



for



ERA MARKET REPORT EQUIPMENT RENTAL INDUSTRY REPORT 2025

KPMG for the European Rental Association

September 2025

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EUROPEAN
RENTAL
ASSOCIATION

01. INTRODUCTION

ERA MARKET REPORT 2025



REPORT BY

THE EUROPEAN RENTAL ASSOCIATION (ERA)

The European Rental Association was created in 2006 to represent national rental associations and equipment rental companies in Europe. Today, its membership encompasses a large number of rental companies, either directly or through 18 rental associations.

Through its committees and working groups, ERA is active in the fields of Promotion, Sustainability, Statistics, and Technical issues.

Extensive information on ERA's activities, reports, and publications is available on the ERA website at <http://www.erarental.org>.



KPMG

KPMG firms operate in 142 countries and territories. In FY24, they employed more than 275,000 people, serving the needs of business, governments, public-sector agencies, not-for-profits and, through audit and assurance practices, the capital markets.

KPMG is committed to quality and service excellence in all that we do, bringing our best to clients and earning the public's trust through our actions and behaviours both professionally and personally



EXECUTIVE SUMMARY

EUROPEAN OVERVIEW

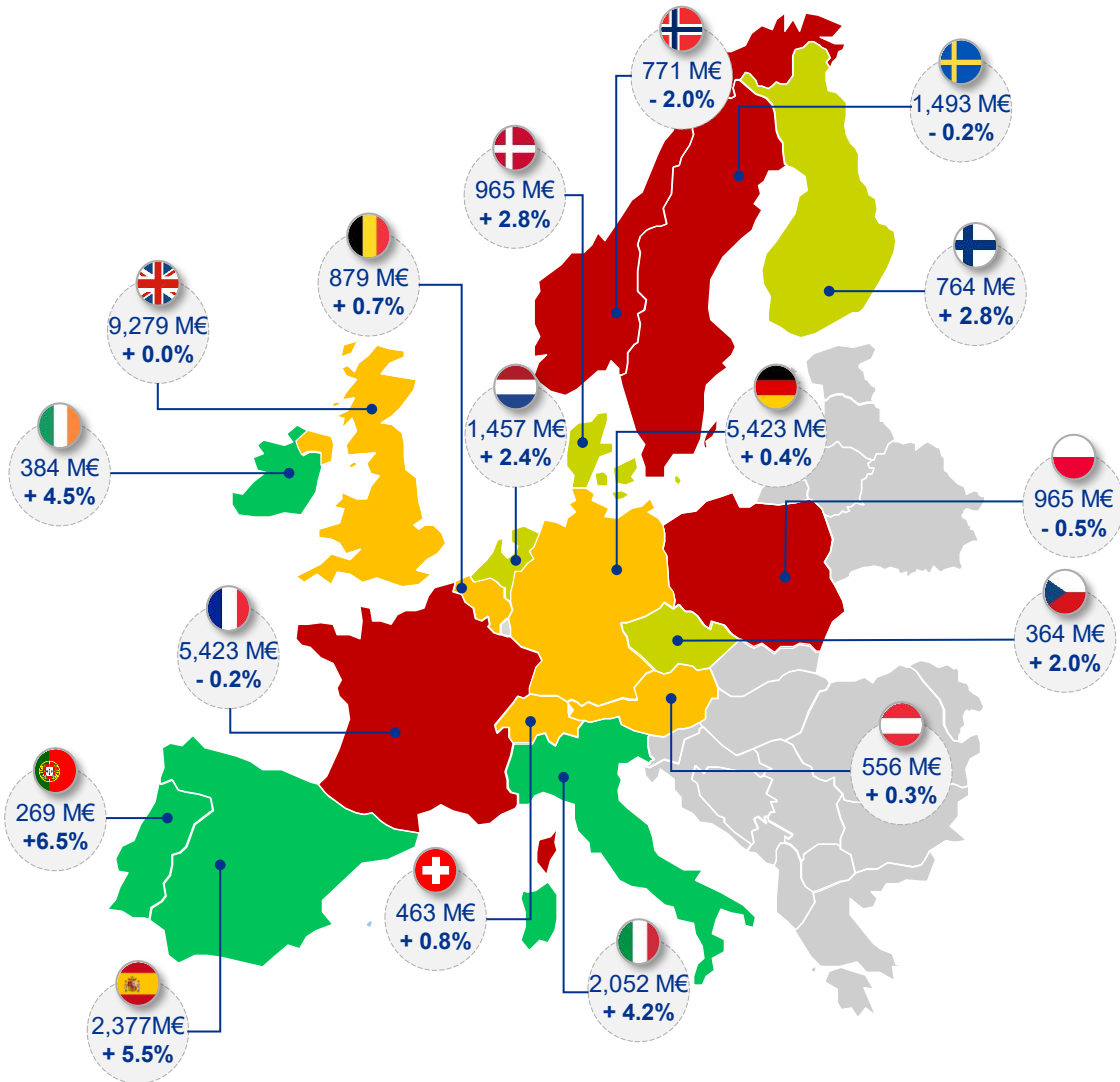
The report analyses 17 countries (ERA scope of analysis).

The total rental market in these countries is €33.9 bn in 2025.

This represents ~95% of the equipment rental industry in the EU27, the European Free-Trade Association (EFTA)** countries and the United Kingdom.

GDP growth rates (€)		Rental market growth rates (€)	
2024	1.1%	2024	1.3%
2025	1.2%	2025	1.0%
2026	1.5%	2026	2.3%

- Legend:
- €33,885 M: 2025 market size
- + 1.7%: 2024-26 CAGR* in LCU
- Tier 1 < 0%
 - Tier 2 ≥ 0 % and < 2%
 - Tier 3 ≥ 2% and < 4%
 - Tier 4 ≥ 4%





EUROPEAN
RENTAL
ASSOCIATION

02. METHODOLOGICAL OVERVIEW

ERA MARKET REPORT 2025



METHODOLOGICAL OVERVIEW

APPROACH

Two distinct steps were followed to build the market report:

Market sizing

As a first step, we determined the size of the equipment rental market in Local Currency Units (LCU).

We used Y-2 Eurostat data (i.e. from three years before this report's publication, as available in Eurostat) on annual turnover for 3 NACE codes (rev. 2):

- Primarily for code 77.32 (Renting and leasing of construction and civil engineering machinery and equipment).
- Alternatively for codes 77.39 (Renting and leasing of other machinery, equipment and tangible goods n.e.c.) and 77.29 (Renting and leasing of other personal and household goods), when available.
- If data access is limited, code 77.3 (Renting and leasing of other machinery, equipment and tangible goods) was used when more granular (4-digit) data was missing.

We then weighted those figures and aggregated them to obtain the total annual turnover of rental companies in Y+3. Finally, we ran a data validation check on a company-base with major players in each of the countries under investigation.

Estimates and forecasts

The second step consisted of forecasting the rental market turnover growth rates based on the study of key market drivers.

Together with industry experts and senior rental specialists, we defined 5 main country profiles, based on their dependence on the construction market: from a construction-oriented market (i.e. Poland: ~80% construction driven) to a more diversified one (i.e. the United Kingdom: ~60% construction driven).

We then estimated rental revenue growth for each country based on key market drivers and their weightings: i) for construction: construction sector output, broken down by building type (i.e., residential, non-residential, infrastructure), and ii) for non-construction activities: GDP growth and market dynamics of non-construction sub-segments (i.e., industrial, energy, logistics, event, retail, mining and agriculture).

Finally, those market dynamic estimates were adjusted to calculate the final growth rates used to produce the tables and graphs of this report, taking into account the elasticity of rental market dynamics relative to those of the underlying markets

OUTPUT

Forecasting concepts

Three different time periods were considered, depending on data availability. Throughout the report, a color code has been assigned to each one of them to facilitate reading:

- **Actual data (2022–23)**, dark blue: an approach mainly based on official statistics aggregation
- **Estimates (2024–25)**, lighter blue: an approach mainly consolidating available public data, company financials, and data from field research and expert interviews
- **Forecasts (2026–27)**, light blue: an approach based on the estimation of rental demand elasticity with respect to i) construction and ii) non-construction segment dynamics

Volume and price effects

In order to have a detailed understanding of the drivers of market dynamics, this report integrates segmentation of growth by volume (i.e., driven by the dynamics of end-markets and the evolution of the rental penetration rate) and price (i.e., driven by inflation, demand for value-added services, competitive intensity on market prices and customer/product mix) effects.

Data considerations

Please note that as we continue to take advantage of more up-to-date data, some of the figures presented in the previous reports have been revised, including actual data.

The granularity of data available for a country may also increase over time. In this case, significant variations may appear for a country from one year to the next due to the use of new, more detailed data that have made it possible to adjust the rental turnover estimates.

Consequently, market size and growth estimates cannot be directly compared with the figures of previous reports.

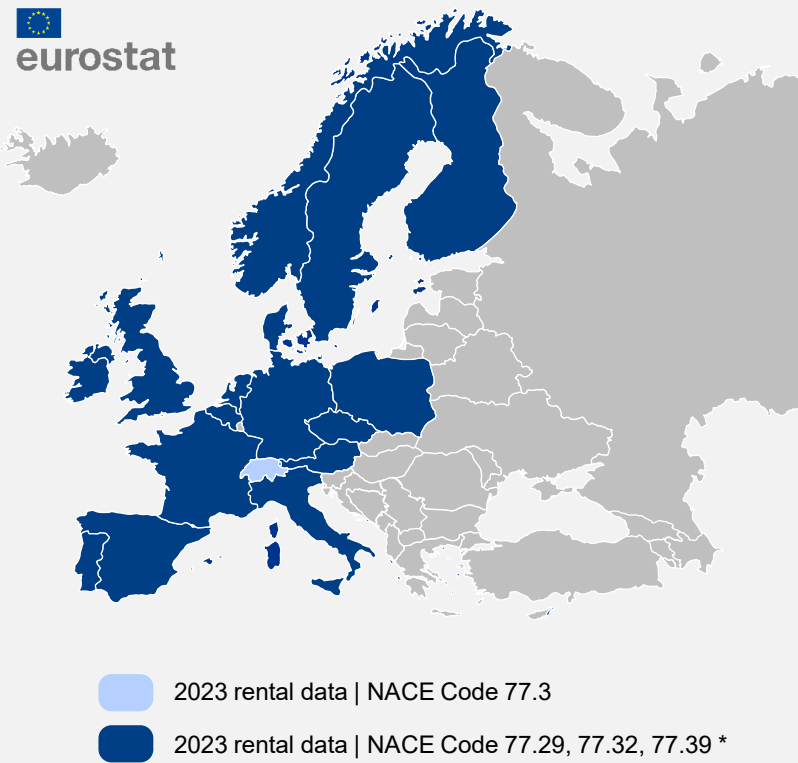


METHODOLOGICAL OVERVIEW

MAIN DATA SOURCES

Official statistics

Data related to the equipment rental activity are extracted from Eurostat by NACE code.



* Partially available for Czechia, the Netherlands, Ireland, Spain.

COMPLEMENTARY DATA SOURCES

Economic and Construction data

Forecasts of economic and construction activities are taken from the European Commission (including the European Construction Sector Observatory – ECSO – and the Building Stock Observatory – BSO), FIEC (European Construction Industry Federation), Euroconstruct, S&P Global, Coface and KPMG proprietary data.

ERA/KPMG expert interviews

In addition to statistics, the analysis herein leverages key insights obtained from more than **40 extended interviews** with senior industry experts from various countries. We would like to take the opportunity to thank these experts, as well as the members of the **ERA Statistics Committee**, for the time and effort they have spent in supporting us in the production of this report.

DEFINITIONS

Rental company

The equipment rental industry includes different company profiles, from generalist companies mainly focused on 'fit-out, maintain and operate' market segments which tend to use compact equipment, to multi-specialist and specialist companies focused on niche markets and/or applications, such as site preparation, sanitation, power or access control.

These rental companies operate a large range of product groups, providing rental solutions without an operator. Please note that rental solutions with an operator are excluded from the ERA scope.

Rental turnover

One of the key indicators used in this report is the concept of rental turnover. This revenue includes income from equipment rentals, services, sales of used equipment, and sales related to rental activities (i.e., transportation, damage waivers, training, and repair charges (including spare parts), as well as sales of goods).

Contracts can range from one day to several months, but are typically short-term, ending when equipment is returned.

Construction Output

Production is measured based on the branch definition, encompassing not only the work performed by construction firms, but also by any firms engaged in construction activities, regardless of their industry group. It also includes services provided by public bodies when fees are charged, efforts by builders themselves (such as do-it-yourself projects), and work carried out by unregistered firms (informal economy). VAT or any other sales taxes are excluded.

METHODOLOGICAL OVERVIEW

RENTAL END MARKETS



Construction end market

Historically, rental companies have primarily developed in the construction market, which remains their core business.

Residential (new and renovation): includes permanent residences, second homes or holiday homes owned by households, and any other buildings considered secondary to the main residence, such as garages, outhouses or other annexes.

Non-residential (new and renovation): includes every other building that is not considered residential, such as buildings for education or healthcare, industrial buildings, storage buildings, commercial buildings, offices, or agricultural buildings.

Infrastructure: includes transport infrastructure, energy, waterworks, infrastructures for agriculture, forestry and fishery, civil engineering structures that cannot be considered buildings, and outdoor sports and leisure facilities.



Non-construction end market

Equipment rental companies are now diversifying into non-construction industries, seizing the significant opportunities to increase rental market penetration within this diverse range of sectors.

Manufacturing: includes rental equipment for a large range of manufacturing industries, from automotive and transportation, to transformation and food and beverages.

Resources: includes rental equipment for extraction industries (i.e., mining and quarrying, oil and gas) and agriculture & forestry.

Others: includes rental equipment for a large range of diverse sectors, from landscaping tools for municipalities, to equipment for parties & events, facility management or do-it-yourself (DIY) activities.

RENTAL PRODUCT FAMILIES

The core product offer of the rental industry includes general and specialty rental equipment alongside complementary products and services.



Construction equipment: includes mini / medium excavators, plate compactors, rammers, dumpers, wheel loaders, skid steers and rollers as well as survey and laser equipment such as sewer lasers, levelling instruments and GPS rovers



Material handling and access: includes forklifts, telehandlers, hoists, winches, jacks, pallet trucks, trailers & conveyors, scissor lifts, passenger lifts, boom lifts, truck mounted boom lifts, aerial work platforms, scaffolding, as well as accessories and rigging



Power, pumps, climate control: includes generators, fuel tanks, cables, battery packs, heating systems (e.g., diesel, electric, gas), compressors, lighting, air handlers, cooling systems, air humidification & purification, water supply and dust management



Welfare facilities: includes modular and interconnectable units, site huts, storage containers, furnishings, portable kitchens, cooling and freezer units, sanitary facilities, safety and security services such as access control, crowd management and surveillance



Tools & general equipment: includes tools for drilling & splitting, sawing, cutting, sanding & grinding, mixing & blending, finishing and welding, as well as landscaping tools and cleaning tools, measuring instruments, accessories and consumables



Transportation and traffic control: includes utility vehicles, refrigerated trucks, trailers and lifting trailers, as well as traffic control equipment such as barriers, trailer-mounted variable message signs, turnstiles and mobile LED screens



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03. EUROPEAN OVERVIEW

ERA MARKET REPORT 2025



MARKET FEATURES & UNDERSTANDING OF KEY BUSINESS DRIVERS

MARKET FEATURES

The European equipment rental industry remains highly **fragmented**, with a large number of small players serving local or regional markets, and a smaller number of medium-sized to large players serving regional, national and international customer bases.

However, with the increasing professionalism of the trade, the rise in demand across end markets, the need for investment and the growing challenges of performance and critical size, the industry has experienced a significant degree of **consolidation in recent years**.

KEY BUSINESS DRIVERS

The rental market is strongly correlated with the **European macroeconomic environment**: economic downturns negatively impact demand for renting products and services, whereas improving economic conditions tend to be correlated with an increased demand.

However, we also note that during a crisis, rentals suffer, but reach a new level of adoption which they subsequently maintain.

Europe’s economic attractiveness: impacts on construction and non-construction segments

Growth in the equipment rental industry tends to be closely correlated with growth in the **construction market**. This growth is in turn bolstered by urbanization, a key driver of demand for rental services, since the population shift towards cities increases the need for infrastructure development and maintenance. This leads to higher expenditures on large infrastructure projects, which typically require a wide range of equipment and tools that are more cost-effective and more convenient to rent than to buy. The construction market tends to be cyclical. However, since it is comprised of individual end markets (e.g. residential / infrastructure, new / renovation and maintenance), the different growth patterns and dynamics of these markets provide balance and diversify demand for rental equipment.

However, rental solutions within the **non-construction segment** are gaining market share. In 2025, more than a third of rental turnover was generated in the non-construction segment, with important discrepancies between countries. This non-construction segment mainly includes manufacturing industries, facility management operations, logistics & events, mining and agriculture.

Increasing market penetration of rental solutions

The European rental market has experienced a **steady increase in its rental penetration rate** over the past years.

First, this reflects the growing preference of customers **to rent rather than buy construction equipment**. Renting offers access to modern equipment, flexibility, and cost-efficiency, as it reduces capital expenditure requirements, fixed costs of ownership, and residual value risk, while allowing customers to adapt to changing demand and project requirements, particularly in a **context where project visibility is limited** and the **assessment of the total cost of ownership is complex**.

Another key driver is the **growing pressure to decarbonize and adopt ESG initiatives** across various industries. Indeed, the transition to achieving net zero CO2 emissions amplifies a growing demand for electric equipment, which is generally more expensive. Moreover, renting maximizes the utilization and lifespan of equipment.

In addition, rental penetration rates are expected to be driven by the **rising demand for digital solutions, add-on services and turnkey solutions** that complement and enhance the rental offer and customer experience, such as fleet management, route optimization, environmental, reporting, online ordering and billing.



MACROECONOMIC ENVIRONMENT | EU ECONOMIC OUTLOOK

EU ECONOMIC OUTLOOK

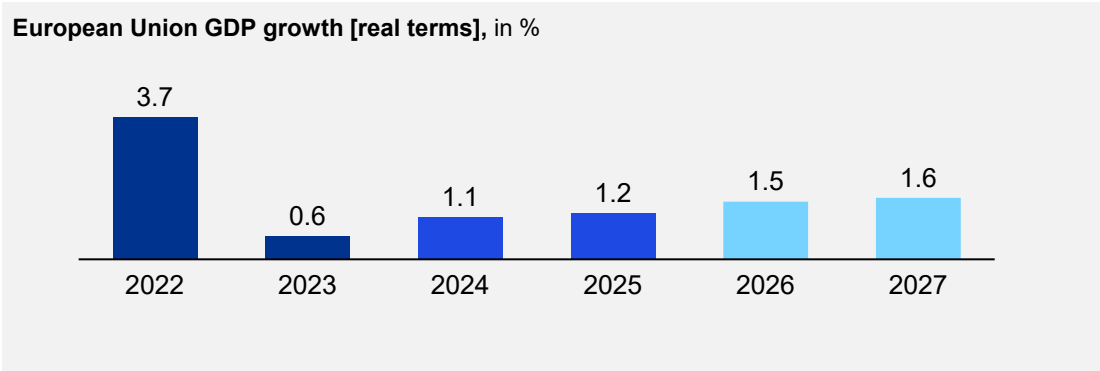
European economic growth in 2025 is expected to be weaker than initially forecasted, due to persistent economical and geopolitical uncertainty (e.g., rising tariffs, various conflicts).

Growth should reach approximately **0.8% in the eurozone and 1.2% in the EU**. However, the EU economy is projected to gradually accelerate to 1.5% in 2026 and 1.6% in 2027, supported by Next Generation EU initiatives and increased public spending on infrastructure and defense.

Disinflation is expected to continue, with inflation reaching 1.7% in the EU by 2026 (vs. 2.1% in 2025), positively impacting both public and private investment, even if high uncertainty and trade tensions are weighing on overall investments.

Despite this modest growth, the **labor market continues to expand** and is expected to grow by a cumulative 1% over 2025 and 2026. Meanwhile, the **unemployment rate is projected to decline** in 2026, and wages will continue to rise, although at a slower pace – down from 5.3% in 2024 to 3.0% in 2026.

Consumer spending will gradually increase, but high levels of precautionary savings will continue to constrain overall consumption.



Real GDP growth		2024	2025	2026
	Austria	-1.1%	0.2%	1.2%
	Belgium	1.0%	1.1%	1.1%
	Czechia	1.1%	2.2%	2.2%
	Denmark	3.5%	2.4%	2.1%
	Finland	0.4%	0.6%	1.1%
	France	1.1%	0.5%	0.6%
	Germany	-0.5%	0.4%	1.2%
	Ireland	1.2%	2.3%	2.1%
	Italy	0.5%	0.5%	0.6%
	Netherlands	1.1%	1.3%	1.1%
	Norway	2.1%	0.6%	2.0%
	Poland	2.8%	3.5%	3.3%
	Portugal	1.9%	1.8%	1.6%
	Spain	3.2%	2.6%	1.8%
	Sweden	1.0%	1.1%	1.9%
	Switzerland	1.4%	1.0%	0.6%
	United Kingdom	1.1%	1.2%	1.0%

MACROECONOMIC ENVIRONMENT | EU CONSTRUCTION & NON-CONSTRUCTION OUTLOOK

CONSTRUCTION MARKET SEGMENT DYNAMICS

CONSTRUCTION OUTLOOK IN EU

After a challenging post-COVID period for the construction sector, the expected rebound in 2025 was not as significant as expected, with forecasted growth of +1.3% in 2025 (European Union scope¹).

Buildings

On the one hand, the **non-residential sector** (accounting for ~30% of total investment in construction, with a relatively high rental intensity), **is experiencing a moderate recovery** in most European countries. On the other hand, **other building sub-segments** with lower rental intensity – namely new residential (~20% of total construction investment) and renovation (~30% of construction investment) – **remain fragile**. Nevertheless, outlooks should improve for both segments, with the residential segment benefiting from the fall in interest rates and the renovation segment from EU incentives and climate policies.

Infrastructure

For most European countries, civil engineering (accounting for ~20% of the sector investment) **is driving growth**, even though the uncertain environment has led to the suspension or postponement of many projects. Nevertheless, the launch of major infrastructure projects financed by the Next Generation EU initiative should **ensure sustainable growth in the years to come** with positive prospects for 2026.

Sub-segment	Share in rental revenue	Market dynamic
Residential	~35%	Low
Non residential (commercial & industrial)		Low
Civil engineering (Infrastructure)	~20%	Medium
Renovation	~10%	Negative

NON-CONSTRUCTION MARKET SEGMENTS DYNAMICS

Like construction, **non-construction has suffered from a tense economic and geopolitical environment**, with slowed economic growth at the European Union level, standing at +1.2% in 2025 (in real GDP terms).

Nevertheless, **from a rental perspective, rental activity is generally gaining penetration in these segments** in most countries.

MANUFACTURING

The **manufacturing segment was directly impacted in 2025 by trade tensions and customs duty policies**, thus weakening exports and therefore production levels. On the other hand, the energy sector is facing cost challenges.

Others

However, we find positive traction in certain locations (e.g., logistics platforms in southern Europe), even if **these segments also are facing structural issues**: logistic activities are directly impacted by high energy costs, and purchasing power has had a strong impact on retail.

Resources

The resources sector **shows weak dynamics**, despite some disparate projects (e.g., mining), and appears as a marginal underlying sector.

Sub-segment	Share in rental revenue	Sectors	Market dynamic
Manufacturing	~20%	Industrial	Low
		Energy	Medium
Others	~15%	Logistics	Low
		Events	Medium
		Retail	Negative
Resources	< 2%	Mining	Low
		Agriculture	Low

(1) 28 countries

ERA RENTAL TRACKER | PULSE OF THE INDUSTRY

ERA RENTAL TRACKER RESULTS

Overall industry sense of the market

“The latest ERA/IRN RentalTracker suggests that business sentiment across Europe’s rental industry **has taken a step back from the modest positivity at the end of last year**. While not a collapse by any means, signs of strain are emerging.

The Q2 2025 survey, conducted during June and early July, attracted responses from more than 110 rental businesses across the region. These reveal [...] a negative balance of opinion of -10%, marking a downturn from the +10% balance recorded in Q4 2024. This shift reflects ongoing pressure from high interest rates and sluggish construction activity in several countries.

On the positive side of the coin, **the number of companies expecting business to improve within 12 months has risen to 42%, with just 19% forecasting deterioration**, giving a strong balance of opinion of +23% [...].

This “forward-looking optimism” has become something of a theme in recent surveys. **While companies are under pressure now, many expect, or hope for recovery by mid-2026.**”

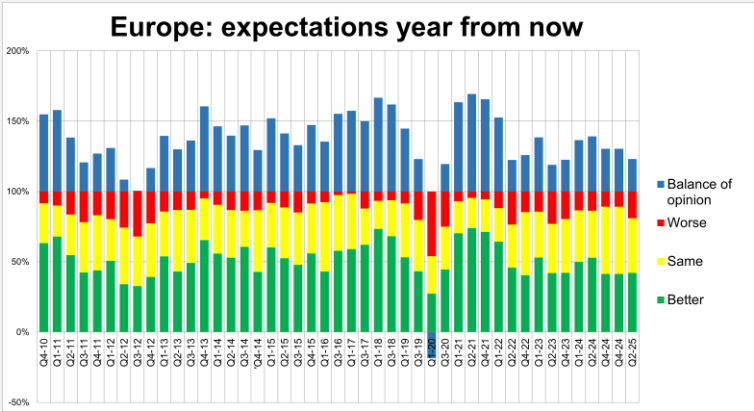
Geographical breakdown

“Zooming in at a country level reveals **significant differences in sentiment across Europe**.

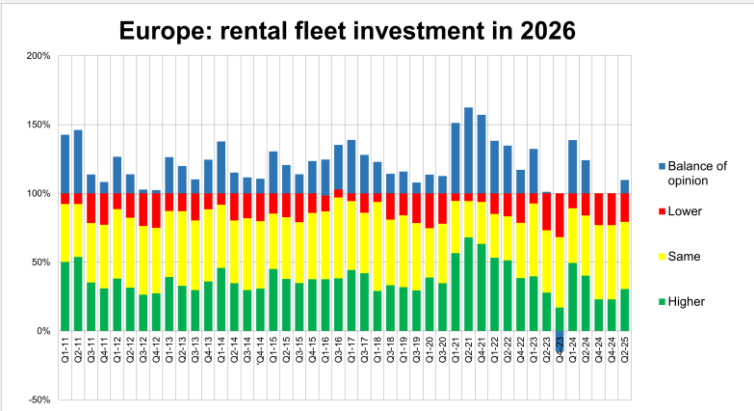
Once again, Spain stands out for its confidence and strong growth indicators [...]. While sentiment remains lower overall, 42% of respondents in Italy reported growth versus Q2 2024 (up from 29%), and 30% said market conditions had improved. This is a positive shift, even if tempered by ongoing market uncertainty. In the UK and Ireland, the picture is more restrained. Only 27% reported improving conditions (a slight increase from 24% last year), while 33% reported growth year on year. Germany shows modest improvement compared to last year’s numbers, but remains subdued. Just 20% report improved conditions, up from 6% last year [...]. France continues to post the weakest scores of any major market. Just 5% of respondents said they were experiencing improving conditions—a marginal increase from zero in Q4 2024. Only 26% saw year-on-year growth, and just 13% intend to increase investment in 2026, suggesting a sector still under significant strain.”



RENTAL PLAYERS’ EXPECTATIONS YEAR FROM NOW



RENTAL FLEET INVESTMENT IN 2026



Source: <https://erarental.org/rental-tracker-q2-2025/>

2025 RENTAL MARKET OVERVIEW

EQUIPMENT RENTAL MARKET OVERVIEW

Overall, **the expected rebound in the European rental market did not materialize in 2025 with the desired intensity**. The general uncertainty across Europe, along with political instability in certain countries — such as France, Germany, and Belgium — has not created the conditions necessary for the release of the expected public funds. Furthermore, general uncertainty slowed private financing and the recovery of the building segment.

Nevertheless, in most countries, **the market was slightly more favorable in 2025 than it had been in 2024** (excluding the UK, France, and Belgium).

Great Britain and Ireland

The UK market is characterized by an unfavorable economic environment, impacting public and private investment in construction. **The market is expected to stagnate until the end of 2026 in the UK**, although there are significant regional disparities (e.g., the Scottish market remains dynamic).

Ireland, for its part, has a construction sector that has proven more resilient than its neighbor and continues to grow. The market is also benefiting from increased penetration in non-construction segments (starting from a relatively low base, though).

Northern Europe

The Nordic countries have not experienced the expected recovery, as their construction-heavy markets have been delayed until 2026 (due to such factors as uncertainty and inflation). **The region is indeed extremely dependent on international trade, which in a period of international tensions (e.g., conflict, tariffs) has impacted the economy**.

Denmark still stands out from its neighbors and has maintained its positive growth, while Finland is experiencing an anticipated rebound (unlike Sweden and Norway).

Western Europe

Central Europe continues its slow and gradual recovery in 2025, albeit with disparities across countries. In western Europe as well, the expected rebound has been slowed due to political uncertainty and a delayed overall recovery in the construction sector.

France stands out as one of the only countries with negative growth in 2025 (along with Sweden , Norway and Poland), while the Netherlands remains dynamic, with a less impacted construction sector.

Southern Europe

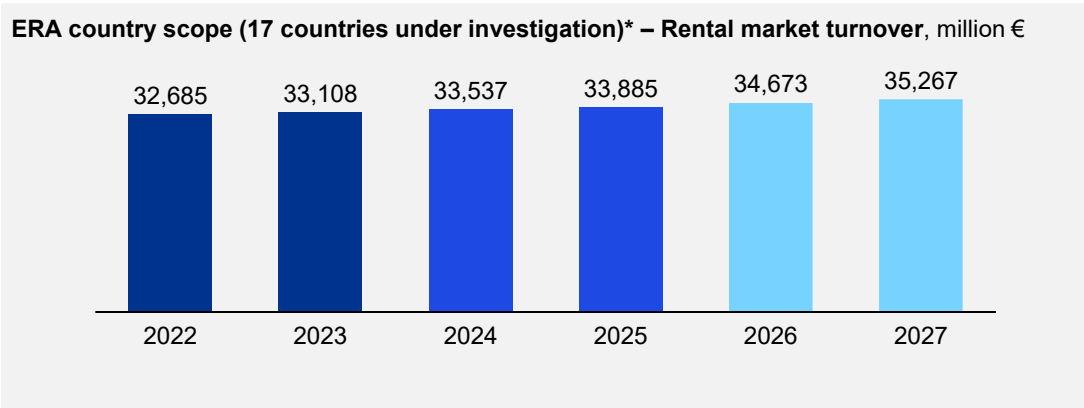
Southern Europe has remained the most dynamic region in Europe since the end of the pandemic, driven by a dual positive volume/price effect.

The construction sector is dynamic, particularly in the non-residential segment, which is benefiting from the tourism boom. This momentum has also been supported by major industrial projects, significant public investments and growing penetration of the rental market, confirmed in 2025.

Eastern Europe

An Eastern European market that suffered in 2025 despite expectations for strong growth. However, in countries largely supported by European funds, the period of uncertainty also led to numerous project delays or suspensions, which weakened momentum, particularly in the infrastructure segment.

There are significant disparities between market players, although difficulties are confirmed overall in H2 2025.



Sources: KPMG Research & Analysis | (*) The 17 countries under investigation represent 95% of the total European rental turnover presented in page 11.

ESTIMATED EQUIPMENT RENTAL INDUSTRY GROWTH

EUROPEAN OVERVIEW

The report analyses 17 countries (ERA scope of analysis).

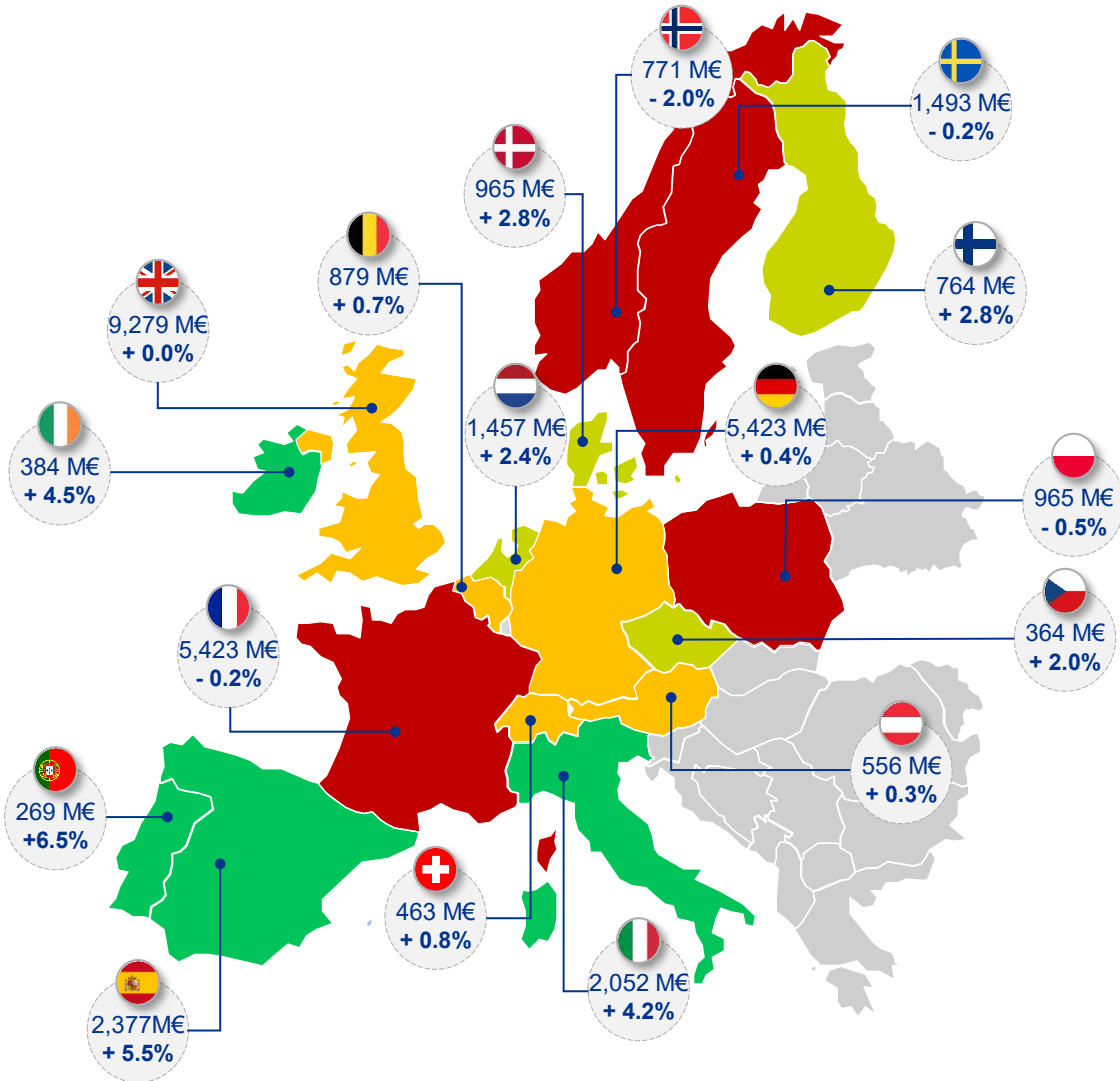
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+ 1.7%: 2024-26 CAGR* in LCU
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 - Tier 2 ≥ 0 % and < 2%
 - Tier 3 ≥ 2% and < 4%
 - Tier 4 ≥ 4%



RENTAL TURNOVER BY PERSON ESTIMATE

The table below shows the rental revenue generated per inhabitant.

Country	Rental Revenue / capita		/ GDP
	2015	2025	2025
 Norway	<€150 - €160 >	< €150 - €160 >	0.18% 0.25%
 Sweden			
 Denmark	< €105 - €130 >	< €110 - €135 >	
 Finland			
 United Kingdom			
 France	< €50 - €70 >	< €50 - €80 >	0.11% 0.18%(1)
 Netherlands			
 Belgium			
 Germany			
 Austria			
 Ireland			
 Switzerland			
 Spain			
 Italy			
 Czech Republic	< €20 - €35 >	< €25 - €35 >	0.09% 0.11%
 Portugal			
 Poland			

There is a general increase in rental penetration, as evidenced by the rising rental revenue per capita. Moreover, several countries are progressing faster than others within their group — for instance, Denmark and Spain have moved up to a higher category.



Legend: the table displays highest / lowest ranges (e.g., for Norway, Sweden and Denmark, 2025 revenue generated / person is between €150 and €160); (1) Excluding Ireland and Switzerland where rental revenue per GDP is ~0.06%

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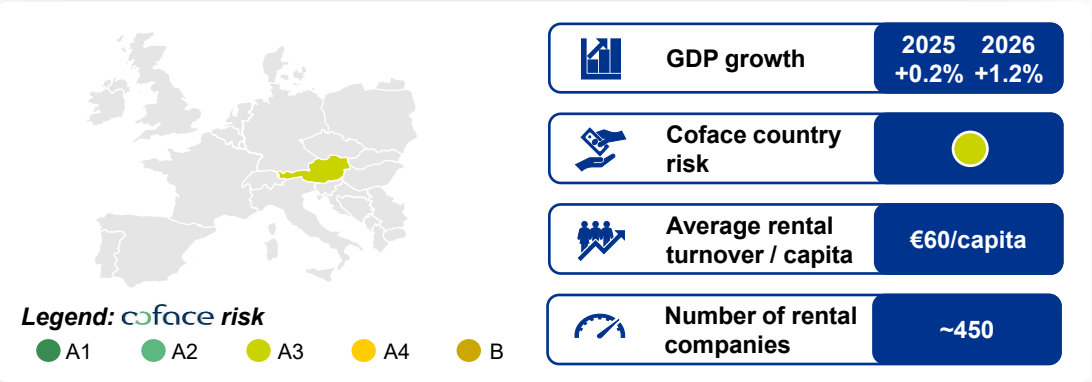
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04. COUNTRY OVERVIEW

ERA MARKET REPORT 2025



AUSTRIA (AT)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

The market declined due to both a volume decrease and price pressure. Indeed, in a context of low activity, the utilization rate remained a major issue for market players, favoring price pressure.

Some segments are supporting the market (e.g., infrastructure, renewable energy, data centers, energy-efficiency renovations). However, these segments are mainly coming from a pipeline of existing projects, but no new major projects are set to be launched in the short term. Residential construction remained weak, due to unfavourable financing conditions and high construction costs.

2025 ESTIMATES

During H1 2025, the market remained flat. The energy and infrastructure sectors (e.g., roads, tunnels), as well as industrial segments, continued to maintain the market, but will not be enough to generate significant growth. Government investment promises were not fulfilled, limiting growth in public projects. As for the residential segment, despite easing interest rates and a slight increase in building permits, it has not recovered yet. We do not foresee any rebound coming, with no major housing projects expected to start soon.

For the second half of 2025 (H2), a gradual market recovery is expected, but it remains fragile. General market sentiment is quite pessimistic, with no signs of significant rebound to be expected.

Austria (AT)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million €]	552	562	555	556	561	561
Growth [%]	+6.5	+1.8	-1.2	+0.3	+0.8	+0.0
- Including price effect [% points]	-	-	-0.3	-0.2	+0.0	-
Rental fleet investment [million €]	138	136	122	132	-	-
Rental fleet value [million €]	871	883	879	886	-	-

2026-2027 FORECASTS

The rental market is poised for potentially slow growth recovery, but many uncertainties remain. The improvement of the situation heavily relies on political and governmental impulses for infrastructure investments. Infrastructure (e.g., bridges, streets, windmills), as well as renovation of houses, could create an uptick in business. Optimism remains, but there are no clear signs of trajectory shift.

RENTAL STRUCTURE OUTLOOK

The equipment rental market in Austria remains relatively small considering the construction output. Rental services are primarily used to manage peak periods of activity, having a rent-to-sell culture, rather than a rent-to-rent, as most construction companies operate their own fleets. They demand high degree of services with regards to equipment quality and features. Consequently, during market downturns, the rental sector tends to be disproportionately affected, intensifying competition and price pressure.

Rental demand comes from both local players and large international groups. However, in times of contraction in the construction sector, larger rental firms serving international clients tend to perform better, while smaller firms—often reliant on local housing projects—face more severe challenges.

The market continues to be predominantly driven by the construction sector, which represents more than 70% of the demand. This is reflected in the high concentration of product families and specialist providers focused on construction-related applications.

MACROECONOMIC ENVIRONMENT

MACROECONOMIC OUTLOOK

The Austrian economy is projected to experience slow growth in 2025, supported by rising real wages, lower interest rates, and lower taxes. However, low investment, modest private consumption, and declining exports, exacerbated by international trade tensions will remain a burden. **Industrial production continues to suffer**, with a 5.4% drop in 2024, and exports of goods decreased by 5.9%, offset by a decrease in imports of goods of 7.1%.

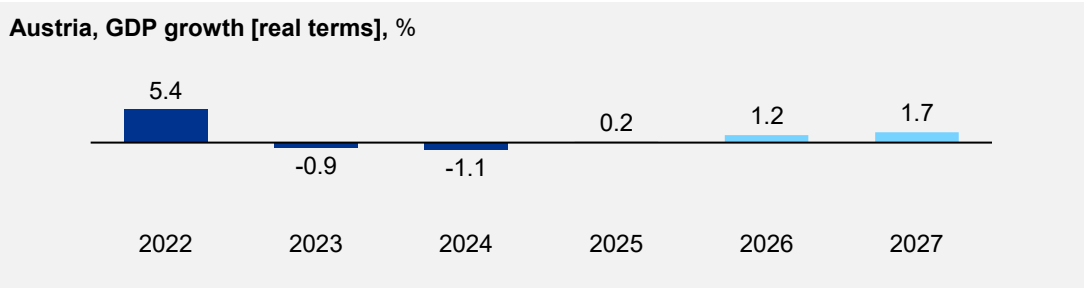
Inflation remains above target, reaching 2.9% in 2025, driven by energy price increases and persistent services inflation, but is expected to ease to 2.1% in 2026.

Despite consolidation efforts, the **government deficit remains high**, projected at 4.4% of GDP in 2025, with public debt rising to 84% of GDP. Measures include cuts to climate bonuses and public consumption, but inflation-linked increases in pensions and salaries continue to weigh on public finances.

