THE RECOGNITION OF LEASING: THE CASE OF AIRLINES COMPANIES

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Summary

On November 2017, the IASB (International Financial Reporting Standards) sets out a new rule for the recognition and measurement of the lease. This is the IFRS 16, replacing the old IAS 17. The new standard removes the lessee's distinction between operating and financial lease and it will have a substantial impact for companies have previously kept a large proportion of their financing off balance sheets. At the same time, the FASB announced the new ASC Topic 842, replacing the old ASC Topic 840 for the same reasons.

IFRS 16 purpose is to remove the so-called bright lines companies used to avoid capitalisation of leases and turns any attempt to hide lease liabilities off the balance sheet into a futile exercise to improve transparency of information. The new principles IFRS 16 and ASC Topic 842, the balance sheets will provide a more faithful representation of leases. According to an appreciation, in leasing contracts, world companies have about USD 3.3 trillion on its balance sheets.

In these sectors, let's see another advantage of IFRS 16 and ASC Topic 842, is also a better management of company resources, that increase the concept of the "supply chain management", so helping managers to make better decisions in the aim of the firms.

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Companies affected by changes in lessee accounting. The IASB compared the balance sheet leases to the total assets of these 1,022 companies. That analysis indicated that the prevalence of balance sheet leases is very different for different industries. Off balance sheet lease financing numbers are substantial. However, the use of balance sheet leases is highly concentrated within some industry (like airlines, retails, transports) and less in other sectors (like information technology, healthcare and media).

The motivations are linked to the development of air transport and also to the growing incomes in emerging markets, which are leading to an ever-expanding middle class, which has similar consumption and travel needs to the population in the developed world. Against this backdrop, demand for aircraft will continue to grow. The new aircraft must not only be produced and operated, but also financed. In recent years, the proportion of aircraft purchased not directly from airlines but by leasing

companies has increased sharply. This also provides financing from the leasing company, which then leases the aircraft to the airlines.

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Table 1: **Sector analysis.**

Industry sector	Number of companies	Total assets (in millions of US$)	Future payments for off balance sheet leases *(undiscounted)* (in millions of US$)	Future payments for off balance sheet leases / total assets	Present value of future payments for off balance sheet leases *(estimate)* (in millions of US$)	Present value of future payments for off balance sheet leases / total assets
Airlines	50	526,763	151,549	28.8%	119,384	22.7%
Retailers	204	2,019,958	571,812	28.3%	431,473	21.4%
Travel and leisure	69	403,524	115,300	28.6%	83,491	20.7%
Transport	51	585,964	90,598	15.5%	68,175	11.6%
Telecommunications	56	2,847,063	219,178	7.7%	172,644	6.1%
Energy	99	5,192,938	400,198	7.7%	287,858	5.5%
Media	48	1,020,317	71,743	7.0%	55,764	5.5%
Distributors	26	581,503	31,410	5.4%	25,092	4.3%
Information technology	58	1,911,316	69,870	3.7%	56,806	3.0%
Healthcare	55	1,894,933	72,149	3.8%	54,365	2.9%
Others	306	13,959,223	401,703	2.9%	306,735	2.2%
Total	**1,022**	**30,943,502**	**2,195,510**	**7.1%**	**1,661,787**	**5.4%**

Source: Effects Analysis IFRS 16, International Financial Reporting Standard

The motivations are linked to the development of air transport and also to the growing incomes in emerging markets, which are leading to an ever-expanding middle class, which has similar consumption and travel needs to the population in the developed world. Against this backdrop, demand for aircraft will continue to grow. The new aircraft must not only be produced and operated, but also financed. In recent years, the proportion of aircraft purchased not directly from airlines but by leasing companies has increased sharply. This also provides financing from the leasing company, which then leases the aircraft to the airlines.

This also means increasing tourism and increasing the internationalisation of trade. In addition to income trends, further liberalisation of air transport will also be a key growth factor in global air transport. In particular, the Open Skies agreement (an international agreement for reciprocal liberalisation based on the market of the respective civil aviation sector - embodied by civil airlines) will accelerate the pace of liberalisation[8].

