

RATING ACTION COMMENTARY

Fitch Affirms Ayvens at 'BBB+'/Stable; Senior Preferred Debt at 'A-'

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Fitch Ratings - Frankfurt am Main - 27 May 2025: Fitch Ratings has affirmed Ayvens' and Ayvens Bank N.V.'s (formerly LeasePlan Corporation N.V.) Long-Term Issuer Default Ratings (IDR) at 'BBB+' with Stable Outlooks. Fitch has also affirmed their Shareholder Support Ratings (SSR) at 'bbb+', group Viability Rating (VR) at 'bbb+' and senior unsecured debt ratings at 'A-'. A full list of rating actions is provided below.

KEY RATING DRIVERS

The Long-Term IDRs of Ayvens and Ayvens Bank are based on Fitch's assessment of shareholder support from Ayvens' majority shareholder, Societe Generale S.A. (SG; A-/Stable), as reflected in the SSR of 'bbb+', and the combined entity's creditworthiness, as expressed in the group 'bbb+' VR.

Group Ratings: Fitch views Ayvens Bank as a core and highly integrated subsidiary of Ayvens and applies a group rating approach to the entities. This reflects future high integration in management and systems, as well as the fungibility of balance sheets. Ayvens plans to finalise the integration in 2026.

Shareholder Support: Extraordinary capital or liquidity support would be highly likely, given SG's commitment to retain a majority stake in Ayvens, material funding from SG, and the inclusion of Ayvens in SG's single-point-of-entry resolution group. The acquisition of LeasePlan has increased the importance of Ayvens to SG, in particular regarding earnings generation.

Notched Down Once: The one-notch difference between Ayvens' and Ayvens Bank's Long-Term IDRs from those of SG mainly reflects SG's diluted ownership stake (53% or 51% in case of warrant exercise). Ayvens' shareholder structure has become more diversified after the former LeasePlan shareholders sold part of their stake in May 2025.

Standalone Strength: Ayvens' standalone creditworthiness is reflected in its 'bbb+' VR, which considers its established market position as a leading global multi-brand fleet lessor with a total fleet of 3.2 million vehicles, its experienced management team and a well-articulated strategy that is focused on the integration of LeasePlan until 2026. The ratings also factor in Ayvens' inherent exposure to residual value risk.

Residual Value Risk Exposure: The asset-quality assessment captures the group's focus on operational leasing and exposure to residual value risk, which may expose Ayvens to moderate earnings volatility, due to ongoing correction in used-car prices. However, Ayvens has a good record of managing residual value risk through the cycle.

Profitability Pressures: Profitability remained under pressure in 2024 from the normalisation of used-car prices, with a more pronounced price correction of electric vehicles, margin pressures and one-off costs from LeasePlan's integration. We expect Ayvens to improve its pre-tax income/average assets ratio to 2%-3% over the next three years, based on our expectation of margin recovery, the implementation of cost control measures and realisation of anticipated synergies from the LeasePlan acquisition, which should be fully achieved by 2026.

High Leverage, Adequate Prudential Capitalisation: Ayvens' gross debt/tangible equity ratio was a high 6.7x at end-2024, affected by goodwill generated by the LeasePlan acquisition. Our assessment of capitalisation is supported by Ayvens' adequate common equity Tier 1 (CET1) ratio of 13.2% at end-1Q25, which increased following the capital requirements regulation 3 implementation. We expect the CET1 ratio to return to Ayvens' capital target of around 12%. The assessment also factors in a notable share of deposits in Ayvens' total funding and the availability of ordinary capital support from SG.

Well-Diversified Funding: Ayvens' funding profile has become more diversified, following the acquisition of LeasePlan. Funding from SG constituted 24% of total funding at end-1Q25, while deposits at LeasePlan and issued bonds added 29% and 28%, respectively, with the remaining 19% split between third-party bank loans and securitisation programmes.

RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

A downgrade of Ayvens' and Ayvens Bank's Long-Term IDRs would require a downgrade of both the group VR and their SSRs.

