts. Furthermore, employee costs (like benefit-in-kind tax) are not included.
- Keep in mind that electric vehicles and diesel/petrol vehicles have different trimlines and configurations which makes it impossible to conduct a like for like comparison. Therefore, the results of this study should not be interpreted as such.

Key findings

The average monthly cost of driving a car varies hugely across Europe, from €440 a month in Greece to €830 a month in Norway.

Relative to GDP, drivers in Italy and the Netherlands have the highest total cost of ownership, while drivers in Greece and the UK have the lowest total cost of ownership.

The Netherlands is the most expensive place to drive diesel cars and Norway for petrol cars. Consequently, electric cars are cheaper than diesel in the Netherlands and cheaper than petrol in Norway.

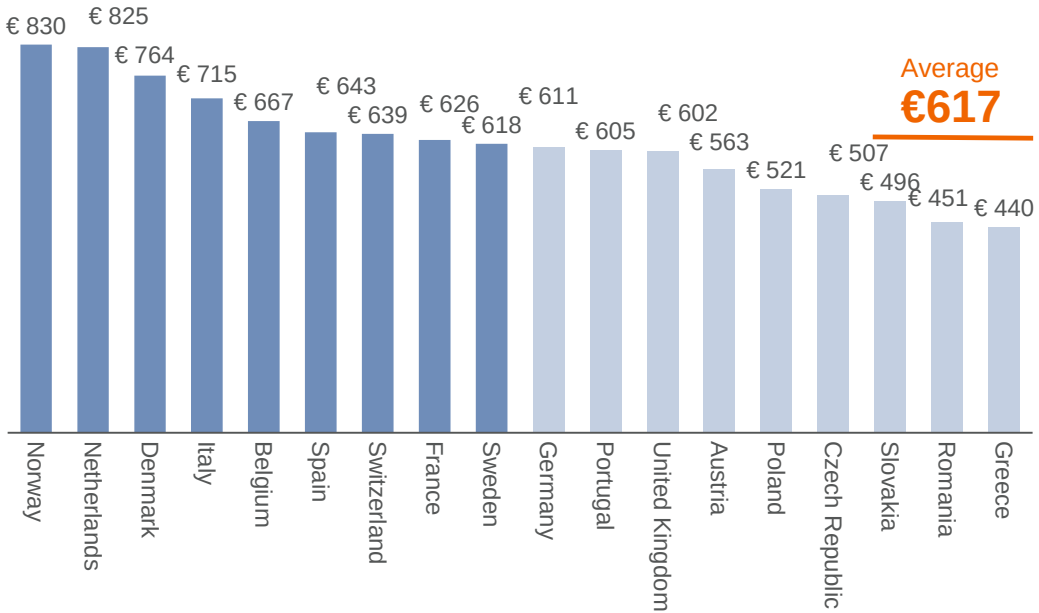
Greece is the cheapest place to drive a diesel or petrol car.

Electric cars are cost competitive in northern European countries such as the Norway and the Netherlands.

Compared with our 2018 results, we see a sharp decline in the price differences between electric cars and petrol/diesel cars for the other European markets

Driving a car in 2019 is most expensive in **Norway**, and cheapest in **Greece**