[8] BIERMANN; BRAUNINGER; GRIESE. Aircraft leasing. Hamburg Institute of International Economics (HWWI)

Unlike IAS 17, for all leases (including former of balance sheet leases), IFRS 16 requires a company to recognise interest on lease liabilities separately from depreciation of lease assets. A company is expected to present interest expense as part of finance costs, and depreciation within a similar line item to that in which it presents depreciation of property, plant and equipment. Applying IAS 17, lease payments for off balance sheet leases were generally presented within operating expenses. To test the effect on the income statement of recognising and presenting depreciation of lease assets separately from interest on lease liabilities for off balance sheet leases, the IASB used the same sample described earlier in this document[9].

Applying IFRS 16, EBITDA will be notably higher compared to IAS 17 for companies with material off balance sheet leases. This is because EBITDA applying IFRS 16 does not include expenses related to leases as EBITDA applying IAS 17 included the entire expense related to off balance sheet leases. EBITDA is a profit measure that is often used by investors and analysts in assessing financial leverage.

Profit measures before interest and tax, such as EBIT or operating profit, will also increase applying IFRS 16. This is because those measures applying IFRS 16 exclude interest on lease liabilities whereas, applying IAS 17, they included the entire expense related to off balance sheet leases.

The IASB is aware that, when assessing the operating performance of a company or determining enterprise value, investors and analysts often use profit measures before interest and tax in their analyses. This is because they often wish to assess the performance of a company, independently of its financing or ownership structure.

The IASB noted that, for some industry sectors, such as healthcare, the increase in profit margin is not very significant. However, for industry sectors that use significant amounts of balance sheet leases, such as airlines, retailers and travel and leisure, the increase in profit margin is expected to be significant.

To better assess the variation in effects on individual companies within an industry sector, the IASB analysed the effects of applying IFRS 16 for airlines from one region, taking data from previous tables (1,36% increases in profit margin and 22,7% off balance sheet leases).

The analysis for these airlines shows that IFRS 16 is expected to have relatively little effect on the reported assets and liabilities for some airlines. In contrast, the reported assets and liabilities for some other airlines are expected to change significantly.

[9] IASB sample described in Section - Companies affected by changes in lessee accounting.

Table 2: **EBITDA of different sectors**

Industry sector	EBITDA (in millions of US$)		Profit before interest and tax / total revenue		Increase in profit margin % before interest and tax (percentage points)
	Reported (IAS 17)	If all leases on balance sheet (IFRS 16)	Reported (IAS 17)	If all leases on balance sheet (IFRS 16)	
Airlines	51,624	73,849	6.33%	7.69%	1.36 (=136 basis points)
Retailers	270,403	347,716	6.01%	6.66%	0.65
Travel and leisure	50,299	63,279	11.80%	13.15%	1.35
Transport	71,177	87,580	10.00%	10.70%	0.70
Telecommunications	399,328	434,452	13.18%	13.80%	0.62
Energy	688,370	745,273	8.11%	8.42%	0.31
Media	118,156	128,959	17.70%	18.29%	0.59
Distributors	29,350	35,047	3.70%	3.94%	0.24
Information technology	298,655	312,392	18.28%	18.50%	0.22
Healthcare	254,616	265,181	15.41%	15.63%	0.22
Others	1,162,512	1,228,643	10.63%	10.83%	0.20
Total	**3,394,490**	**3,722,371**	**10.19%**	**10.58%**	**0.39**

Source: Effects Analysis IFRS 16, International Financial Reporting Standard

The airline sector. As already mentioned, the reasons of the development of air transport are mainly linked to the development in emerging markets, which are leading to an ever-expanding middle class. In recent years, the percentage of aircraft purchased not directly by airlines, but by leasing companies has increased significantly. This provides financing from the leasing company, which then leases the aircraft to the airlines. The table shows the sources of financing of Boeing deliveries in 2013, which essentially reflect industry trends. More than 50% of the financing is provided by bank (28 %). Export credits (23%). A further 14% is financed by the capital market and 30% by the own resources of airlines or leasing companies. The shares of equity and debt have been relatively stable over the last decade. In terms of equity financing, leasing companies had a significantly higher share until the 2008/09 financial crisis. In the future, Boeing expects bank and export credits to become more expensive and available for a smaller number of companies (see Boeing 2013a). For this reason, an increasing number of aircraft will continue to be financed through leasing companies in the future, continuing a trend from recent decades.