Private consumption is expected to recover slightly in 2025, supported by real income gains and a gradual unwinding of savings, even as fiscal consolidation measures take effect. **Unemployment is increasing slowly but is expected to pick out this year.**

CONSTRUCTION OUTLOOK

Overall construction activity is expected to stagnate in 2025, following declines in previous years. Interest rate cuts and modest government stimulus could help stabilize investment, but **a real growth recovery is not expected until 2026.**



BUILDINGS

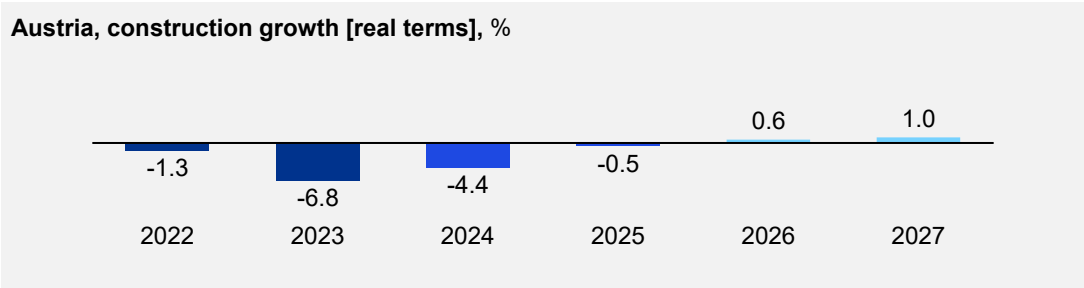
Residential construction investments are expected to start recovering from 2026; the federal housing initiative and declining loan rates offer hope for a turnaround starting next year. Signs of improvement are already visible, with new housebuilding investment growth recovering by 10 percentage points compared to last year. However, the granting of permits is still relatively low compared to 2021.

Non-residential construction has been facing challenges from weak economic conditions and high interest rates for the past two years. **In 2025, only minor growth is expected**, mainly from **renovation investments**, with a more substantial recovery projected for 2026.

INFRASTRUCTURE

Civil engineering remains more stable with continuous moderate growth so far, mostly driven by renewable energy projects, public transport (railways) and Technology, Telecommunication and Media projects (TMT). However, it is expected to slow down starting from this year, with few new projects in the pipeline, and limited public financing due to high public deficit.

“ The Austrian economy is slowly stepping out of its longest recession in the history of the Second Republic. [...] Construction investment should also provide a minor positive boost, particularly from 2026. ”
- Coface 2025



EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW

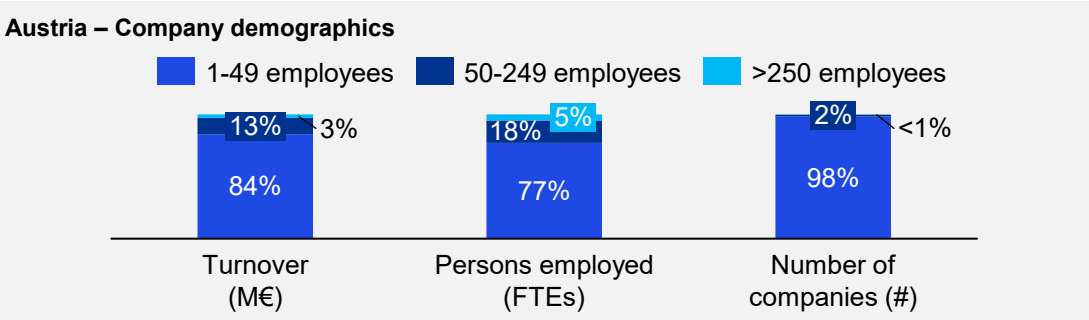
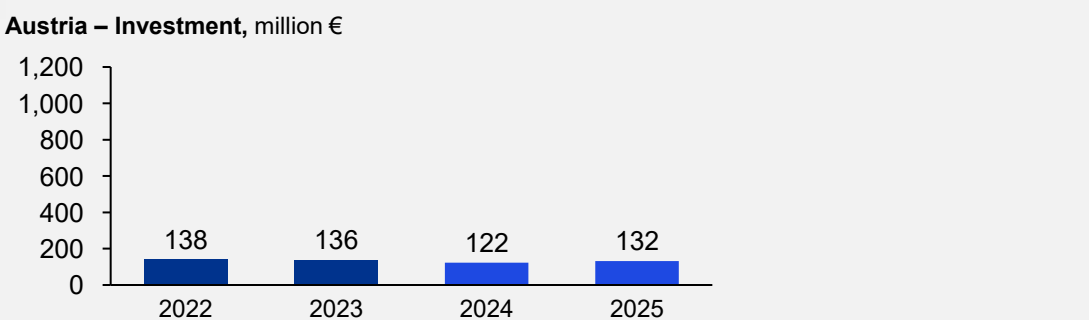
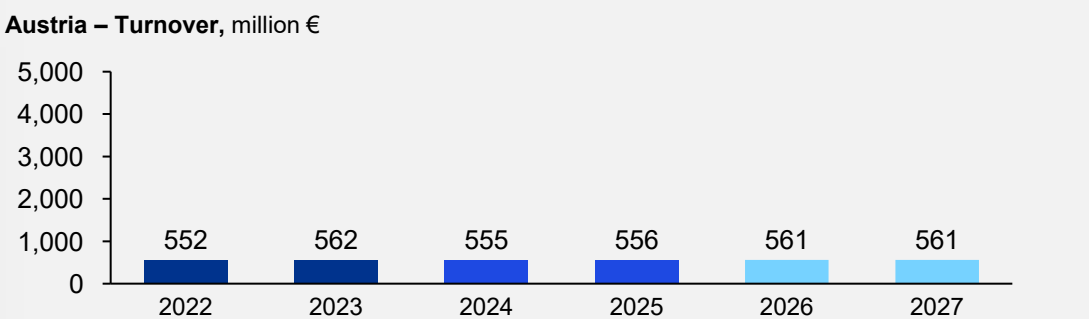
MAIN ECONOMIC INDICATORS (2025E)

 Population 9.1 M

 Unemployment rate 5.6%

 GDP per capita €56,611

 Business climate A1

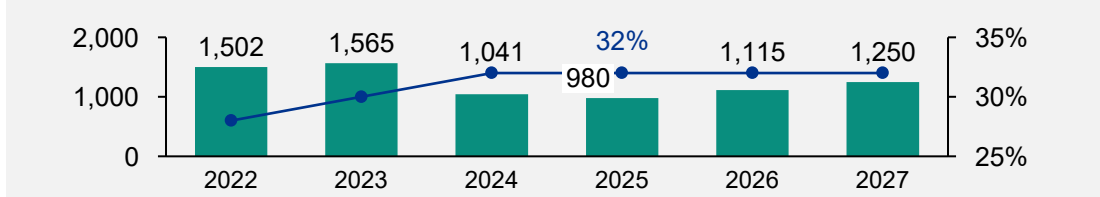


Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

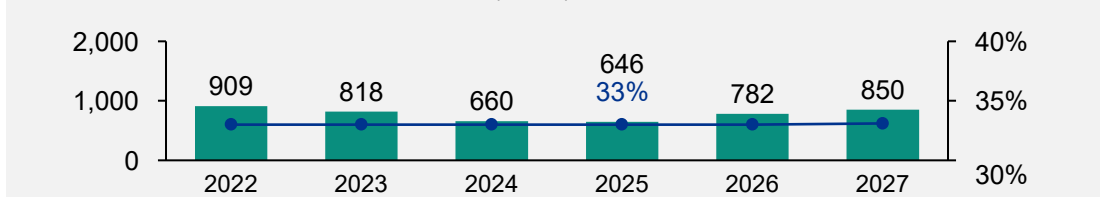
EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT

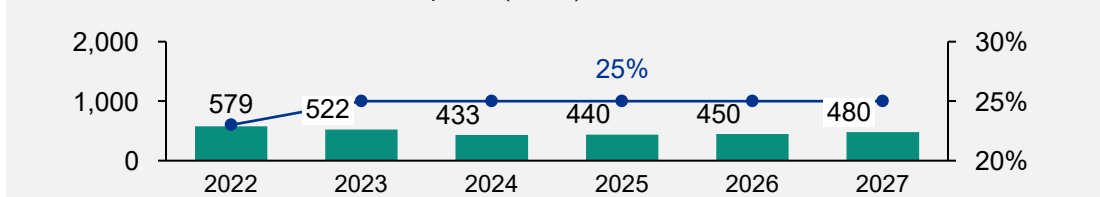
Austria – Mini excavators (diesel)



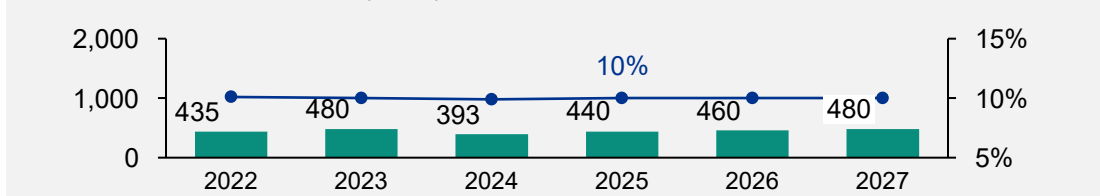
Austria – Crawler excavators, 6-14 tonnes (diesel)



Austria – Wheeled loaders <80 horsepower (diesel)

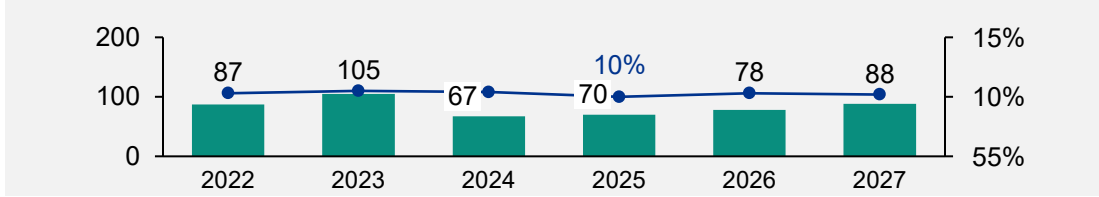


Austria – Telescopic handlers (diesel)

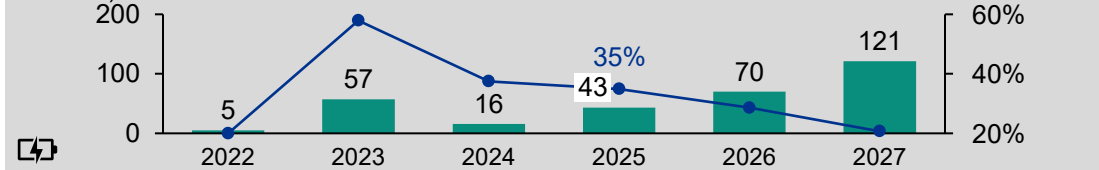


TIER 2 EQUIPMENT

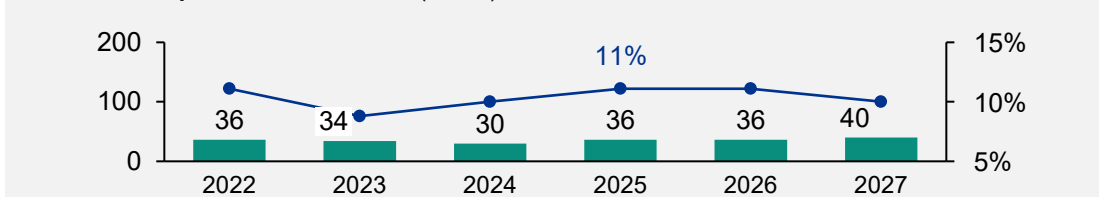
Austria – Skid-steer loaders (diesel)



Austria – Electric equipment (mini, crawler & wheeled excavators, wheeled loaders, telescopic handlers)

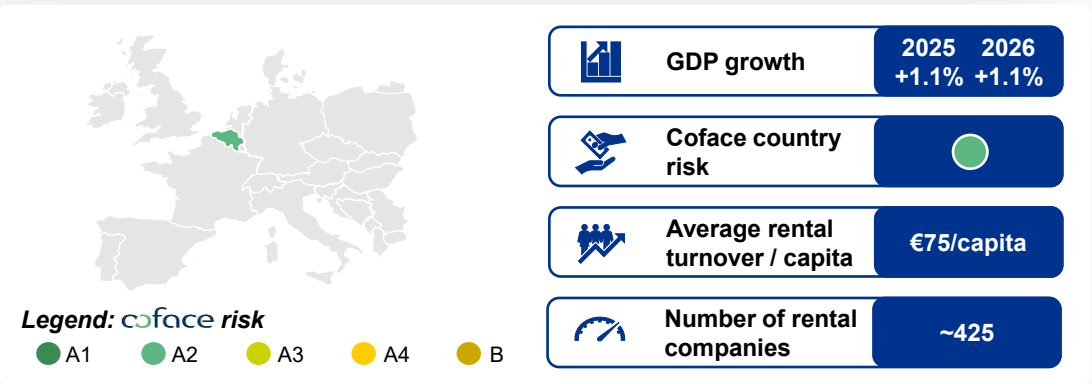


Austria – Compact tracked loaders (diesel)



Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

BELGIUM (BE)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

Growth was moderate in Belgium in 2024 (only +0.7% in volume), with the infrastructure segment suffering from project delays. Furthermore, despite a slightly positive price effect, margin pressure continued, with price increases that were unable to cover inflation in operating costs and equipment prices.

2025 ESTIMATES

During H1 2025, there has been **slow, but continuous growth driven by specialized segments, while overall construction remains steady**. Infrastructure and industrial segments are driving growth. Infrastructure benefits from ongoing projects such as highways around Antwerp, tramways in Liège, and viaduct developments. Industry and non-residential sectors are also dynamic—particularly logistics and data centers—mainly around Brussels and in Flanders. In addition, specialized segments, especially sports and events, are contributing to growth. These segments are seasonal, and rental players are seeking to optimize their fleets accordingly.

Slow and cautious growth is expected for the second part of the year, in a hesitant economic climate with no significant rebound in the residential sector in the short term. No immediate increased growth is expected in infrastructure, but the segment is still expected to maintain the market in 2025.

Belgium (BE)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million €]	839	863	873	879	890	899
Growth [%]	+7.9	+2.8	+1.2	+0.7	+1.2	+1.0
- Including price effect [% points]	-	-	+0.5	+0.2	+0.2	-
Rental fleet investment [million €]	105	107	112	111	-	-
Rental fleet value [million €]	1,190	1,127	1,078	1,034	-	-

2026-2027 FORECASTS

Infrastructure should remain weak in the short term, as the volume of construction linked with the stimulus package will decline in 2027-2028. As for the residential segment, significant growth is not expected before 2027, at least.

RENTAL STRUCTURE OUTLOOK

The market remains **relatively fragmented**, with a few middle-sized companies and many small companies. A **consolidation around national players** is beginning to take shape, helping reduce regional disparities and harmonize pricing and service levels.

Despite this trend, **regional differences remain visible**: Wallonia tends to be more generalist, whereas Flanders has a higher concentration of specialists and a broader industrial base.

Historically, the market has been heavily dependent on construction (around 65%), but diversification is underway. **Emerging industrial and specialized segments**, such as events, are expected to gain importance in the coming years.

The **demand for ESG-compliant machinery remains relatively low**, hindered by **high costs**. However, **electric machines are gaining popularity**, though only in certain product categories (e.g., 60% of the total rental fleet of aerial work platforms is expected to be electric by 2030). Meanwhile, some technologies, such as HVO fuel—an alternative to diesel—remain too expensive.

“ Although order intakes [in earth-moving and construction equipment] have been decreasing, major members and contractors expect business recovery. ”
- CECE, 2025

MACROECONOMIC ENVIRONMENT

MACROECONOMIC OUTLOOK

Economic growth is expected to remain around 1% for the two upcoming years, mainly supported by household purchasing power. However, global uncertainty and weaker exports, notably impacted by US tariffs on key sectors like pharmaceuticals, machinery, and transport, remain a risk for the economy. Net exports will negatively impact growth in 2025 but are expected to rebound in 2026.

Corporate investments remain strong, especially in the pharmaceutical sector, and interest rates are gradually declining, supporting investments. Public investment is increasing, especially in defense, due to the indexation of public sector wages and pensions to inflation, and due to increasing debt interest payments. Belgium is eligible for €5.3 bn in EU recovery funds, mostly for infrastructure, but political delays may slow disbursement.

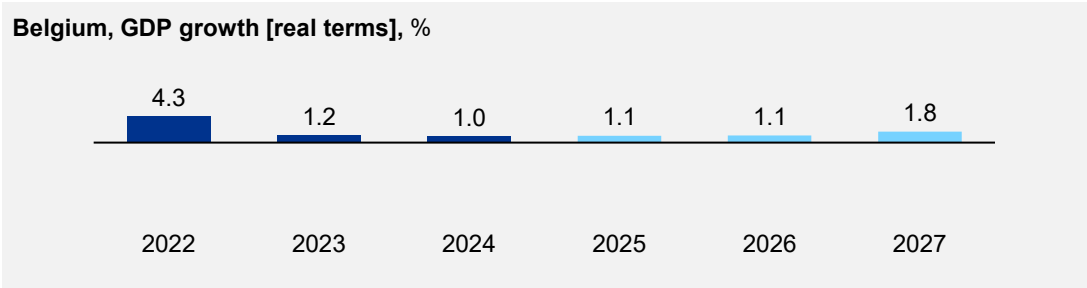
However, Belgium is undergoing an EU excessive deficit procedure since its budget deficit exceeds 3% of GDP. Public debt is expected to rise, driven by higher borrowing costs and delayed reforms. Structural reforms are required, but political fragmentation makes rapid action unlikely.

Inflation is projected to decrease from 4.3% in 2024 to 1.8% in 2026. The decline is driven by lower energy prices and reduced industrial goods inflation.

The unemployment rate is expected to rise to 6.1% in 2025. It should then slightly improve in 2026, supported by labor market reforms and a higher retirement age. Private consumption is under pressure from weak confidence and slower job creation.

CONSTRUCTION OUTLOOK

Overall, construction is set to remain flat in 2025. Construction costs have stabilized at high levels since 2024 and interest rates remain elevated, although expected to gradually decline.



BUILDINGS

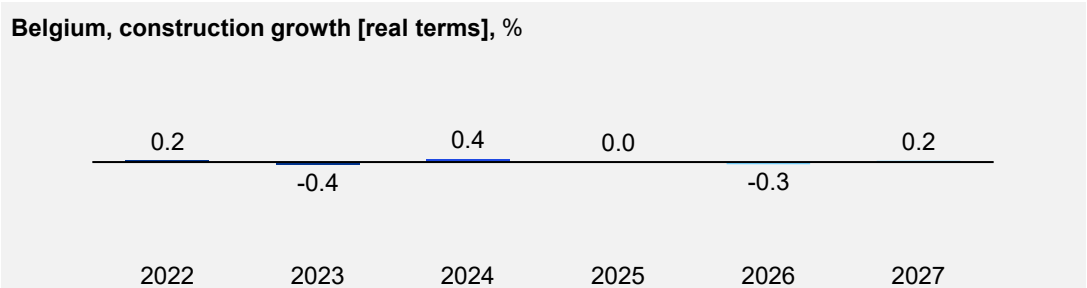
Residential and non-residential construction segments are not expected to recover significantly in 2025, following a sharp drop in building permits in 2024. A rebound is only anticipated in the second half of 2025, before slowly progressing in 2026.

Housing renovation is doing better, showing slow growth. Energy-efficiency renovation grants are driving this growth, but they vary by region and frequently change. Mijn VerbouwPremie is applied in Flanders and is the strongest policy support. Renovation in Brussels is currently being suspended due to political uncertainty; in Wallonia, Primes habitation grants have been cut back.

INFRASTRUCTURE

After strong growth in the past years thanks to elections and EU recovery funds, civil engineering has peaked and is expected to show weak growth in 2025. Investments decreased by 6 percentage points compared to last year. Indeed, from 2025, local authority investment will decline post-election, and major projects like Princess Elisabeth Island are going to wrap up. Despite this, the infrastructure segment is holding steady in 2025, driven by major projects (e.g., intensified work on the Oosterweel project, increased regional investment in Infrabel's rail infrastructure). Subsequently, the infrastructure segment should see a 7% decline over the years 2026-2027 as stimulus packages will progressively decline. Local investment will remain subdued until the next election cycle in 2030; the end of large-scale projects will further reduce activity.

“ Civil engineering will be unable to avoid a decline (estimated at 7% over the years 2026-2027) in Belgium. And this despite the fact that it should continue to grow in most European countries. ”
- Euroconstruct 2025



EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW

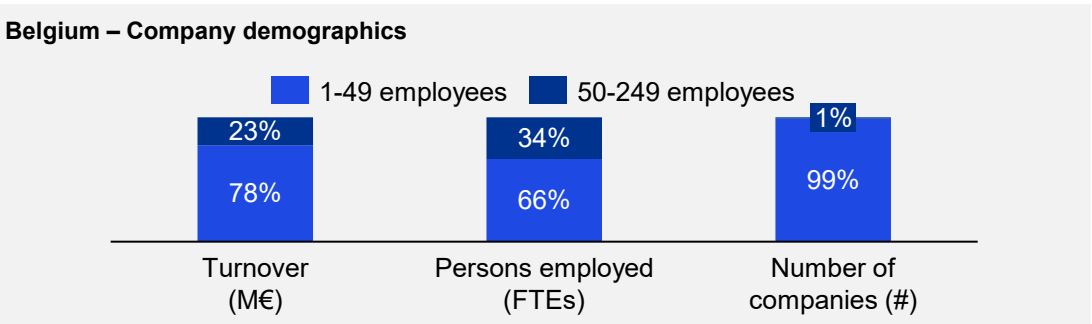
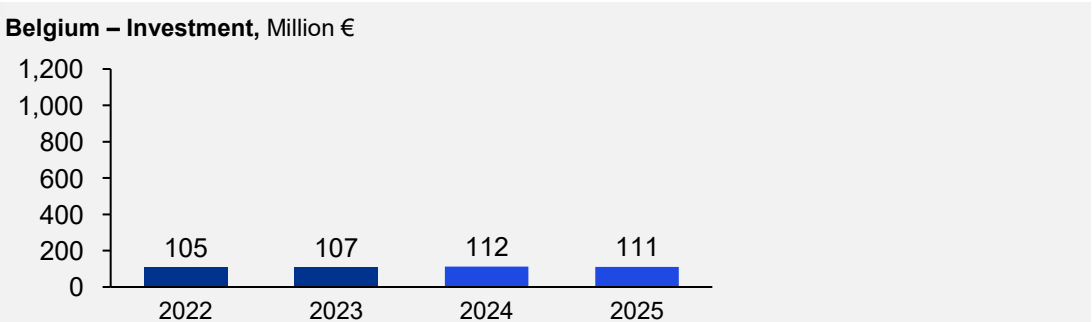
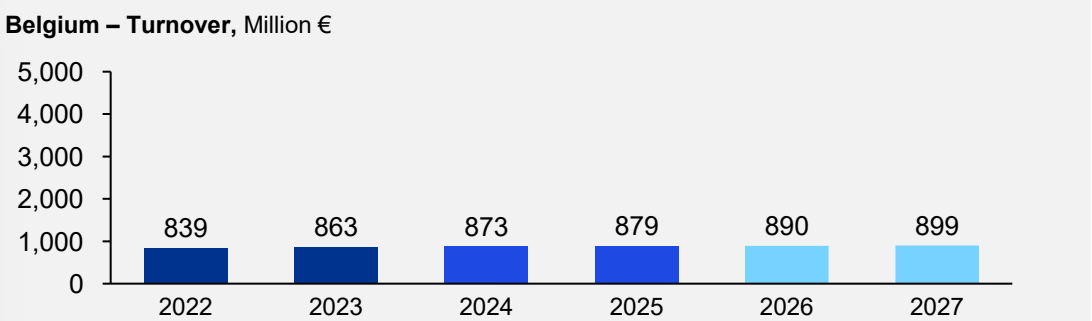
MAIN ECONOMIC INDICATORS (2025E)

 Population 11.8 M

 Unemployment rate 6.1%

 GDP per capita €55,424

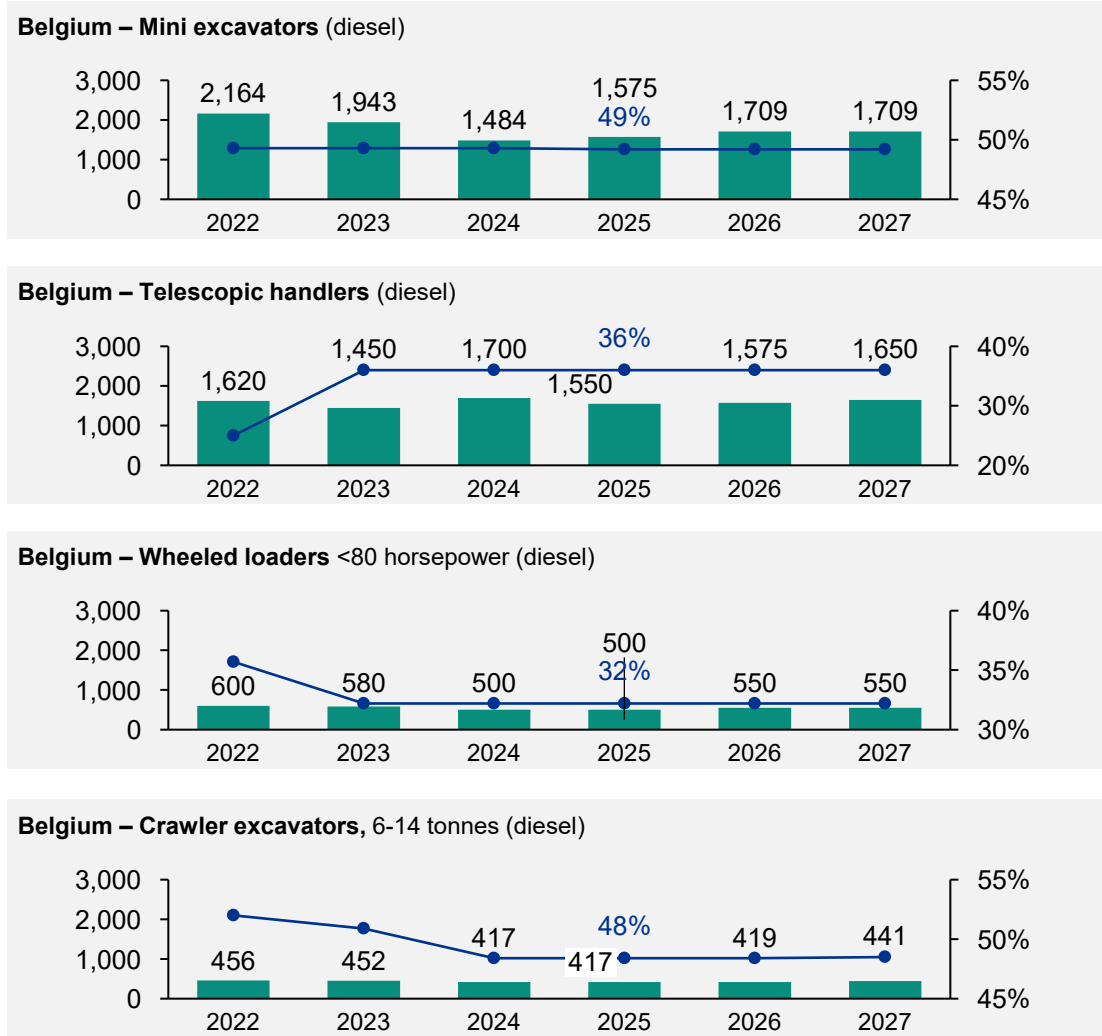
 Business climate A1



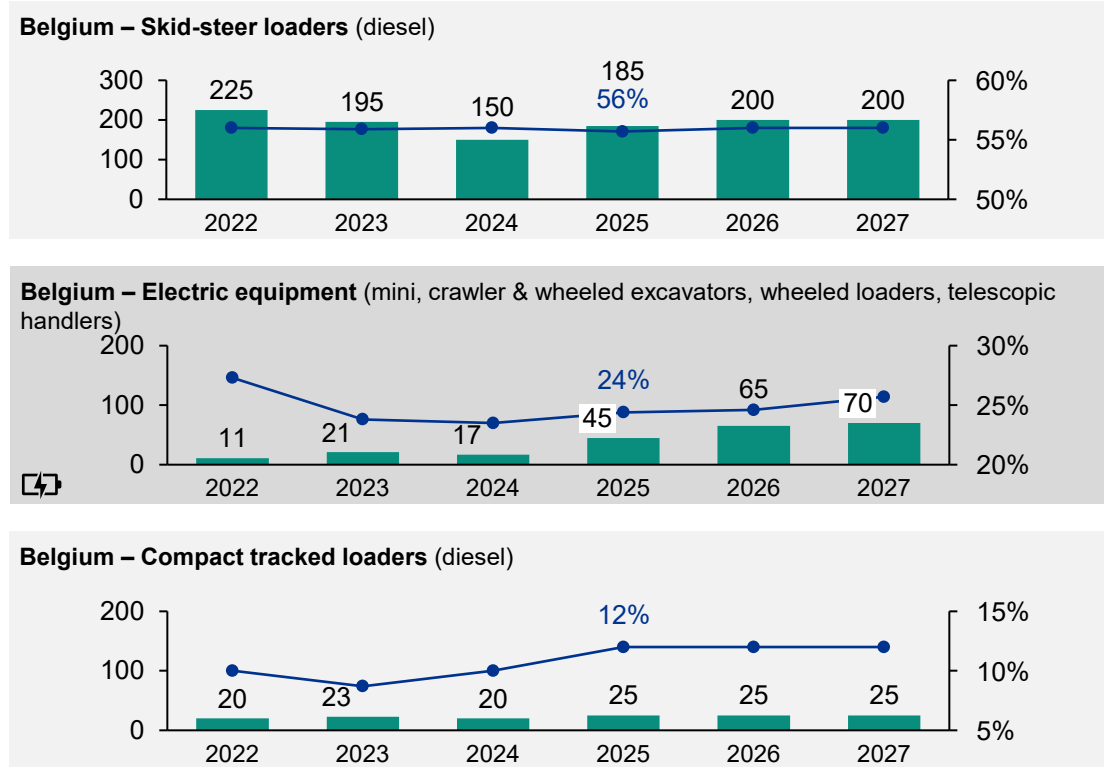
Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT



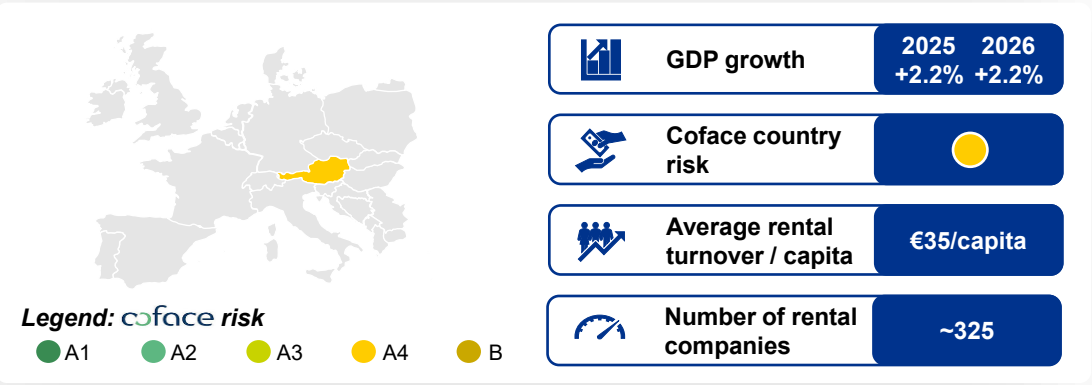
TIER 2 EQUIPMENT



Off-Highway
RESEARCH

Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

CZECH REPUBLIC (CZ)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

The overall construction segment was weak and negatively impacted rental demand. Despite high inflation, price indexation remains difficult, especially on the construction segment, due to high competition.

2025 ESTIMATES

During the first half of the year, **slow but accelerating growth** was observed. On the one hand, the **infrastructure segment remained dynamic**, thanks to EU financing, with railway and roadway projects generating business. On the other hand, **non-residential and residential segments kept struggling**, except in some capital zones where residential activity is slowly recovering.

For the second half of the year, the **main growth drivers are expected to remain the same**. Early signs of recovery in the residential sector are emerging but are unlikely to significantly impact the rental market this year. **The timing and magnitude of this recovery remain uncertain**, and private investment continues to be fragile. General economic uncertainty continues to weigh on the rental market. As for pricing, it is expected to remain almost stable compared to 2024.

“ [VINCI Construction] will build a new section of the ring road east of Prague [...], worth €385 million in total [beginning in Q1 2025]. They include construction of 19 bridges, 2 tunnels, 4 level crossings, 2 bridges for pedestrians and cyclists, and noise barriers. ” - VINCI Construction, 2024

Czech Republic (CZ)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million CZK]	8685	8772	8860	9037	9263	9432
Turnover [million €]	354	365	353	364	373	380
Growth [%]	+8.4	+1.0	+1.0	+2.0	+2.5	+1.8
- Including price effect [% points]	-	-	+0.1	+0.2	+0.3	-
Rental fleet investment [million €]	78	64	46	64	-	-
Rental fleet value [million €]	480	491	482	492	-	-

2026-2027 FORECASTS

For the next three years, **infrastructure projects**, especially those financed by the EU (€9 bn from National Recovery and Resilience Plan (NRRP)), **are expected to be a strong growth driver**, with a **stable pipeline and no significant signs of project shutdowns**. As for the industrial segment, Czechia is heavily reliant on the automotive sector, and once the industry recovers, new warehouses should be built and generate business; however, the timeline remains uncertain. In addition, specialized segments like the events sector are quite active during the summer and should continue to generate growth. Finally, the residential segment is expected to keep struggling in 2026 despite slight recovery in major cities. Overall, fleet investments from rental companies remain cautious.

RENTAL STRUCTURE OUTLOOK

The rental market in Czechia is **heavily dependent on the construction sector**, which accounts for approximately 75% of total rental activity. It is used to **market shifts and instability**. While **rental penetration has increased** across construction and non-construction segments, **it is beginning to stabilize**.

Although the market is still small, it is gradually **becoming more structured**. It is currently dominated by a local champion, with leading European players just behind, followed by a growing number of smaller companies that are slowly organizing themselves. This dynamic opens the door for future consolidation.

Still structuring, and largely depending on infrastructure projects, the market remains highly **price-sensitive**. This makes it challenging to implement indexation during periods of rising costs.

MACROECONOMIC ENVIRONMENT

MACROECONOMIC OUTLOOK

In 2024, GDP grew by 1.1% after stagnation in 2023, with acceleration expected to 2.2% in 2025 and 2026. Growth is increasingly domestically driven, led by household consumption and investment, while net exports, particularly in the automotive sector, are expected to contribute negatively due to weaker external demand (e.g., Germany's slowdown) and rising imports.

Investment contracted in 2024 but is expected to recover in 2025-2026 thanks to EU fund absorption (€9 bn NRRP), residential construction recovering, and FDIs (EV manufacturers). Government defense spending is also substantial, with a major purchase of 24 F-35 jets worth CZK 150 bn.

Headline inflation slowed to 2.7% in 2024, forecasted to decline to 2.2% in 2025.

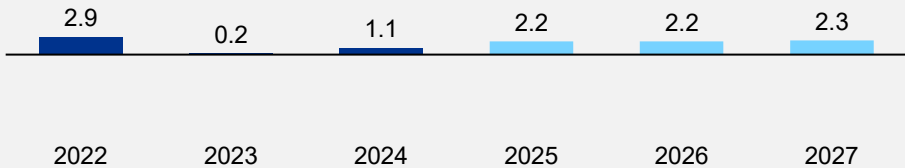
Unemployment remains amongst the lowest in EU and sees a structural shift with declining manufacturing jobs and rising service sector employment. Factors like a shortage of qualified workers and population aging contribute to this low rate and put pressure on wages. Indeed, nominal wages grew by 5.9% in 2024, and are projected to further grow, boosting real purchasing power.

The next general election is scheduled for October 2025. The current government's popularity has fallen, to the benefit of the populist ANO party.

CONSTRUCTION OUTLOOK

After a difficult 2024, overall construction is in early recovery, but levels remain low compared to historical standards. Despite a rise in public permits (almost +40% YoY) showing strong investor interest and a future construction pipeline, fewer dwellings were started and completed. Structural constraints like a slow building permit process, insufficient land-use planning and increased labor costs prevent construction supply from keeping up with demand.

Czech Republic, GDP growth [real terms], %



BUILDINGS

Although the residential segment has been struggling for several years, slight recovery is starting to appear yet remains uncertain in the short term. Despite rising demand and transaction activity for the sector, the supply of new housing remains relatively low. In parallel, housing affordability has deteriorated (+10% rise in the residential property price index YoY in Q1 2025). Overall, housing demand is not saturated yet, leaving potential for future growth, but the timing remains uncertain.

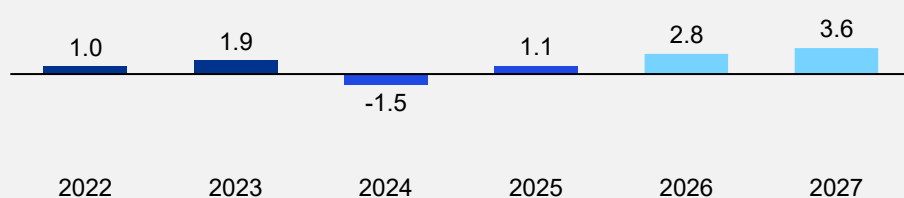
Non-residential building construction is set to rise slowly in 2025, after a decline in 2024. For example, in Q1 2025, 155,900 m³ of industrial and logistics spaces were added to the Czech market and over 1 million m³ of industrial space was under construction (+20% compared to Q1 2024).

INFRASTRUCTURE

Despite a slowdown, infrastructure remains a dynamic segment driven by major public financing. Transport infrastructure is particularly dynamic and supported by PPP (Public-Private Partnerships). It includes motorways (e.g., D4 already completed, D35 motorway with expected opening by the end of the year, D0 Prague ring road in the feasibility study phase for competition finalists), as well as rail projects (e.g., Prague Airport construction slated for 2027, Nemanice – Ševětín high speed rail line).

“Despite contracting in 2024, investment is set to resume growth in 2025 and 2026, due to an assumed increased absorption of EU funds, a recovery in the residential construction and FDIs (e.g. a potential significant investment in a new semiconductors manufacturing facility).”
- European Commission, 2025

Czech Republic, construction growth [real terms], %



EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW

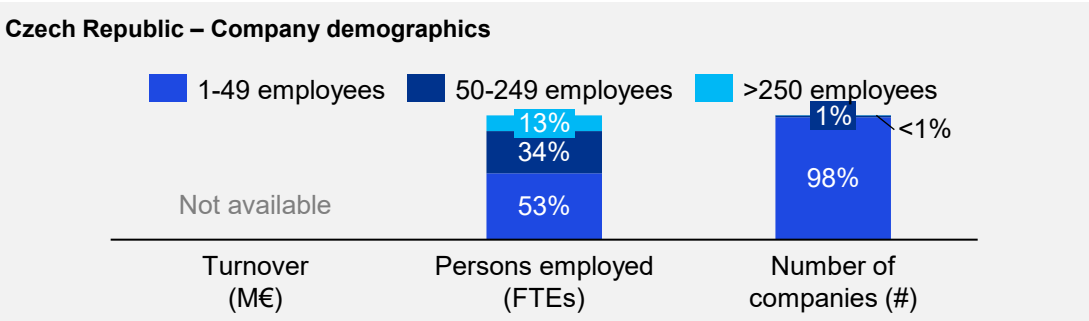
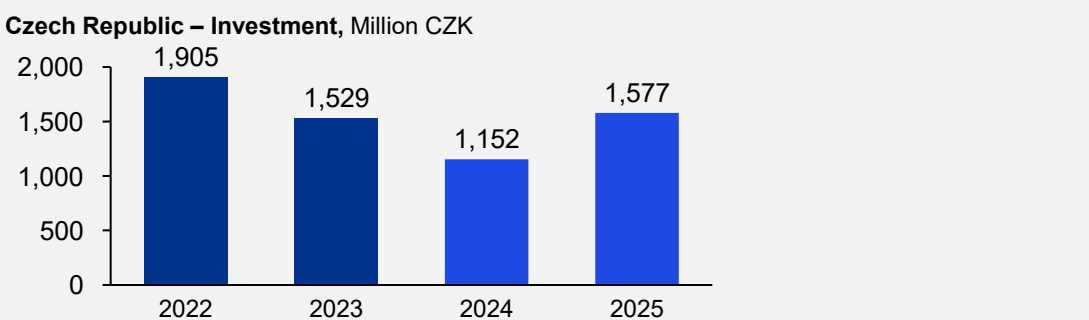
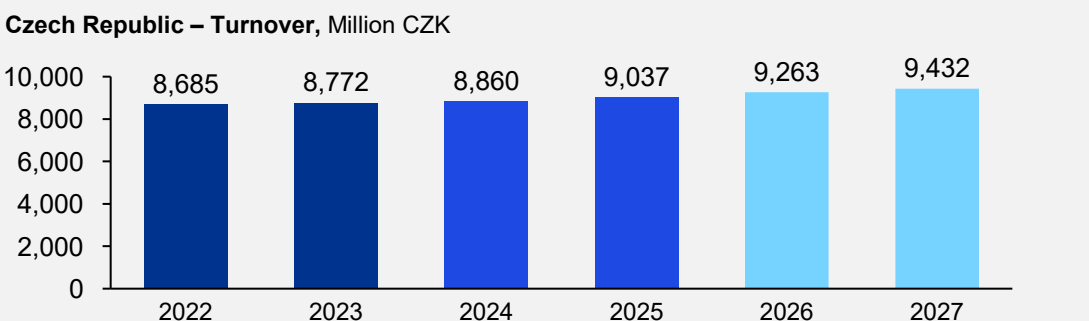
MAIN ECONOMIC INDICATORS (2025E)

 Population 10.6 M

 Unemployment rate 2.7%

 GDP per capita €32,228

 Business climate A2

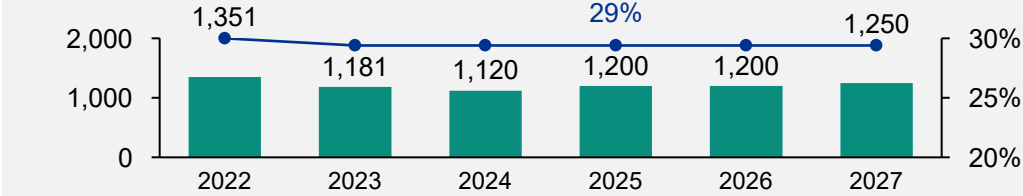


Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

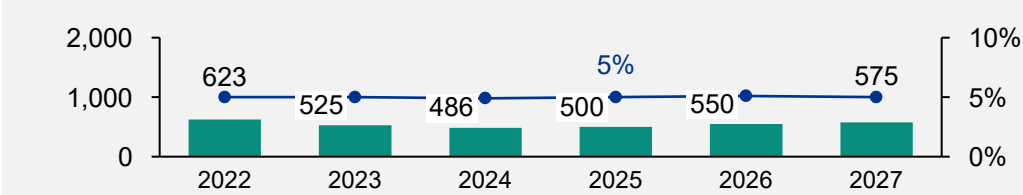
EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT

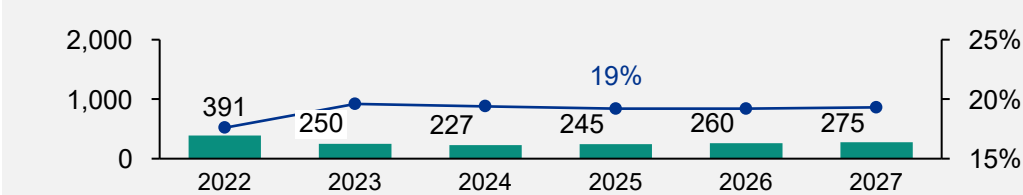
Czech Republic – Mini excavators (diesel)



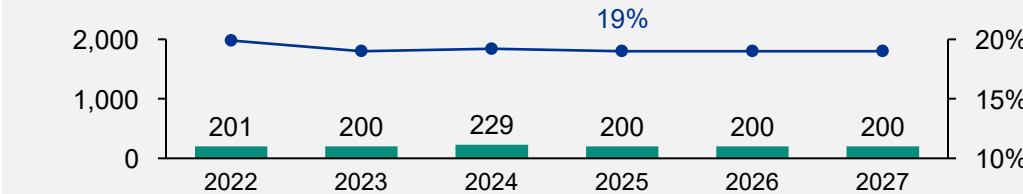
Czech Republic – Telescopic handlers (diesel)



Czech Republic – Wheeled loaders <80 horsepower (diesel)

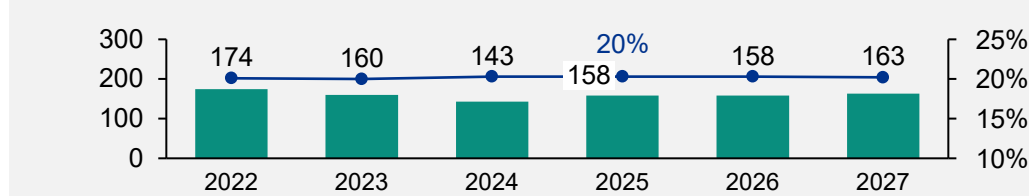


Czech Republic – Skid-steer loaders (diesel)

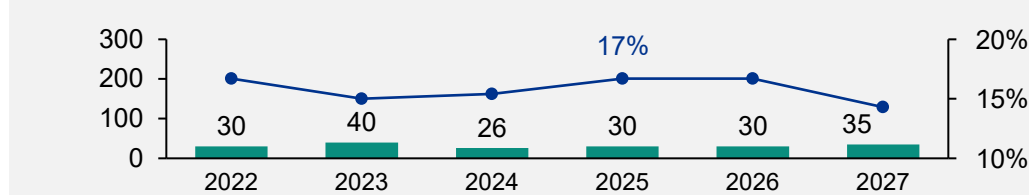


TIER 2 EQUIPMENT

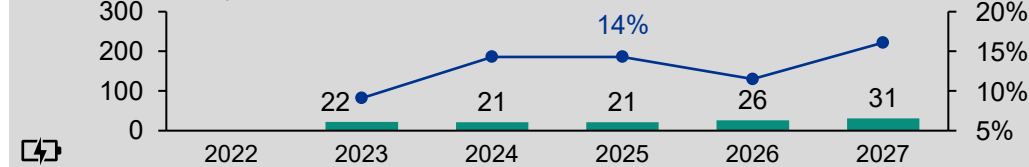
Czech Republic – Crawler excavators, 6-14 tonnes (diesel)



Czech Republic – Compact tracked loaders (diesel)



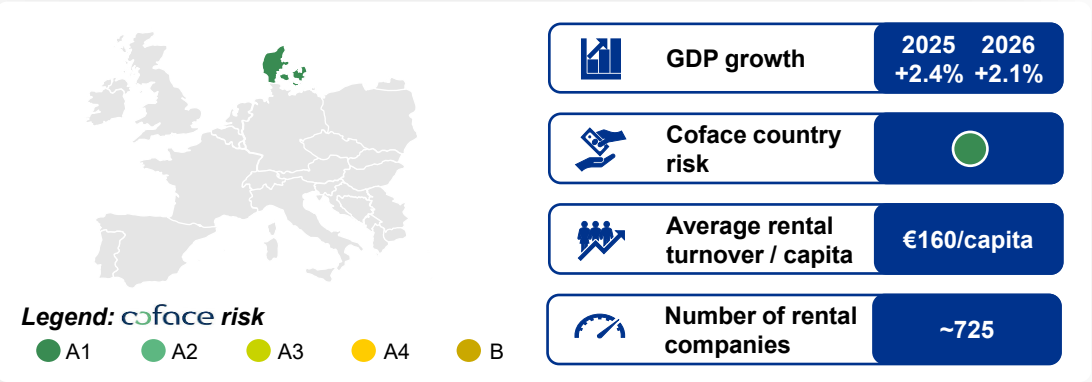
Czech Republic – Electric equipment (mini, crawler & wheeled excavators, wheeled loaders, telescopic handlers)



Off-Highway
RESEARCH

Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

DENMARK (DK)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

During the second half of 2024, a **clear market recovery has been visible**, making Denmark the first country to exit from recession in the Nordic region. Indeed, in response to the 2023 decline in construction output, the Danish government ramped up infrastructure investments, positioning **transportation and energy-related projects as key growth drivers**. These segments benefit from high rental penetration and diverse equipment requirements.