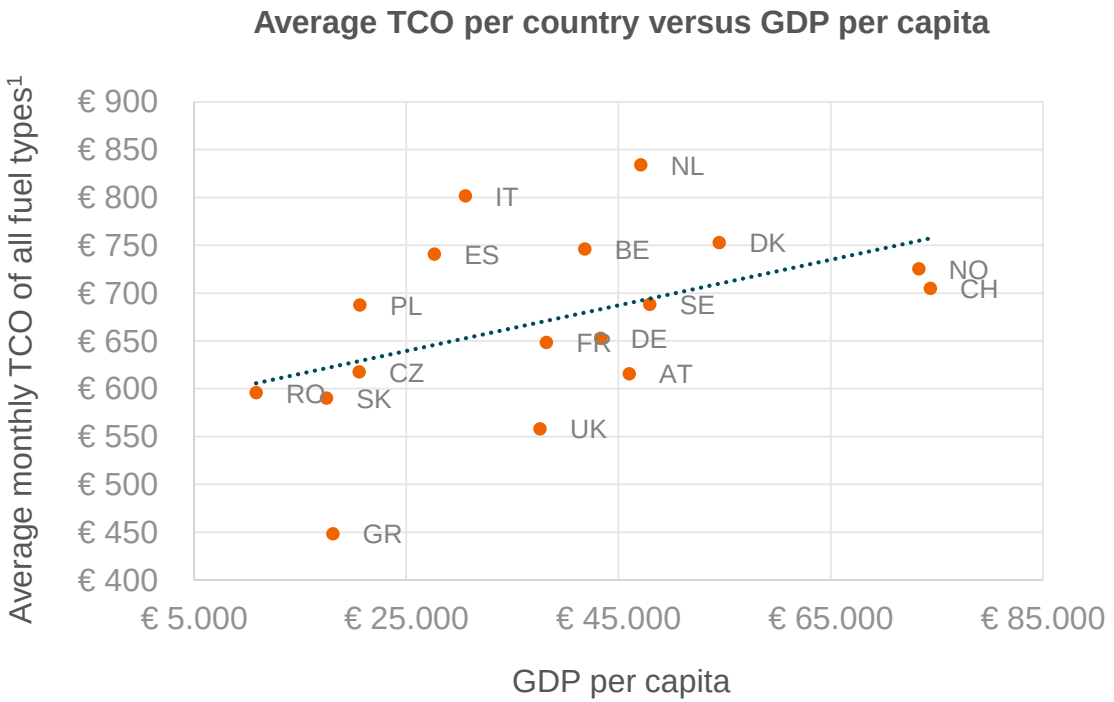
Average monthly TCO of all fuel types[1]



- In Northern European countries like Norway, the Netherlands, and Denmark, driving a vehicle is relatively expensive
- In Eastern European countries like Romania, Slovakia, and Czech Republic, driving a vehicle is relatively cheap
- The average cost across the European markets has remained largely unchanged compared with our 2018 results

1) Weighted for % of fuel type sold over Q1 2019

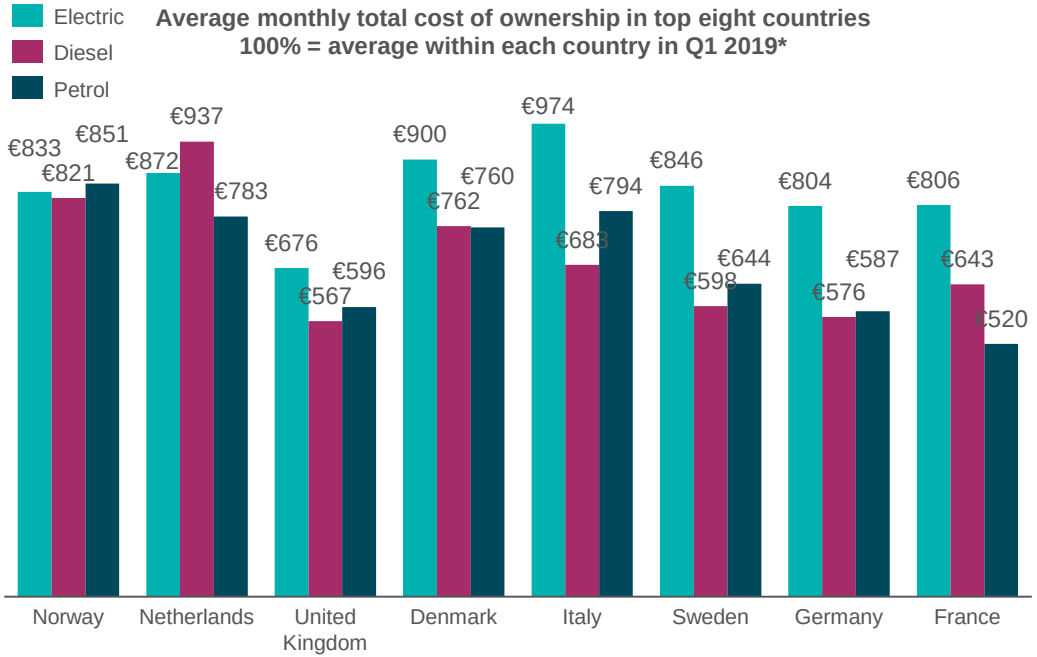
Wealthier countries tend to **have higher costs**