Financing leasing and operating leasing have to be distinguished. In the case of the lease, the present value of the lease payments is at least 90% of the aircraft market value and at the end of the lease there is a better purchase option for the aircraft. The lease time is more than 75% of the economic life of the aircraft. As this is considered an acquisition, the aircraft will appear on the lessee's balance sheet.

Operating leasing usually involves a lease period of between six and ten years, depending on the age of the aircraft. Usually, an aircraft can be missed 4 to 6 times in its life cycle. So far, the aircraft has not appeared on the lessee's balance sheet,

according to IAS and ASC Topic 840 accounting, and then provided by the new IFRS 16 and ASC Topic 842.

Since 1981, the aircraft leasing market share has risen steadily from 2% of the globally operated aircraft fleet to about 40% in 2013. In absolute terms, this means a 60% of increase. The majority of the leasing fleet consists of the popular and liquid aircraft (Airbus A320 and Boeing 737 families).

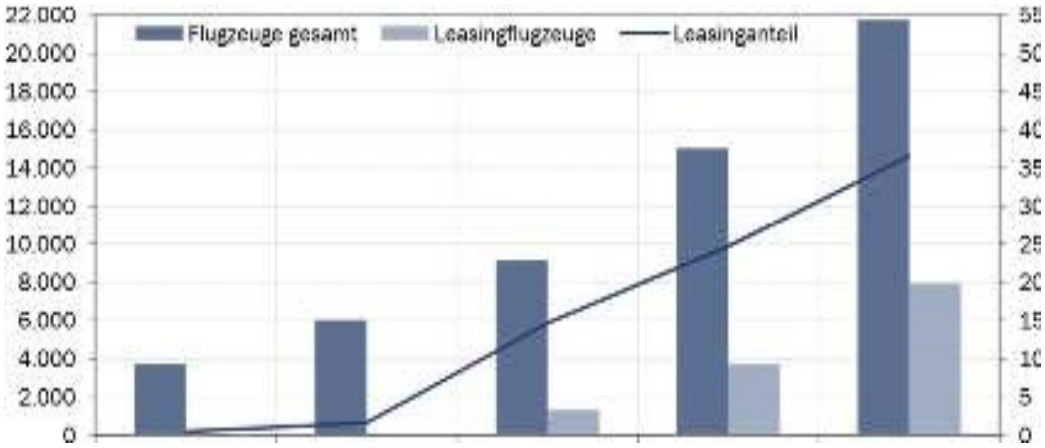

Figure 1. **Development of operating leasing.**
Source: Investec (2013); HWWI.

The growth is mainly attributable to 3 factors:

1) Leasing allows airlines that do not have direct access to capital to purchase new or new aircraft;
2) Leasing is also an important element of a diversified fleet financing strategy for airlines, which can find financing on the capital markets;
3) It gives airlines the flexibility to adapt changes in demand to the fleet in the medium term, which would not be possible with aircraft in possession or through loan debt financing. This is particularly important for older aircraft, where short lease maturities are chosen. For younger aircraft, longer lease maturities are usually selected, so that the flexibility of the fleet increases only to a limited extent[10].

The next figure shows the ten largest leasing companies. The fleet of the largest company GECAS comprised more than 1,750 aircraft at the end of 2011, worth a bit of $34.6bn. ILFC's fleet was 1,000 aircraft with a Valued at $27.8 billion. Behind the two dominant societies follow the Company AerCap, BBAM and CIT Aerospace, which have grown strongly in recent years and now have over 325 aircraft (AerCap, BBAM) and 263 aircraft (CIT), respectively. Aerospace) own.

[10] BIERMANN; BRAUNINGER; GRIESE. Aircraft leasing. Hamburg Institute of International Economics (HWWI).