2025 ESTIMATES

During H1 2025, there was a **continuous rebound of the market, thanks to massive infrastructure projects** (e.g., ports, railways) and **non-residential segments** (e.g., data centers, energy, pharmaceuticals). For example, in the pharmaceutical sector, Novo Nordisk has recently started the construction of an DDK 8.5 bn manufacturing plant in Odense, project that should be completed by 2027. Stabilization of economic conditions is also promoting market recovery.

During the second half of 2025, the **market is expected to continue growing**. Construction should keep recovering, reaching over 3% growth at the end of the year. Infrastructure and non-residential will remain the main growth drivers for rentals, with large-scale projects. New projects on the energy segment are launched in the West of the country and will drive activity outside of urban areas.

Denmark (DK)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million DKK]	6,786	6,922	7,005	7,201	7,453	7,639
Turnover [million €]	912	929	939	965	999	1,024
Growth [%]	+11.7	+2.0	+1.2	+2.8	+3.5	+2.5
- Including price effect [% points]	-	-	+0.3	+0.8	+0.9	-
Rental fleet investment [million €]	202	259	178	222	-	-
Rental fleet value [million €]	1,514	1,557	1,513	1,519	-	-

2026-2027 FORECASTS

Continuous growth is expected for 2026 and should be even stronger than in 2025. Growth will especially be driven by **large-scale projects in all construction segments, including residential**. As for investments in the defense sector (e.g., road renovation / infrastructure updates, and military buildings such as barracks, depots and warehouses), their impact on the rental market should be visible by the end of 2026.

RENTAL STRUCTURE OUTLOOK

The market has become **more concentrated** over the past years, with the Top 5 players representing close to half of market share.

The **construction sector accounts for around 70% of total rental revenue, driven largely by public spending and civil engineering projects**, where **rental penetration is high** and diverse equipment is required.

A defining feature of the Danish—and broader Nordic—rental market is the widespread adoption of electric machinery. This **shift is fueled by ESG reporting requirements** for larger companies and reinforced by new government regulations. As electric equipment entails higher upfront costs and more complex maintenance, rental providers are well-positioned to benefit over traditional retail dealers.

MACROECONOMIC ENVIRONMENT

MACROECONOMIC OUTLOOK

The Danish economy is expanding robustly, with industrial production—especially pharmaceuticals—driving growth and exports. In 2024, GDP grew by 3.5%, and a carry-over effect is expected to support over 2% growth in 2025. The reopening of North Sea gas extraction will further boost output and energy self-sufficiency. Despite geopolitical tensions and trade barriers, the current account is expected to remain positive, though the surplus may narrow slightly due to weaker external demand.

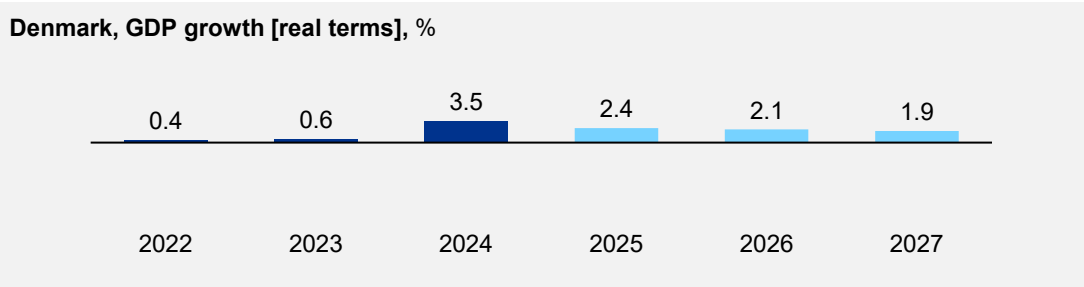
Regarding public investments, Denmark maintains a positive public fiscal balance, even with rising expenditures—especially in defense. Public debt remains low.

Private consumption is set to rebound in 2025, after a cautious 2024. This shift is driven by rising real wages (strong nominal wage growth, easing inflation), higher employment and increasing house prices, and a more favorable borrowing environment, as the Danish central bank is likely to follow the ECB in lowering interest rates. Labor shortages are easing, though still present in sectors like ICT, healthcare, and construction.

Denmark’s political landscape remains relatively stable. The upcoming municipal and regional elections in November 2025 are expected to reflect public satisfaction with the centrist government, particularly on key issues such as healthcare, climate policy, and defense.

CONSTRUCTION OUTLOOK

The sector experienced a downturn in 2023–2024 but is set to rebound in 2025, with overall growth expected to reach 3.2%. It will be supported by falling interest rates, rising real wages, expansionary fiscal policy, and strong export performance. It is currently shaped more by supply-side constraints than demand fluctuations.



BUILDINGS

The residential sector has been dropping since 2022 but should start picking up. A modest recovery is expected in 2025 and 2026. Indeed, investments in new homebuilding, despite still being negative, should gain ~20 percentage points between 2024 and 2025. Between 2024 and 2027, residential construction should account for two fifths of total construction growth.

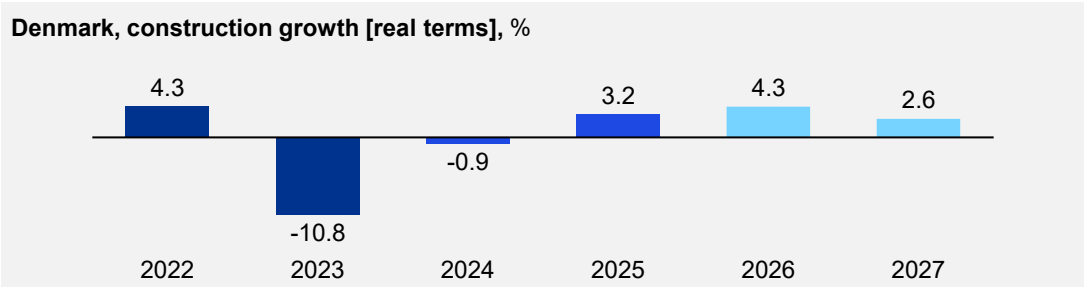
The non-residential sector also suffered a huge drop in 2024, but slow recovery is expected in 2025 and 2026, driven by better financing and industrial output. Investments should gain ~15 percentage points compared to last year.

As for renovation and maintenance, activity increased during the downturn in new builds, so a relative decline is expected in 2025 as new construction recovers. The shift is due to limited labor supply rather than falling demand, because both sectors cannot be supplied simultaneously.

INFRASTRUCTURE

Infrastructure is the strongest and most resilient segment, with almost 7% growth in 2024. Major large-scale projects are driving it (such as the Femern Belt connection, an underwater tunnel connecting Denmark to Germany that will be completed in 2029, and Lynetteholm, an artificial island expected to be completed by 2070). In addition, the Infrastructure Plan 2035 (€21.5 bn) was launched in 2021 and should support infrastructure development until 2035, aiming at supporting the green transition in transport and improving connectivity.

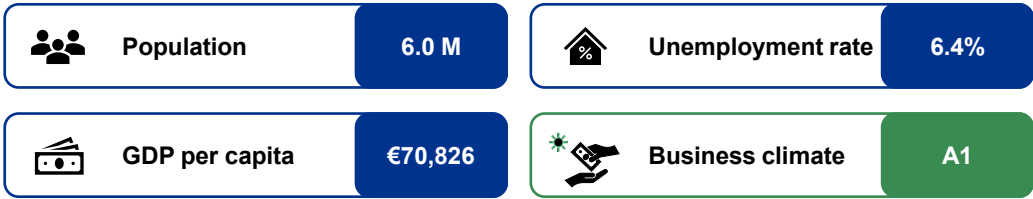
“ Even though new builds have suffered from high material prices and interest rates like in the rest of Europe, construction employment and activity have been strong in Denmark. ”
- Euroconstruct 2025



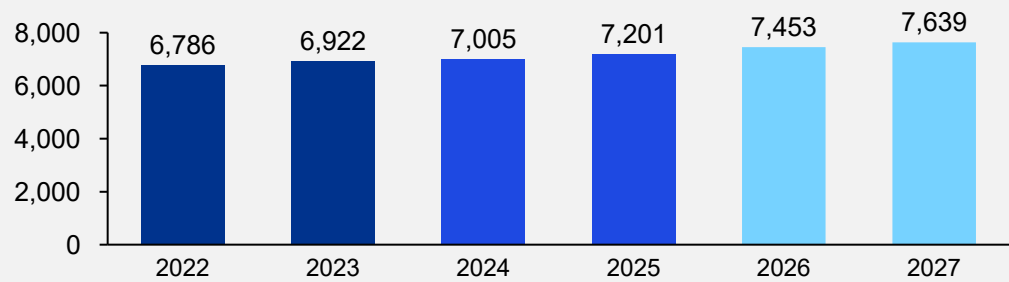
EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW



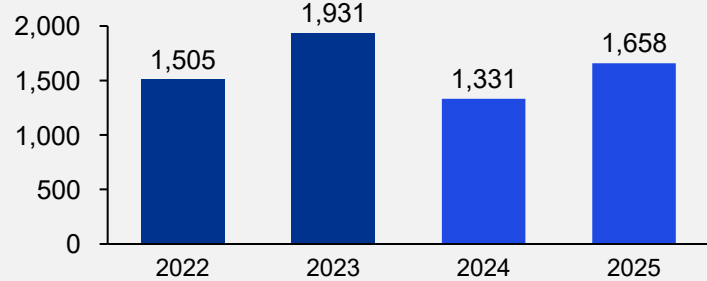
MAIN ECONOMIC INDICATORS (2025E)



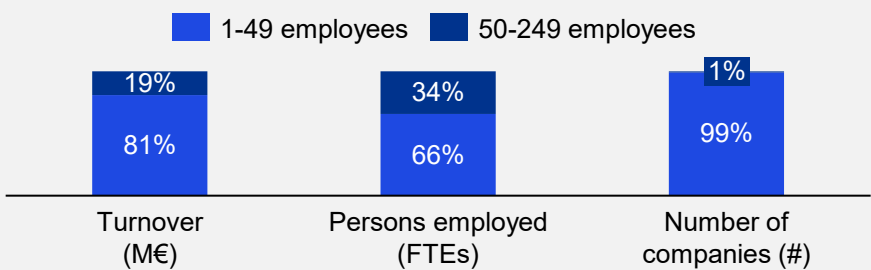
Denmark – Turnover, Million DKK



Denmark – Investment, Million DKK

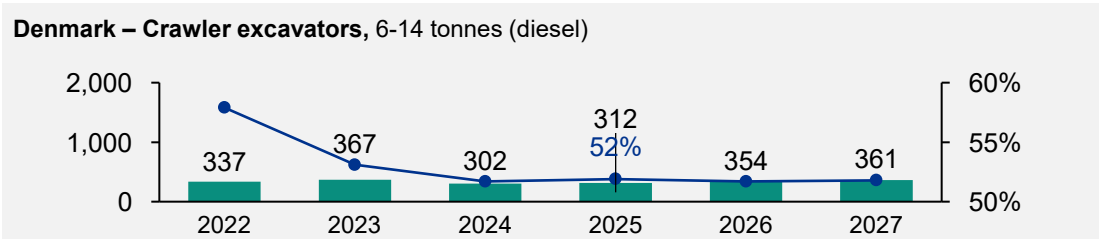
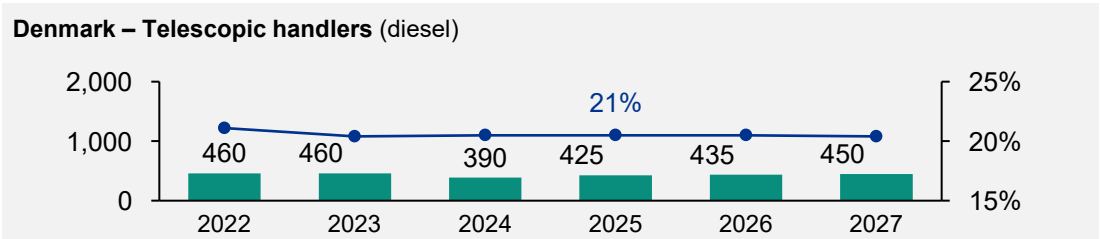
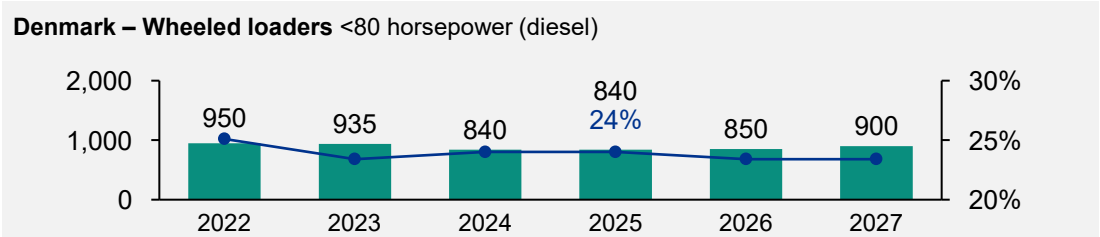
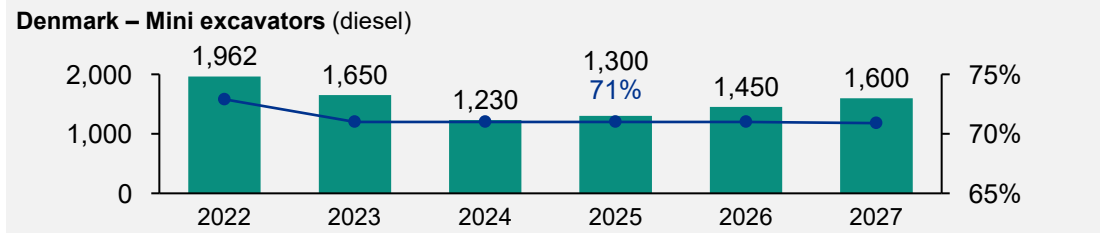


Denmark – Company demographics

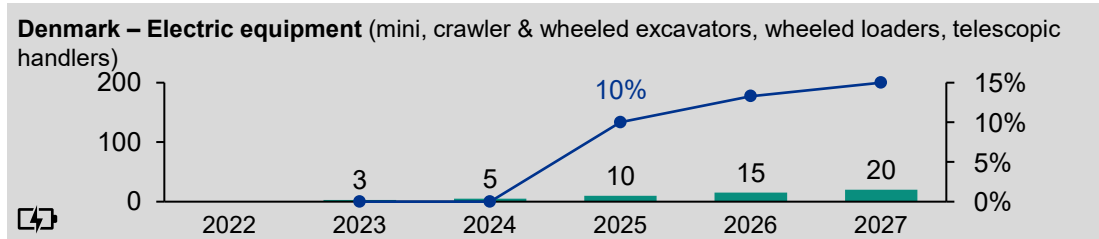
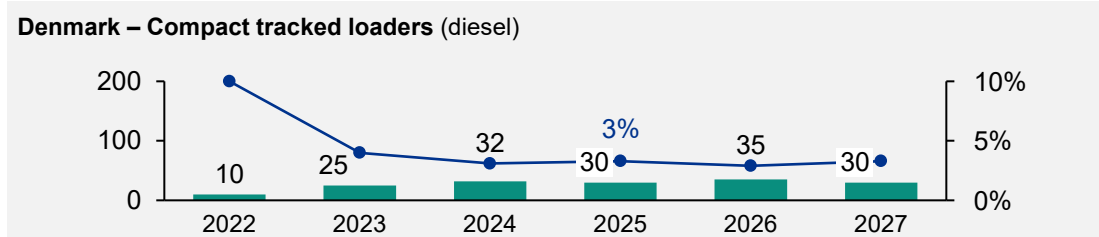
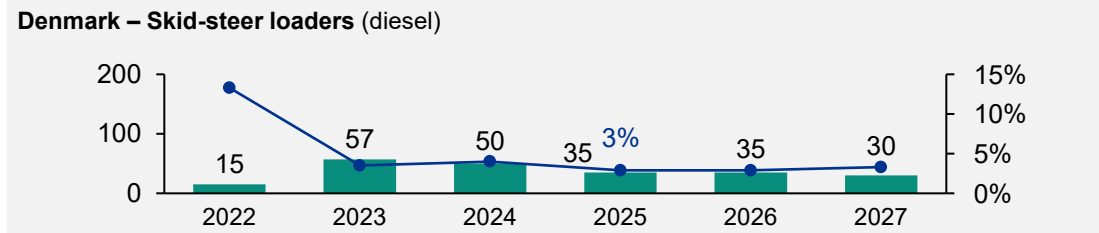


EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT



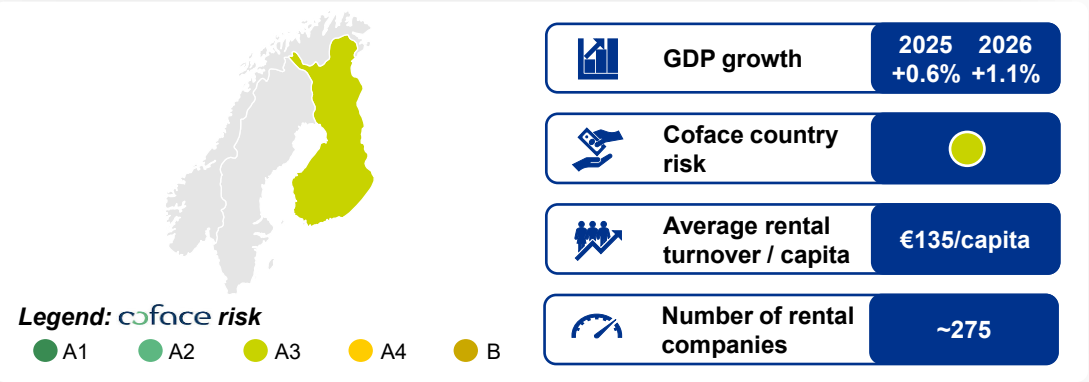
TIER 2 EQUIPMENT



Off-Highway
RESEARCH

Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

FINLAND (FI)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

The decline experienced by the market is largely due to the slowdown of construction activity, particularly building construction. Indeed, it has remained low for the past 2 years, reaching an over 14% decrease in 2023 and a 7% decrease in 2024 according to Eurostat data, but it should already have reached bottom. Residential was more severely impacted than non-residential, where there were still some projects, mainly in school building (e.g., Meridiam announcement of two new schools in the city of Espoo, where five schools had already been commissioned in 2023), military and data centers (e.g., Microsoft Espoo started in September).

2025 ESTIMATES

The first half of 2025 was marked by **progressive recovery** from a market that has bottomed out.

Growth is expected to be driven by industrial and infrastructure projects such as energy, batteries, defense, and data centers. However, the slight growth of the infrastructure segment will have a limited impact on rentals due to in-house fleets. Publicly funded non-residential construction will remain resilient (e.g., hospitals, schools, kindergartens) while residential recovery is delayed. The overall construction outlook remains uncertain due to low GDP growth.

“Penetration rose compared to the previous assessment. Tower cranes, aerial lifts, and scaffolding systems now show penetration rates above 85%.”

- Forecon 2025

Finland (FI)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million €]	841	782	743	764	789	814
Growth [%]	+2.8	-7.0	-5.0	+2.8	+3.2	+3.2
- Including price effect [% points]	-	-	-2.0	-0.2	+0.8	-
Rental fleet investment [million €]	150	121	89	115	-	-
Rental fleet value [million €]	1,018	993	941	922	-	-

2026-2027 FORECASTS

Volume growth prospects are optimistic but remain tempered and will be highly dependant on economic rebound. Price recovery is also expected, assuming market conditions improve and demand escalates. Residential construction will be a key driver; it should remain low but is expected to pick up, with recovery slower than anticipated. Additionally, segments like industrial maintenance, data centers, and green energy projects (e.g., battery factories) will contribute. The growth of the market should slightly accelerate thanks to increased penetration of rental services.

RENTAL STRUCTURE OUTLOOK

The Finnish rental market is highly concentrated, with the top three players generating over €400 M in turnover, **representing more than 50% of market share**. The Finnish market is largely driven by the construction sector, which accounts for ~70% of rental activity.

The penetration rate of rentals in overall machine use in building construction is approximately **60%** according to Forecon and is still increasing. This share heavily increased in 2015-17 & 2019, then grew more moderately in 2020-2024. Rental penetration continues to rise in other sectors.

Service offerings are increasingly important in Finland, differentiating Nordic markets from central Europe. Market dynamics are focusing toward specialized and value-added services beyond pure equipment rental.

Growing demand for ESG-compliant machinery is increasingly shaping the market, bolstered by government initiatives that promote environmental sustainability. This momentum is expected to continue, as Finland maintains a strong commitment to ecological responsibility.

MACROECONOMIC ENVIRONMENT

MACROECONOMIC OUTLOOK

Finland experienced a GDP decrease, contracting by 0.9% in 2023, mainly due to weak investment—especially in construction—as well as rising prices and interest rates. Moderate GDP growth is forecasted for 2025 and 2026, supported by wage-driven income growth, declining interest rates, and public investment, notably in military equipment. However, geopolitical tensions, social benefit cuts, and labor market fragility pose risks.

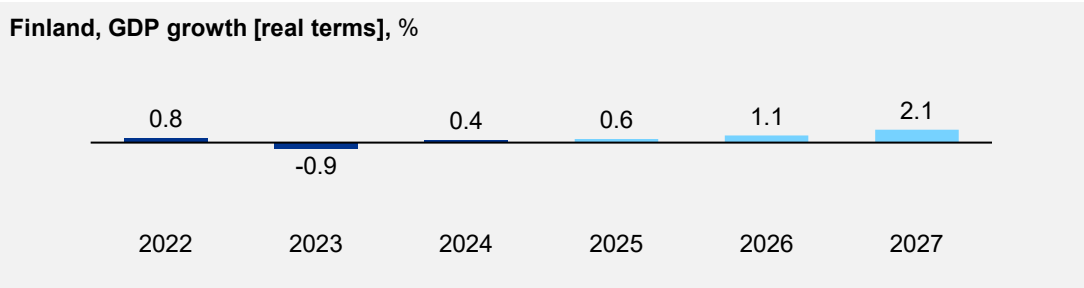
Public spending will be boosted in 2025-2026 by increased defense expenditure due to geopolitical tensions. However, the government is pursuing fiscal consolidation through spending controls, selective tax increases, and structural reforms. The deficit is expected to remain stable in 2025.

Corporate insolvencies have risen for four consecutive years (+5% in 2024) and are expected to remain high in 2025, as companies face mixed conditions: stronger domestic demand and lower interest rates, but weak exports and rising costs.

Inflation fell in 2024, driven by lower energy and food prices. It is expected to ease further, reaching 1.7% in 2025, due to falling industrial goods and energy prices.

Unemployment rose to 8.4% in 2024, to over 9% in 2025. Significant improvement is unlikely in the short term. Private consumption remained weak. Tensions over government reforms—especially cuts to labor benefits—have increased the risk of strikes, which could disrupt key sectors and slow the recovery.

“ [In 2024], weak overall economy [did not] enable growth in construction. Public investments and construction of data centres will increase [overall construction output]. Increased population in cities increases housing demand. ”
- The Federation of Finnish Technology Industries, 2024



CONSTRUCTION OUTLOOK

Construction is expected to recover in 2025 and further expand in 2026, as interest rates fall. However, the outlook remains uncertain because of lower economic growth than previously anticipated.

BUILDINGS

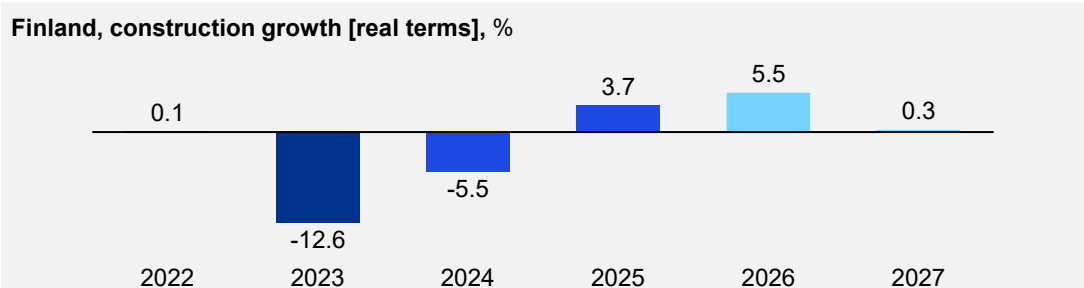
The housing market, previously under strain for the last three years, is expected to gradually rebound as financing becomes more accessible and buyer confidence returns. Investments should increase by more than 12 percentage points compared to last year.

The non-residential sector should increase in 2025, after two years of decline, with investment growth rising six percentage points between 2024 and 2025. It will be pushed by new projects as well as previously delayed projects and should mainly be driven by publicly financed projects.

The renovation market should show a moderate 0.5% growth in 2025, after several difficult years. The Energy Efficiency Directive approved by the EU should impact the sector, with change implemented in legislation by mid-2026.

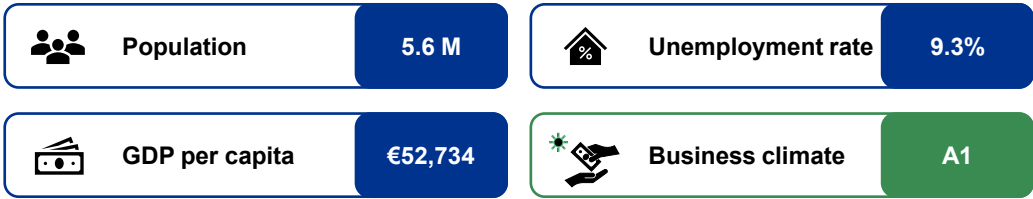
INFRASTRUCTURE

Growth is expected in 2025 after two years of decline, supported by a level of investment turning positive, despite uncertainties as to weighting. Government and municipal actors play key role in this sector but overall spending will have to be further reduced. However, slight growth is still expected in areas such as road construction, railways, and energy (especially wind power). Defense-related investments are expected to grow substantially (e.g., road renovation and infrastructure updates; military buildings such as barracks, depots and warehouses, for an investment target of 3% of GDP by 2029).

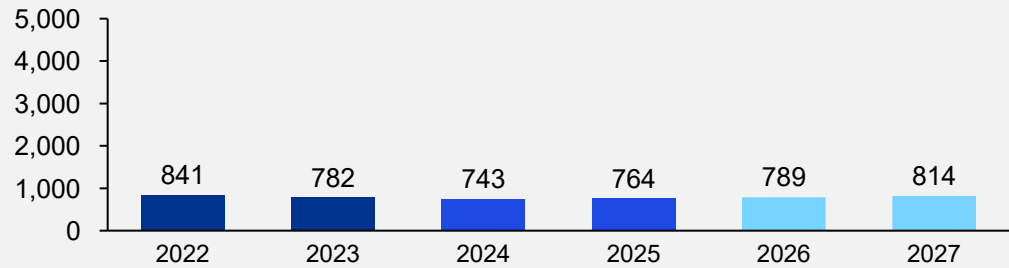


EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW

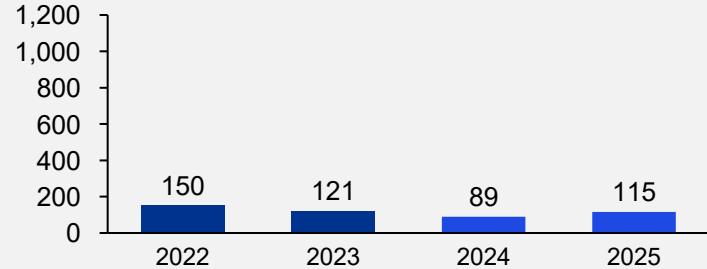
MAIN ECONOMIC INDICATORS (2025E)



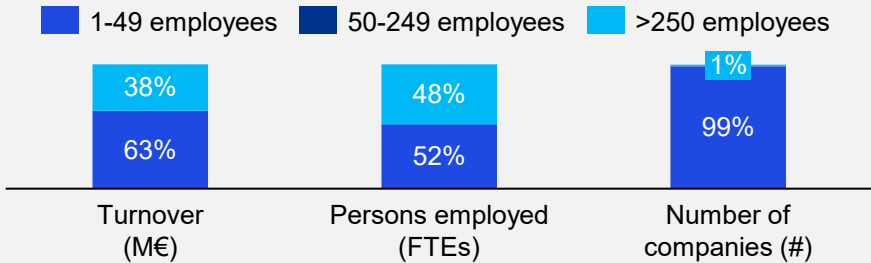
Finland – Turnover, Million €



Finland – Investment, Million €



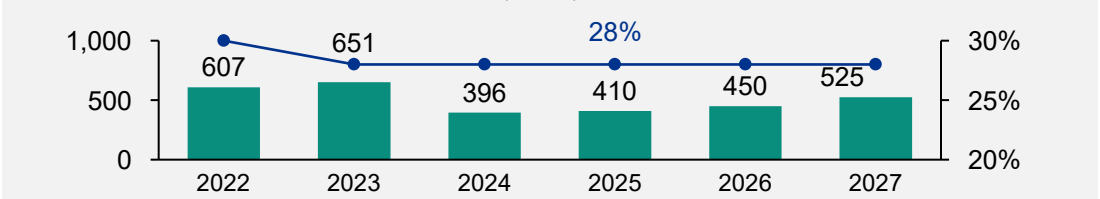
Finland – Company demographics



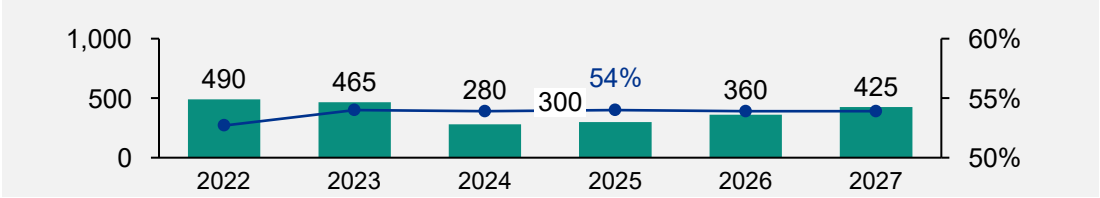
EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT

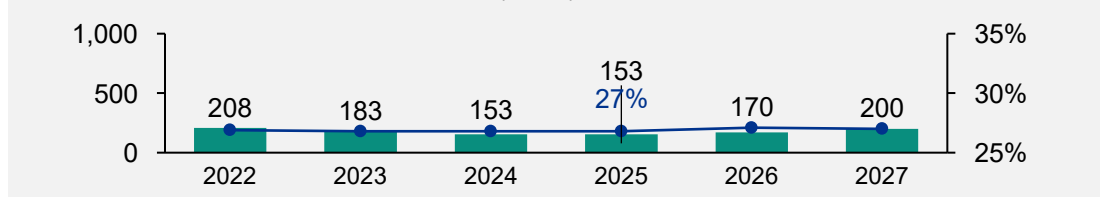
Finland – Wheeled loaders <80 horsepower (diesel)



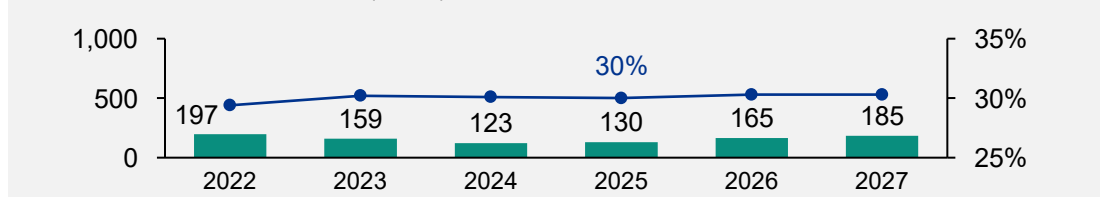
Finland – Mini excavators (diesel)



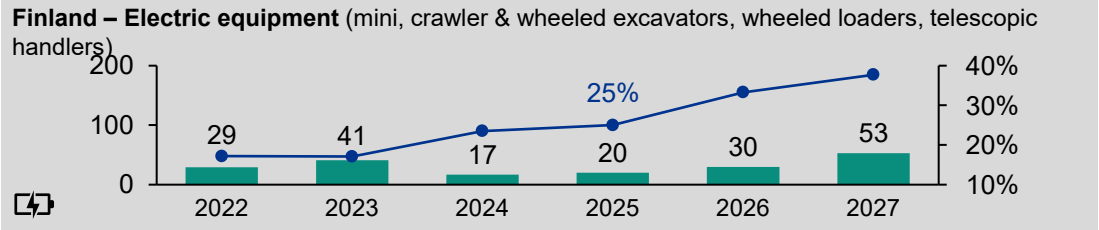
Finland – Crawler excavators, 6-14 tonnes (diesel)



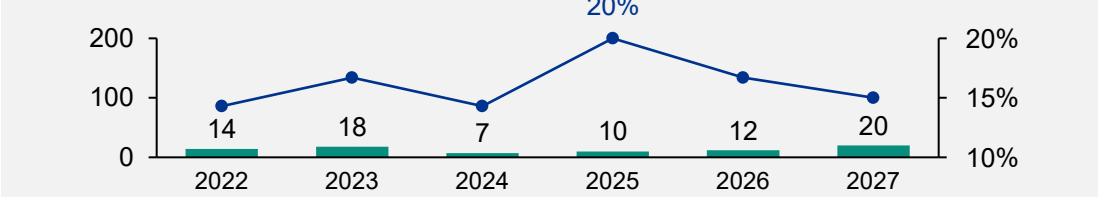
Finland – Telescopic handlers (diesel)



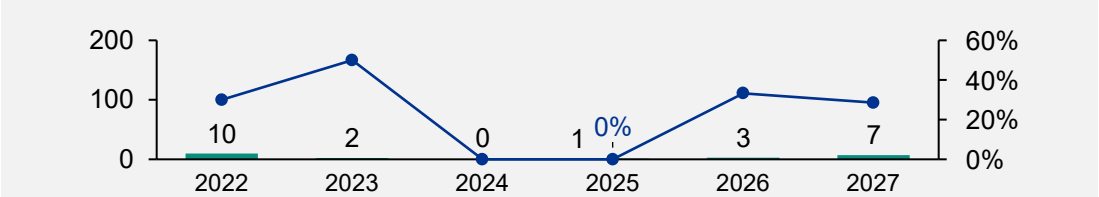
TIER 2 EQUIPMENT



Finland – Skid-steer loaders (diesel)



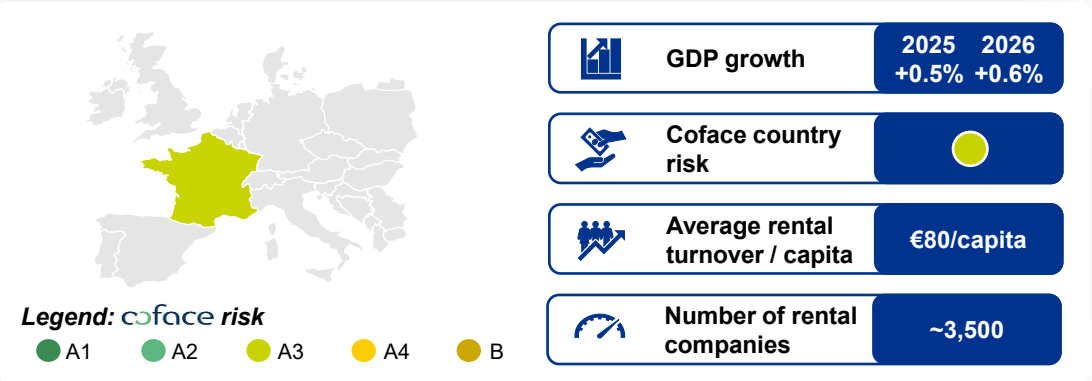
Finland – Compact tracked loaders (diesel)



Off-Highway
RESEARCH

Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

FRANCE (FR)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

Rental market growth was slightly positive in 2024. Some large infrastructure projects have been maintaining the market, especially in the mobility and energy sectors. Some disparities remained across regions. For example, the Ile-de-France region accounted for 20% of national business in 2024 and is the main region that has benefited from Olympic Games activity (benefiting infrastructure and the residential and non-residential segments).

2025 ESTIMATES

The first half of 2025 has been challenging. Top players have recorded a notable decrease compared to H1 2024, while smaller players have shown more resilience, posting more mixed results. Major infrastructure projects (e.g., A69) have been halted, and signs of recovery are still lacking. The residential sector continued to struggle; renovation has remained stable but has begun to lose momentum.

Looking ahead to the second half of 2025, visibility remains low, and market players are cautious. A potential activity slowdown could trigger a price war. In Paris, the rental market is sharply declining due to the completion of Olympic Games-related projects, although the rest of the country is performing better. Infrastructure is expected to show modest growth by year-end. Both the residential and non-residential sectors appear to have bottomed out and are expected to begin recovering before the end of the year.

France (FR)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million €]	5,109	5,390	5,433	5,423	5,471	5,499
Growth [%]	+5.1	+5.5	+0.8	-0.2	+0.9	+0.5
- Including price effect [% points]	-	-	+0.2	-0.1	-0.1	-
Rental fleet investment [million €]	827	1,003	706	864	-	-
Rental fleet value [million €]	6,972	6,979	6,688	6,597	-	-

2026-2027 FORECASTS

The residential sector is believed to have already reached its lowest point. **Concern and uncertainty remain high due to political instability.**

RENTAL STRUCTURE OUTLOOK

The French market is primarily defined by the ongoing concentration of the market, driven by the top two players (which are also among the top three in the EU) and by the consolidation of medium-sized players to the detriment of the long tail of small players, which generate ~40% of total rental turnover.

This market consolidation is also driven by the fact that smaller firms struggle with higher financing costs and challenges in attracting skilled labor, placing them at a disadvantage compared to larger, more established players.

The market is borne by the construction sector which accounts for ~65% of rental activity.

The French market features pronounced regional disparities in market conditions and performance—a trend also evident in Italy and Spain.