- Relative affordability of cars can be better understood when comparing the average monthly TCO to GDP per capita per country
- In the Netherlands & Italy the affordability is relatively low with the average TCO being relatively high compared to the GDP
- For Greece and the UK, the average TCO is relatively low compared to GDP indicating that driving a vehicle in these countries is relatively cheap

1) Weighted for % of fuel type sold over Q1 2019

In **Norway** and **the Netherlands** electric is more affordable than petrol or diesel



Besides Norway, electric vehicles are now also nearing parity in terms of cost in the Netherlands compared to petrol and diesel vehicles. The main contributors to this trend are:

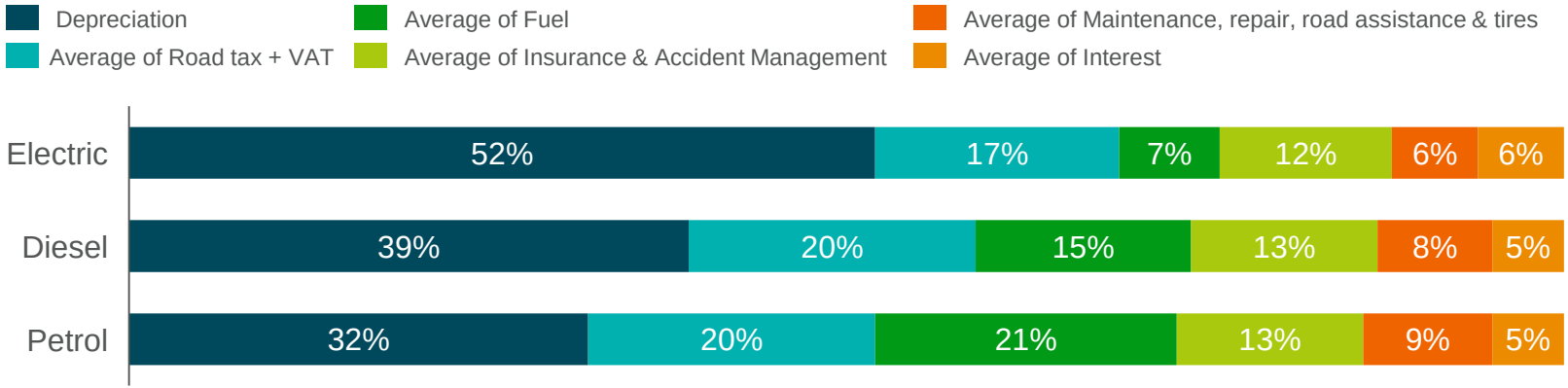
- The increased fuel cost of diesel and petrol
- The high registration and road taxation for diesel specifically.
- The subsidies and tax breaks in place for electric vehicles

Even in countries where electric is more expensive than in petrol or diesel like Sweden, we can see demand for electric vehicles increasing because of favorable Benefit-in-kind taxation for electric vehicles.

*the cost levels are determined by comparing the same basket of vehicles per fuel type across countries. Please be aware that a like for like comparison is not possible between EV and Diesel/Petrol since range, horsepower, and comfort levels are different for EVs than for diesel/petrol vehicles.