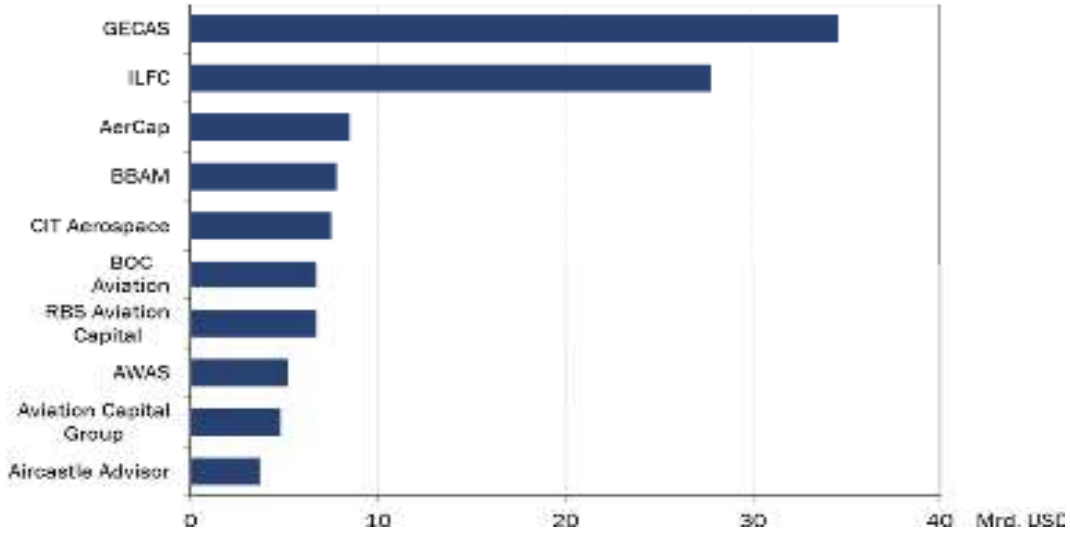

Figure 2. **Top 10 leasing companies by fleet value 2011.**
Source: Flight global (2012); HWWI.

Airlines and investors rate aircraft and their use as economic unit. However, the respective utility value of an aircraft differs considerably between these. Airlines make the investment decision according to an analysis of the value of the aircraft. This analyses the profitable potential of an aircraft, with the aircraft value being the planned, expected present value of the aircraft's operating results within its lifetime. There are several market and performance factors that determine the preservation of the value of an aircraft and the earnings prospects for resale.

Unlike the airlines, aircraft investors, such as aircraft leaseholders, make an investment decision based on the expected present value of income (leasing income) and the expected resale value of the aircraft at the end of the Life. Since the residual value is an essential part of the total return on an aircraft, the Low depreciation of aircraft is another advantage. The latter can be achieved by acquiring easily reseller aircraft. Aircraft have the advantage of being transferred from one user to another in an active, liquid and global market.

For older aircraft, there are various options for recovery: Used sales, leasing for second or third operators, passenger on cargo equipment and ultimately the removal of engines and other orbits for separate sale. Traditionally, aircraft leave the service after about 25 years, after which they were either disposed of or used for the sale or recycling of the parts (see PwC 2013). Typically, after the first years of use, aircraft are sold on established airlines to newly established, smaller airlines and those with lower creditworthiness. In doing so, changes in financing options can lead to market changes. Improved financing opportunities for subordinated airlines could lead to more frequent purchase of new aircraft, while deteriorated financing options are more likely to push them into the secondary market[11].

The effects on balance sheet, income statement and cash flow. This example illustrates the estimated effects of IFRS 16 by comparing the reported financial

[11] Ackert 2012

information applying previous accounting requirements (IAS 17) to the information that is expected to result from applying IFRS 16 and the FASB model (US GAAP).

The company is an airline. Applying IAS 17, the company reports approximately 80 per cent of its aircraft fleet on the balance sheet (ie around 80 per cent of the company's aircraft fleet is owned or leased under finance leases). The company leases (under former balance sheet leases) approximately 20 per cent of its aircraft fleet as well as various buildings.

The example includes some common ratios used by investors and analysts in assessing financial leverage and performance[12]. Debt to EBITDA and interest cover are the most common ratios used in debt covenants according to an academic study.