A downgrade of SG or a weakening of SG's propensity to support the subsidiaries could result in a downgrade of the SSRs of Ayvens and Ayvens Bank.

Inability to integrate LeasePlan in line with projections, in particular if it leads to operational losses, materially higher restructuring costs or lower synergies, could result in a downgrade of the group VR.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

An upgrade of Ayvens' and Ayvens Bank's Long-Term IDRs would require an upgrade of the group VR or their SSRs.

An upgrade of SG would lead to an upgrade of the SSRs of Ayvens and Ayvens Bank, in the absence of major weakening of SG's propensity to support Ayvens.

Increased strategic relevance of the combined entity for SG and a material increase in the ownership stake could lead to an equalisation of the SSRs with SG's Long-Term IDR.

Successful integration of LeasePlan in line with management's projections, realised synergies leading to improving long-term profitability of the combined entity with a pre-tax income/average assets ratio sustained at or above 3.5%, while maintaining or improving other financial profile metrics could result in an upgrade of the group VR.

DEBT AND OTHER INSTRUMENT RATINGS: KEY RATING DRIVERS

Senior Preferred Debt Notched Up: Ayvens' and Ayvens Bank's senior preferred debt ratings of 'A-' reflect Fitch's expectation that the issuers' external senior creditors will benefit from the protection available from resolution debt buffers raised by SG. This is based on the subsidiaries' inclusion within SG's single point-of-entry resolution group.

DEBT AND OTHER INSTRUMENT RATINGS: RATING SENSITIVITIES

Ayvens' and Ayvens Bank's long-term senior preferred debt ratings are primarily sensitive to changes in their Long-Term IDRs. In addition, we would downgrade the long-term senior preferred debt ratings by a notch if we no longer expect the issuers to benefit from large resolution debt buffers raised by SG of well in excess of 10% of group risk-weighted assets, or if we no longer expect SG to meet its minimum requirement for own funds and eligible liabilities with only senior non-preferred and more junior instruments.

ADJUSTMENTS

The 'a-' business profile score is above the 'bbb' implied score due to the following adjustment reason: market position (positive).

The 'bbb+' asset quality score is below the 'aa' implied score due to the following adjustment reason: risk profile and business model (negative).

The 'bbb-' capitalisation & leverage score is above the 'bb' implied score due to the following adjustment reason: regulatory or other complementary capitalisation ratios (positive).

The 'bbb+' funding, liquidity & coverage score is above the 'b' implied score due to the following adjustment reason: funding flexibility (positive).

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

PUBLIC RATINGS WITH CREDIT LINKAGE TO OTHER RATINGS

Ayvens' and Ayven Bank's IDRs are driven by support from SG.

ESG CONSIDERATIONS

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>.

RATING ACTIONS

ENTITY / DEBT ↕	RATING ↕			PRIOR ↕
Ayvens Bank N.V.	LT IDR	BBB+	Affirmed	BBB+
	ST IDR	F1	Affirmed	F1

	Viability	bbb+	Affirmed	bbb+
	Shareholder Support	bbb+	Affirmed	bbb+
senior unsecured	LT	A-	Affirmed	A-
senior unsecured	ST	F1	Affirmed	F1
Ayvens	LT IDR	BBB+	Affirmed	BBB+
	ST IDR	F1	Affirmed	F1
	Viability	bbb+	Affirmed	bbb+
	Shareholder Support	bbb+	Affirmed	bbb+

VIEW ADDITIONAL RATING DETAILS

Additional information is available on www.fitchratings.com

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APPLICABLE CRITERIA

[Non-Bank Financial Institutions Rating Criteria \(pub. 31 Jan 2025\) \(including rating assumption sensitivity\)](#)

[Bank Rating Criteria \(pub. 21 Mar 2025\) \(including rating assumption sensitivity\)](#)

ADDITIONAL DISCLOSURES

[Dodd-Frank Rating Information Disclosure Form](#)

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ENDORSEMENT STATUS

Ayvens	EU Issued, UK Endorsed
Ayvens Bank N.V.	EU Issued, UK Endorsed

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