“ Confidence in the future among DLR rental companies for Q1 2025 is declining. The balance of opinion stands at 4 points in the first quarter of 2025, a drop of 20 points compared to the previous quarter. ”
- DLR, 2025

MACROECONOMIC ENVIRONMENT

MACROECONOMIC OUTLOOK

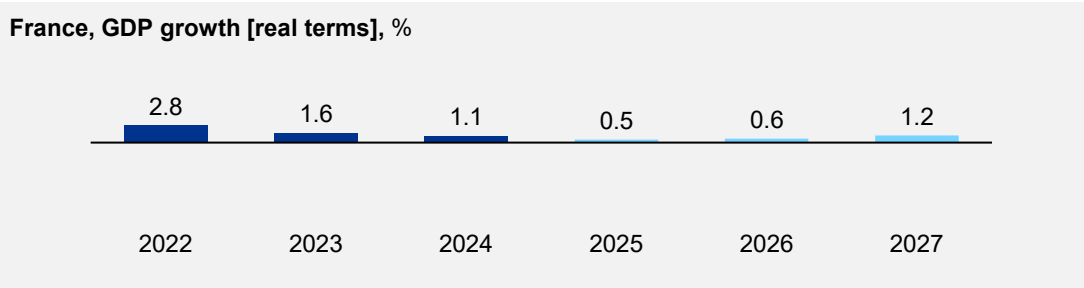
After showing resilience in 2024—thanks to public spending and strong export performance (notably in aerospace and pharmaceuticals)—**France’s economy is expected to slow down in 2025**. This deceleration is driven by persistent **political instability**, which is undermining economic confidence. This slowdown is constrained by **tight fiscal policies, domestic and international uncertainties, weak private investment and a negative exports contribution, as well as low consumer confidence**.

Public finances are under pressure. France’s budget deficit remains deep following the fiscal slippage of 2024. With **no clear parliamentary majority**, significant spending cuts or tax hikes are unlikely. Interest payments and public debt are rising, making France one of the most expensive borrowers in the eurozone, **raising concerns about long-term sustainability**.

Private investments are delayed, as are hiring decisions, due to political and fiscal uncertainty, coupled with necessary budget adjustments. Despite lower interest rates, companies face a tough environment due to weak demand and ongoing repayments of state-backed loans (PGE).

Domestic demand remains weak. Households may benefit from slightly improved purchasing power as wages outpace inflation (expected to fall to 0.9% in 2025 down from 2.3% in 2024). Nevertheless, high uncertainty is prompting precautionary saving, limiting any rebound in consumption. **Unemployment should decline in 2025 before recovering in 2026, but it remains elevated.**

“ Overall, [building] activity is increasing but remains significantly below last year’s level. Order books are considered satisfactory in the finishing trades, while demand in structural work remains sluggish, hampered by the downturn in new housing construction. ” - Banque de France, 2024



CONSTRUCTION OUTLOOK

After major decline in 2024, the construction activity is expected to **slightly recover in 2025**. Despite the deteriorating business climate, the number of construction starts is rising again.

BUILDINGS

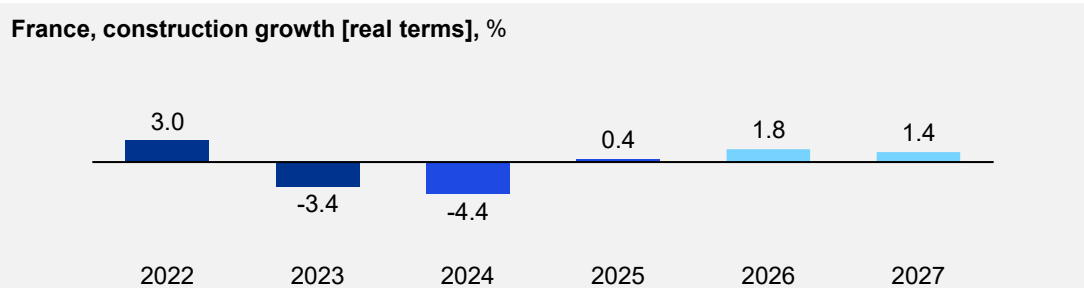
The residential segment is expected to decline in 2025 but at a slower pace than the previous year (new homebuilding investment should gain 14 percentage points between 2024 and 2025, but will remain negative). Several factors contribute to a more favourable environment: improved access to credit, the 2025 Finance Act (which reinstates the zero-interest PTZ loan for individual housing in designated areas), and the recovery plan by Action Logement & CDC Habitat, aiming to produce 17,000 collective dwellings.

In 2024, **non-residential** building permits remained stable compared to 2023, but construction starts declined by 10%. By mid-2025, there was a **slight increase in permits** (+3.3% compared to the 08/2023 – 07/2024 period), yet construction starts continued to show a significant decline (-7.7%).

The rehabilitation and maintenance segment is expected to grow modestly in 2025. However, energy renovation will see only residual growth, as the delayed approval of the Finance Act will hinder activity in early 2025, despite the continuation of the MaPrimeRénov incentive scheme.

INFRASTRUCTURE

So far, infrastructure has been the most resilient segment, driven by major infrastructure projects in metropolitan areas. **However, 2025 presents a more challenging outlook:** the 2025 Finance Act introduces budget cuts that will slash funding for local governments and ecological transition projects; tax burdens on public works companies are set to rise; and both public and private investments are expected to decline. Investments should **drop by 5 percentage points compared to 2024**.



EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW

MAIN ECONOMIC INDICATORS (2025E)

Population

6.7 M

Unemployment rate

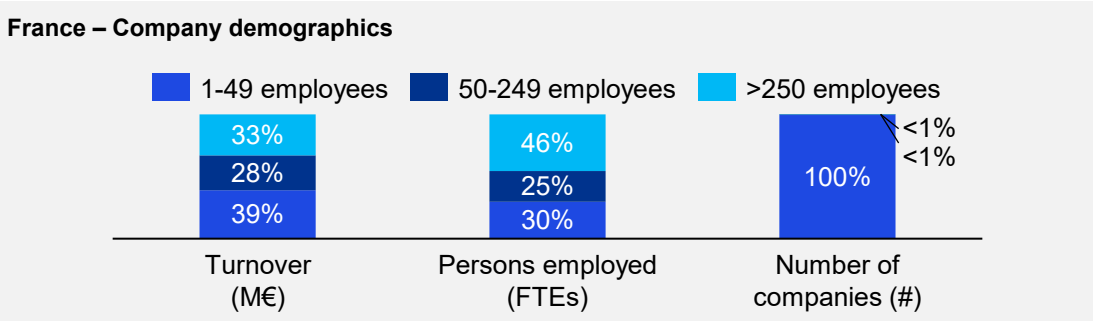
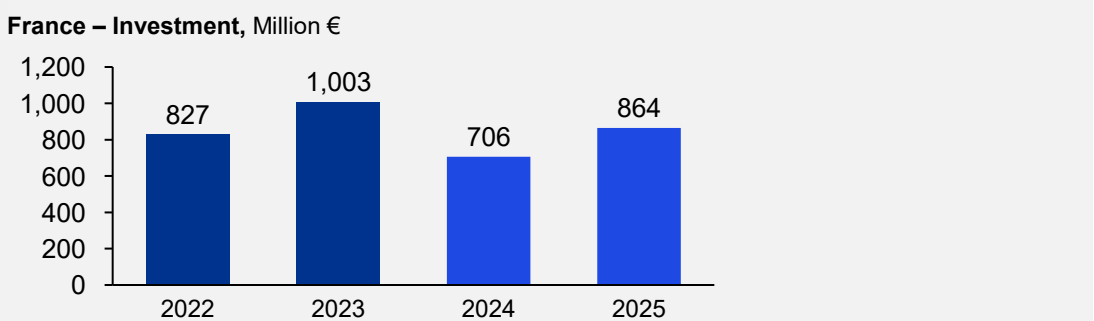
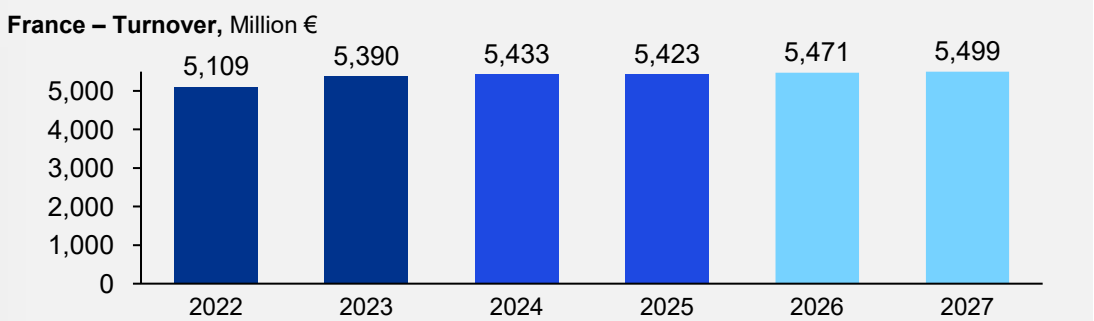
7.5%

GDP per capita

€46,455

Business climate

A1

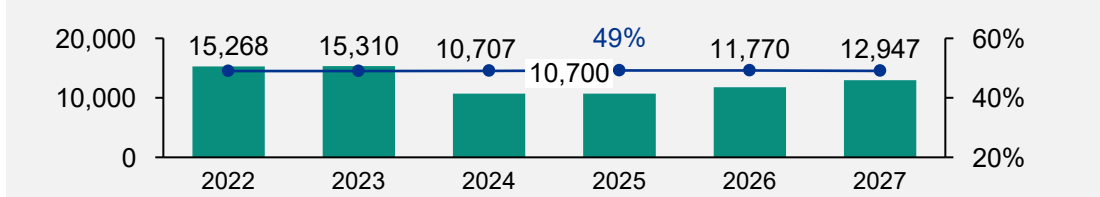


Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

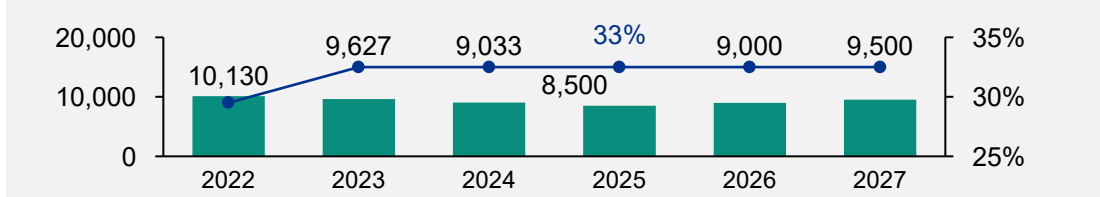
EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT

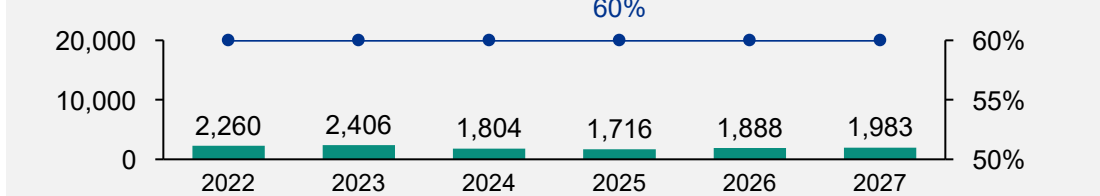
France – Mini excavators (diesel)



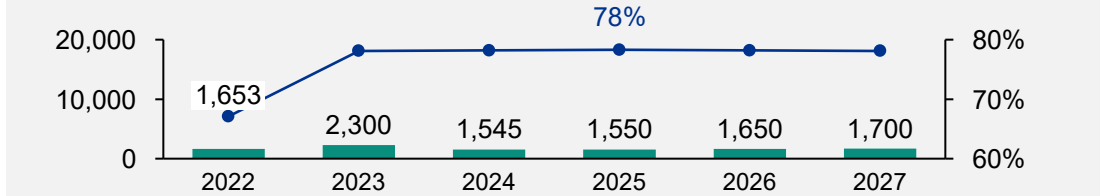
France – Telescopic handlers (diesel)



France – Crawler excavators, 6-14 tonnes (diesel)

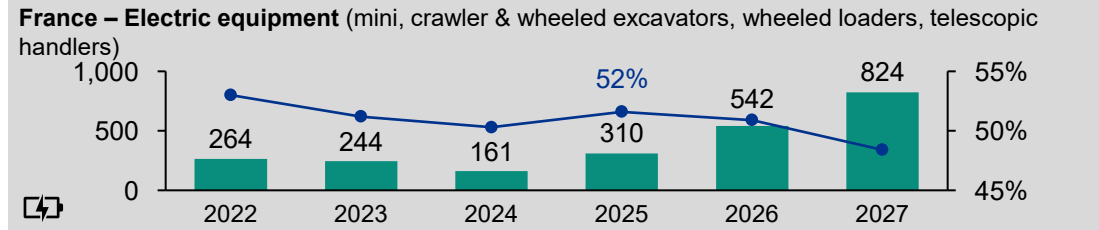
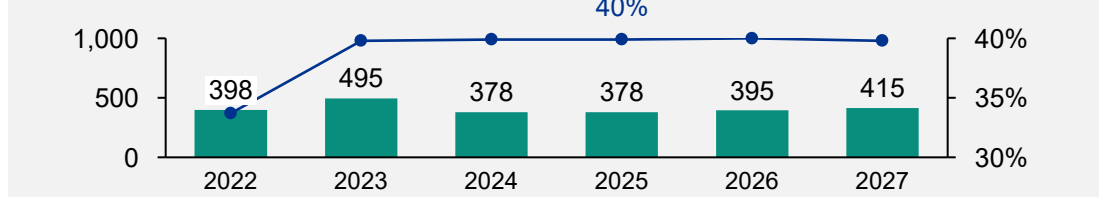


France – Wheeled loaders <80 horsepower (diesel)

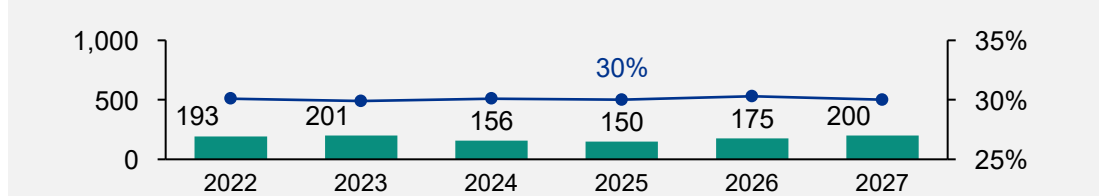


TIER 2 EQUIPMENT

France – Skid-steer loaders (diesel)



France – Compact tracked loaders (diesel)

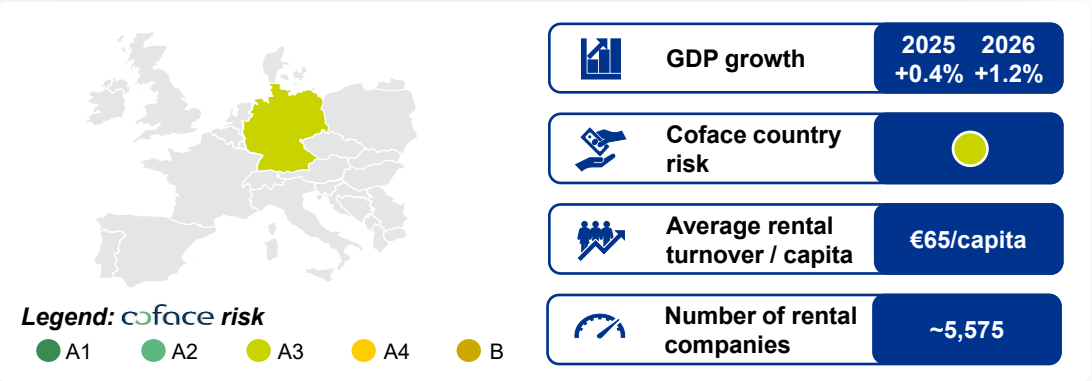


Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

GERMANY (DE)



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EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

An important project pipeline existed, but **due to general uncertainty, many projects were delayed**, impacting growth negatively—**only residual growth has been seen**. The new government has opened the door for the resumption of financing. The industrial and logistics segments performed better, while the residential segment continued to decline. In terms of pricing, despite an overall slight positive price effect, certain equipment categories saw stable or declining prices (e.g., aerial work platforms), where prices dropped significantly due to oversupply and competition.

2025 ESTIMATES

During the first half of 2025, the market continued 2024 trends and did not experience the expected rebound. While general rental activity has been slightly decreasing, some specialized segments have been compensating (e.g., energy, events, logistics).

For the second half of the year, a slight recovery in volumes is expected. Public investment has been set back since the beginning of the year and financing for local projects is slow to obtain, particularly due to bureaucracy. **Their impact is now expected to become visible by Q4 2025.** Prospects remain relatively positive for infrastructure, industrial, and energy-related projects (e.g., road and bridge maintenance, logistics, EU-funded zero-emission initiatives). However, the short-term outlook is still uncertain due to a projected decline in housing activity—a key component of the construction sector. Both new builds and renovation projects are expected to slow, reflecting inflationary pressures on household and corporate budgets.

Germany (DE)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million €]	5,228	5,385	5,401	5,423	5,585	5,654
Growth [%]	+3.6	+3.0	+0.3	+0.4	+3.0	+1.2
- Including price effect [% points]	-	-	+0.1	+0.1	+0.2	-
Rental fleet investment [million €]	1,307	1,498	1,188	1,352	-	-
Rental fleet value [million €]	7,496	7,495	7,184	7,100	-	-

2026-2027 FORECASTS

The year 2026 is more optimistic for rental growth, particularly due to **significant expected investment in infrastructure projects**. The defense and renewable energy sectors are anticipated to be the strongest growth drivers. Specialized segments present opportunities for expansion, while residential construction is not expected to be a major contributor to overall market growth.

RENTAL STRUCTURE OUTLOOK

The rental market industry, which relies approximately **65% on construction activity**, is **fragmented**—composed of large international players alongside numerous small and mid-sized enterprises, including family-owned businesses. Additionally, there are not only pure rental players but also distributors and OEMs with a rent-to-sell model. Despite its regional nature, the market is still attractive to global rental companies seeking to expand their footprint.

Price variations are inconsistent across players: while large companies report price increases in order to increase their profitability, regional competitors tend to be more conservative to protect their market shares.

The German market continues to show a **strong preference for ownership over rental**. Businesses are well-financed, enabling a high level of innovation, service & quality. However, the range of additional services remains more limited compared to other countries (e.g., Nordics, the Netherlands)

“ According to the VAT statistics for 2023 [...] About 76% [of companies] had revenues under €1 million [...] Only 11 companies achieved revenues over €50 million. ”
- BBI, 2025

MACROECONOMIC ENVIRONMENT



MACROECONOMIC OUTLOOK

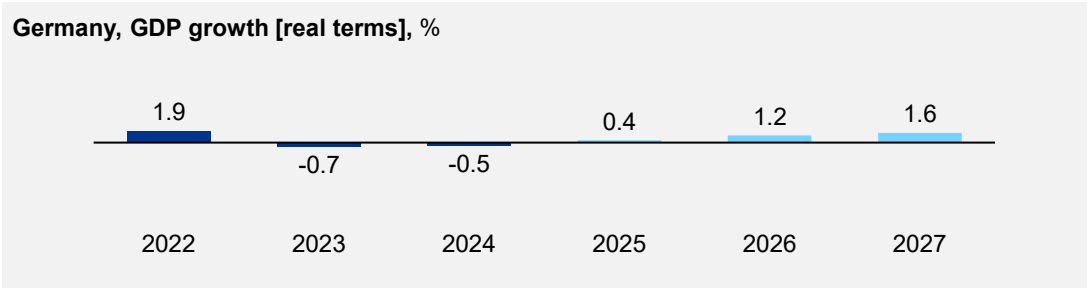
After two consecutive years of decrease, the German economy is projected to **stagnate in 2025 and return to modest growth of 1.2% in 2026**. Recovery is expected to be driven by improving domestic demand, supported by lower inflation, rising real wages & public investment. However, trade tensions and tariffs are expected to continue weighing on exports in 2025; the US is Germany's largest export market, accounting for 10% of total exports.

Public spending was initially constrained by provisional budget management in early 2025, limiting discretionary expenditure. Nonetheless, **investment** in infrastructure, digitalization, defense, and education **helped stabilize GDP in 2024 and is expected to continue in 2025**. Provisional budget management remains in place due to the lack of agreement on a new budget. **Overall, expenditure is expected to remain stable.**

Consumer sentiment remains weak, with households favoring saving. However, lower inflation (reaching 1.6% in 2026), rising real incomes, and post-election political stability are expected to support a moderate increase in consumption. Employment growth is slowing but remains resilient: unemployment is projected to rise slightly to 3.6% in 2025, then fall in 2026. Labor shortages persist, particularly in public services.

CONSTRUCTION OUTLOOK

Continuous construction decline is expected for the fifth year in a row, but the trend should reverse in 2026. Indeed, investment volume is set to recover to -0.1% in 2025 (compared to -3.3% in 2024) before further recovery in 2026 reaching +1.8%.



BUILDINGS

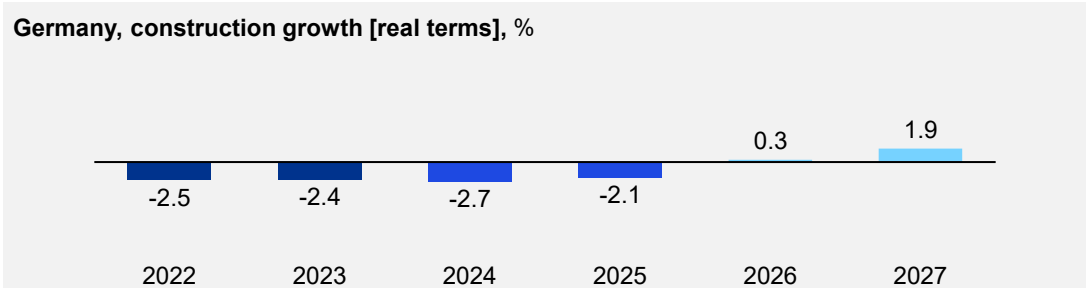
Residential construction activity, which accounts for 60% of total construction investment, **is expected to bottom out in 2025 and begin to slowly recover**, supported by a slight uptick in building permits, new orders, and mortgage lending. Despite several government support measures, **this segment is not expected to experience strong growth in the coming years.**

The non-residential segment is heavily reliant on commercial buildings. After a challenging year in 2024 due to difficult financing conditions for companies and weak overall economic development, a slight rebound in nominal growth is expected in 2025, followed by **more sustained growth in 2026**. Increased public investment will further support this recovery.

INFRASTRUCTURE

After several years of underinvestment in **civil engineering**—particularly in transport—a **turnaround is now visible, with a +3 percentage point increase in investment growth between 2024 and 2025**. The **€500 bn infrastructure fund** will finance projects over a 12-year period, covering areas such as energy, transport, digitalization, science, R&D, education, and hospitals. It includes a €100 bn allocation for climate-related initiatives (e.g., energy-efficient building renovations, electric mobility, hydrogen, decarbonization technologies for industrial operations). This fund is expected to enhance planning reliability and stimulate investment, engaging companies across the industry.

“Not only the construction sector, but also the entire economy has been groaning for years about the government’s increasing regulatory frenzy. [...] Although railway construction is one of the few bright spots in the construction sector, there is currently only financial planning security for this and next year.”
- Euroconstruct, 2024



EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW

MAIN ECONOMIC INDICATORS (2025E)

Population

84.1 M

Unemployment rate

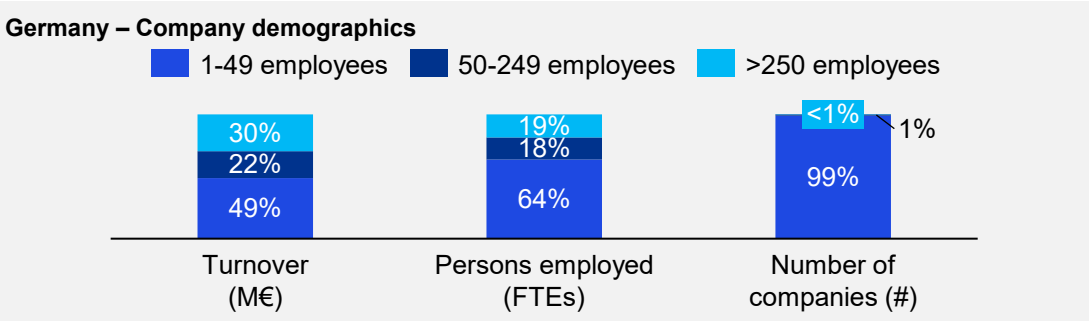
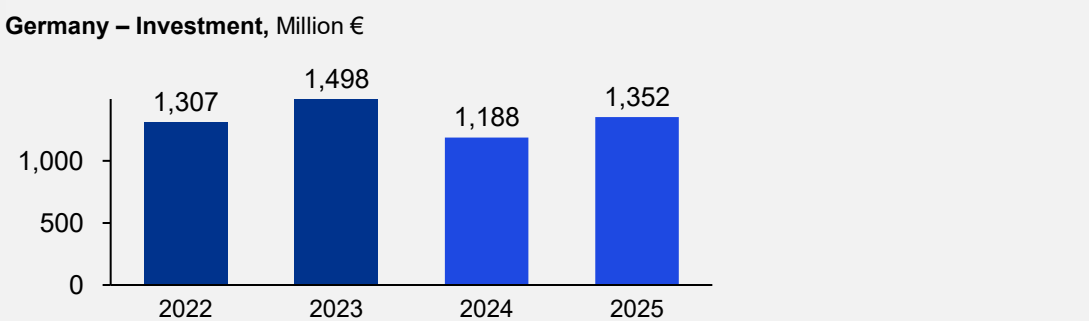
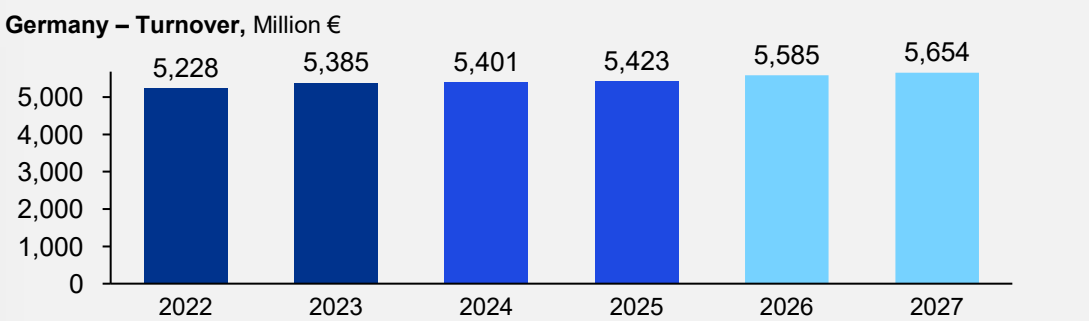
3.6%

GDP per capita

€55,007

Business climate

A1



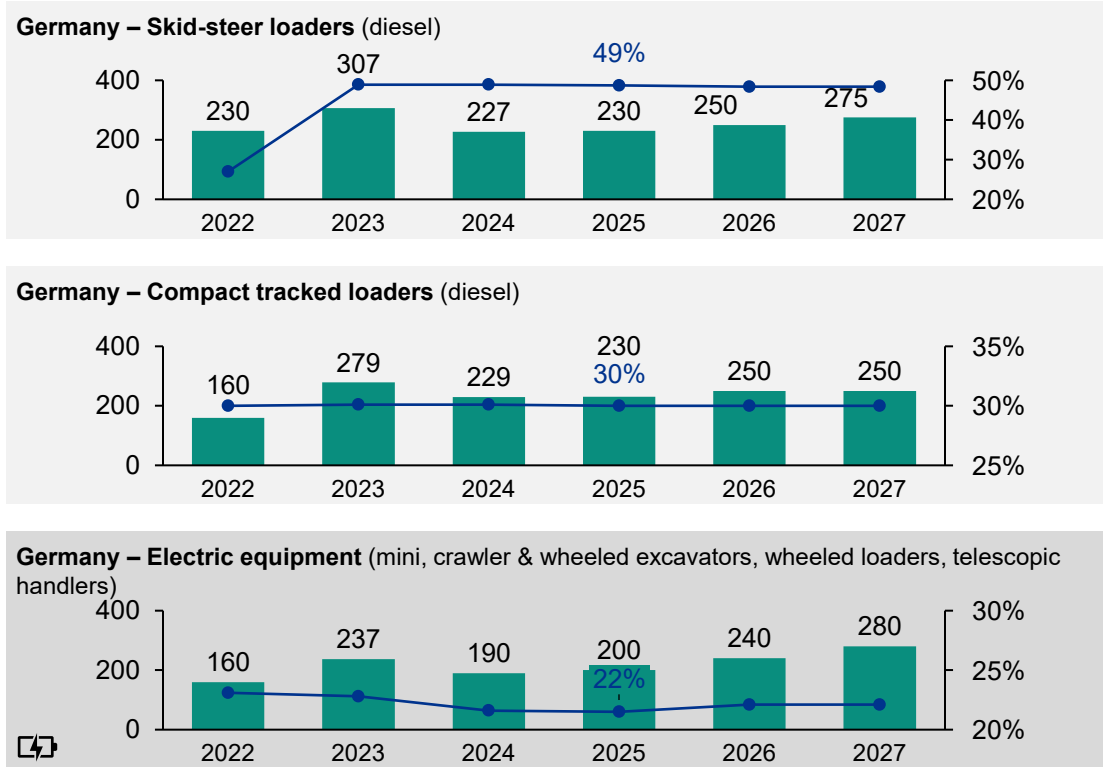
Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT



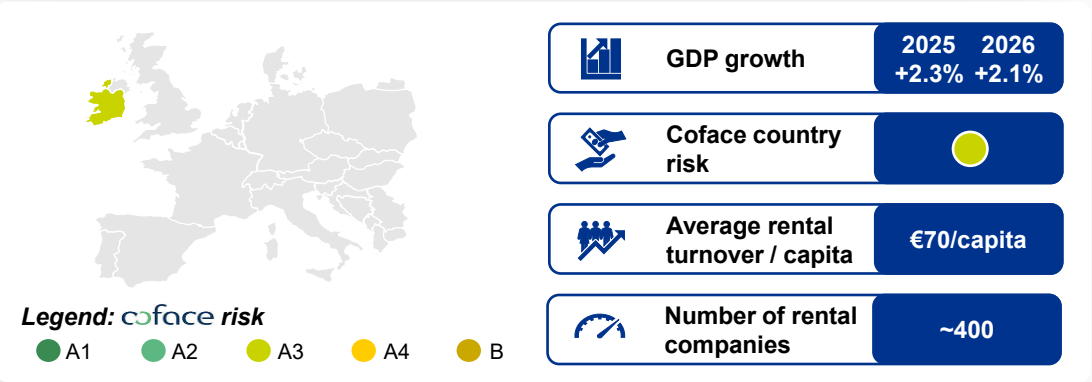
TIER 2 EQUIPMENT



Off-Highway
RESEARCH

Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

Ireland (IR)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

Steady growth was seen in 2024, sustained by major investment. Unlike Ireland's neighbors, construction showed greater resilience with continued strong demand for housing. Furthermore, increased rental penetration in non-construction segments supported demand for equipment rental.

2025 ESTIMATES

The rental market in 2025 is expected to keep up the trends observed in 2024, with increases in both volumes and prices, supported by more favorable market conditions compared to the UK.

Infrastructure and Industrial activities are driving growth. There are many long-term, high-tech, and equipment-intensive projects underway, driving rental demand. These developments are backed by the €275.4 bn National Development Plan (NDP). For example, in the data center and pharmaceutical sectors, large-scale processing plants are currently under construction, taking advantage of Ireland's attractiveness to the private sector and contributing significantly to rental demand. Although public non-residential projects, such as schools and hospitals in Dublin and Belfast, represent a smaller share of the rental market, they still contribute to its growth. Furthermore, diversification into specialized segments continues, providing additional growth drivers and a positive price mix effect. Nevertheless, in comparison with its UK neighbor, there is a strong potential for further development.

Ireland (IR)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million €]	344	352	367	384	398	415
Growth [%]	+3.0	+2.1	+4.5	+4.5	+3.7	+4.2
- Including price effect [% points]	-	-	+1.3	+1.3	+1.0	-
Rental fleet investment [million €]	43	44	47	48	-	-
Rental fleet value [million €]	537	504	479	459	-	-

2026-2027 FORECASTS

Driven by a stable economy and a construction sector that is expected to continue its momentum, sustained growth is expected in 2026.

RENTAL STRUCTURE OUTLOOK

The Irish rental market is dependent on construction (approximately 70%) and is not as mature as the UK market, where rental is more established and ownership is less dominant. There is a high degree of overlap between contractors, dealers and rental activities, which reflects the market's relatively low level of maturity.

Urban areas remain more dynamic, as the majority of activity—such as residential and infrastructure projects—is concentrated in major cities like Dublin.

Rental companies are mostly small local businesses, and the market remains quite fragmented, with a few large players (having a national footprint) and many independent operators. However, recent M&A activity has been observed, a sign of ongoing consolidation.

“Gross Value Added in the Construction sector grew by 6% in 2024 to €14.3bn. [...] Construction of Residential & Non-Residential Buildings (€3.9 bn) and Building Completion & Finishing (€1.9bn). All subsectors saw substantial growth since 2020.”
- Central Statistics Office, 2025

MACROECONOMIC ENVIRONMENT

MACROECONOMIC OUTLOOK

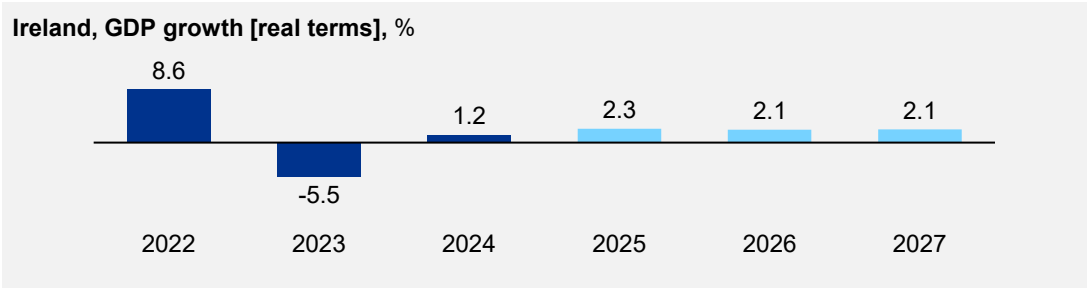
Ireland's economy is expected to accelerate in 2025, after a modest recovery in 2024 following the 2023 decrease. Early 2025 growth was driven by multinational exports ahead of potential tariffs.

Public investment is doing well. Ireland is projected to maintain a budget surplus in 2025, albeit narrower than in 2024 due to increased spending. Strong tax revenues, supported by a resilient economy and low unemployment, will help sustain fiscal stability.

Exports rebounded in 2024, led by pharmaceuticals and IT services, but growth may slow in 2025 due to tariffs and weaker global demand. Indeed, **business investment is expected to be restrained** in 2025-2026 due to rising trade policy uncertainty. A few large foreign multinationals are key to the growth (e.g., pharmaceuticals, advanced computers, services) and trade barriers could negatively impact their activities.

Private consumption is expected to be supported by rising real wages and a strong labor market, supported by inward migration and high participation. Unemployment is low and expected to stay near historic lows; labor shortages persist. **Inflation is also expected to remain low**, averaging 1.6% in 2025, despite temporary pressures from food and services. However, ongoing **uncertainty is likely to keep household saving rates above pre-pandemic levels**.

Despite **strong domestic momentum**, Ireland faces elevated **external risks due to its high exposure to global trade and investment**—particularly with the US. Rising protectionism and potential changes in US policy could negatively impact exports and investment, especially in pharmaceuticals and technology.



CONSTRUCTION OUTLOOK

The National Development Plan (NDP) will provide €275.4 bn of public capital investment to the overall construction sector over the period 2026 to 2035, supporting the expected growth.

BUILDINGS

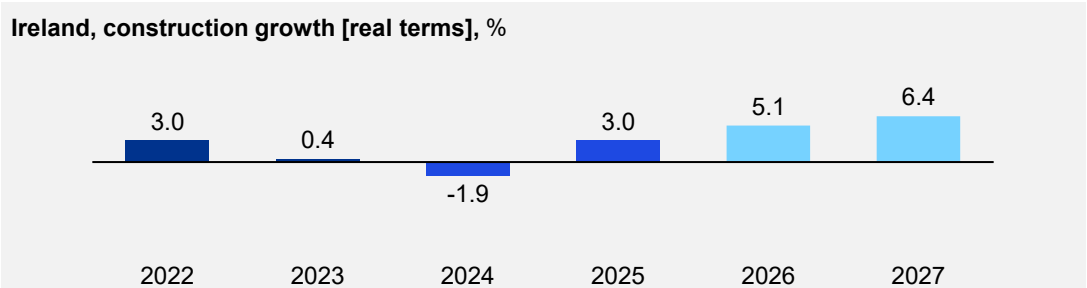
Regarding the **residential sector**, Ireland faces a **housing crisis**. The National Development Plan (NDP) target is **50,500 homes/year to reach 300,000 new homes by 2030**, but only **30,330** were completed in 2024. €36 bn will be allocated for housing between 2026 and 2030.

For the public non-residential sector, the NDP plans expansions in childcare and school facilities, disability services, and healthcare access.

INFRASTRUCTURE

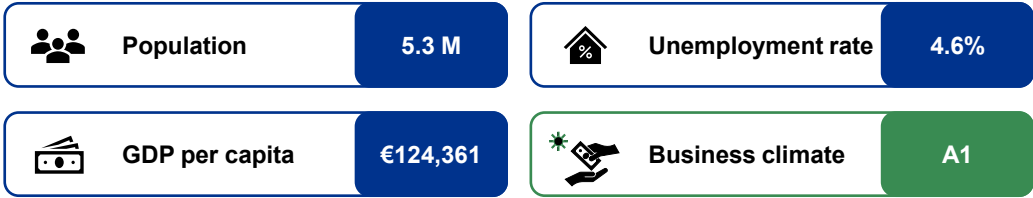
The **civil engineering sector continues to provide stability** within the broader construction industry, being less susceptible to market fluctuations. It is projected to grow by 4.5% in 2025. The upcoming review of the NDP in June 2025 presents an opportunity to revisit project priorities and streamline infrastructure guidelines to reduce delays and improve value for money. Regional infrastructure deficits are limiting growth outside Dublin. To face this issue, the NDP plans €12.2 bn in investment for water and wastewater services, €3.5 bn in equity for strategic energy projects (e.g., ESB Networks, Eirgrid), and €24.3 bn in low-carbon transport (e.g., Metrolink).