Various assumptions needed to be made when preparing the estimated effects applying IFRS 16 and the FASB model illustrated in this appendix. The assumptions made are the following:

a. a discount rate of 5 per cent applies to all former balance sheet leases;

b. applying IFRS 16, lease assets are depreciated on a straight-line basis;

c. applying the FASB model, leases are classified in the same way as they were applying previous lease accounting requirements;

d. leases of low-value assets and short-term leases are not material; and

e. the examples do not include (i) any possible difference in lease liabilities recognised applying IFRS 16 and the FASB model relating to the reassessment of inflation-linked payments; and (ii) any effects on tax.

In addition, to provide more realistic information, estimates have been prepared on the basis that all companies hold a 'rolling' portfolio of leases. Average lease terms have been estimated based on information disclosed in the financial statements.

[12] The information in this example has been prepared using reported information for a number of companies. and should be used with a degree of caution. The information has been prepared for illustrative purposes only—the actual effect of IFRS 16 on specific companies and industries could differ materially from those presented here.

Table 3: **EBITDA of different sectors**

Balance sheet	IAS 17	IFRS 16	US GAAP
Property, plant and equipment	27,886	27,886	27,886
Lease assets	12,030	25,430	12,030 14,923
Other[20]	9,114	8,952	8,952
Total non-current assets	49,030	62,268	63,791
Total current assets	21,152	21,152	21,152
Total assets	**70,182**	**83,420**	**84,943**
Borrowings	9,430	9,430	9,430
Lease liabilities	10,516	25,277	10,516 14,761
Other liabilities	34,818	34,818	34,818
Total liabilities	**54,764**	**69,525**	**69,525**
Equity	15,418	13,895	15,418
Total liabilities and equity	**70,182**	**83,420**	**84,943**

Source: Effects Analysis IFRS 16, International Financial Reporting Standard

Between IFRS 16 and IAS 17: there is an increase in lease assets and lease liabilities.

Unlike IAS 17, for all leases (including former balance sheet leases), IFRS 16 requires a company to recognise interest on lease liabilities separately from depreciation of lease assets.

A company is expected to present interest expense as part of finance costs, and depreciation within a similar line item to that in which it presents depreciation of property, plant and equipment.

Between IFRS 16 and US GAAP: lease assets and equity are higher applying US GAAP and lease assets and liabilities relating to former on and balance sheet leases required to be presented in separate line items applying US GAAP. (Neither IFRS 16 nor US GAAP requires presentation of lease assets and liabilities on the face of the balance sheet). Profit for the year is only marginally different between IFRS 16 and IAS 17 / US GAAP because the company holds a portfolio of leases starting and ending in different years. In the income statement, net profit is not expected to change much for most lessees, but sub-totals such as EBITDA will change.

The main difference is that with the new rules the burden will be shared between operating management (for the share relating to the amortization of the right of use) and financial management (for the share relating to implicit interest expense) for all leases and no longer just for financial ones. As a result, companies that previously had off-balance sheet leases, after the application of IFRS 16, will be affected by an improvement in operating profit as a result of the shift of part of the cost to the company's financial statement prospectus. On the other hand, pre-tax operating income should remain broadly unchanged on the other terms.

Table 4: **EBITDA of different sectors**

Income statement	IAS 17	IFRS 16	US GAAP
Revenue and other income	67,272	67,272	67,272
Operating costs[21]	(60,893)	(58,340)	(60,893)
EBITDA	**6,379**	**8,932**	**6,379**
Depreciation and amortisation	(3,908)	(5,674)	(3,908)
Operating profit	**2,471**	**3,258**	**2,471**
Net finance costs	(865)	(1,656)	(865)
Profit before tax	**1,606**	**1,602**	**1,606**
Income tax	(285)	(285)	(285)
Profit for the year	**1,321**	**1,317**	**1,321**

Source: Effects Analysis IFRS 16, International Financial Reporting Standard

Applying IFRS 16, EBITDA will be notably higher compared to IAS 17 for companies with material off balance sheet leases. This is because EBITDA applying IFRS 16 does not include expenses related to leases as EBITDA applying IAS 17 included the entire expense related to off balance sheet leases. We remember that EBITDA is a profit measure that is often used by investors and analysts in assessing financial leverage. Operating profit is also higher under IFRS 16 because it includes only a portion of the costs related to leases, as explained above.

