



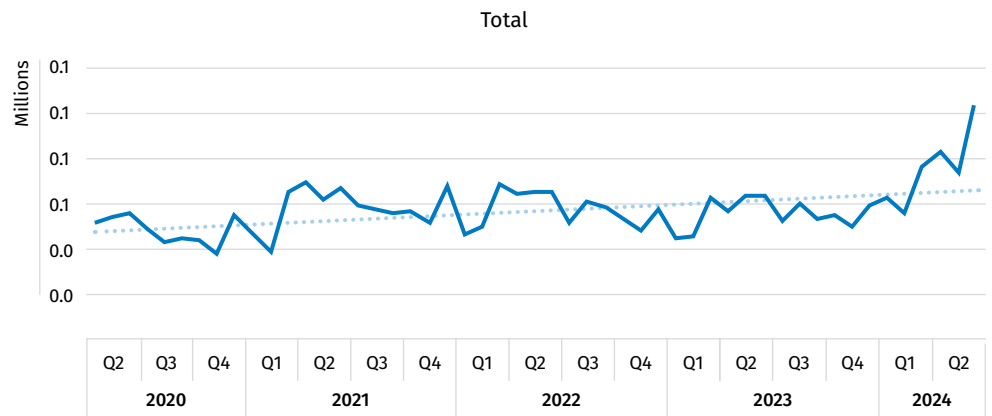
Equipment Lease Finance Digital Transformation Index Q2 2024

Wolters Kluwer, a global leader in professional information, software solutions, and services, announced the latest analysis from its Equipment Lease Finance Digital Transformation Index. Record growth in digital contracting adoption was recorded in the second quarter of 2024 by the key resource, which tracks the rate at which equipment lessors and service providers are progressing in the evolution of paper-based finance back-office processes to digital.

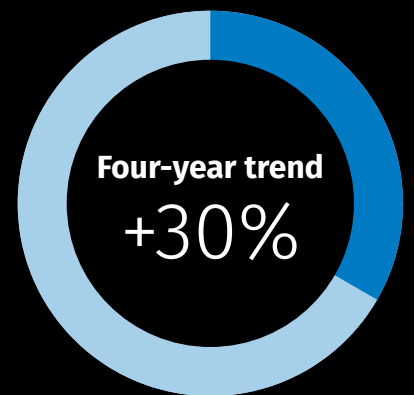
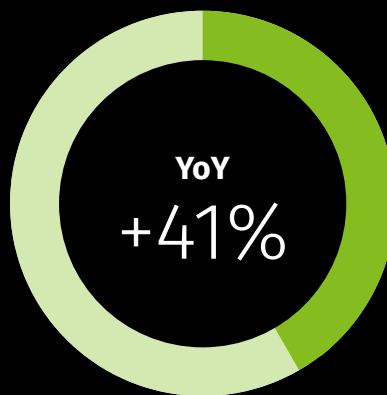
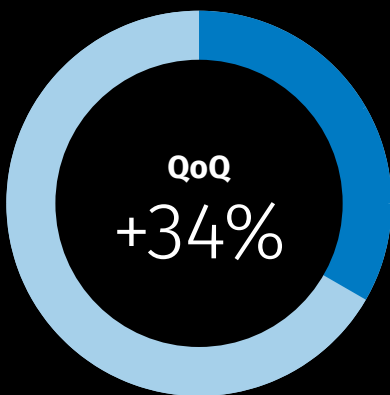
Digitization adoption rate achieves the highest gain yet

The rate of digital contracting adoption soared 34 percent in Q2 of 2024 compared to the previous quarter, representing the biggest gain documented since Wolters Kluwer first began tracking the data in 2019. When compared to the second quarter of 2023, the upsurge boosted the year-over-year increase to 41 percent. Meanwhile, the moving four-year trend captured a digital adoption growth rate of 30 percent, dating back to Q2 of 2020.

Digitization adoption growth Q2 2020 – Q2 2024



Digital contracting adoption rate



Market factors spurring record growth

Strong business spending over the past several months is believed to be driving the upward trend. New orders for manufactured durable goods [rose by 0.7 percent](#) in April — marking the third consecutive month of increases — while non-defense capital goods orders excluding aircraft grew more than expected. In addition, The Wall Street Journal reported a second-quarter rise in a key category of business spending, which analysts deemed a positive sign of future productivity. Nonresidential fixed investment — which reflects spending on commercial construction, equipment, and software rose 5.2 percent, while capital expenditures were led by an 11.6 percent increase in equipment spending.

Although the April data suggests a moderate improvement in business spending on equipment, investment continues to be hindered by higher borrowing costs, a strong dollar, and weak global demand. While interest rates have lowered demand for goods and raised the cost of financing for businesses, confidence in the equipment finance market remained level at 50.7, compared to the May index of 50.2, as measured by the Equipment Finance Industry's [Monthly Confidence Index \(MCI-EFI\)](#).



Tim Yalich
Head of Auto Strategy
for Wolters Kluwer

“American companies have demonstrated remarkable resilience and a robust appetite for spending and leasing equipment. This ongoing commitment to growth and innovation underscores the critical need for digital adoption in processing these transactions. Embracing digital documentation not only streamlines operations but also enhances efficiency, security, and sustainability. As we move forward, the transition to digital solutions will be pivotal in supporting the dynamic needs of businesses, ensuring they remain competitive and agile in a rapidly changing market.”

Summary

The Wolters Kluwer Equipment Lease Finance Digital Transformation Index helps identify and track adoption drivers while providing insights into market shifts that may impact digitization adoption by equipment lessors and servicers. Results of the Q2 2024 Index showed a 34 percent boost over the previous quarter. When examining adoption rates over the past four years, the market has grown by 30 percent.

About Wolters Kluwer Financial & Corporate Compliance

Wolters Kluwer (EURONEXT: WKL) is a global leader in information, software solutions and services for professionals in healthcare; tax and accounting; financial and corporate compliance; legal and regulatory; corporate performance and ESG. We help our customers make critical decisions every day by providing expert solutions that combine deep domain knowledge with technology and services.

Wolters Kluwer reported 2023 annual revenues of €5.6 billion. The group serves customers in over 180 countries, maintains operations in over 40 countries, and employs approximately 21,400 people worldwide. The company is headquartered in Alphen aan den Rijn, the Netherlands.

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