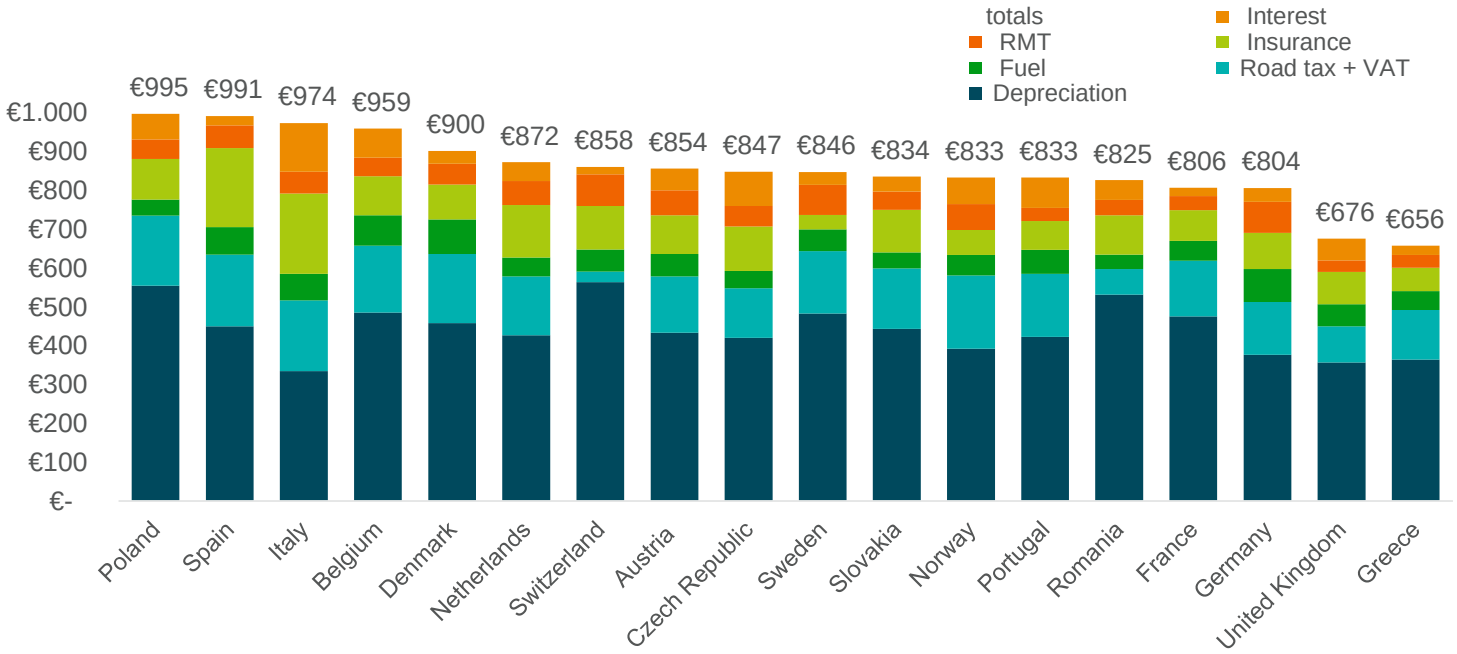
Average monthly **total cost of ownership**

The TCO breakdown of the three fuel types across all countries compared



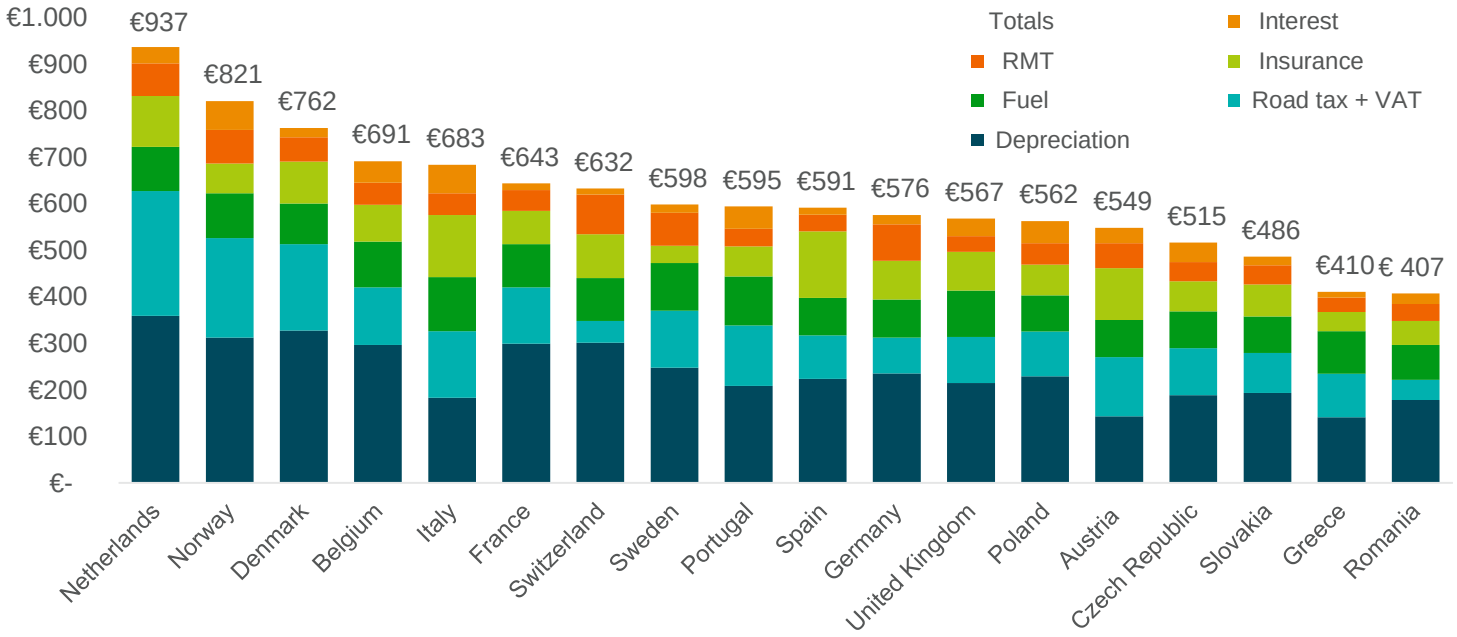
Average monthly **total cost of ownership**