Profit for the year is only marginally different between IFRS 16 and IAS 17 / US GAAP because the company holds a portfolio of leases starting and ending in different years. Let's see about cash flow statement:

Table 5: **EBITDA of different sectors**

Cash flow statement	IAS 17	IFRS 16	US GAAP
Operating activities	6,265	8,026	6,265
Investing activities	(5,190)	(5,190)	(5,190)
Financing activities	(851)	(2,612)	(851)
Total cash inflow	**224**	**224**	**224**

Source: Effects Analysis IFRS 16, International Financial Reporting Standard

IFRS 16 vs IAS 17 and US GAAP, total cash flow does not change, but the mix will change applying IFRS 16 because operating cash flows are higher and financing

cash flow are lower compared to IAS 17 and US GAAP. Operating cash is also higher under IFRS 16 because it includes only a portion of the costs related to leases, as explained above.

Net cash flows from operating activities is higher applying IFRS 16 (with corresponding increase in cash outflows from financing activities).

The amount of money that must be transferred from the lessee to the lessor for rent payment and other lease obligations is not changed and therefore, in any other condition, the total amount of cashflow exit from financial management is not affected in any way. What will have to change after the implementation of IFRS 16 is how the total cashflow coming out of the lessee's cash is represented in its financial statement prospectus. To provide a clear and correct representation of the business reality it is important that there is a link between the various accounting schemes that make up the balance sheet, so the new standard requires that the overall cashflow is divided into a principal share due as a "repayment" of the financed capital that flows into the section of the statement dedicated to the financial assets and a share paid as an interest that will have to be classified in a way similar to the interest. This means that, in the transition from IAS 17 to the new standard.

- An increase in the cash flow of operating activities, which will no longer be burdened by the release of financial resources for rent payments that, under the current provisions, are included precisely in the operational management;

- A marked reduction in the cash flow of the financial asset, because the main share of outflows for leasing will always be included in the management of the financing activities and the minority share of interest will instead fall into the category for all companies in which they are supported as compensation for obtaining sources of financing.

Conclusions. The aim of this work is to investigate the lease before and after the issuing of the IFRS 16. Moreover, a comparison between the international accounting standards and the US GAAP is performed to highlights if the convergence process between FASB and IASB was taken into account when IFRS 16 was issued.

The analysis proposed in this report has shown that new accounting models for leasing have been adopted in the international and American accounting panorama, which guarantee greater transparency and reporting of the financial statements of leasing operations that were not previously fully and clearly shown in the financial statements. It should also be noted that at the national level the current accounting treatment has not been changed but the capital method for the representation of both financial and operating leases has been maintained.

As regards the comparison between the new International Accounting Standard IFRS 16 and its predecessor IAS 17, there are important differences with regard to the classification of leases, the scope of application and the new model for determining the value of the asset and the related financial liability. In particular, in the classification of leases, IAS 17 distinguished between operating and finance leases. In the new IFRS 16, however, this distinction is repealed to introduce a single definition of leasing based on the concept of "right to use the underlying asset" which translates into two

main components: the right to benefit from the use of the underlying asset; and the right to decide on the use of the asset.

The second aspect modified with respect to the previous version of the standard is the scope of application and in particular the so-called "grounds for exclusion" which in IAS 17 were not provided for, while in the new standard IFRS 16 the possibility is given not to apply the rules contained therein in the case of short-term or low value leasing operations.

The aspect that has undergone a greater level of change is the accounting method applied to the lessee for leasing operations and the relative model to be used for the valuation of assets and liabilities. IAS 17 provided for two different accounting methods depending on whether the lease was financial or operational. In particular, the finance lease method was adopted and, therefore, the financial asset and financial liability were presented on the balance sheet with borrowing costs being charged to the income statement on the basis of the expiration dates of the liability repayment schedule. The model for the valuation of assets and liabilities governed by IAS 17 required that these be valued at the lower of the fair value of the asset leased and the present value of the periodic instalments determined at the date of commencement of the contract.

As regards the provisions of IFRS 16, on the other hand, it emerged that for the lessee the accounting method to be applied for all leasing operations (both financial and operational) is the financial method. Consequently, for the lessee the relative model for determining the financial asset and liability has also been modified; in fact, the so-called "right of use model" will have to be applied.