“ [Government money] desperately needs to be spent because Ireland's basic infrastructure is creaking. [...] The infrastructure backlog has built up because public and private investment collapsed during Ireland's years of financial crisis and austerity. ”
- BBC, 2025

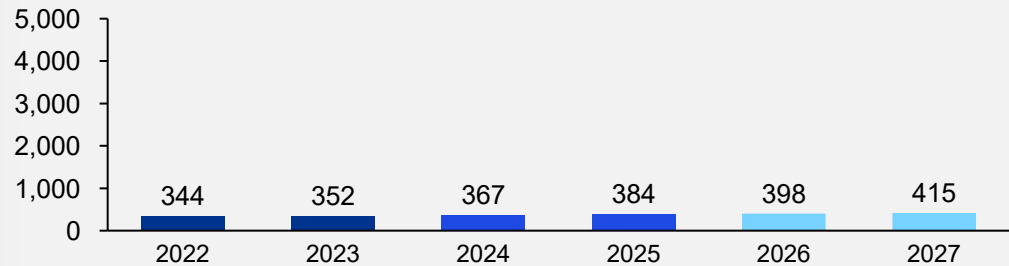


EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW

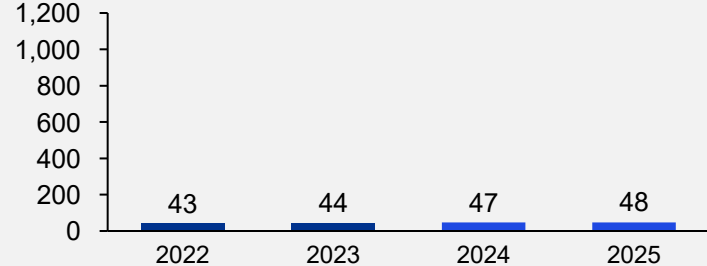
MAIN ECONOMIC INDICATORS (2025E)



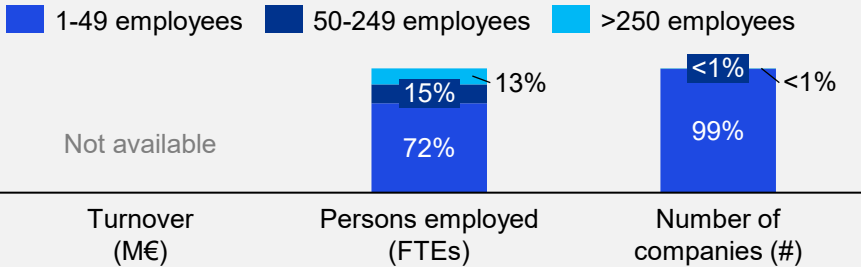
Ireland – Turnover, Million €



Ireland – Investment, Million €



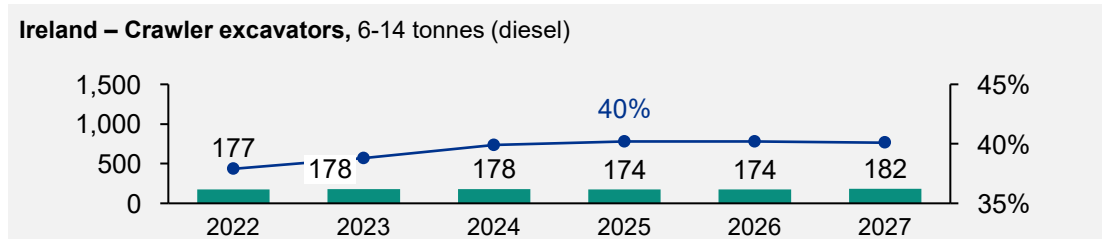
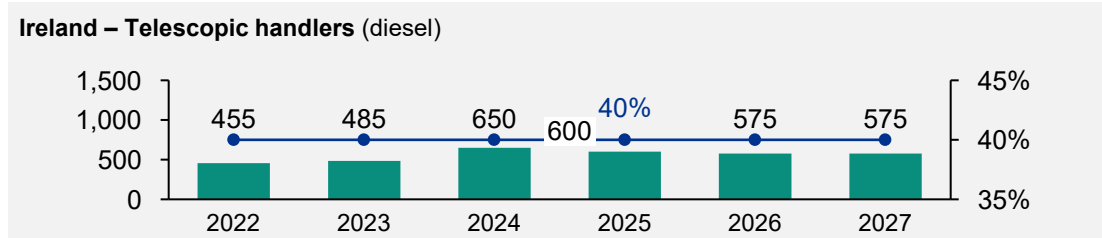
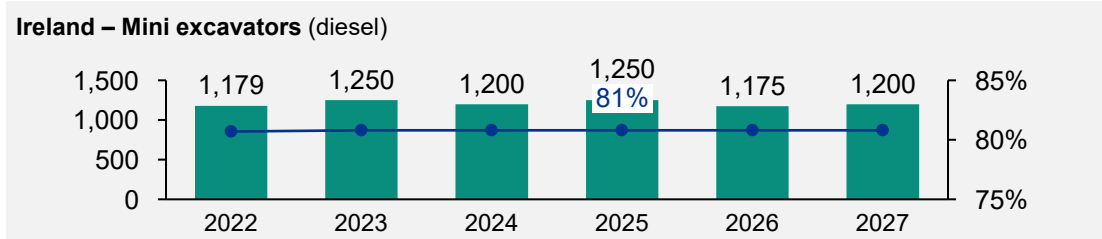
Ireland – Company demographics



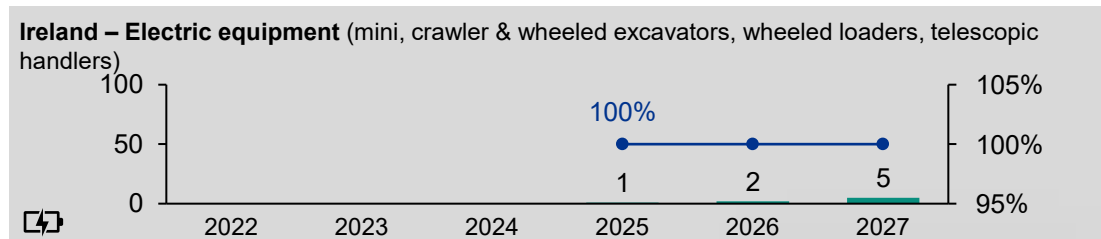
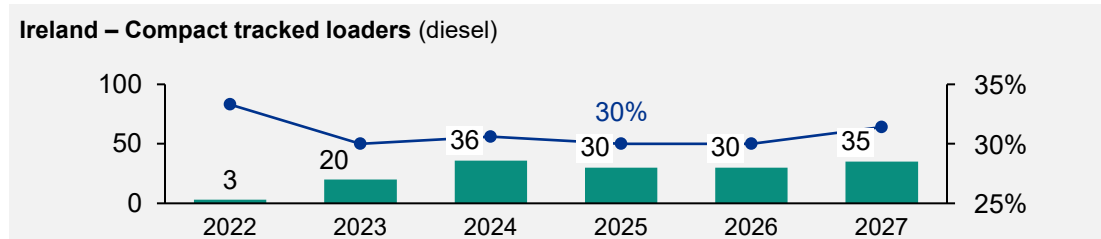
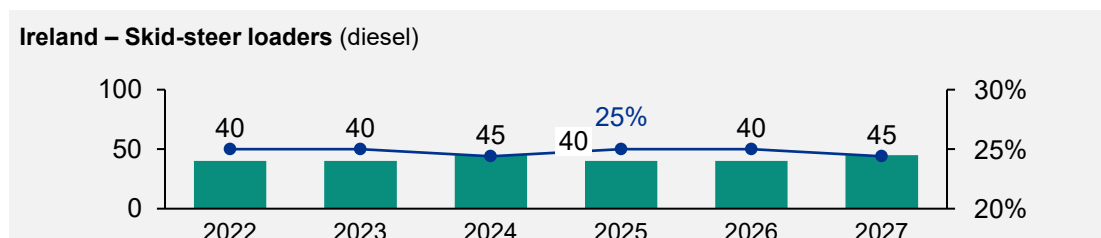
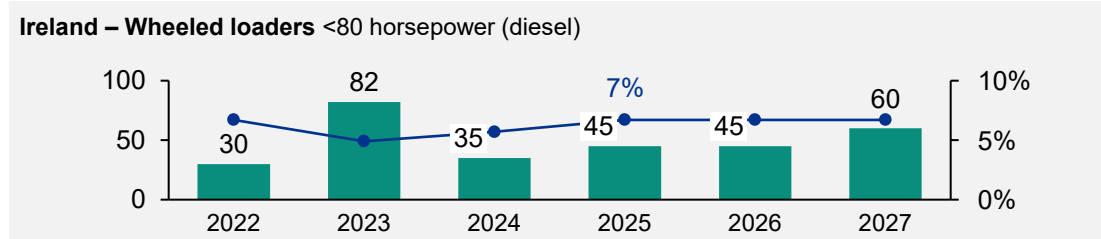
Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

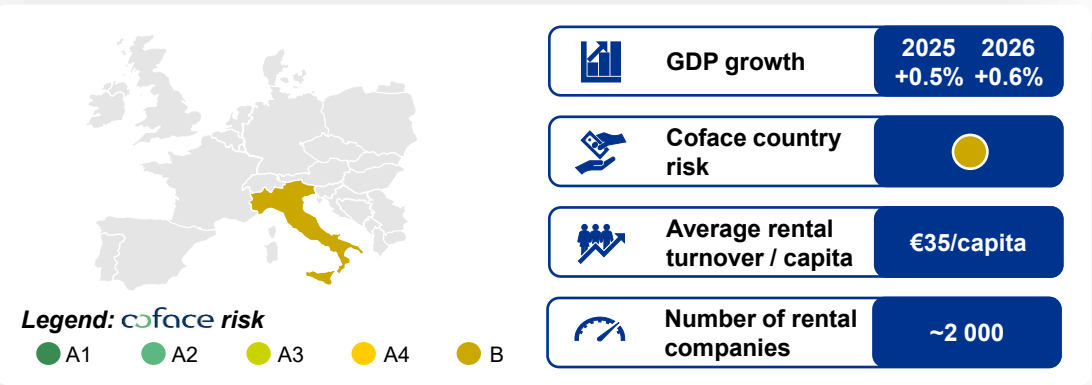
EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT



TIER 2 EQUIPMENT





EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

Dynamic growth was visible in 2024, driven by government financial support. The challenges faced by the distribution side due to economic uncertainty have benefited the rental sector. This year was marked by the end of the Superbonus, which will limit growth in the energy renovation of buildings. However, **confidence remains strong**, thanks to the **support provided by the National Recovery and Resilience Plan (NRRP)**.

2025 ESTIMATES

During the first half of 2025, the **Italian rental market continued to show strong momentum**, fueled by the launch of **major projects under the NRRP**, supported by both EU and national funding. However, projects are facing delays.

The second half of 2025 is expected to see **infrastructure developments** (e.g., energy projects in the south, 2026 Winter Olympics). However, transport infrastructure projects (e.g., bridges, tunnels) are slowing down. Overall, infrastructure investment remains high and is expected to compensate for weaker performance in the broader building sector.

“Rental companies [...] grew by 44.5% between 2011 and 2024, with a notable increase in large firms [...]. In 2024, despite a slowdown in revenue growth, the % of profitable companies increased, indicating greater operational capacity and market structuring.”

- Assodimi Assonolo, 2025

Italy (IT)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million €]	1,792	1,899	1,970	2,052	2,149	2,239
Growth [%]	+13.7	+6.0	+3.7	+4.2	+4.7	+4.2
- Including price effect [% points]	-	-	+0.8	+0.4	+0.4	-
Rental fleet investment [million €]	311	380	335	372	-	-
Rental fleet value [million €]	2,397	2,511	2,567	2,653	-	-

2026-2027 FORECASTS

Rental market growth is expected to **continue with a similar trend in 2026**. However, the majority of NRRP projects will have already started in 2025, so further growth under this scheme will remain limited. Nevertheless, the **increased penetration rate**, the **gradual development of rentals in southern Italy**, and the **expansion of the industrial segment** could further support growth.

RENTAL STRUCTURE OUTLOOK

The Italian rental market remains **fragmented**, consisting mainly of small and medium-sized companies. The top five players account for a maximum of 15% of the total market. A significant portion of rentals is managed by distributors or resellers, who operate a rent-to-sell model that competes with the traditional rent-to-rent approach.

The **construction sector accounts for approximately 70%** of the rental market. This market is highly **dependent on public funding**, particularly from European sources. The industrial segment still holds strong growth potential but has yet to be fully developed.

The market is still in the process of **structuring** itself. As smaller companies face financing challenges, acquisition activity is increasing, leading to market consolidation. Meanwhile, the penetration rate is rising, further driving growth. Additionally, there is growing demand for more sustainable machinery, as well as energy-efficient solutions and eco-innovation.

However, some **challenges** remain. There are significant **regional disparities**: historically, the rental market has been concentrated in the North. But due to the dynamic infrastructure and non-residential segments, there is a trend of rental companies moving from the North to the South. Moreover, challenges related to the availability of qualified labor could limit future development prospects.

MACROECONOMIC ENVIRONMENT

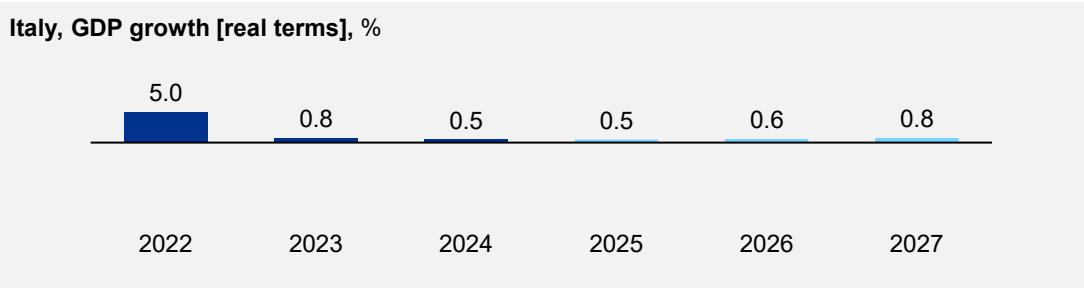
MACROECONOMIC OUTLOOK

Italy's economy **showed modest growth in 2025**, with real GDP increasing by 0.5% and expected to **remain stable**. This stability was largely supported by domestic demand and a strong contribution from net exports. Key risks to the outlook include trade tensions—particularly with the U.S.—which could impact export performance and financing conditions. Corporate confidence remains fragile, and market volatility may tighten credit availability.

Public investment surged in 2024, supported by Recovery and Resilience Facility (RRF) funding. This trend is **expected to continue in 2025 and 2026**, with capital expenditure increasing as RRF-financed projects gain momentum. Despite fiscal consolidation efforts, the government maintains a broadly neutral fiscal stance, balancing investment needs with budgetary discipline, and has been placed under the EU's excessive deficit procedure in 2024.

Public investment slowed sharply in 2024 and is expected to grow slightly in 2025. It will be supported by RRF-related spending. However, global economic uncertainty and the policy environment will limit business investment.

Household consumption increased marginally in 2024 constrained by a **rise in the savings rate** despite gains in real disposable income. In 2025, consumption is forecast to grow by 1.2%, supported by **continuous employment growth and recovering wages**. **Inflation is expected to remain below 2%**. Measures in the 2025 State Budget (e.g., extended reductions in social security contributions and income tax) will help sustain the purchasing power of low- and middle-income earners.



CONSTRUCTION OUTLOOK

The construction sector is shifting; while publicly financed projects are becoming increasingly important, residential and privately financed construction are both struggling.

BUILDINGS

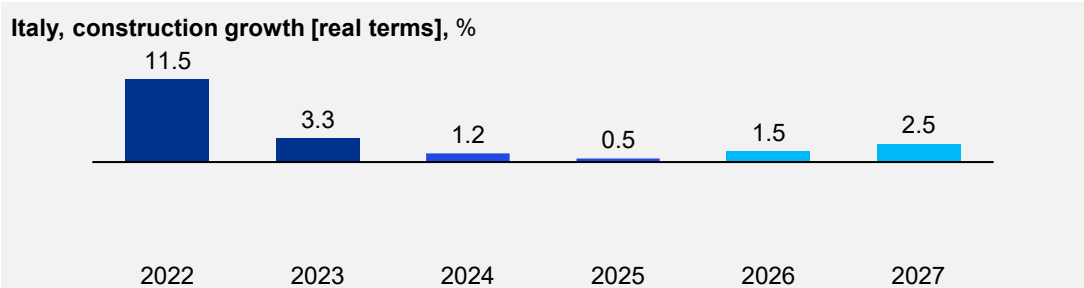
Residential building has been struggling for several years, affected by the lack of a national long-term strategy. ANCE expects an over 20% drop in investment. Home renovation is highly impacted, particularly due to the phase-out of renovation incentives.

Non-residential construction has seen investment growth as a result of NRRP projects, although with delays. After a slowdown in 2023, it is now recovering—driven by NRRP initiatives for public construction, and by the retail and hospitality sectors for private investments.

INFRASTRUCTURE

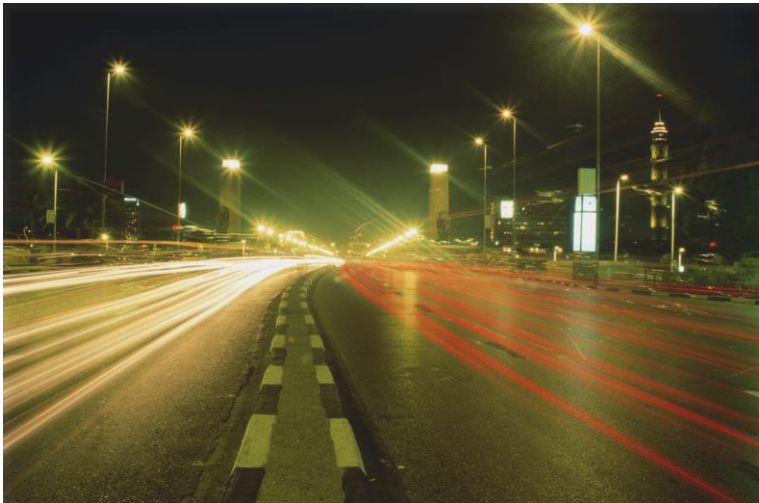
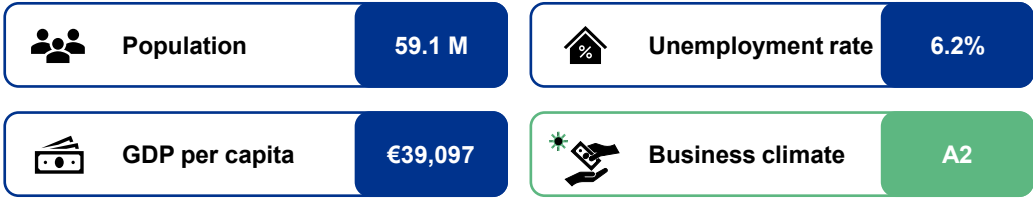
The civil engineering segment should be driving the market until 2027. A 16% annual increase in investment is expected in 2025 according to ANCE. Investment of €54 bn has yet to be completed between 2025 and 2026 under the NRRP. Railway and road projects are planned (e.g., Lyon-Turin High-Speed Rail tunnel to be completed in 2033, Tortona-Genoa high-speed rail line) as well as energy projects (a €9.7 bn scheme will support new power production facilities using onshore wind, solar photovoltaic, hydropower, and sewage gas).

“Estimates indicate that, in its peak years, the [NRRP] will account for around 30% of the entire public works sector and that, at the end of the Plan, if adequate measures are not taken, the market risks returning to 2011 levels, at the height of the construction crisis.” - ANCE, 2025

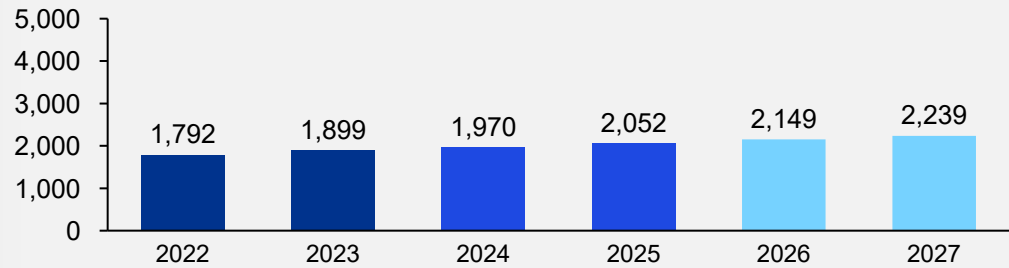


EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW

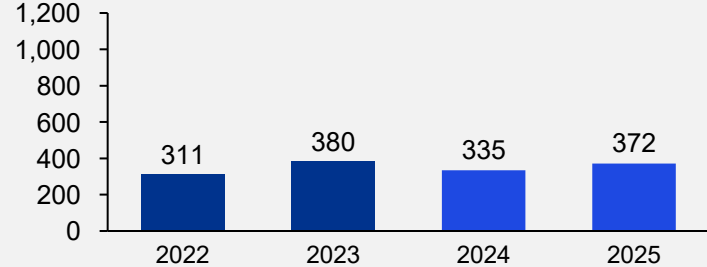
MAIN ECONOMIC INDICATORS (2025E)



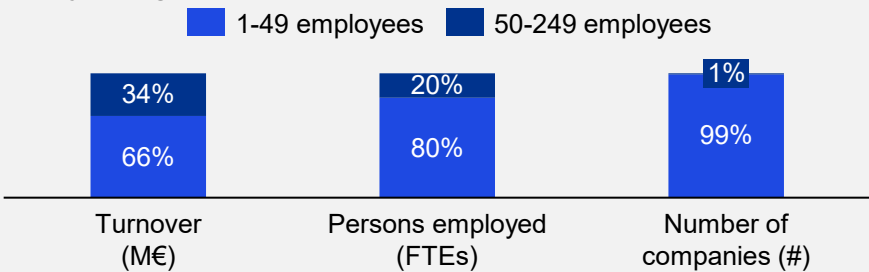
Italy – Turnover, Million €



Italy – Investment, Million €



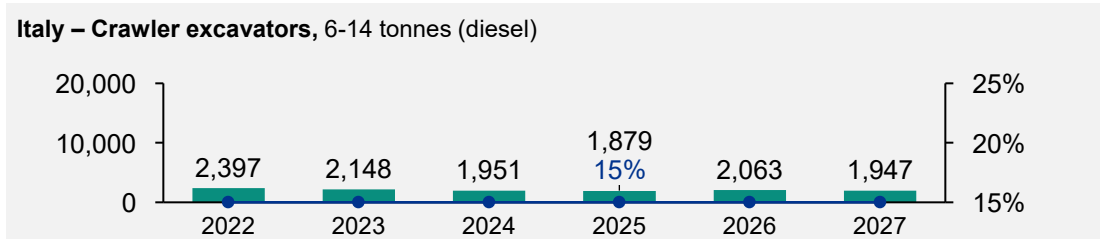
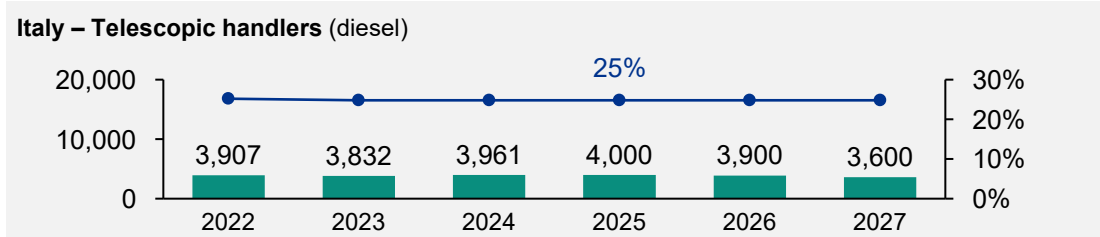
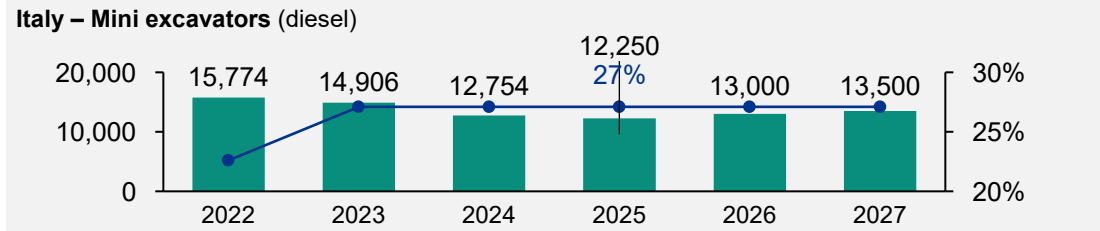
Italy – Company demographics



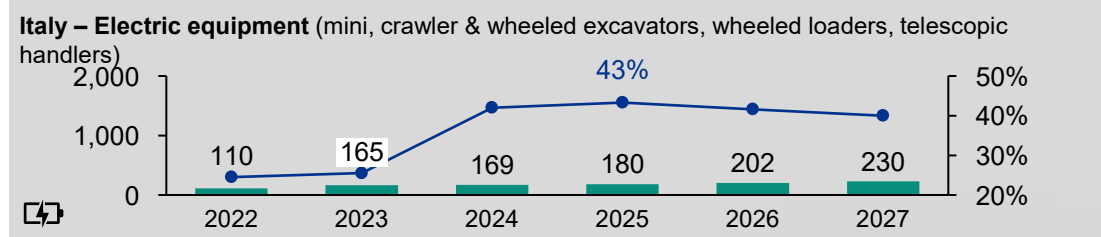
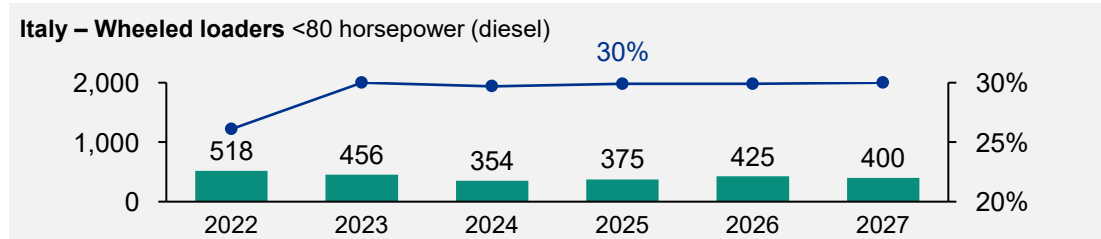
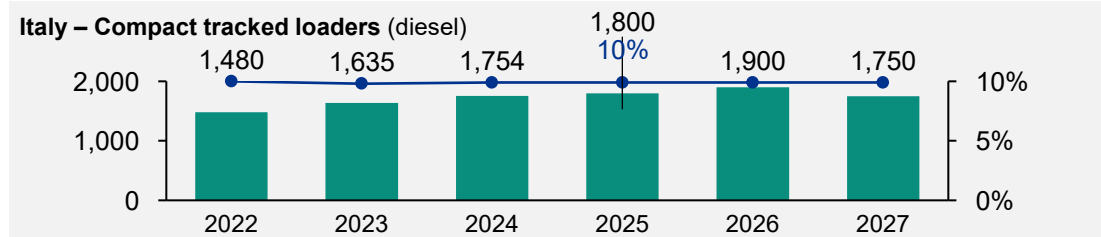
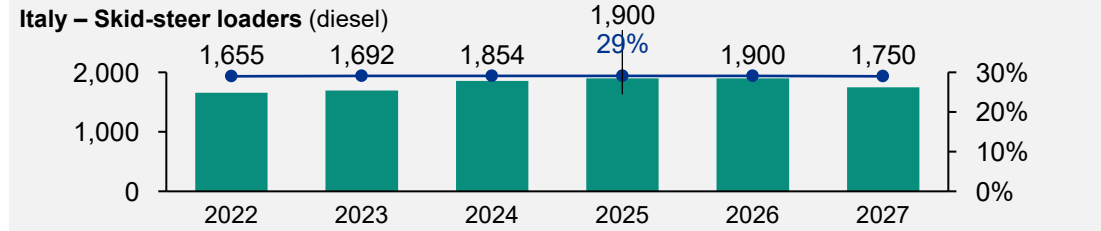
Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT

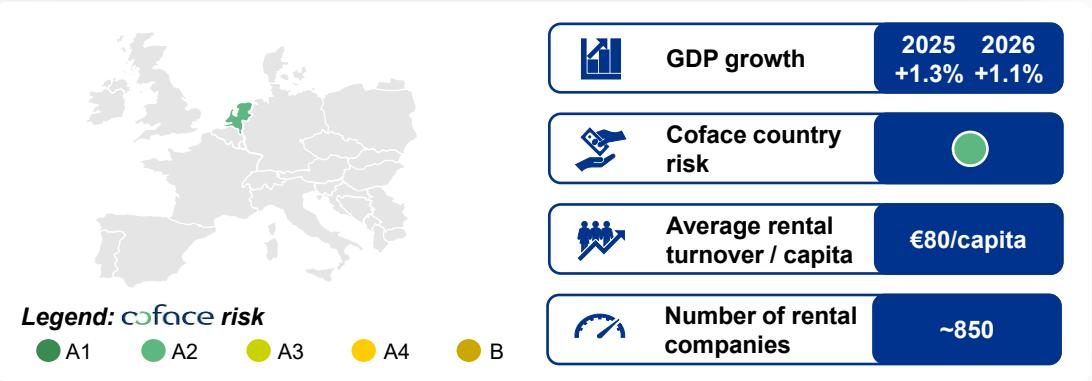


TIER 2 EQUIPMENT



Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

NETHERLANDS (NL)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

2024 was marked by **weak market growth in H1 and stronger activity in H2, driven by a recovery in the non-residential segment**. In the face of the general decline in the construction sector, infrastructure remained the most resilient.

2025 ESTIMATES

Growth in 2025 is expected to follow the trends observed in 2024, with a slight reinforcement. However, growth varies **depending on the type of company or rental segment**: specialized companies are experiencing positive momentum, while the market remains more challenging for generalists, who have seen relatively flat performance, impacted by the weak traction of the construction segment.

Infrastructure and non-residential projects continue to be strong growth drivers—particularly in sectors such as defense, energy transition, data centers, and the broader IT industry. Additionally, increasing rental penetration and a high level of service offerings further support market expansion. In contrast, the residential sector is expected to see limited growth.

Nonetheless, overall, **the Netherlands stands out from its Central European neighbors with a stronger rental market dynamic driven by a dual volume and price effect**. The volume effect is due to infrastructure and specialized segment activities, such as events, as well as increase in rental penetration. The price effect is due to inflation and a positive mix effect.

Netherlands (NL)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million €]	1,353	1,400	1,423	1,457	1,511	1,550
Growth [%]	+7.0	+3.5	+1.6	+2.4	+3.7	+2.6
- Including price effect [% points]	-	-	+0.8	+1.2	+1.0	-
Rental fleet investment [million €]	284	277	285	297	-	-
Rental fleet value [million €]	1,758	1,683	1,631	1,602	-	-

2026-2027 FORECASTS

Reinforced growth is expected for 2026. Continuous **investments in infrastructure** will sustain the market. An **increasing rental penetration rate** and the development of specialized segments should further contribute to growth.

RENTAL STRUCTURE OUTLOOK

The equipment rental market in the Netherlands is marked by **a domestic champion** that is number two in Europe, owning ~30% of market share. However, the market remains **mainly composed of medium-sized and small companies**.

There is a strong **push toward electric and hybrid equipment**, fueled by environmental expectations and client demand. In addition, **advanced digitalization is driving major investment efforts**, which could accelerate consolidation over the medium term despite the financial strength of small players. However, there is still a lower level of services than in the Nordics.

Moreover, we can observe an **opportunity for expansion in special rental services**, which is currently overperforming general rental. It will allow further increase of rental penetration

“Approximately 2,000 events are organized annually, attracting around 43 million visitors.[...] Parties must primarily work together to achieve [emissions reduction] goals. Emissions in the events industry can be addressed through collaboration on transport, the use of electric machinery, and fuel adjustments (HVO100 instead of regular diesel).”
- Verhurend Nederland, 2024

MACROECONOMIC ENVIRONMENT

MACROECONOMIC OUTLOOK

The Dutch economy is recovering compared to 2023 levels. GDP growth is forecast at 1.3% in 2025 and is expected to slow in 2026 due to **persistent uncertainty and weaker domestic demand**. Tariffs are expected to **reduce both exports and imports in 2025**. While only 5% of Dutch exports go to the US, key sectors such as steel, machinery, and vehicles will be disproportionately affected.

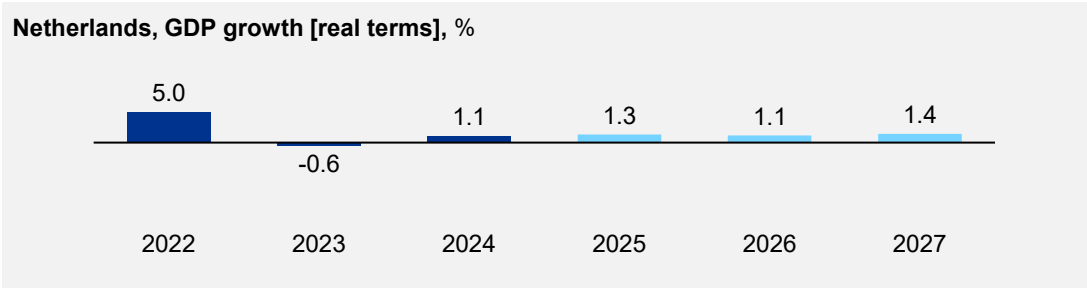
Ambitious public investments are planned, especially in defense, the green transition, and housing.

Although fragile, domestic demand remains high, and since private consumption accounts for 43% of GDP, it will be a **major growth driver**. Wage growth exceeded 6% in 2024 and will remain strong in 2025, boosting real disposable income; it is expected to gradually decline to 3.7% in 2026. **Inflation was 3.3% in Q1 2025**, driven by services and processed food, but is **expected to gradually decline** as tax effects fade and energy prices fall, reaching 2.0% in 2026.

On the political side, the **government is in a transitional phase**. It collapsed in June 2025 and is thus functioning in a caretaker capacity until new parliamentary elections scheduled for October 2025.

CONSTRUCTION OUTLOOK

Overall construction activity is expected to rebound in 2025, supported by lower interest rates. Despite some modest positive signals, contractors remain pessimistic about growth, and confidence has not yet been restored. The number of building permits, which increased in 2024, has recently slowed down. In addition, **several bottlenecks remain**, including a shortage of (affordable) building land, complex project development processes, and legal delays.



BUILDINGS

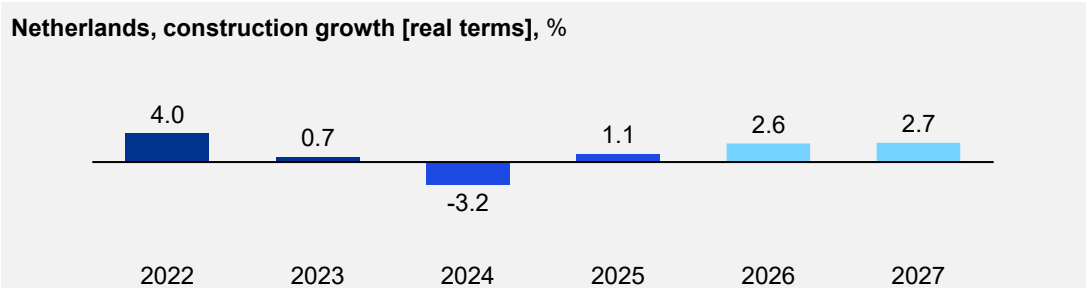
Residential construction is experiencing a slight recovery, although the change of government has not led to significant growth. However, a 5-percentage-point increase in investment in housebuilding is projected between 2024 and 2025. The number of completed dwellings is also expected to rise in 2025, thanks to the rise of issued permits in 2024. However, this will still fall short of the government's target of 100,000 new homes per year.

The non-residential segment has been struggling in H1 2024, partly because of unfavorable developments in retail stores and healthcare buildings. **For 2025, the commercial building sector is showing signs of recovery**, thanks to lower construction costs and improved financing conditions. Investments are set to gain 5 percentage points between 2024 and 2025, turning slightly positive in 2025.

INFRASTRUCTURE

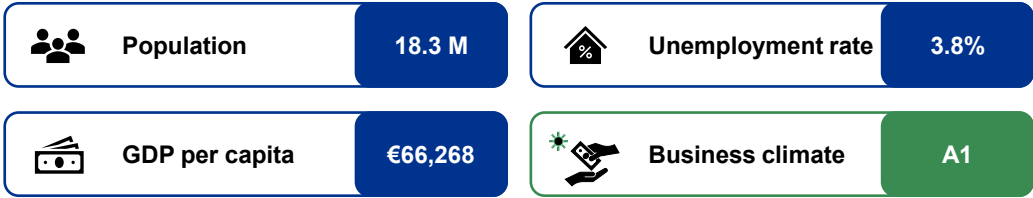
Civil engineering accounts for 10% of total construction investment and **was less affected by the construction crisis**. The segment continues to grow slowly; investment growth is expected to accelerate by 2.7 percentage points between 2024 and 2025. The government has announced **plans for major infrastructure projects**—such as railways, defense and nuclear power reactors—but their **implementation and timing remain uncertain**.

“A new Dutch government has big intentions on building many more new houses, but its policies are largely the same as the last government [and] are unlikely to give an immediate boost to the housing sector.”
- Euroconstruct, 2024

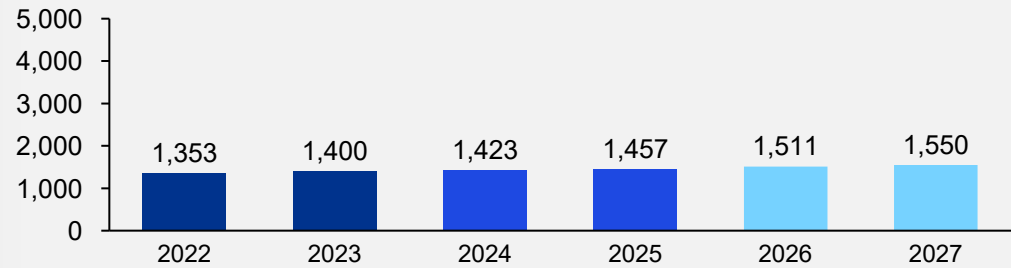


EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW

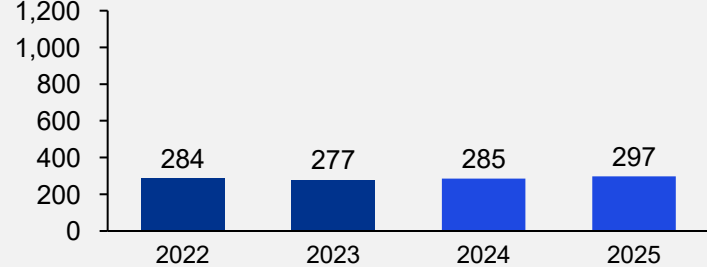
MAIN ECONOMIC INDICATORS (2025E)



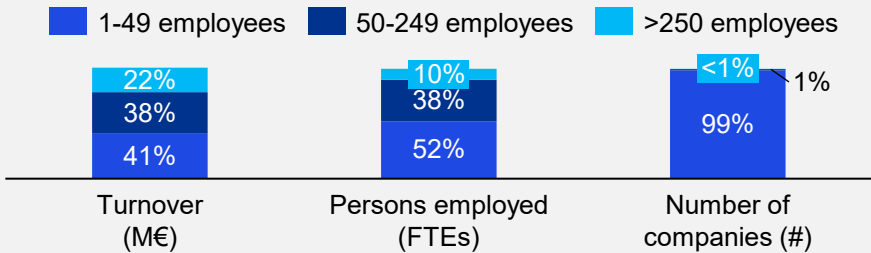
Netherlands – Turnover, Million €



Netherlands – Investment, Million €



Netherlands – Company demographics

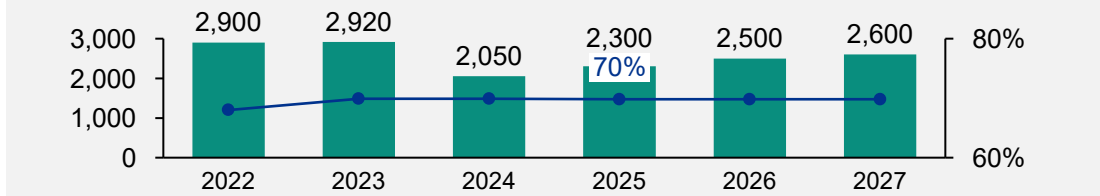


Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

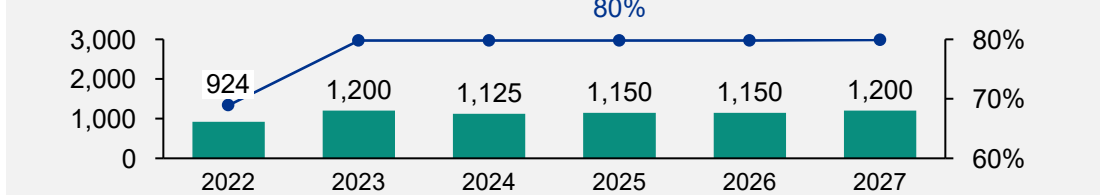
EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT

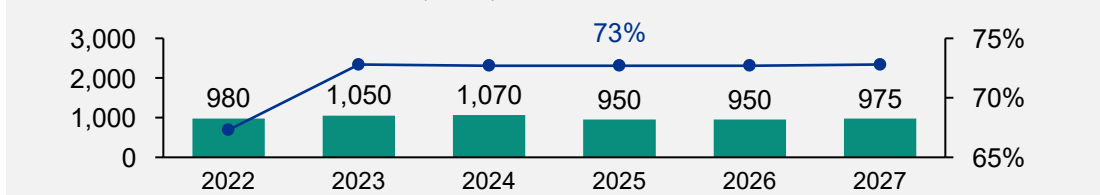
Netherlands – Mini excavators (diesel)



Netherlands – Wheeled loaders <80 horsepower (diesel)

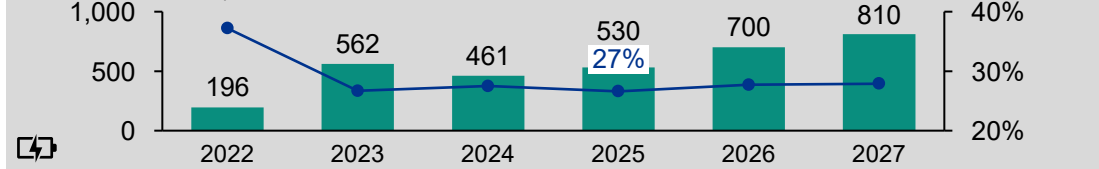


Netherlands – Telescopic handlers (diesel)

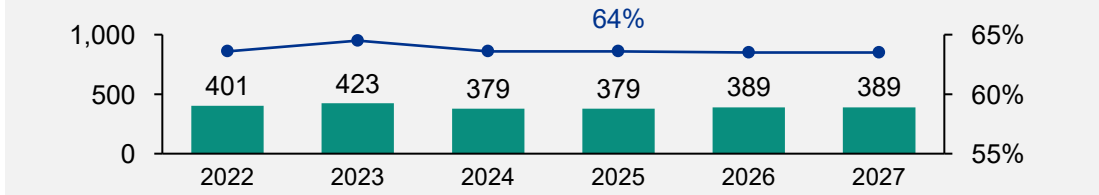


TIER 2 EQUIPMENT

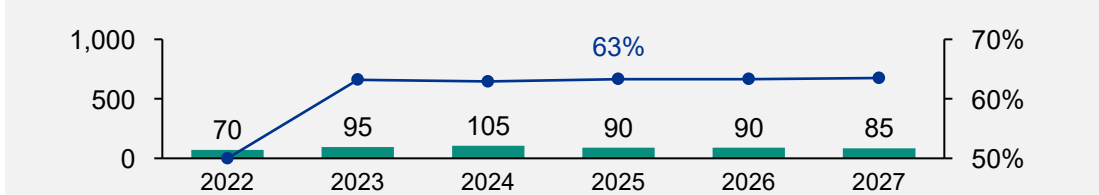
Netherlands – Electric equipment (mini, crawler & wheeled excavators, wheeled loaders, telescopic handlers)



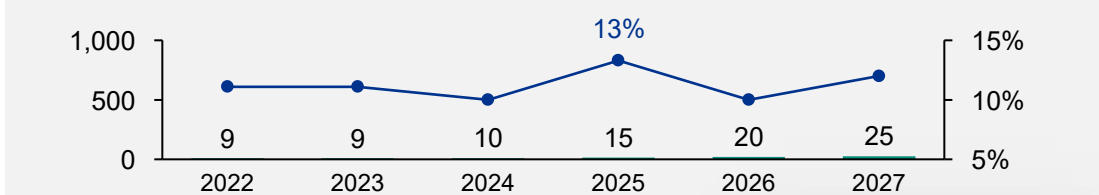
Netherlands – Crawler excavators, 6-14 tonnes (diesel)



Netherlands – Skid-steer loaders (diesel)

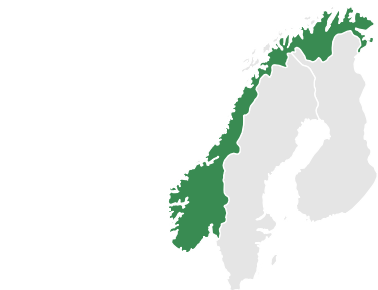


Netherlands – Compact tracked loaders (diesel)



Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

Norway (NO)



Legend: coface risk

● A1 ● A2 ● A3 ● A4 ● B

	GDP growth	2025 +0.6%	2026 +2.0%
	Coface country risk	●	
	Average rental turnover / capita	€150/capita	
	Number of rental companies	~300	

EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

2024 has seen a significant downturn in rental activity. The rental market has been heavily impacted by the decline in residential construction. Furthermore, **slower recovery is anticipated compared to its Nordic neighbors** (i.e., Sweden and Finland, whose growth is expected to resume as early as 2025).

Historically, the main business areas have been in Oslo for residential construction, and offshore for infrastructure and industrial projects (e.g., oil & gas, offshore wind farms). Due to residential struggle, companies focused on infrastructure have been performing better than others.

2025 ESTIMATES

The first part of 2025 was marked by declining volumes. Market recovery has been lagging due to ongoing real estate stagnation. **Some infrastructure projects were still active**, but not at the same scale as other Nordics. There are no comparable major industrial investments.

Market recovery is expected on the last quarter of 2025 (and mostly on 2026). It will be driven mainly by **infrastructure projects** (e.g., tunnels, bridges). Some **new areas of activity** are developing in the north and the west (e.g., data centers, renewable energy). As for **residential construction**, it is the primary **driver of market fluctuations**, and market recovery will depend on it.

Norway (NO)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million NOK]	10,089	9,888	9,215	9,031	9,347	9,674
Turnover [million €]	999	865	792	771	798	826
Growth [%]	+9.0	-2.0	-6.8	-2.0	+3.5	+3.5
- Including price effect [% points]	-	-	-3.4	-0.5	0.0	-
Rental fleet investment [million €]	222	158	127	145	-	-
Rental fleet value [million €]	1,225	1,208	1,162	1,141	-	-

2026-2027 FORECASTS

Market recovery is expected to occur in 2026, but is contingent on the recovery of the residential and renovation sectors that significantly drive the rental market.

RENTAL STRUCTURE OUTLOOK

The Norwegian market is characterized by a **high level of concentration and is consolidating** as firms are looking to enhance their offerings and expand their market presence. Compared to the other Nordics, there is a preference for buying over rental, with a less developed penetration rate.