Electric



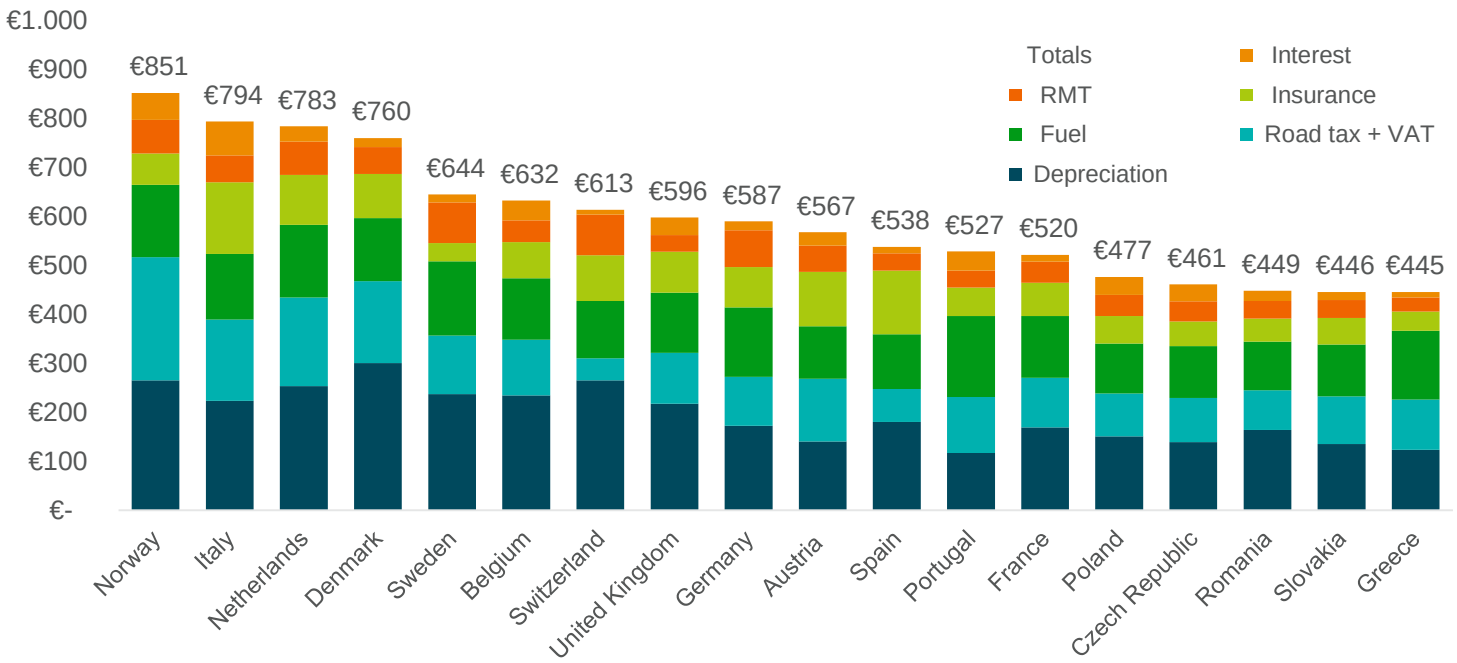
Average monthly **total cost of ownership**

Diesel



Average monthly **total cost of ownership**

Petrol



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