The new international accounting standard IFRS 16 will have a significant impact on the financial statements of companies that operate mainly with capital goods (like vehicles and aicrafts) obtained through operating leases. In fact, if, with the previous version, these transactions were represented only in the income statement with the allocation to operating costs of the full value of the periodic instalments, with the new version of the principle the companies will simultaneously increase their assets and liabilities in the balance sheet and will be limited to recording the financial charges, representing the interest rate, and the amortization of the right of use in the income statement. As a result, the gross operating margin (EBITDA) will improve compared to what was previously envisaged in IAS 17.

Applying previous lease accounting requirements, the criteria for determining whether a lease was either a finance lease or an operating lease were similar applying IFRS and US GAAP; however, US GAAP provided explicit five quantitative classifications that defined when some of these criteria were met.

In calculating the residual value, the regulation of the FASB for a better transparency of the classifications of the lease, makes recourse to the ASC Topic 606, revenue from contracts with customers for less revenue recognition on the lessee, guaranteeing when this is a financial lease and when operating. This highlights how the same principles, at times, can be connected among themselves, to define specific situations of particular importance.

It should be noted that the ASC Topic 842 (Leases) provides for only one case of exemption, ie the case of short-term leasing. The leasing accounting model for the lessee instead provides for a double recognition model depending on whether the

leasing transaction is a financial or an operating one. The different accounting treatment is pertinent to the sole method of imputation to the income statement of the costs related to the transaction. In fact, at the date of signing the contract, the lessee will recognize the asset and the related financial liability for both types of leases in the balance sheet. Subsequently, for the financial lease the amortization cost of the right to use the underlying asset and the cost of the loan among the financial charges will be charged to the income statement. For operating leases, on the other hand, the costs associated with the transaction are charged to the income statement through a single cost throughout the lease term and divided into straight lines.

The two institutes IASB and FASB have worked together to reach the same purposes to unify the accounting principles, there are considerations that confirm what has been done together.

The first step to a collaboration between the two institutes was the problem of accounting for off- balance sheet agreements prior to the entry into force of the new IFRS 16 and ASC TOPIC 842. In fact, many leasing transactions were often classified as operational, although the contract allowed for the all the risks and benefits associated with the ownership of the asset. In this way, the representation of the company given by the balance sheet was somewhat "false" because it failed to present in the user's financial position two important elements: the asset for the right to use the asset (or better yet, directly the material immobilization given by the tangible asset) and the liability given by the commitment to the payment of future fees plus any residual value of the asset and final option of purchase.

Since 2005, the International Committee for Accounting Standardization (IASB) and the Financial Accounting Committee (FASB) have examined and solicited the views of interested parties on clarity regarding the accounting of leases. The estimated $ 3.3 trillion imbalance lease commitments are within the public company books that have used International Financial Reporting Standards (IFRS) and US GAAP.

However, 85% of these communications were off-balance sheet lease contracts. So this shows the lack of news and disclosures fed by what is extremely difficult for users of the financial statements to obtain accurate information on the activity in the leasing of the functions and subjected to comparative checks with analogy and accurately calculate the insurance of off-balance sheet charges.

In fact, all stakeholders who had any interest in the company and needed to know its value or assess its solvency, in order to carry out significant analyses and proceed to adjust its values based on the additional information in the Notes.

On the other side instead, we have to underline how much the two standards still operate on different roads, as evidenced by the classification of the leasing in 5 quantitative criteria reported in the FASB, not included in the IASB.

Despite the work undertaken by the two accounting bodies for the purposes of accounting convergence between IFRS and US GAAP, even in the new version of the principles under analysis in this report there are still slight differences. In particular, the differences found concern the following issues: a) the exemption clauses; b) the accounting entry model for the lessee; and c) the presentation in the financial statements of the transaction. Despite the contact points and the differences that still exist between the IASB and FASB, the thesis can state that today the aim is to

improve the collaboration in order to achieve unity of purpose from an accounting point of view, even if this will take time and resilience.

It would also be interesting to understand the economic and strategic impact that the new changes made to the new international accounting standard IFRS and US GAAP have had and will have in the different business sectors and in their strategic and investment decisions, also considering that in some business sectors the procurement of capital goods through the contractual form of leasing appears to be a fundamental aspect for the normal management of business activities.

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