Construction is estimated to account for around 65% of total rental demand, but the share of industrial sector rentals is increasing. The decline in new building construction will be offset by public projects, especially in the infrastructure sector as oil and gas companies accelerate investment plans, which together with renewable energy make a solid contribution to rental market growth. This also results in **geographic development of activities**, spreading in the north and west in addition to Oslo. Also, demand for renovation projects and improved penetration will support the rental market.

Norway's push to cut carbon emissions—especially in construction—is fueling demand for **low-emission, electric, and hybrid machinery**. Battery-powered equipment is gaining traction, particularly in urban areas with strict emission rules, a trend common across the Nordics.

MACROECONOMIC ENVIRONMENT



MACROECONOMIC OUTLOOK

Norway’s economy is projected to grow slightly in 2025 before improving in 2026. It will be supported by a combination of rising household consumption, increased government spending (to be confirmed following the last legislative elections in September 2025), and expansionary fiscal policy (petroleum fund). However, export performances should remain relatively low in 2025.

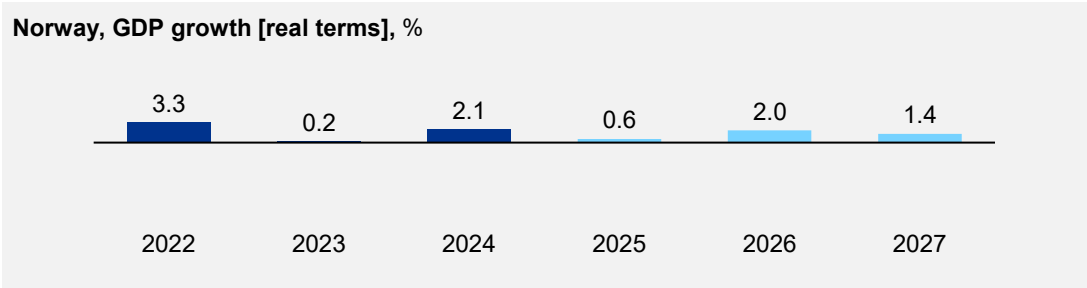
Norway’s current account balance is expected to narrow slightly in 2025, although it will continue to show a strong goods surplus, primarily driven by hydrocarbon exports. The services balance is likely to remain in deficit or worsen slightly. The external political uncertainty remains a burden.

Investment is expected to continue recovering, albeit at a slower pace than in 2025, with housing investment remaining a key driver. However, oil sector investment is expected to lose momentum after two years of strong growth, with fewer new projects in the pipeline. Public finances are still robust, with investments remaining expansionary, and the energy sector continues to benefit from sustained hydrocarbon activity.

The recovery in private consumption is partly driven by wealth effects from rising house prices, which have improved household finances. However, high wage growth, driven by labor shortages in key sectors, continues to fuel inflationary pressures, limiting the central bank’s ability to ease monetary policy aggressively. The tight labor market and persistent inflation concerns may prolong the period of restrictive monetary policy.

CONSTRUCTION OUTLOOK

After several years of decline, the construction sector bottomed out in 2024 and should slowly recover in 2025 before further improvement.



BUILDINGS

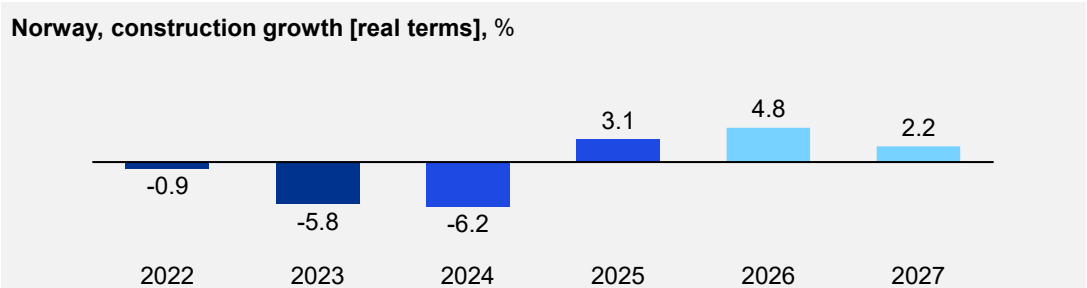
In recent years, housing investments have declined, a tendency which continued in 2024, but investments are expected to pick up during H2 2025. Indeed, housing construction is set to expand significantly: house prices have risen since the beginning of 2025, leading to an upturn in new homebuilding sales, resulting in an increase of housing starts.

The non-residential segment is set to recover in 2025 after a decline in 2024. Some major industrial projects are rising (e.g., Elinor Batteries gigafactory project, in which NOK 10 bn were invested and construction should be completed by 2026; logistics hubs).

INFRASTRUCTURE

The infrastructure segment should continue growing, boosted by public investment. For example, the National Transport Plan plans on investing NOK 1,308 bn over the period 2025-2036 and will prioritize investments in maintenance and operations (which should account for 40% of financing). Major capital expenditure will primarily go to road infrastructure, then railway, and public transport in urban areas, maritime and airport investments in smaller proportions. In addition, the development of energy projects (e.g., renewable energy, electrification) should further boost growth.

“National account figures indicate that housing investment has plunged by as much as 40% in the past two years, accelerating towards end-2024 and playing a significant role in the drop in mainland GDP in Q4, according to Statistics Norway.”
- Nordea, 2025



EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW



Back to content

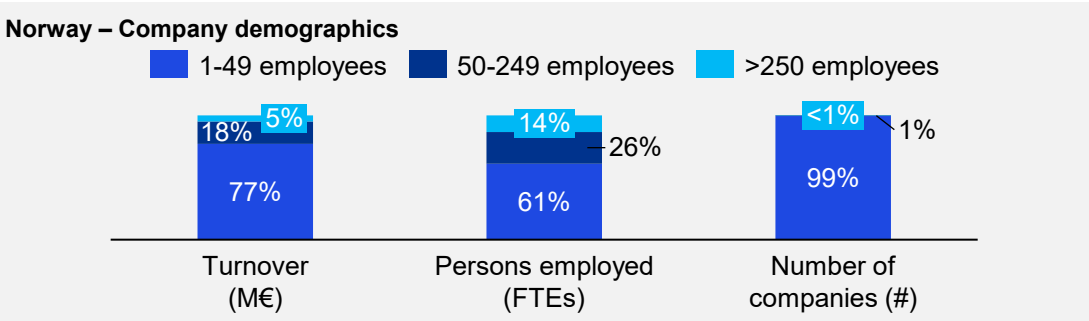
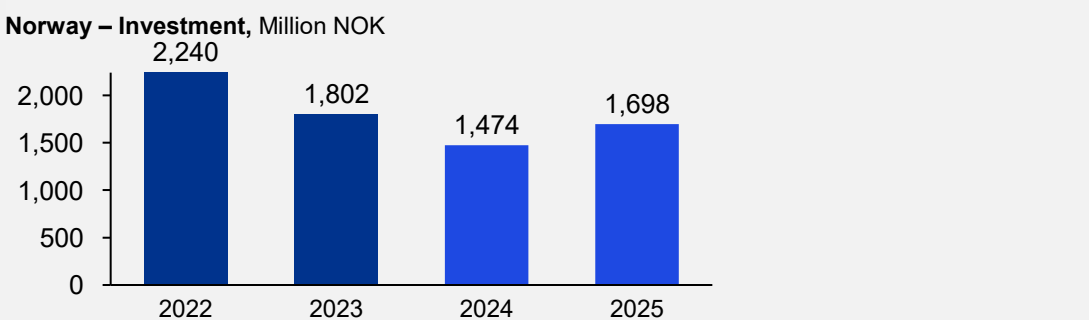
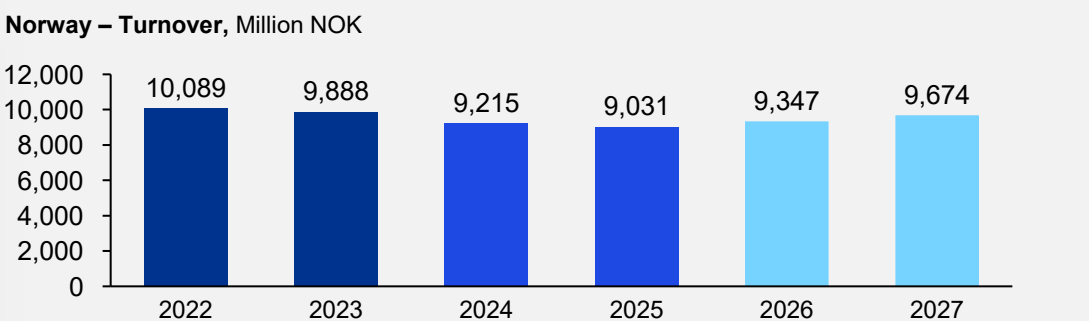
MAIN ECONOMIC INDICATORS (2025E)

 Population 5.6 M

 Unemployment rate 4.5%

 GDP per capita €87,126

 Business climate A1



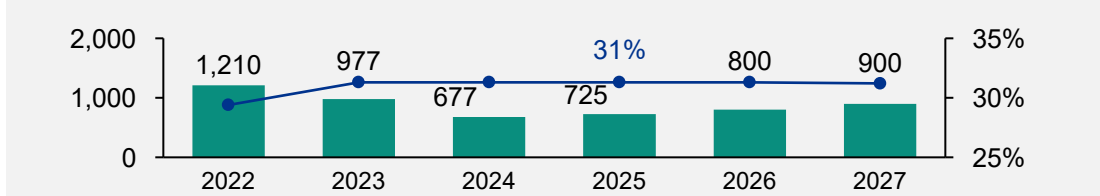
Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

EQUIPMENT RENTAL METRICS FROM OHR

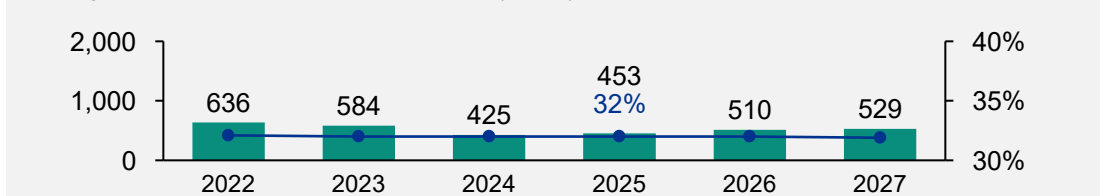


TIER 1 EQUIPMENT

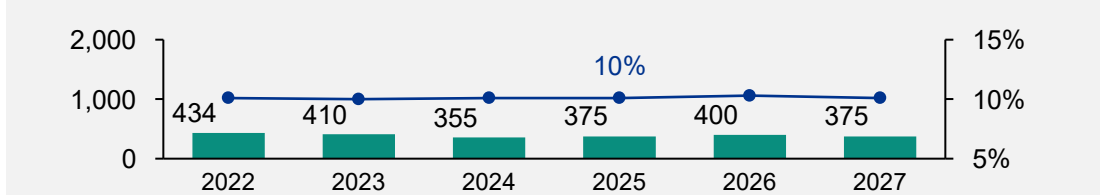
Norway – Mini excavators (diesel)



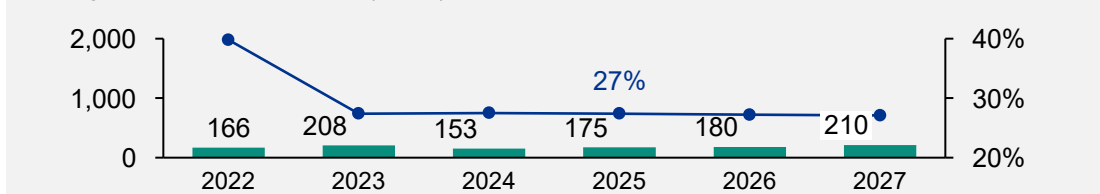
Norway – Crawler excavators, 6-14 tonnes (diesel)



Norway – Wheeled loaders <80 horsepower (diesel)

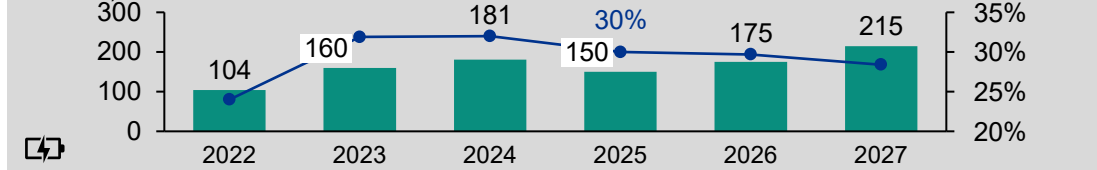


Norway – Telescopic handlers (diesel)

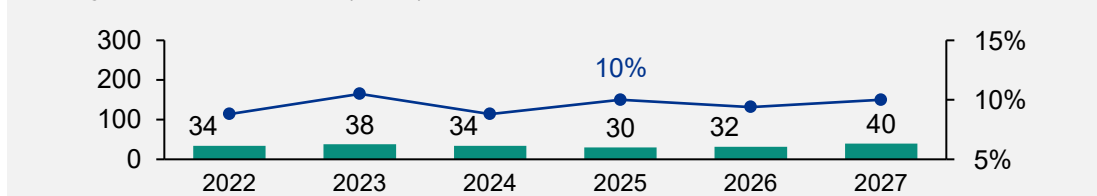


TIER 2 EQUIPMENT

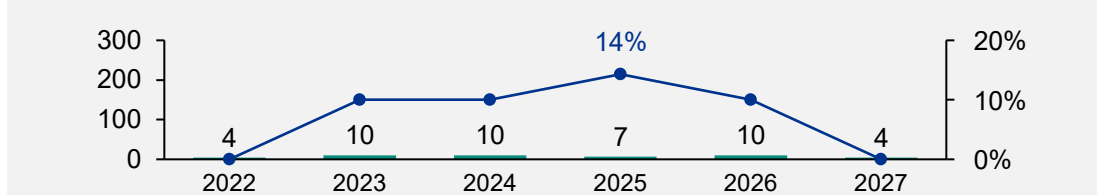
Norway – Electric equipment (mini, crawler & wheeled excavators, wheeled loaders, telescopic handlers)



Norway – Skid-steer loaders (diesel)

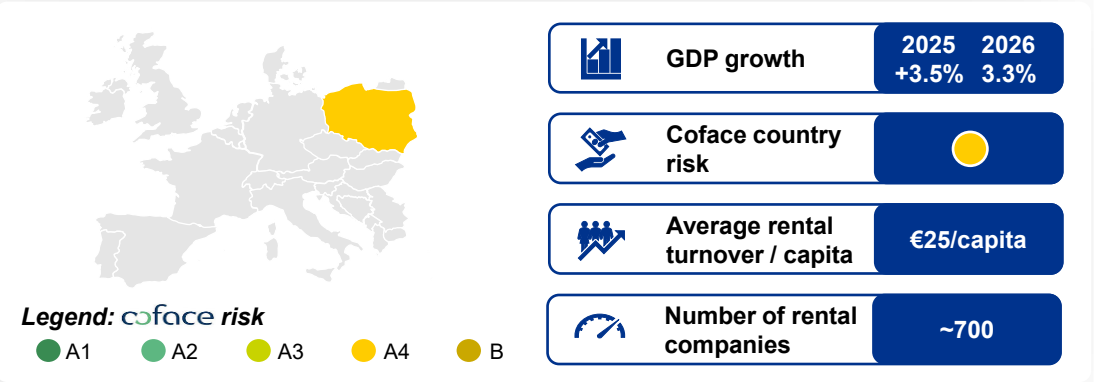


Norway – Compact tracked loaders (diesel)



Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

POLAND (PO)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

The market remained relatively flat in 2024, with some disparities between companies, based on regional footprint and end market exposure.

The decline in volume in the non-residential and infrastructure segments primarily explains the stagnation of the rental market. Although accounting for a smaller proportion of rentals, the residential segment also contributed to the decline. Still, some specialized segments (e.g., industry, energy, logistics), which are mostly privately financed, buoyed up the market.

In relation to the activity drop, a significant price pressure, especially from smaller companies due to overcapacity. This pressure was exacerbated in some segments (access, light and heavy machinery).

2025 ESTIMATES

During the first part of the year, construction levels were still quite low, even declining, and the rental market remained flat to slightly declining. The recent change of government, with a more conservative president and resulting in a cohabitation, could have an impact on the release of EU funds. There are indeed massive infrastructure plans awaiting tendering processes (e.g., airports, railways, energy modernization, nuclear), but these projects have not started yet due to bureaucratic inefficiencies, so the impact on the rental market will be delayed.

The second part of the year might see a slight rebound in activity. Some publicly funded non-residential & infrastructure projects may start. For example, the rail sector shows signs of acceleration (e.g., PLN 20 bn in tenders by August). However, political instability is hindering business confidence.

Poland (PO)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million PLN]	3,894	4,108	4,112	4,092	4,174	4,196
Turnover [million €]	831	905	955	965	984	989
Growth [%]	13.9	5.5	+0.1	-0.5	+2.0	+0.5
- Including price effect [% points]	-	-	-0.3	-0.3	+0.0	-
Rental fleet investment [million €]	129	139	149	150	-	-
Rental fleet value [million €]	1,216	1,220	1,234	1,247	-	-

2026-2027 FORECASTS

Rental market growth is expected to slowly recover. It will be driven by delayed projects and the arrival of new EU funds. Thus, some major infrastructure projects should support the market (e.g., the Central Communication Port, composed of an airport and railway terminals in central Poland, and energy projects). However, the timing of project execution remains unclear, and market volatility makes forecasting difficult. Prospects remain moderate for 2026, but further growth is anticipated in 2027, at the end of the construction cycle.

RENTAL STRUCTURE OUTLOOK

The Polish market is highly fragmented, with a diverse range of players varying by nature (generalists, specialists, dealers, manufacturers) and size (international and local firms). This fragmentation intensifies price pressure, particularly as smaller companies tend to be especially aggressive on pricing. Customer loyalty is low, making price a key differentiator. However, this leaves opportunity for market consolidation (almost all the big EU players operate in the country).

Rental penetration in Poland remains lower than in other regions, although it is gradually increasing. This trend is largely driven by the current economic climate, which discourages construction companies from investing in equipment, prompting a shift toward rental. Nonetheless, a cultural preference for ownership over rental still persists. Additionally, the share of additional services remains lower than in other countries.

The Polish rental market remains heavily construction-oriented (~80%) and exhibits high volatility, reflecting the fluctuations of the construction sector (sharp month to month variations). Moreover, the rental market is dependent on EU financing cycles, and more generally public investment.

MACROECONOMIC ENVIRONMENT

MACROECONOMIC OUTLOOK

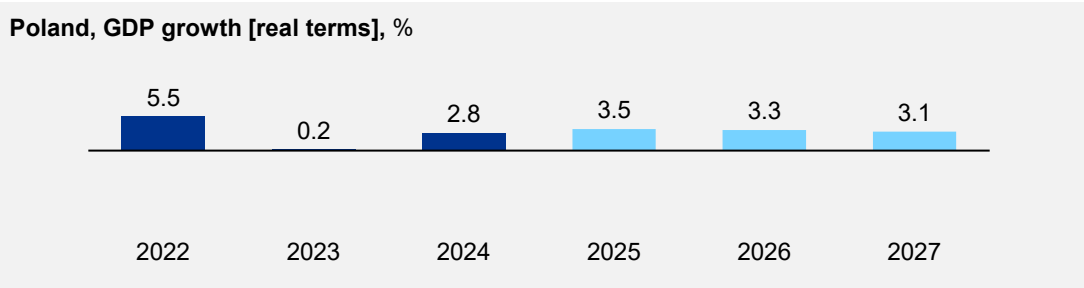
Poland’s economic growth is expected to accelerate modestly in 2025, building on solid momentum from 2024. In 2025, growth is expected to reach 3.5% (following a GDP growth of 2.8% in 2024), driven mainly by strong private consumption.

Public investments are set to increase, fueled by higher absorption of EU funds, especially from the current EU budget and the NextGenerationEU Recovery Facility. Local government is also set to boost spending, in 2025 and 2026, with significant investments in defense, infrastructure, and social benefits. Poland faces the challenge of reducing its budget deficit, which hit a record high in 2024, rising at 6.6% of GDP in 2024, driven by weaker tax revenues and higher spending.

Private investment may remain subdued due to high financing costs and the end of the “Safe Credit” program.

Private consumption is robust and should remain this way, even if real wage growth slows, as households are now able to spend more after rebuilding savings. As for employment, it dipped in 2024 but is expected to stabilize in 2025 and grow in 2026, despite a shrinking working-age population. The unemployment rate should remain low, reaching 2.8% in 2026. Wage growth is set to slow as inflation moderates and minimum wage hikes become less pronounced. Inflation eased to 3.7% in 2024 and is forecast to decline gradually to 2.8% in 2026 (lower energy prices, subdued import costs); service inflation will ease more slowly.

Politically, Poland currently has a coalition government, as the May 2025 election resulted in a president and government from opposing camps. This will complicate the government’s ability to implement its agenda that will be constrained by presidential vetoes: many initiatives may face delays or risk being blocked. The next parliamentary elections in 2027 will be crucial for determining the country’s future direction.



CONSTRUCTION OUTLOOK

Construction investments declined in 2024. A market recovery was expected in 2025, but the first half of the year showed flat to slightly negative growth, recovery will probably be delayed.

BUILDINGS

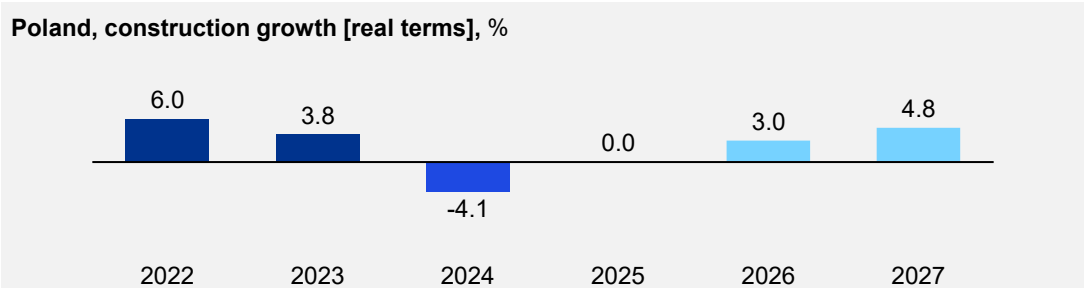
The residential sector has shown slight signs of recovery since mid-2025, but further improvement is not expected before 2026. Building permits for residential properties are rising again after hitting a low point in 2023, but the number started decreasing again during first half of 2025.

The non-residential segment has been struggling in 2024, with an almost 8% drop in the number of new buildings. Until now, this segment was driven mainly by industrial and warehouse building, a segment which is now slowing down: during Q1 2025, there was a 41% year-on-year drop in area under construction. Market recovery should be supported by publicly financed projects under the National Recovery and Resilience Plan (NRRP), which should emerge in 2025 and 2026

INFRASTRUCTURE

The infrastructure segment declined by 5.3% in 2024. It is expected to pick up again in 2025. Indeed, many infrastructure projects were part of the previous EU financial perspective, which has ended, and new EU-financed projects have been delayed. Poland should benefit from €59.8 bn under the NRRP. Most of the funds will be dedicated to the green transition, accounting for 46.6% of the total (e.g., offshore wind, energy efficiency, green mobility), and investments in defense.

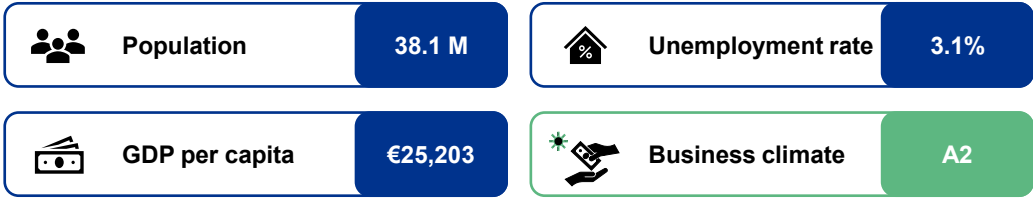
“ In 2024, [...] a total floor area of 13.1 million square meters [of non-residential buildings] were completed. The number of new buildings decreased by 8% compared to the previous year, and the area of new and expanded buildings fell by 15%. ”
- Statistics Poland, 2025



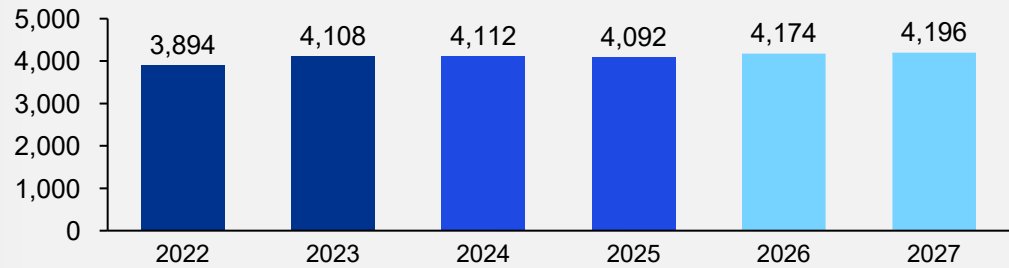
Sources: European Commission, Coface, FIEC, CapitalIQ, Euroconstruct, Poland’s Statistical Office, ING, GUS, Barclays, expert interviews, KPMG Research & Analysis

EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW

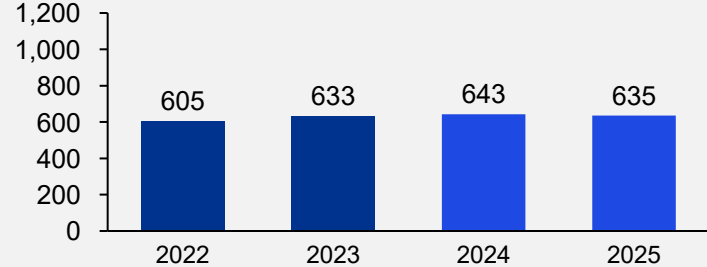
MAIN ECONOMIC INDICATORS (2025E)



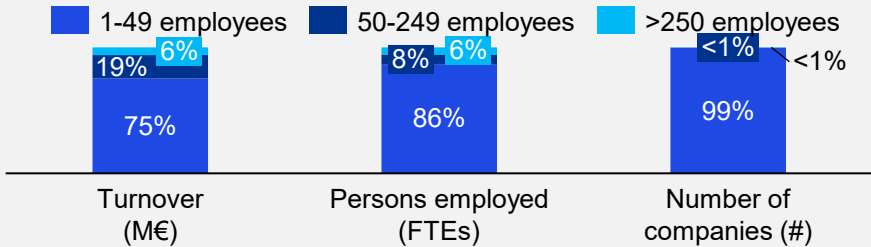
Poland – Turnover, Million PLN



Poland – Investment, Million PLN



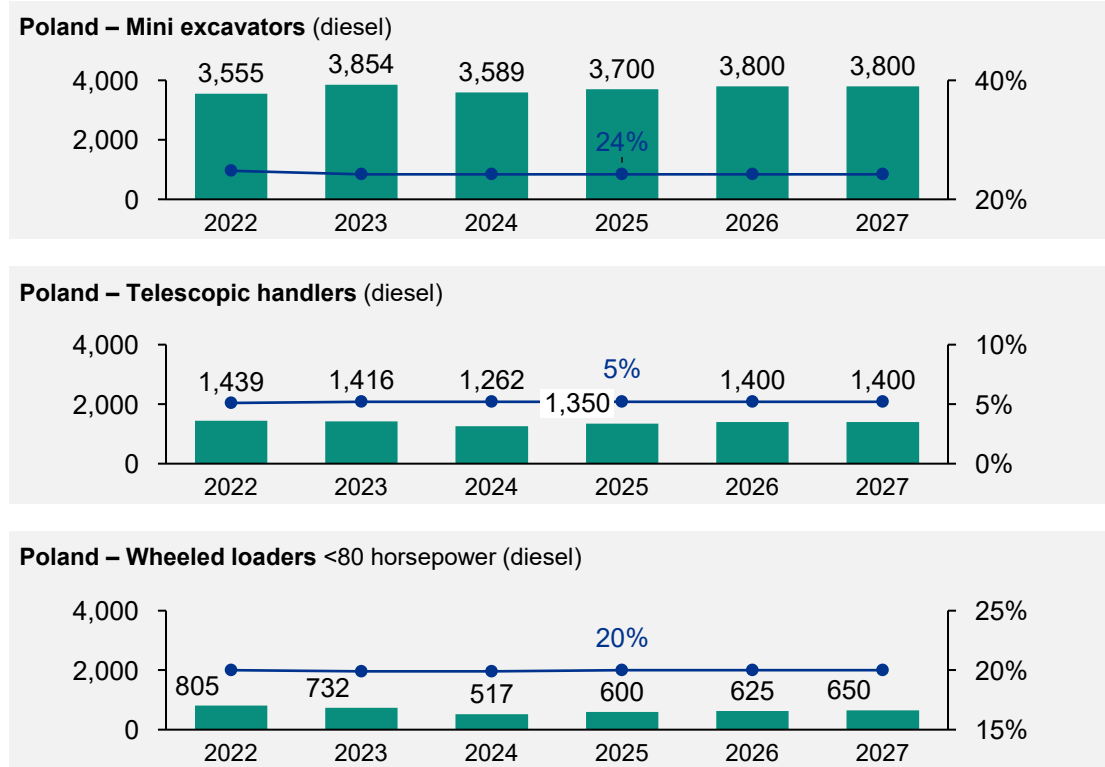
Poland – Company demographics



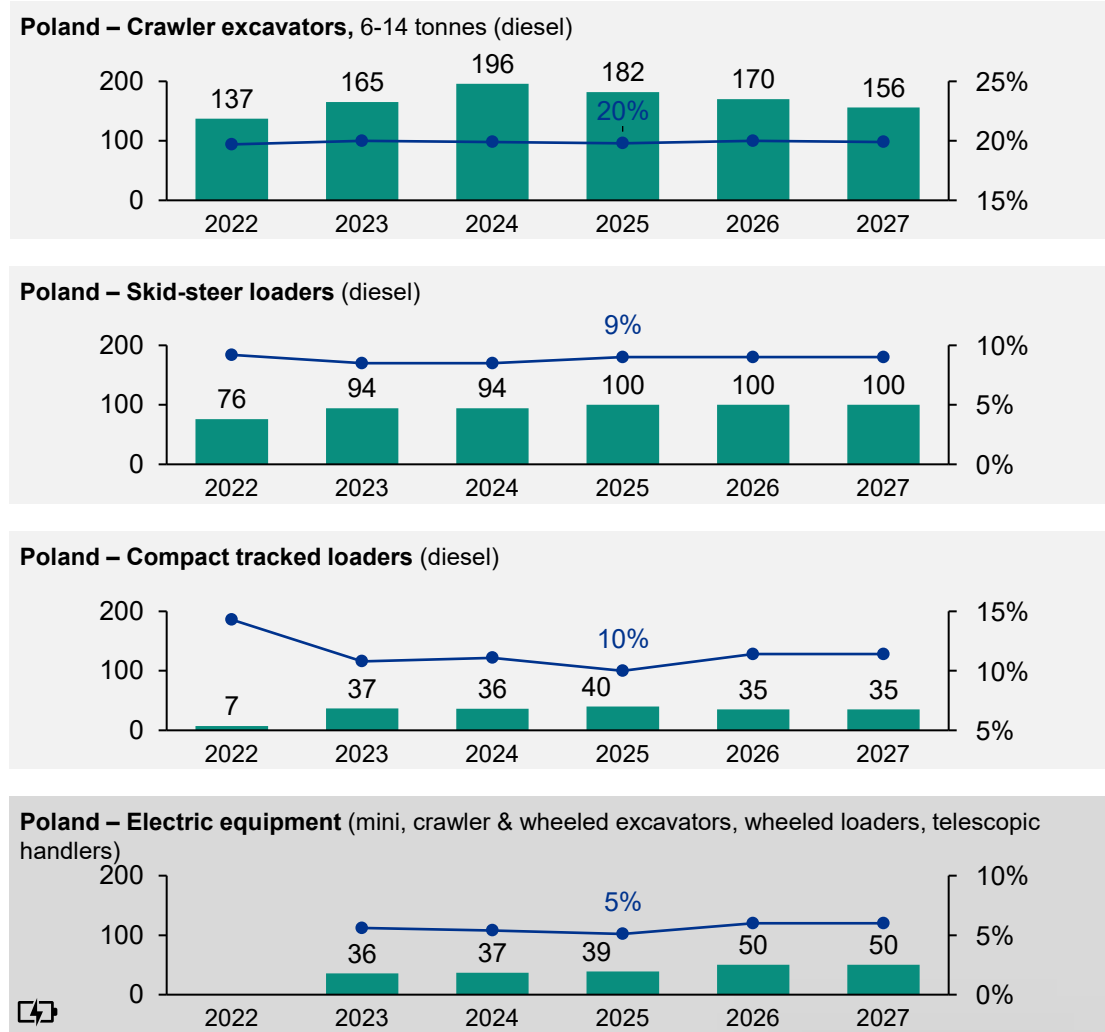
Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT

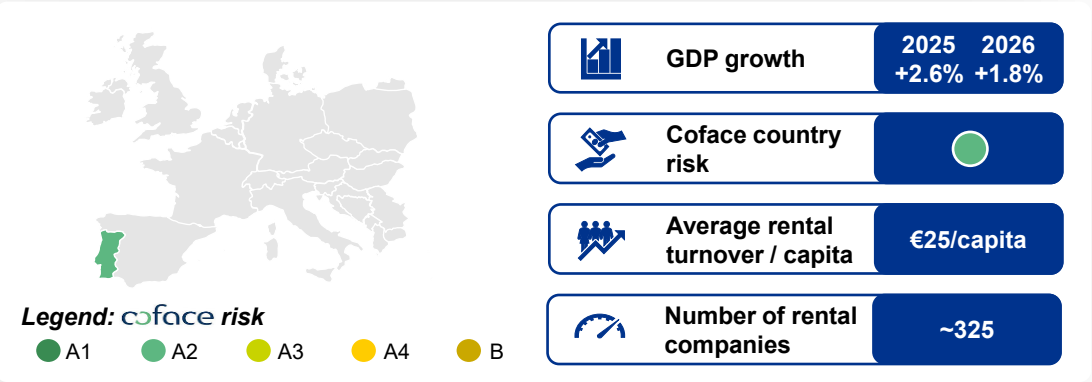


TIER 2 EQUIPMENT



Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

PORTUGAL (PT)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

Rental market growth was solid in 2024, driven by both volume and price increases. On the surface, prices tend to seem higher than in Spain (i.e., based on calendar days instead of working days) and have been gradually rising, allowing for improved profitability. All segments showed positive dynamics (e.g., food distribution, logistics, industries like automotive, copper mines), except for residential, which has been slowing down. Of particular note, the thriving tourism segment contributed significantly to the growth of the rental business, particularly in renovation and non-residential activities. Public investments were also a strong driver.

2025 ESTIMATES

The market is expected to continue growing steadily in 2025. The country has benefited from a massive investment policy since 2010 in key segments of the Portuguese economy (e.g., tourism, industry). The construction segment is expected to continue to benefit from this traction across all segments, including residential, which appears to be reaching an inflection point.

The civil engineering segment remains the most dynamic sector. Both public investment (Portugal's recovery and resilience plan and Portugal 2030) and private financing (favourable taxes encouraging private investors) will support the growth.

Furthermore, specialty segments (e.g., events, logistics) continue to contribute to rental growth with increasing rental penetration.

Portugal (PO)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million €]	223	237	253	269	288	307
Growth [%]	+15.6	+6.5	+6.5	+6.5	+7.0	+6.7
- Including price effect [% points]	-	-	+1.5	+1.5	+1.0	-
Rental fleet investment [million €]	38	38	43	45	-	-
Rental fleet value [million €]	384	379	380	383	-	-

2026-2027 FORECASTS

The construction sector is expected to continue to drive the market in the same continuity as 2025. Mining sector might offer the potential for future growth, as well as port activity.

RENTAL STRUCTURE OUTLOOK

The rental market is characterized by a high level of fragmentation, with many small players. Larger companies generate approximately 15% of the market turnover. However, consolidation movements are visible and expected to accelerate, with several global or Spanish players entering Portugal through M&A or direct market entry strategies.

The penetration rate remains low but is gradually increasing as the market matures. Additional services are still less developed than in Spain.

The market is concentrated around major urban areas (Porto, Lisbon, Pombal, Algarve), and we are seeing growth in the number of depots in these regions.

As the market expands and becomes more professional, investment levels are rising, putting some pressure on these small businesses. At the opposite end of the spectrum, medium and large companies have widely benefited from the sector's robust performance, with some of them doubling revenues (via organic and non-organic growth), initiating a consolidation cycle.

MACROECONOMIC ENVIRONMENT

MACROECONOMIC OUTLOOK

After outperforming the eurozone in 2024 thanks to strong tourism and consumption, **Portugal is expected to maintain solid growth in 2025**. Tourism may slow after two strong years, but domestic demand will pick up. Although Portugal's direct exposure to the US market is limited, indirect **risks from global trade disruptions** remain high.

Exports should remain robust, especially in automotive, machinery, IT, and telecoms, although the external contribution to growth will be smaller due to rising imports.

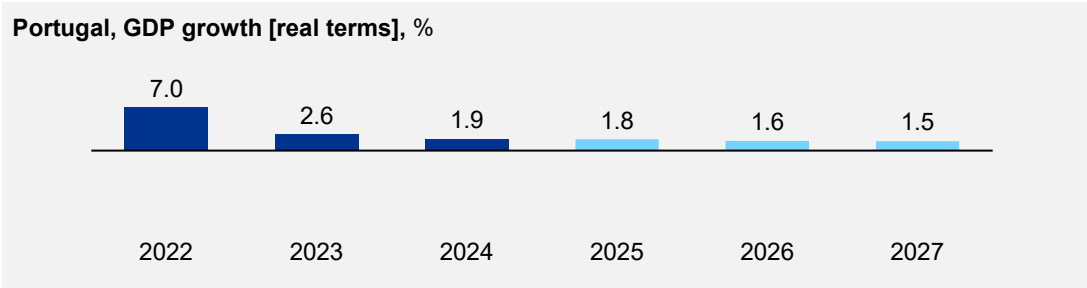
Public investment will also rise sharply, fueled by EU Recovery and Resilience Plan funds, with over a third of the total expected to be disbursed in 2025.

Business investment is set to accelerate due to improved financial conditions and lower corporate tax rates.

Private consumption will continue to support economic growth. The labor market is doing well: **unemployment** remained stable in 2024 and is expected to **decline** slightly to 6.2% in 2025. The labor supply continued to grow, supported by net migration. **Wage growth** is expected to outpace nominal GDP, particularly in sectors facing labor shortages such as IT and construction. **Inflation is projected to fall around 2%**, driven by declining oil and commodity prices. However, core inflation (excluding energy and food) will remain slightly elevated due to wage growth and strong demand in services. Despite positive signals, consumer sentiment is eroded by geopolitical uncertainty.

CONSTRUCTION OUTLOOK

Construction growth has **remained steady** for several years in Portugal, and despite slower growth in 2024, the market is set to gain 1 percentage point in **2025, reaching 2.2% growth**.



BUILDINGS

New housebuilding investments slowed in 2024 (although growth was still positive). This growth should be slightly **reinforced in 2025**. Positive dynamics are already visible: **new housing units licensed rose by 30%** between Q1 2025 compared to Q1 2024.

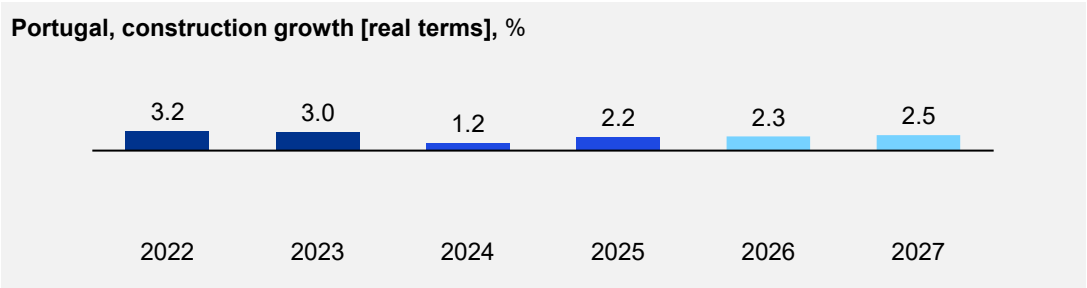
Renovation has been struggling these past two years, but investments are set to **recover in 2025**. Under Portugal's Recovery and Resilience Plan (PRR), **€420 million are earmarked for energy efficiency investments** in residential buildings.

The non-residential segment is the least dynamic segment and has been struggling since 2022 showing negative investment. However, it is **set to recover and turn positive in 2025**, gaining 3 percentage points compared to 2024. Recovery will mainly depend on private investments and the economic climate.

INFRASTRUCTURE

Infrastructure has been growing steadily. Growth in investments is set to gain almost 3 percentage points between 2024 and 2025. This segment is supported by the **PRR and Portugal 2030 programmes**, amounting to €22 bn and €23 bn, respectively. Infrastructure projects mainly concern public transport (e.g. €700 million for the extension of the metro networks in Lisbon and Porto) and renewable energy.

“The [affordable housing finance] agreement [...] sets a credit line of 1.34 bn euros to boost public housing stock in Portugal, that is, the construction and renovation of around 12,000 controlled-rent homes.”
- Governo de Portugal, 2025



EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW



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MAIN ECONOMIC INDICATORS (2025E)

Population

10.4 M

Unemployment rate

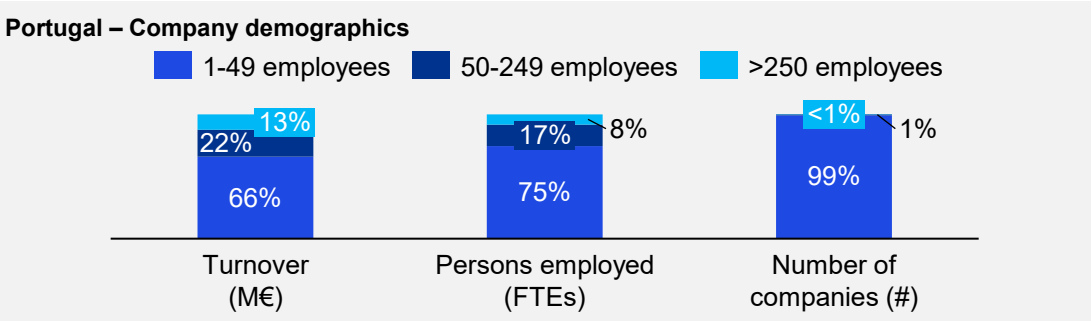
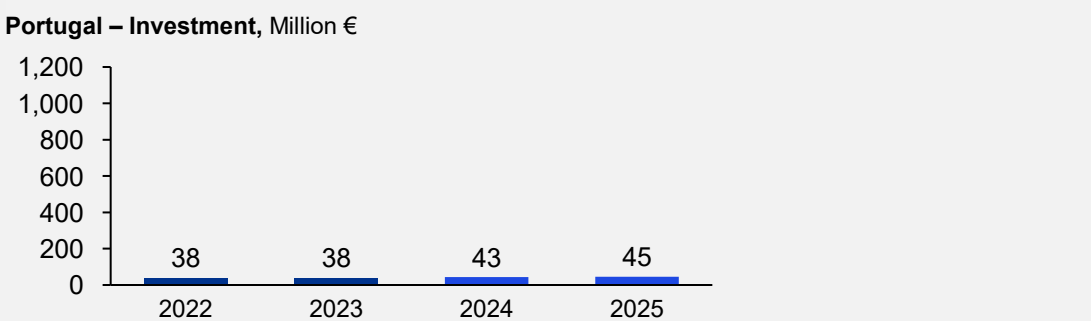
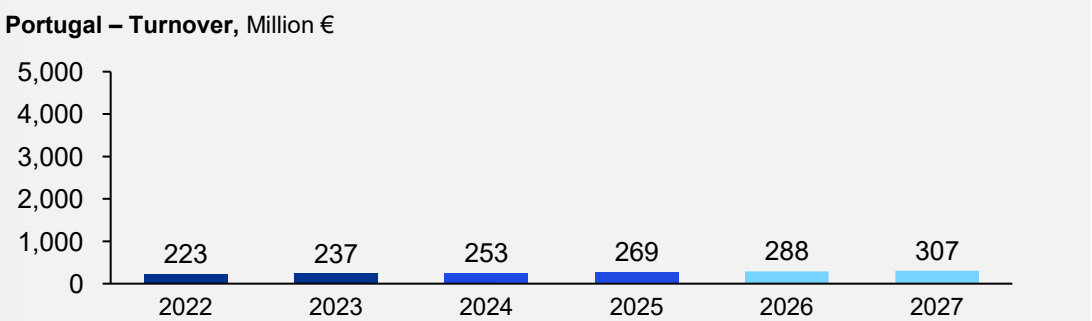
6.2%

GDP per capita

€29,644

Business climate

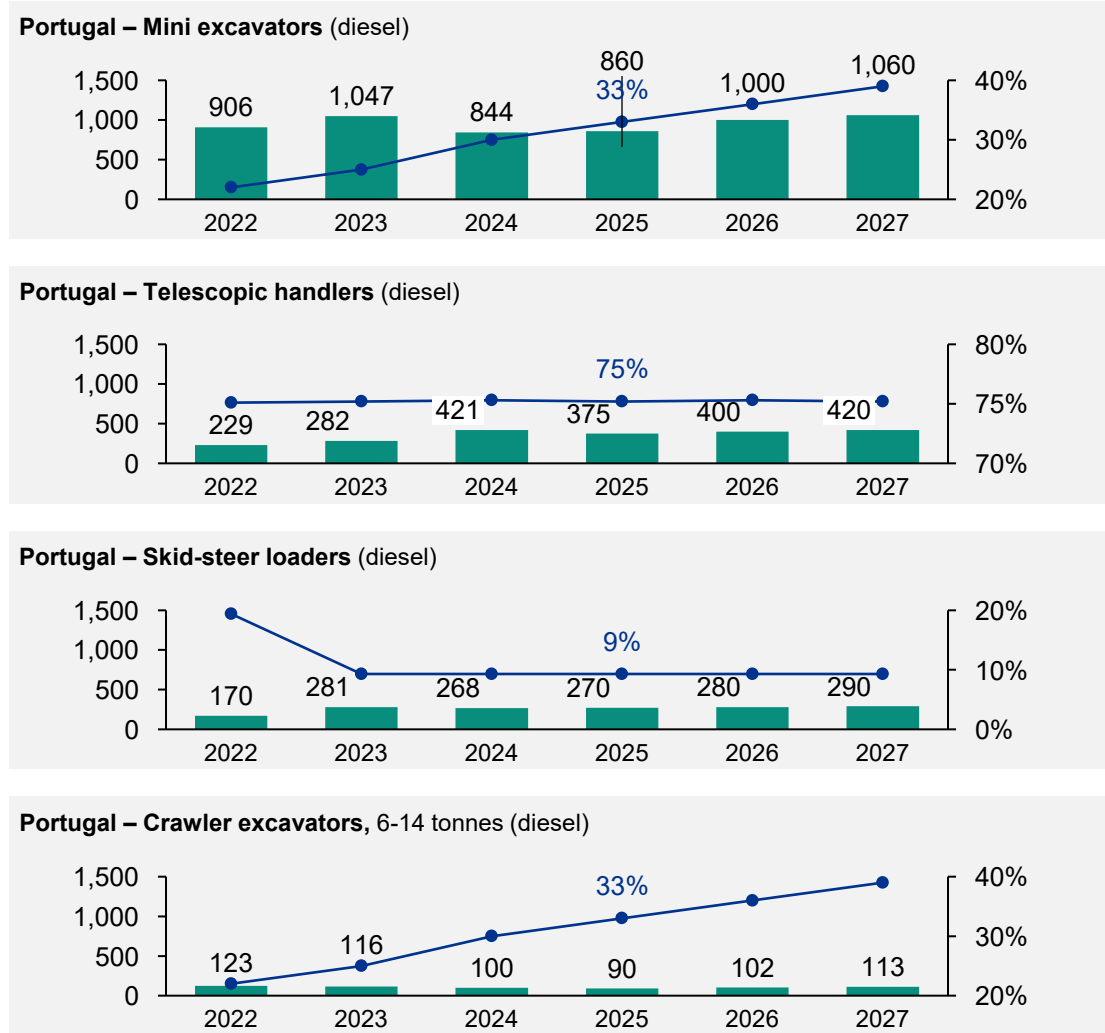
A2



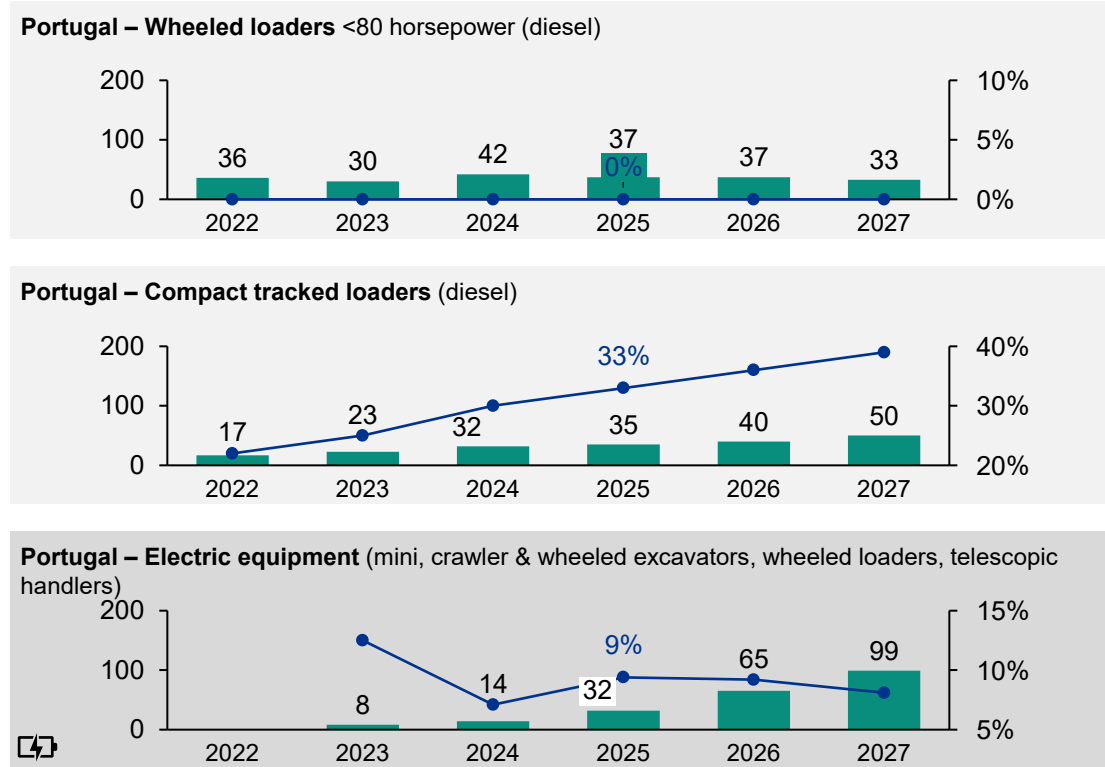
Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT



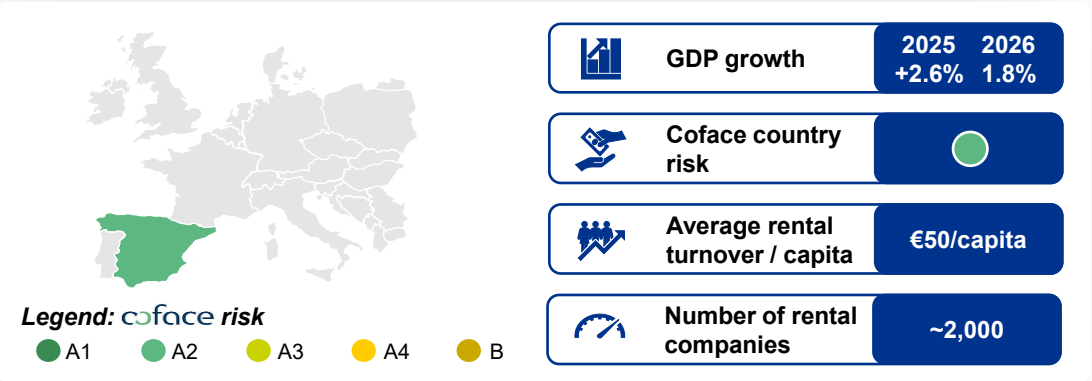
TIER 2 EQUIPMENT



Off-Highway
RESEARCH

Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

SPAIN (ES)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

Steady growth was recorded, although slightly less dynamic than in 2023. It was driven by both volume increase, and positive price effect, however, market is getting more competitive in big urban areas (e.g. Madrid). **All segments (excluding residential) have been on the rise**. Renovation has been growing, thanks to strong tourist activity (in Andalusia, Basque Country, Coruña and Catalonia). Non-construction segments were also progressing (e.g., agro-industry and logistics on the French or Portuguese borders, industry & energy, and events with cinema and festival. Finally, the infrastructure segment remained dynamic in Madrid, Malaga and outside (e.g., trainline extension in the northwest)

2025 ESTIMATES

The first part of 2025 has been positive, showing continuous growth. European financing has significantly contributed to this positive outlook. On the construction side, **non-residential (e.g., batteries, large warehouses) and infrastructure (e.g., rail, road) have continued to drive growth**, while the impact of residential construction has remained limited. **Diversification into the non-residential sector also continued (e.g., aviation, energy).**

For the second part of 2025, steady growth is expected to continue. Infrastructure and non-residential will remain the most dynamic segments. Some regional disparities are emerging — for example, Madrid is becoming saturated, while Malaga and Alicante remain dynamic. Price increases are expected to continue, mainly affecting new rental segments such as industrial, where clients are willing to pay higher prices and expect a higher level of service than in the construction segment. **Finally, the market is driven by growth in the penetration of rental across all segments.**

Spain (ES)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million €]	1,983	2,142	2,253	2,377	2,508	2,643
Growth [%]	+11.1	+8.0	+5.2	+5.5	+5.5	+5.4
- Including price effect [% points]	-	-	+1.9	+2.0	+1.0	-
Rental fleet investment [million €]	366	344	338	392	-	-
Rental fleet value [million €]	2,994	3,005	3,009	3,067	-	-

2026-2027 FORECASTS

Despite uncertainty linked to regulatory and structural constraints (e.g., slow building permit process, labor shortage, Recovery Plan ending in 2026), **confidence remains high for 2026.**

RENTAL STRUCTURE OUTLOOK

The Spanish rental market is **highly fragmented** and **driven mainly by construction (~75%)**. Over time, the market is becoming **more structured**, with new players entering, **increasing concentration**, and a need for fleet renewal among many small players—although their financing capacity remains limited. There has been visible consolidation in recent years, with many acquisitions.

The **rental penetration rate is still relatively low but is increasing**, further contributing to growth. Companies are increasingly **diversifying across sectors and product families**; there is a shift from specialized to generalist rental models. The **development of the non-construction** segment is also contributing to the rising penetration rate.

Historically, most rental activity was concentrated in large urban areas, but it is now spreading across the entire territory.

“As well as being the only country to be above the European average in each metric, Spain also comes out on top of the countries expecting to employ more (55%), reporting higher fleet utilization (66%) and anticipating higher investment (66%).”

- Rental Tracker, 2025

MACROECONOMIC ENVIRONMENT



MACROECONOMIC OUTLOOK

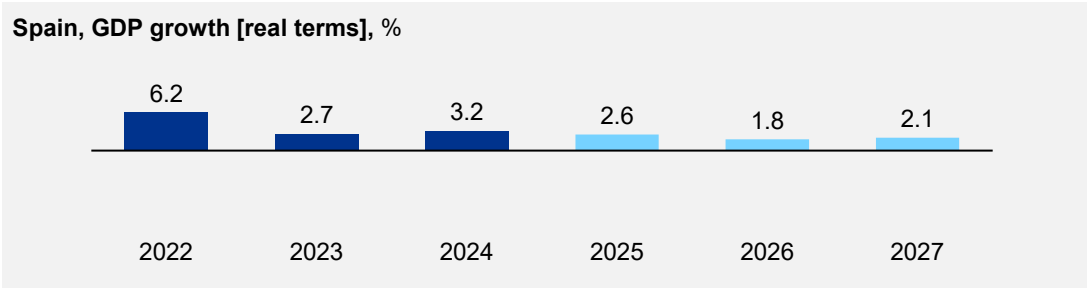
After a strong 2024 led by services, Spain's economy is **expected to moderate slightly in 2025, reaching 2.6% real GDP growth**, but still outperforming most eurozone countries. Growth in H1 2025 has been supported by investment, private consumption, and, to a lesser extent, net exports.

Foreign trade is expected to lose momentum due to rising imports and increasing trade tensions. Tourism remains strong (94 million tourists in 2024), but growth is expected to normalize.

Public investment should continue to support growth. European funds under the National Recovery Plan—nearly €80 bn in grants and €83 bn in loans—are scheduled to be spent over the 2021–2026 period, with one third already disbursed by the end of 2024. Meanwhile, public finances are improving: the government deficit fell to 3.2% of GDP in 2024 and is expected to decline to 2.8% in 2025.

Private investment is expected to pick up thanks to improving financial conditions. However, corporate caution and geopolitical uncertainty may limit its momentum.

Domestic demand is set to remain robust, especially household consumption (approximately 55% of GDP), supported by several factors. First, **moderate inflation**: after averaging 2.9% in 2024, it is forecast to drop to 1.9% in 2026, mainly due to falling energy prices, while service-related price pressures will ease more gradually. **The labor market remains dynamic**, largely driven by immigration, and the **unemployment rate is projected to decline steadily**, falling below 10% by 2026. **Rising real disposable income** will further support consumption. Despite this positive outlook, household spending has lagged, with savings rates remaining elevated: 14.2% in Q4 2024 compared to a pre-pandemic average of 7.3%.



CONSTRUCTION OUTLOOK

Steady growth is forecasted for construction, driven by €163 bn in NRRP funds.

BUILDINGS

The residential segment is expected to recover in 2025, with investments in new housebuilding projected to increase by 3 percentage points between 2024 and 2025. The government has announced its intention to address the housing shortage; the construction of at least 220,000 homes per year will be required. Rising house prices have led to a sharp increase in building permits.

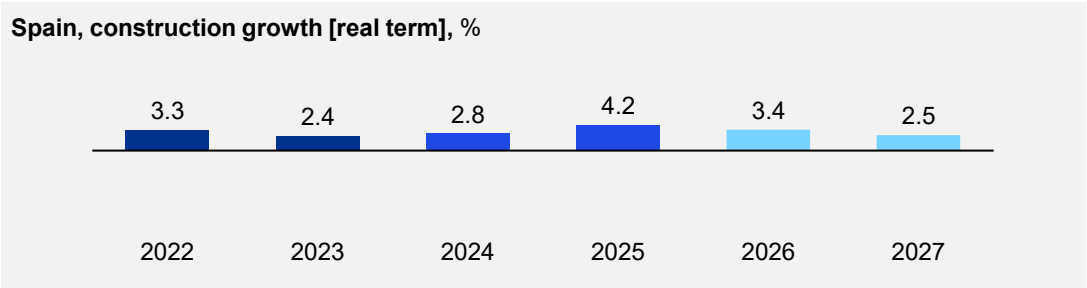
The non-residential segment is set to remain dynamic, despite a slowdown in investment growth—~2 percentage points less between 2024 and 2025. In 2024, there was a notable increase in the volume of public tenders (e.g., administration, education, sports, transport terminals).

On the renovation side, around **10% of the NRRP funds** will be allocated to this segment, with a focus on **improving energy efficiency**.

INFRASTRUCTURE

After a 6.5% decline in 2024, the infrastructure segment is set to recover in 2025-2026, mainly driven by NRRP funded projects. Investments are expected to gain 3 percentage points between 2024 and 2025. Several construction projects began by the end of 2024 and should last for a few years (e.g., battery manufacturing plant in Navalморal de la Mata, photovoltaic solar plant in Madrid).

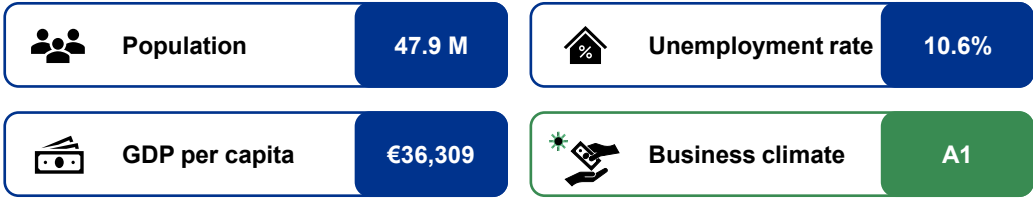
“Lever Policy 5 includes strategic public-private partnerships (PERTEs) [...] to transform the automotive and electric vehicles sectors, agri-food, health, aeronautical and naval sectors, and industrial sectors linked to renewable energies.”
- European Parliament, 2025



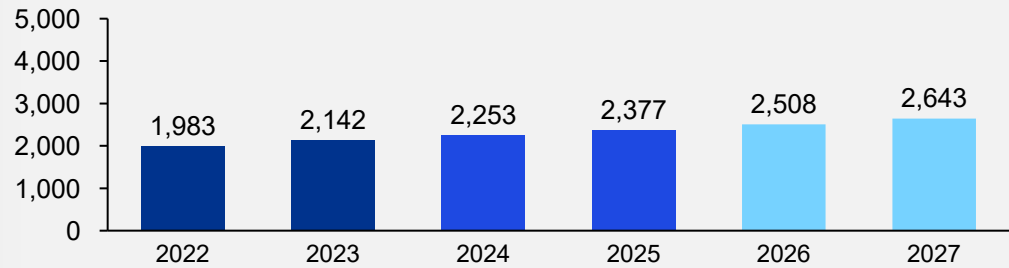
EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW



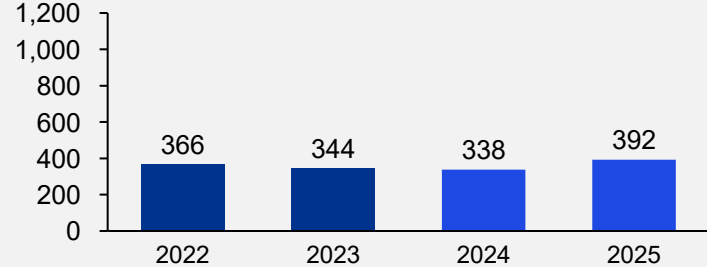
MAIN ECONOMIC INDICATORS (2025E)



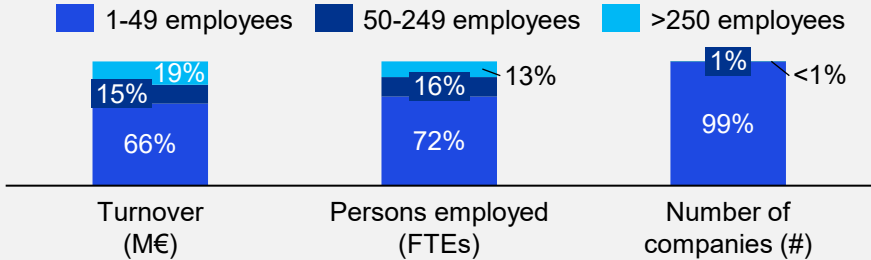
Spain – Turnover, Million €



Spain – Investment, Million €



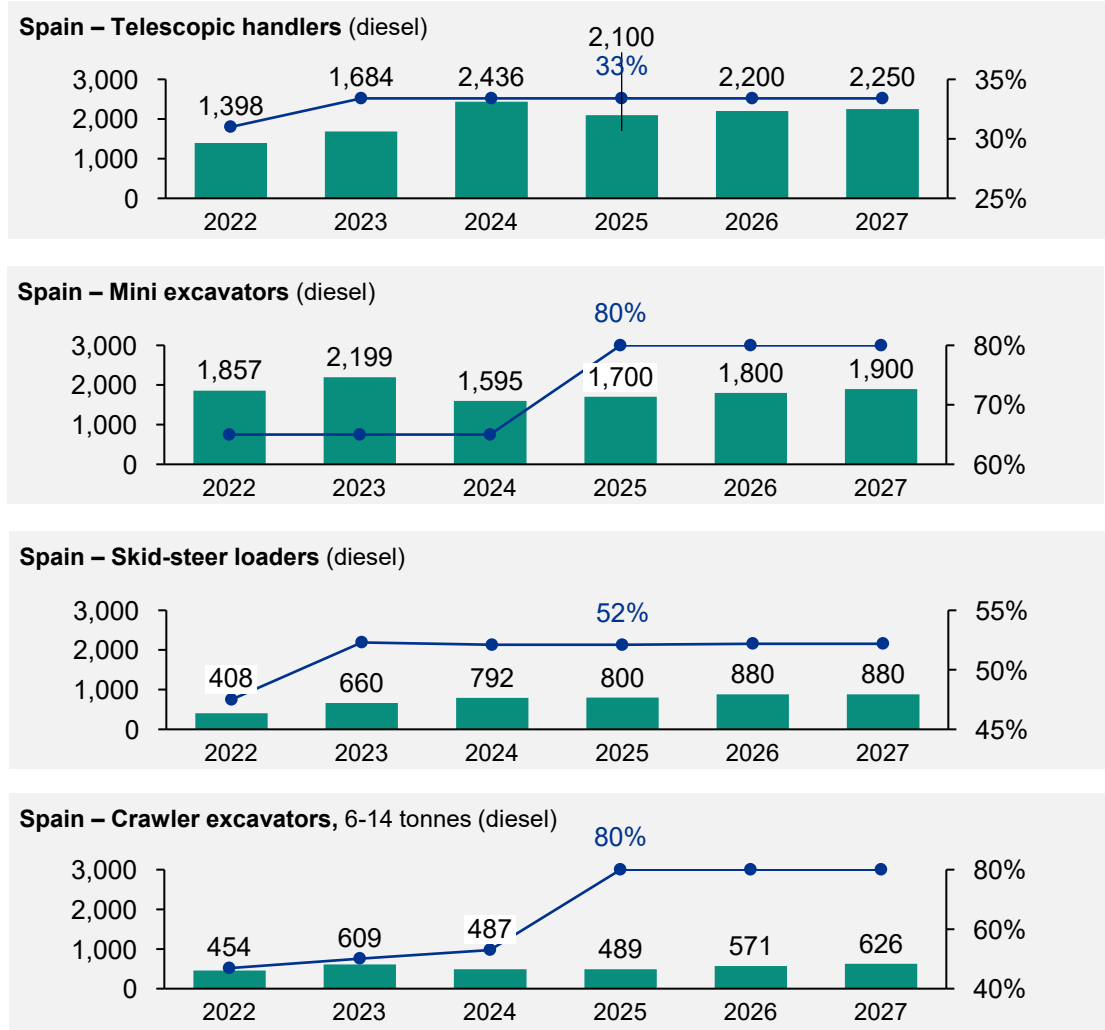
Spain – Company demographics



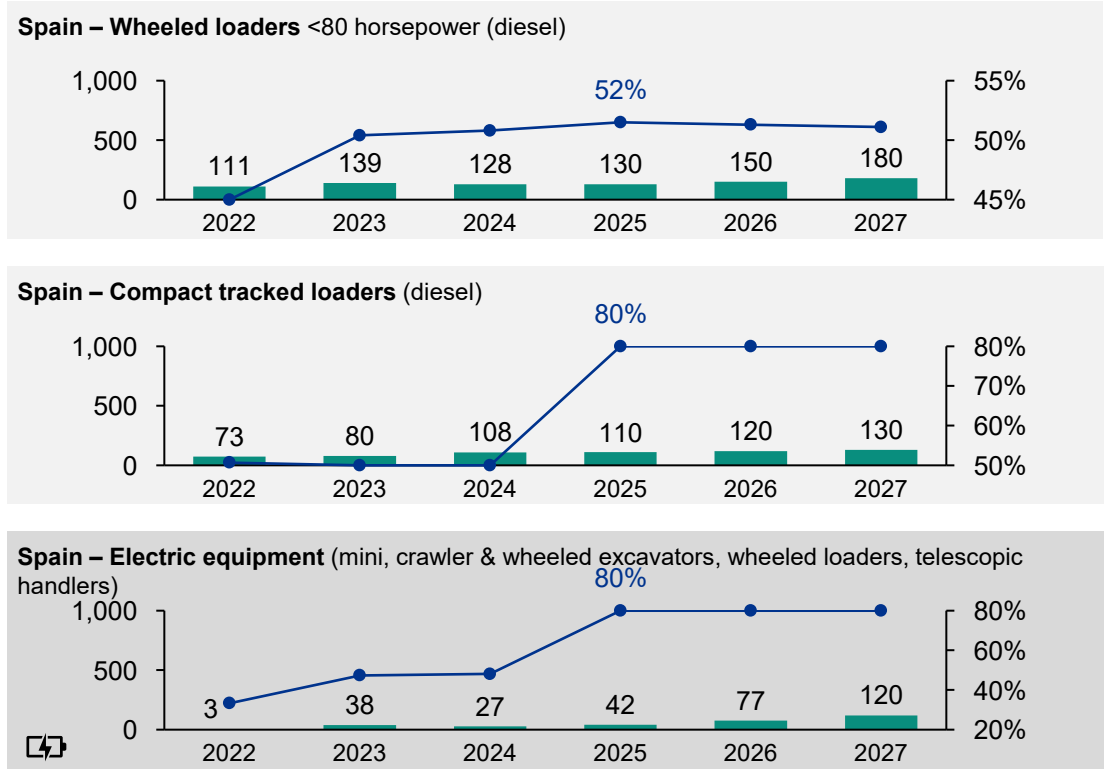
Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT



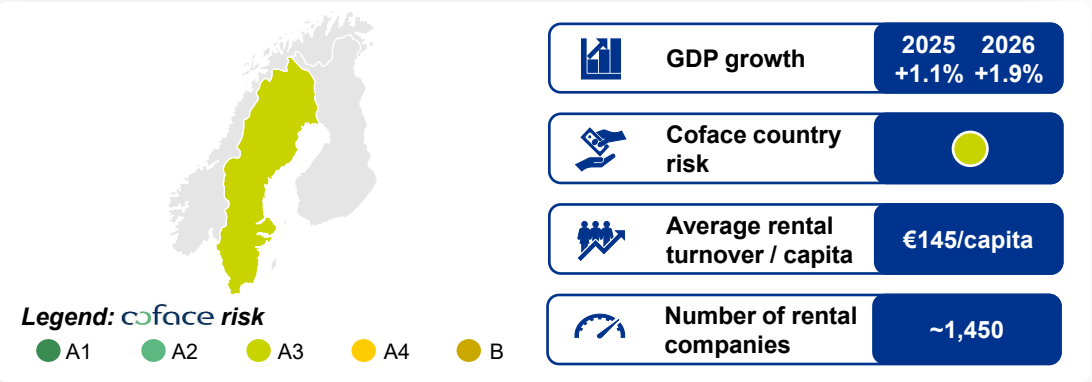
TIER 2 EQUIPMENT



Off-Highway
RESEARCH

Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

SWEDEN (SE)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

In 2024, the market largely contracted, reflecting a drop both in volumes and prices. This decline was mainly due to the **sharp decrease in both the residential and renovation segments**. Despite expectations, H2 did not see any residential rebound. The infrastructure and non-residential segments remained resilient.

2025 ESTIMATES

During the **first half of 2025, no signs of significant recovery** were observed; the market remained challenging. Q1 remained as low as in 2024, while **Q2 showed slight improvement**, driven by infrastructure (e.g., energy, rail) and industry (e.g., defense, steel, data centers).

For the **second half of the year, there is hope for a slight recovery: flat to slightly negative output is anticipated by the end of 2025**. Infrastructure and non-residential investments—especially in renewable energy and military—might keep stabilizing the market. Despite a slight rebound, the residential segment will remain weak in 2025, in a market with variable rates that is struggling to recover from the bursting of the real estate bubble. However, this segment is expected to rise eventually, supported by the lack of new construction and lower interest rates. Furthermore, **the rental market is expanding beyond major urban areas**, particularly in the north of the country, driven by the green industrial revolution. However, the global trade slowdown remains a risk for this country, which relies heavily on an export-dependent economy.

Sweden (SE)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million SEK]	19,085	17,940	16,613	16,579	17,160	17,760
Turnover [million €]	1,795	1,563	1,453	1,493	1,545	1,600
Growth [%]	+7.4	-6.0	-7.4	-0.2	+3.5	+3,5
- Including price effect [% points]	-	-	-2.3	-2.2	+0.4	-
Rental fleet investment [million €]	399	285	232	281	-	-
Rental fleet value [million €]	2,010	1,893	1,747	1,678	-	-

2026-2027 FORECASTS

A slower than anticipated but still healthy recovery is anticipated for 2026. It will be supported by several infrastructure megaprojects, especially in the north. These mainly concern **transport infrastructure** (e.g., tunnels, rail, subway) and **military infrastructure** (e.g., road renovation / infrastructure updates, military buildings such as barracks, depots, and warehouses). Additionally, **industry projects** (e.g., steel, papermills, green industry, data centers) should further contribute to the recovery. **Residential is set to recover** due to the necessity of building housing, especially apartment blocks), but the **timing remains uncertain**. Full rental market recovery will depend on it.

RENTAL STRUCTURE OUTLOOK

The market is **moderately concentrated**, with the top three actors representing about half of the market share, followed by several medium-sized and many small-sized actors. There is a **trend towards consolidation**, with several acquisition movements recently visible on the market.

Rental penetration is one of the highest in Europe, mainly driven by a **high level of services** and the prevalence of enhanced rental solutions offered for construction and non-construction clients.

The demand for **ESG-compliant machinery** is significant (e.g., electric, hybrid fleet), but the transformation has been progressing at a slower pace recently.

“ [Despite] a slow start of the year [...] [There are] growing investments within construction and infrastructure. All signs point to growing market, but geopolitical uncertainties may slow down the growth. ”
- CECE, 2025

MACROECONOMIC ENVIRONMENT



MACROECONOMIC OUTLOOK

Sweden’s economy is expected to continue its gradual recovery in 2025, driven by easing interest rates, diminishing inflationary pressures and a rebound in household consumption. Sweden’s current account balance is expected to remain in surplus in 2025. However, recovery could be postponed due to disruptions in global trade, fomenting uncertainty.

Public sector activity is also expected to play a stabilizing role, with increased government spending and investment—particularly in defense and infrastructure—helping to cushion the broader economy against external shocks.

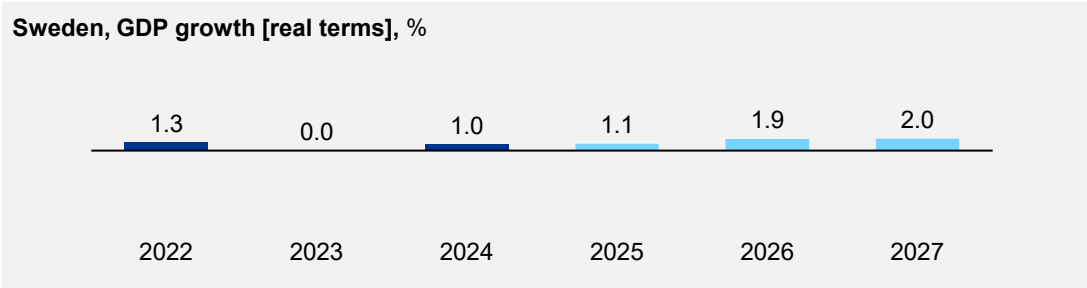
Corporate insolvencies have risen for the past two years with double-digit increases and are expected to remain elevated in 2025, as firms continue to grapple with high labor and energy costs. However, insolvency rates may ease slightly over the year.

Household consumption should recover in 2025, driven by improving labor market conditions, rising real wages, and lower taxes. However, the unemployment rate should remain high in 2025. Additionally, falling interest rates and a stabilizing housing market are likely to strengthen consumer confidence. Disinflation continues and is expected to drop below 2% in 2026. Households are expected to reduce their savings rate.

With no scheduled elections in 2025 and the next general election set for 2026, Sweden’s political environment is expected to remain relatively stable.

CONSTRUCTION OUTLOOK

Overall construction is expected to recover in 2025, but it could be delayed by slower residential recovery than anticipated.



BUILDINGS

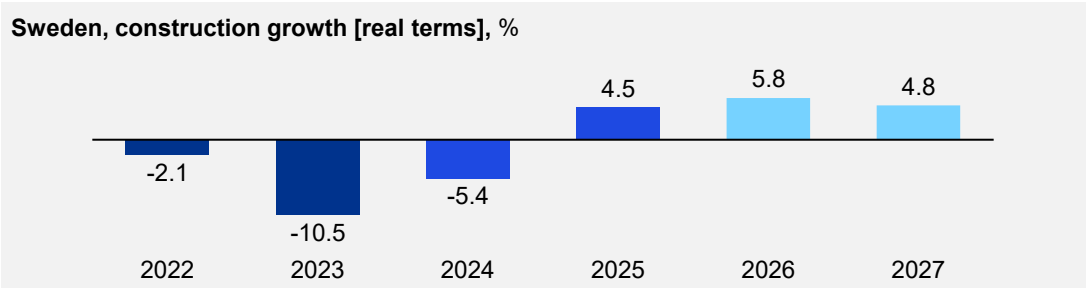
The homebuilding segment has been struggling for several years but appears to have bottomed out. Investment growth is expected to recover by 13 percentage points between 2024 and 2025, although a significant upturn is not anticipated yet. New housing, which experienced the most substantial decline, is now projected to gain 20 percentage points; housing renovation is expected to recover by 6 percentage points.

The non-residential segment has stayed dynamic, recording positive investment growth since 2021. In 2024, growth was driven by commercial real estate and government initiatives (e.g., defense, correctional facilities). In 2025, continued investments from municipalities and regions in new public service buildings, as well as industrial investments—particularly in Dalarna and Blekinge counties—are expected to drive growth.

INFRASTRUCTURE

The infrastructure segment is performing well, with steady investment growth supported by strong public financing. At the beginning of 2025, the government approved several projects (e.g., a new stretch of the North Bothnia railway line, increased capacity of the Iron Ore Line including the expansion of three junction stations and one railway area). The 2026–2037 Transport Infrastructure Plan envisages SEK 1,171 bn in investments to upgrade Sweden’s transport infrastructure. This includes SEK 354 bn for the maintenance of state-owned roads and SEK 210 bn for the maintenance of state-owned railways; the remaining funds will be allocated to transport development.

“Preliminary figures show that construction of roughly 15,400 dwellings was started in new buildings during the first half of 2025. This is three percent up than in the same period last year when construction of 14,928 dwellings was started.”
- Statistics Sweden, 2025



EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW



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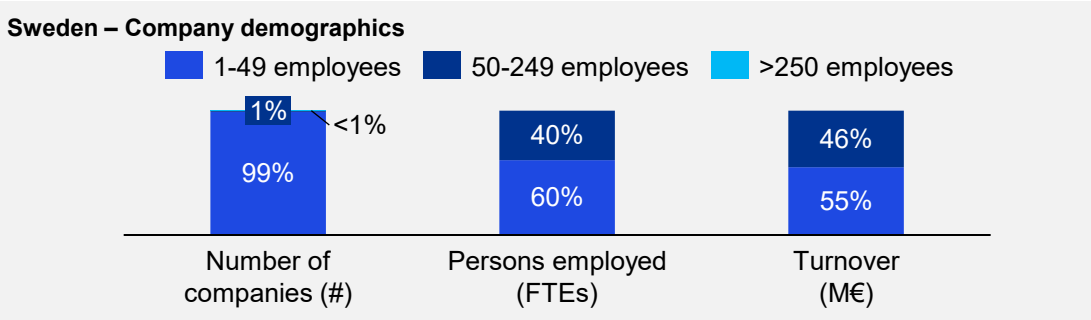
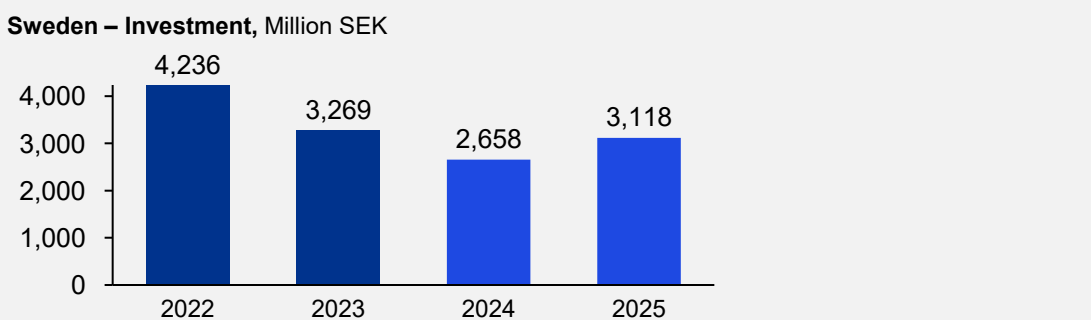
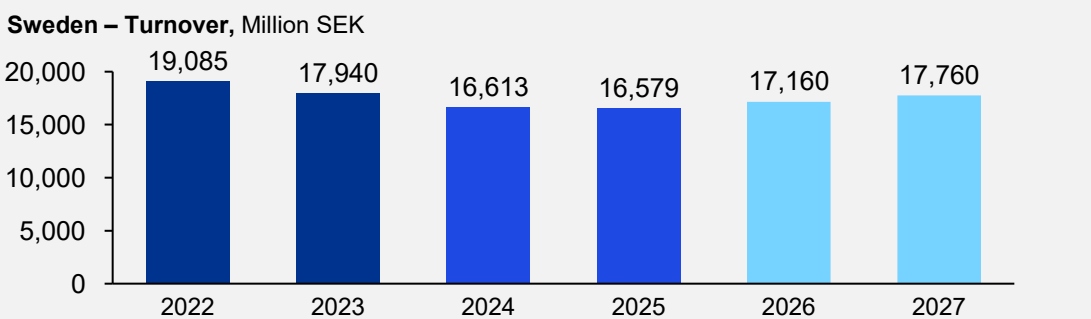
MAIN ECONOMIC INDICATORS (2025E)

Population 10.7 M

Unemployment rate 8.8%

GDP per capita €57,666

Business climate A1

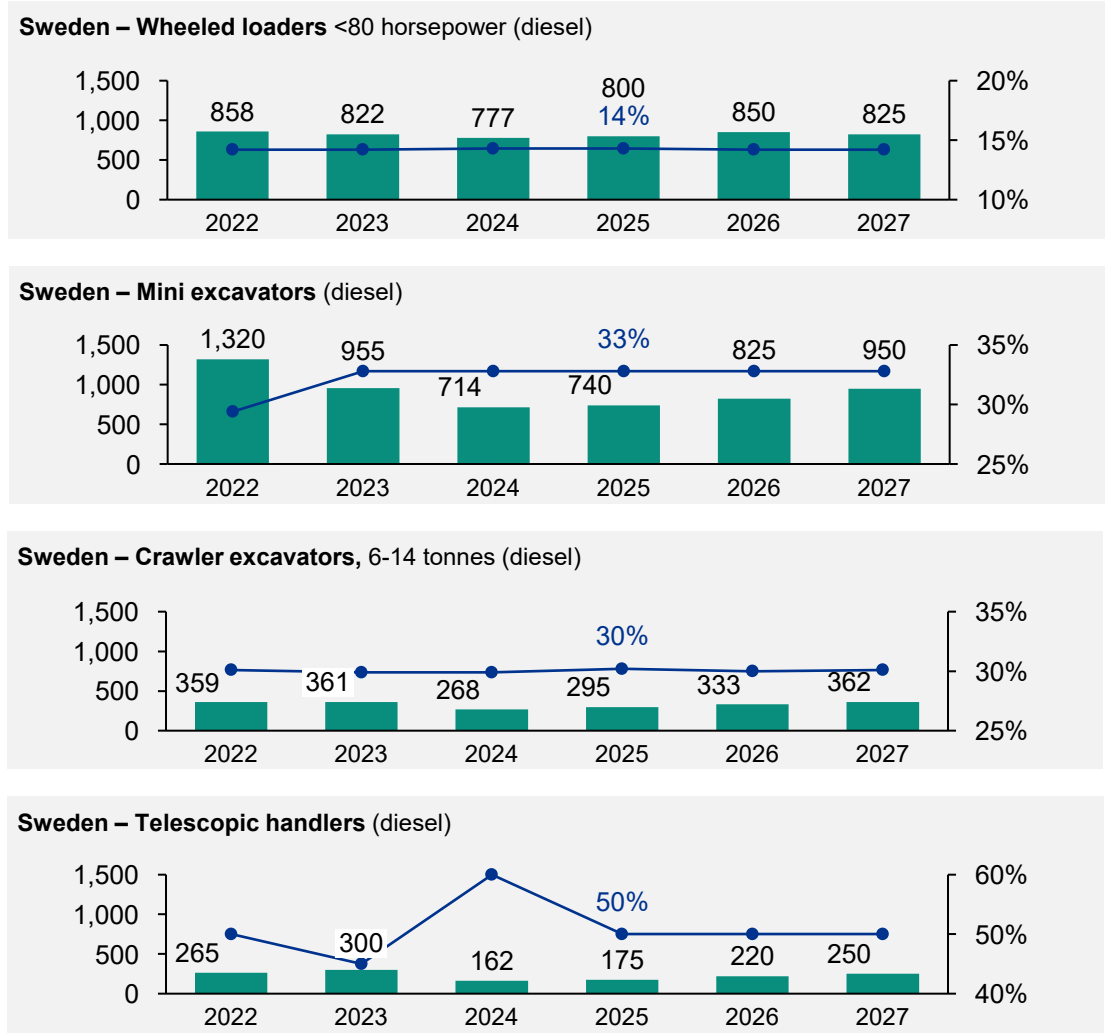


Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

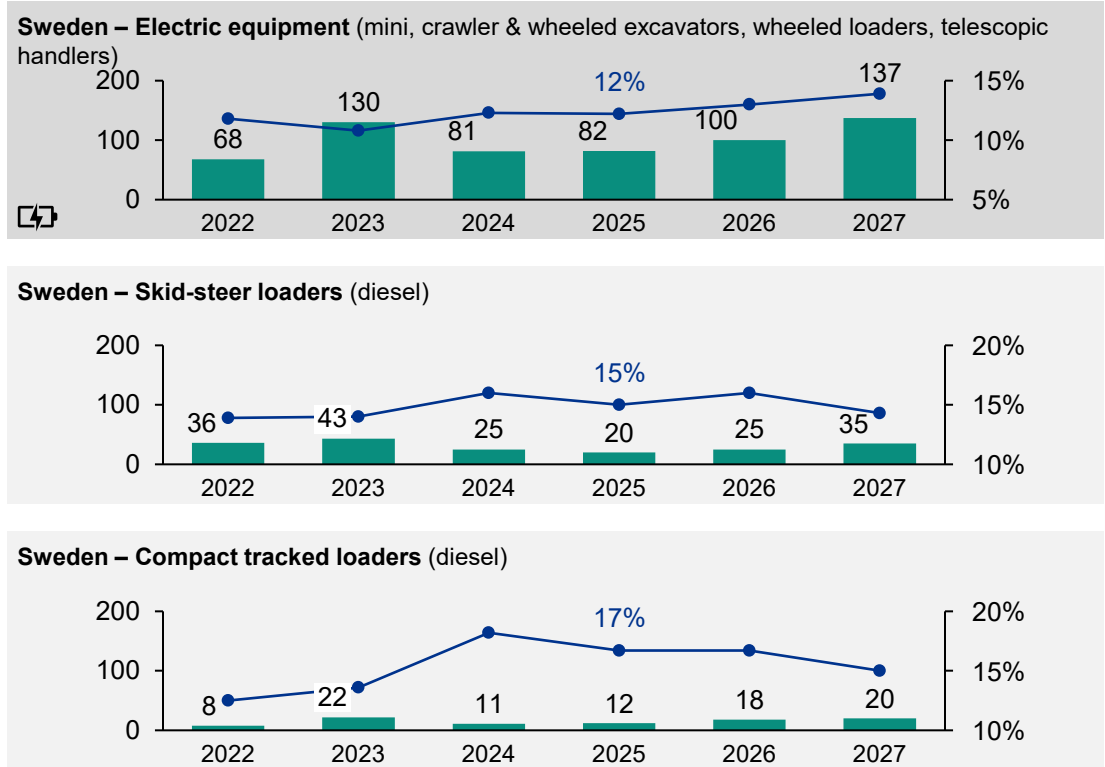
EQUIPMENT RENTAL METRICS FROM OHR



TIER 1 EQUIPMENT

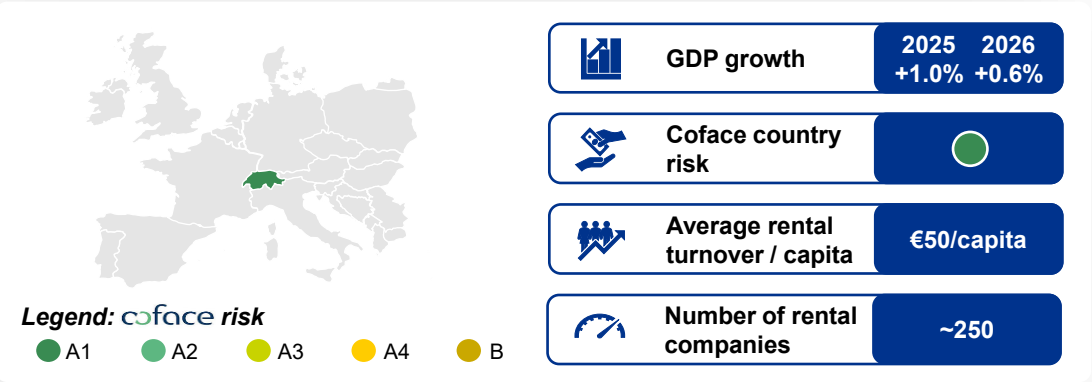


TIER 2 EQUIPMENT



Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

SWITZERLAND (CH)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

In 2024, the market was **stable to slightly increasing**, driven by volume while prices slightly contracted. Weak growth was further reflected in the second half of the year, while construction had shown signs of activity slowdown in the first half. The overall construction market remained stable, with infrastructure catching up despite some ongoing project delays. The energy segment is doing well (e.g., Ostral plan).

2025 ESTIMATES

2025 is anticipated to remain difficult, with a slightly more positive outlook than 2024.

During the first half of 2025, the main growth drivers for rental were **big infrastructure projects** (e.g., energy, highways, railways), and **specialized segments** (e.g. events). Overall construction is set to show steady growth and will support the rental market. Furthermore, the growth of the skilled population, benefiting from higher income, offers potential for higher demand in residential.

Regarding regional disparities, French-speaking Switzerland experienced greater growth in 2025 and a catch-up effect is expected in the German-speaking part in 2026.

In H2, some product types will be performing better than others (e.g., modular, sanitary). General uncertainty pushed the industrial segment to limit permanent investments (e.g. favouring modular over more expansive construction in the pharmaceutical sector for instance). The arrival of low-cost equipment (e.g. Chinese competition) could further increase price pressure

Switzerland (CH)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million CHF]	435	430	432	435	442	446
Turnover [million €]	433	442	453	463	470	475
Growth [%]	-1.3	+0.5	+0.5	+0.8	+1.5	+0.9
- Including price effect [% points]	-	-	-0.1	-0.2	-0.2	-
Rental fleet investment [million €]	95	91	97	99	-	-
Rental fleet value [million €]	710	659	624	598	-	-

2026-2027 FORECASTS

Rental market growth is expected to be slightly improved compared to 2025. It will be driven mainly by **infrastructure projects**. However, **increased price pressure** is expected to weigh on the rental market growth, due to foreign competition and depending on machine type (e.g., in the German-speaking area, competition in the aerial work platform market)

RENTAL STRUCTURE OUTLOOK

The **Swiss rental market remains relatively small and has yet to be developed**, with an ongoing strong **preference for buying over renting**. The rent-to-sell model is quite developed, unlike rent-to-rent. The **rental penetration rate is not significantly increasing**. As a result, when market demand falls, rental activities are particularly sensitive and contract. In addition, **price pressure is increasing over time**, due to foreign competition, as well as the rent-to-sell model from distributors that is putting pressure on margins.

The Swiss market is characterized by **many regional disparities**. In French-speaking Switzerland, influenced by France, renting is more widespread, while in German-speaking Switzerland there is a strong preference for purchasing, with a more conservative attitude towards rental. Thus, the German part is less professionalized and more fragmented, resulting in higher price pressure than on the French side. Similarly, the number of projects that can vary significantly depending on the region.

The market remains **fragmented** with a limited number of top players with nationwide operations. This offers some consolidation potential, however the limited market maturity, rental prices, and operational challenges somehow offset the attractiveness of the market.

MACROECONOMIC ENVIRONMENT



MACROECONOMIC OUTLOOK

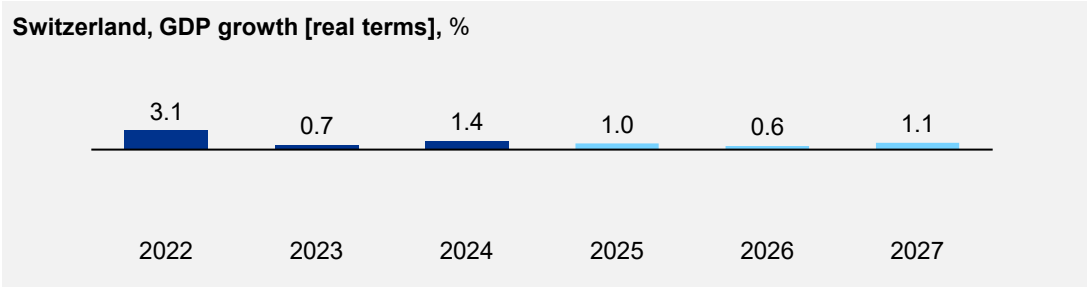
Economic output in Switzerland increased rapidly in 2024 and was largely **driven by private consumption**. However, it is forecasted to **slow slightly in 2025**. Regarding production, the pharmaceutical sector was the main engine of growth, whereas the metal, machinery and watchmaking industries experienced a slowdown, particularly during the latter half of 2024. That should continue in 2025, due to increasing uncertainty.

Export performance may be negatively impacted by the introduction of higher tariffs on Swiss exports to the United States, which represent approximately 10% of total exports. Nonetheless, key export sectors—pharmaceuticals, watches, and precision instruments—are less sensitive to global economic fluctuations, mitigating the risks.

Private investments are expected to stay modest, reflecting the prevailing uncertainty in the global economic environment, especially in manufacturing sectors like machinery, which continue to suffer from weak foreign demand.

Private consumption continued to show strength, and remains the key contributor to economic growth, bolstered by a **strong labor market** and **increasing real wages** amid moderate inflation. Inflation fell from 1 percentage point between 2023 and 2024, reaching 1.1% in 2024 (thanks to reduced energy prices and appreciation of the Swiss franc) and is expected to further decrease to reach 0.3% in 2025. Employment growth is forecast to be modest during this period. Continued **strong population growth** (1.4% year-on-year) also supports consumption. In response to the **easing of inflationary pressures**, the Swiss National Bank implemented four successive reductions in its policy rate, bringing it down from 1.75% to 0.5%.

Switzerland’s political system remains highly stable, thanks to its tradition of consensus and direct democracy (i.e. referendum). Its relationship with the EU remains uncertain.



CONSTRUCTION OUTLOOK

Real output growth of 2.4% is expected in construction in 2024 and **growth should remain steady in 2025**. Both investments and building permits indicate an increase in construction activity in the coming quarters.

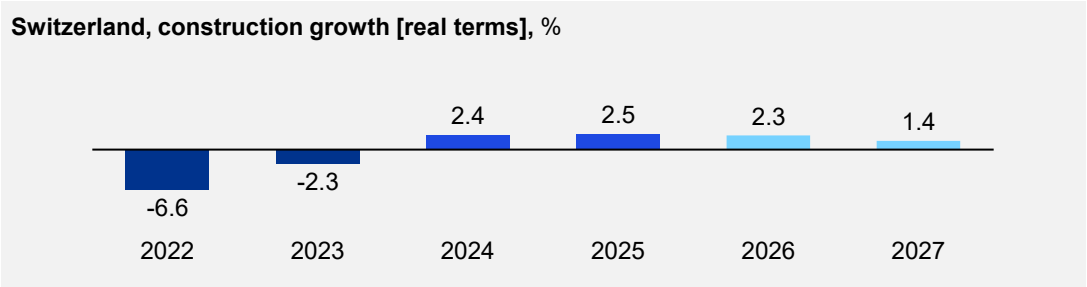
BUILDINGS

Overall building construction output fell by 6% in 2024 , turnover remained almost flat during H1 2025. The **residential segment has been showing positive signs for 2025**. As for non-residential construction, public projects showed strong growth in Q1 2025 while private projects struggle.

INFRASTRUCTURE

Civil engineering grew in 2024, grew by 8% growth in production and revenue generated from this segment **in 2025 is expected to remain flat** compared to 2024; new orders have been decreasing during Q1 2025. So far, this segment has played a **stabilizing role**, particularly in transport infrastructure, with many planned projects (e.g., the second Gotthard tunnel tube for CHF 2.1 bn, railway station expansions in Geneva and Lausanne, and Alpine solar initiatives such as Solar Express). These are financed by the **National Road and Agglomeration Infrastructure Fund**, which has provided CHF 3–4 bn per year in previous periods, and the **Railway Infrastructure Fund** (CHF 16.4 bn planned for the 2025–2028). However, in November 2024, the population voted against the implementation of six road infrastructure extension projects. This does not mean that major transport infrastructure will be stopped, but it shows that we should not be overly confident in this segment.

“Major infrastructure projects and European fiscal stimulus are also expected to directly or indirectly support construction investment over the forecast period.”
- KOF, 2025



Sources: European Commission, Coface, CapitalIQ, Euroconstruct, Swiss Federal Statistical Office, Statista, KOF, Schweizerischer Baumeisterverband, expert interviews, KPMG Research & Analysis

EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW



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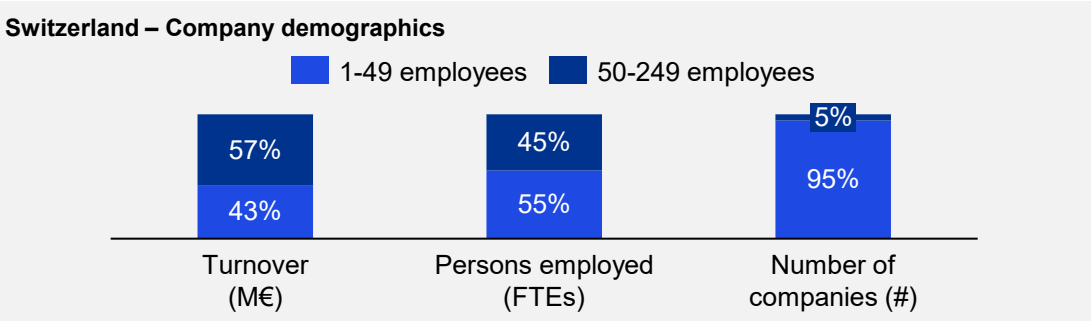
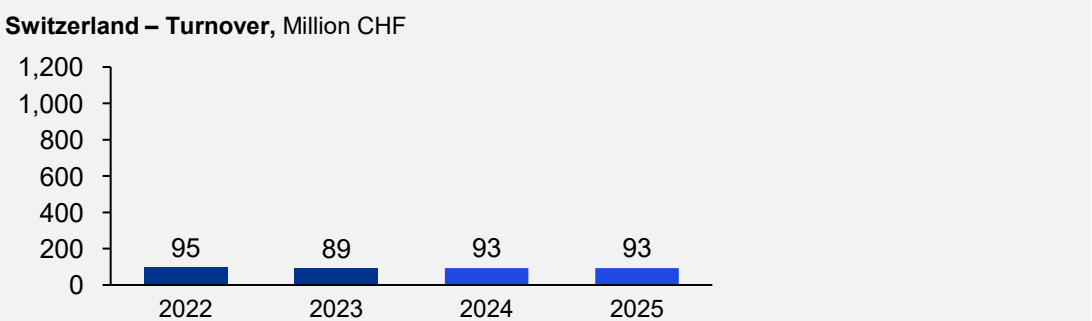
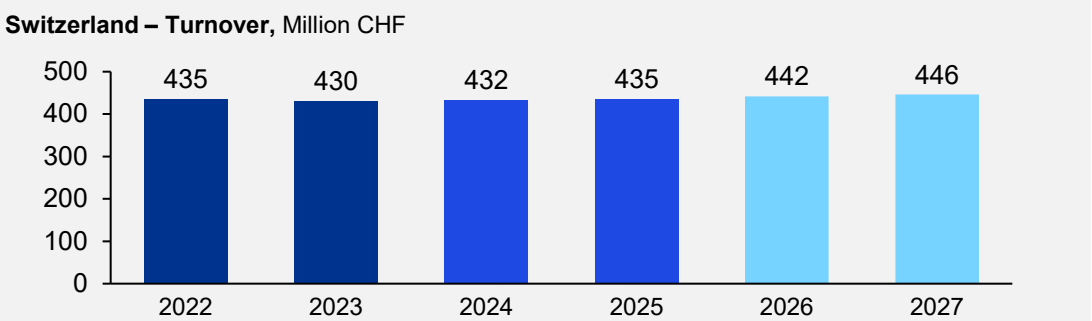
MAIN ECONOMIC INDICATORS (2025E)

 Population 9.0 M

 Unemployment rate 4.7%

 GDP per capita €103,768

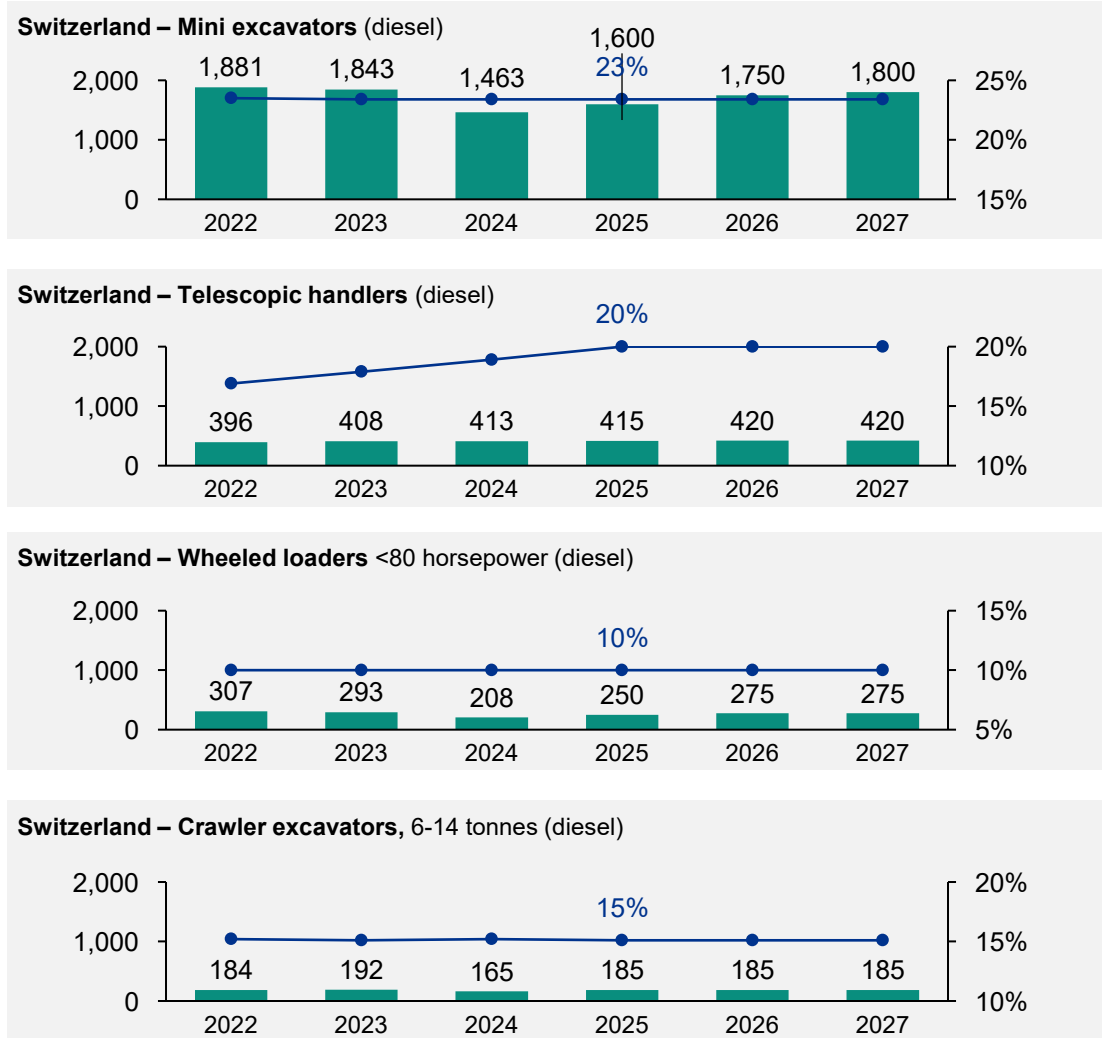
 Business climate A1



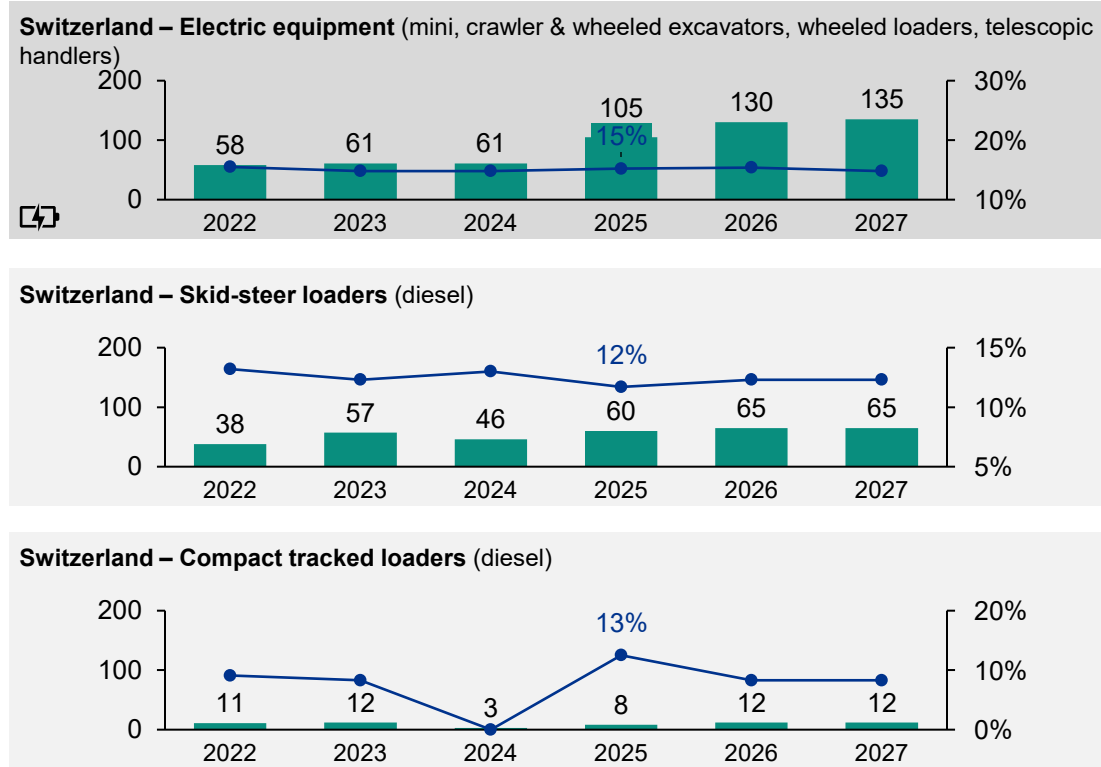
Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

EQUIPMENT RENTAL METRICS FROM OHR

TIER 1 EQUIPMENT



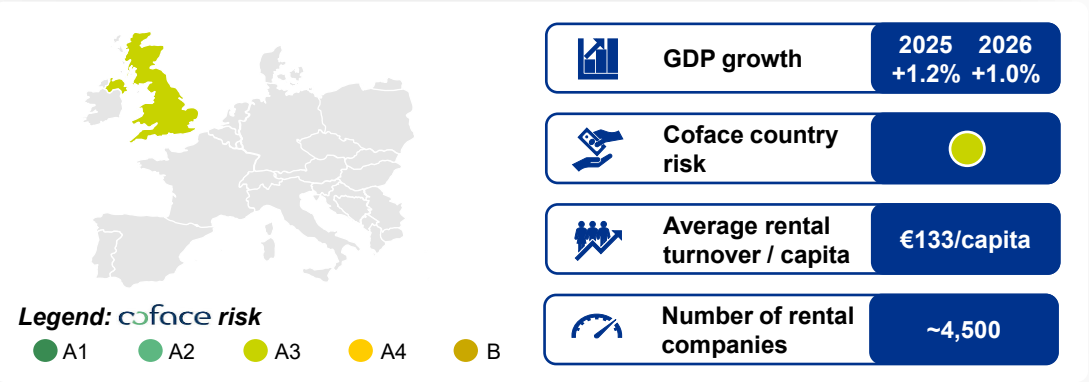
TIER 2 EQUIPMENT



Off-Highway
RESEARCH

Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

UNITED KINGDOM (GB)



EQUIPMENT RENTAL: COUNTRY OVERVIEW

2024 STATUS

The **2024 rental market almost flatlined**. The UK rental market has been challenging for the past three to four years, with no signs of recovery. Historically cyclical, the market now appeared stagnant, with prolonged downturns. The rental business was supported by **specific projects in infrastructure** (e.g., HS2, Leeds airport extension) and **specialized segments** (e.g., parties & events, power systems). Both the non-residential and residential segments remained weak.

2025 ESTIMATES

Along the same lines as 2024, **the first half of 2025 has been challenging**. There was hope for increased investment after the election, but it has not materialized yet. The **residential sector continued to struggle**, and **non-residential projects have been delayed**. **Partial recovery was visible in infrastructure**, repair, and maintenance. Additionally, **regional discrepancies** were visible: Scotland has been performing well, in contrast with the rest of the country, with a construction sector that is proving more resilient.

The **second half of 2025 is not expected to be any better** than the beginning of the year. The **government is struggling to deliver on its promises for infrastructure investment** and **to relax planning laws to stimulate the housing market**; no new projects are coming through. The housing market will remain weak and is expected to take a long time to recover. The non-residential sector is also in poor condition. Overall, **market sentiment is quite low**, with no green shoots or emerging sectors identified.

United Kingdom (GB)	Actual		Estimates		Forecast	
	2022	2023	2024	2025	2026	2027
Market size						
Turnover [million £]	7,812	7,851	7,890	7,890	7,953	7,988
Turnover [million €]	9,115	9,026	9,319	9,279	9,353	9,393
Growth [%]	+8.6	+1.0	+0.5	+0.0	+0.8	+0.4
- Including price effect [% points]	-	-	+0.1	+0.0	+0.2	-
Rental fleet investment [million €]	1,944	2,360	2,143	2,180	-	-
Rental fleet value [million €]	12,029	11,983	11,730	11,563	-	-

2026-2027 FORECASTS

Slight rental growth is expected, coming from **large infrastructure projects** and **government commitments** (e.g., housing). Public investment will recover only if the challenges of skilled labor shortages and rising operational costs are addressed. **Private investment remains uncertain** due to the current period of instability and inflation.

RENTAL STRUCTURE OUTLOOK

The UK rental market is one of the **most mature in Europe**, with a **preference for usership over ownership** and with rental penetration of ~70% compared to ownership. However, this **rate is stabilizing**, with no increase observed. This is the **least construction-oriented** of the other European countries; construction accounts for ~60% of rental activity.

The market is atypical with large rental companies almost exclusively focusing on their domestic market (except for opportunistic forays into the Irish market).

One of the special features of the UK rental market is the importance of cross-hire (i.e. one rental company renting out an equipment to another rental company to serve the customer), accounting for ~12% of company sales. The top players could further develop this strategy in the near future by investing in specific platforms.

“The number of companies expecting business to improve within 12 months has risen to 42%, with just 19% forecasting deterioration, giving a strong balance of opinion of +23%.”
- HAE, 2025



MACROECONOMIC ENVIRONMENT

MACROECONOMIC OUTLOOK

The UK economy is expected to grow modestly in 2025. Private consumption and investment remain subdued, although lower interest rates and energy prices are expected to provide some support ahead. Exports are set to recover modestly, led by services, while goods exports remain constrained by weak demand from the EU and US.

Public investment—particularly in infra. and housing—will be a **key growth driver** in 2025, backed by policy changes in the Autumn budget. However, lack of clear strategic direction and instability may lead to delays and volatility in investments. This stimulus is partly funded by higher corporate taxes, which may weigh on private investment. Public debt is projected to continue rising slightly.

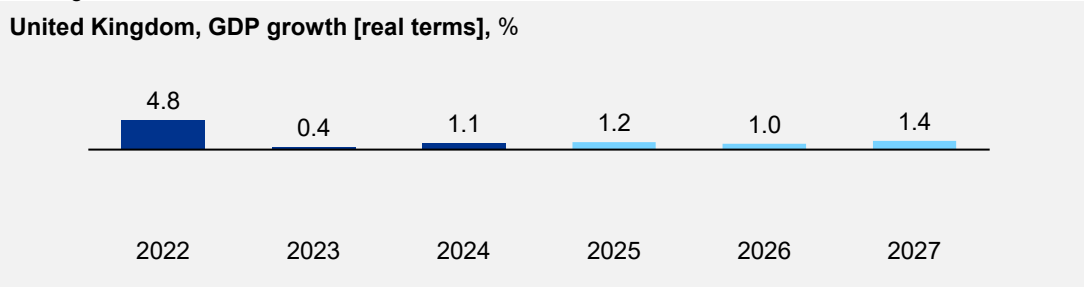
Private investment is expected to stay weak until 2026 due to high uncertainty and elevated real interest rates. Corporate insolvencies dropped by nearly 5% in 2024 but remain high, it may stabilize in 2025, but high labor and energy costs continue to pose risk.

While **unemployment may rise slightly**, robust **nominal wage growth** should help **maintain purchasing power**. **Inflation has eased**, with headline CPI falling to 2.6% in March, though services inflation remains elevated. Regulated price hikes may push CPI up temporarily, but falling energy prices and a softer labor market should help inflation subside gradually.

A **busy legislative agenda is planned for 2025**, including labor market reforms, a new planning bill, and the final industrial strategy. While reforms may raise business costs, **they could support investment from 2026 onward**.

CONSTRUCTION OUTLOOK

Construction is expected to slowly recover in 2025, driven by infrastructure, industrial projects and housing retrofits.



BUILDINGS

The new residential segment is expected to recover, rising at **2.6% growth**, further increasing to 6.5% growth in 2026. However, mortgage costs, the planning backlog and Building Safety Regulatory delays could delay recovery; **timing remains uncertain**.

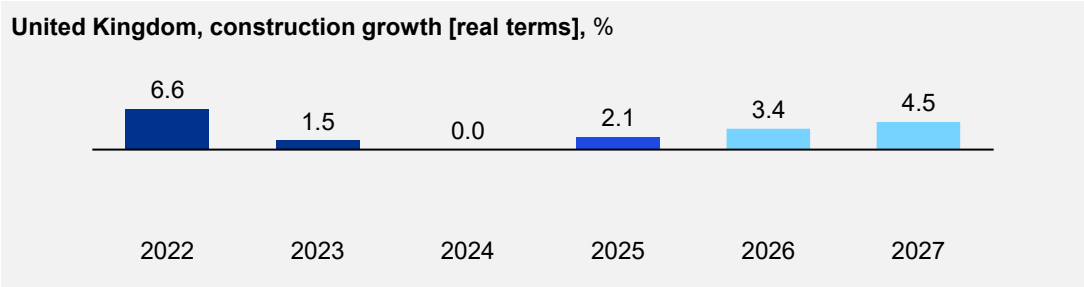
The non-residential segment should show **positive growth**. Private non-residential builds should grow by **2% for the commercial segment** (e.g., high-end refurbishments, data centers, biotechnology) and by **1% for the industrial segment** (e.g., gigafactories like Agratas Electric Vehicle battery manufacturing facility, logistics, warehouses). The industrial segment is showing weaker recovery, due to high financing costs and investor uncertainty regarding the economic climate. The **public non-residential** segment should be even stronger, reaching **3% growth in 2025**.

The renovation and maintenance segment should be positive, reaching almost **2% growth** in 2025.

INFRASTRUCTURE

The infrastructure segment is set to grow by **1.5% in 2025** before more robust growth reaching over 3% in 2026 and 2027, providing long-term confidence. It will be supported by **funds from the infrastructure pipeline (2025-2030)**. The main growth areas will concern energy with £126 bn allocated (e.g., grid upgrades with £11 bn in upgrades commencing from April 2026, wind power, hydrogen, nuclear decommissioning); and water and wastewater with £71 bn allocated (e.g., s Lincolnshire Reservoir). Transport and defense will also benefit from investment.

“The forecasts envisage demand and activity gradually picking up in the two largest construction sectors but with all the different uncertainties around the economy, the key question for housing new build and [renovation] is still when.”
- Construction Products Association, 2025



EQUIPMENT RENTAL METRICS & COUNTRY OVERVIEW



MAIN ECONOMIC INDICATORS (2025E)

Population

69.6 M

Unemployment rate

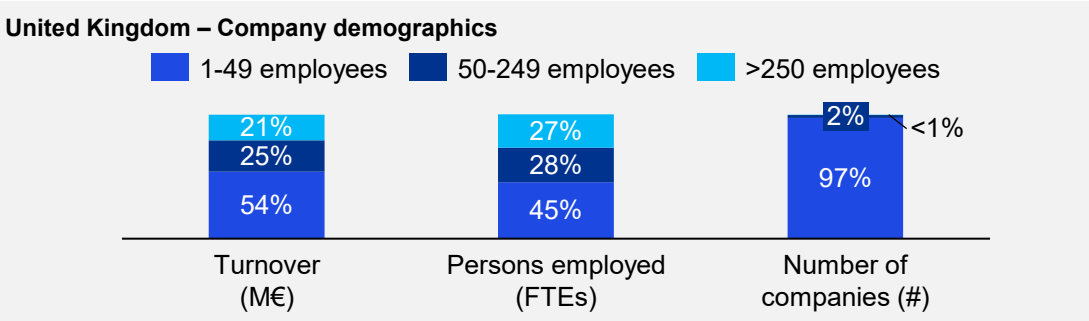
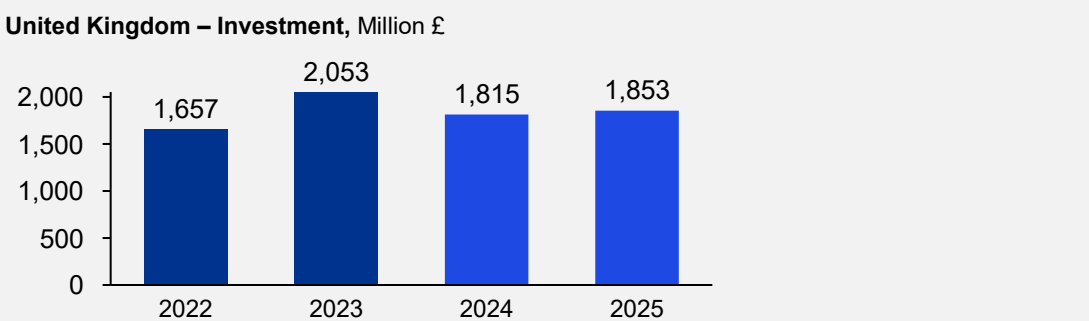
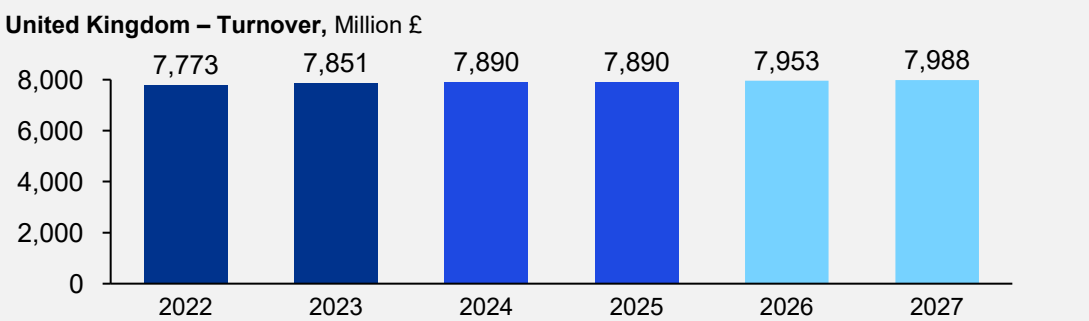
4.7%

GDP per capita

€52,015

Business climate

A1



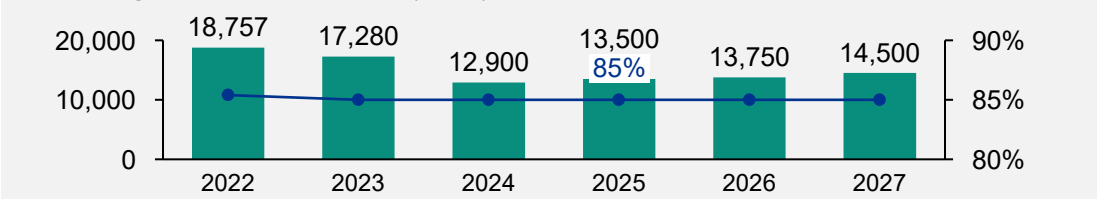
Sources: Euroconstruct, Coface, expert interviews, Orbis, KPMG Research & Analysis

EQUIPMENT RENTAL METRICS FROM OHR

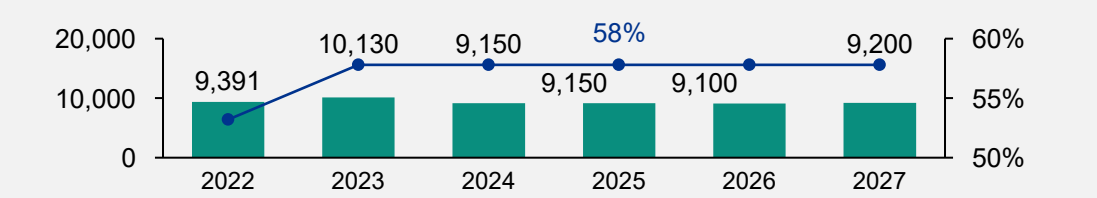


TIER 1 EQUIPMENT

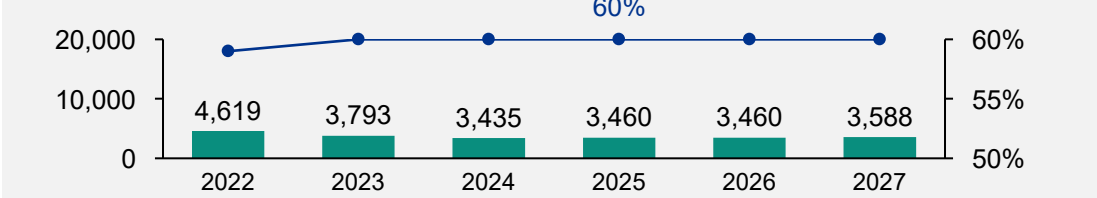
United Kingdom – Mini excavators (diesel)



United Kingdom – Telescopic handlers (diesel)

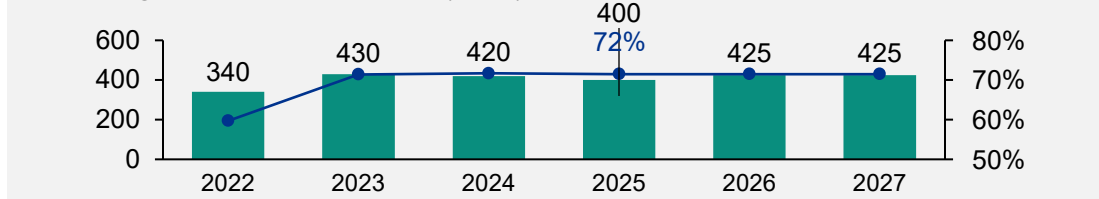


United Kingdom – Crawler excavators, 6-14 tonnes (diesel)

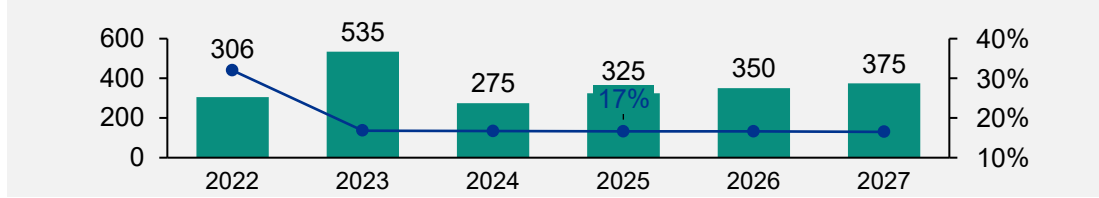


TIER 2 EQUIPMENT

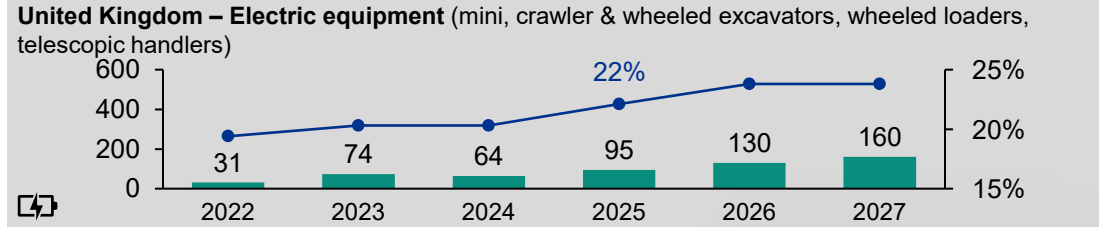
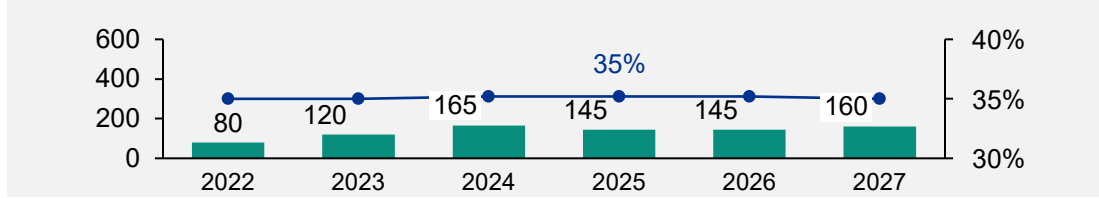
United Kingdom – Skid-steer loaders (diesel)



United Kingdom – Wheeled loaders <80 horsepower (diesel)



United Kingdom – Compact tracked loaders (diesel)



Sources: Off-Highway Research | Note: Rental penetration refers to the number of units sold to rental companies divided by the total market size in units.

APPENDIX



FOCUS RE-RENTAL | CROSS-HIRE RATIO

Definition

The **Cross-hire / Re-rental** activity involves transactions between rental companies. This practice tends to be more common in mature markets.

→ For instance, a large rental firm may hire specialized equipment from a specialized rental company to complete a larger project.

Accurately determining the cross-hire rate in a market would address the issue of **double counting** that currently exists. National statistics offices might count the revenue of both firms, even when one has engaged in cross-hire with the other.

New estimate

Based on expert interviews, we propose these new ratios:

 United Kingdom	12.0%
 Sweden, Denmark, Finland, Norway	6.0%
 Austria, Italy, Poland, Czech Republic, Belgium, Switzerland	5.0%
 Germany, France, Ireland, Netherlands, Spain, Portugal	3.0/4.0%



Note: rental turnovers displayed in this report are not discounted for cross-hire activity. For example, 12% of UK rental turnover is double counted

Sources: expert interviews, KPMG Research & Analysis

FOCUS EQUIPMENT SALES | EQUIPMENT RENTAL SALES PENETRATION

OHR methodology and outlook

Methodology



Interviews conducted with OEMs and Equipment distributors (~400 in Europe) to assess market size, market share and estimated sales breakdown per customer type.

- **Market size forecasts rely on:**
 - Industry sentiment for the short term
 - Internal forecasting models for the medium to long term
- **Penetration rate:** changes are gradual, because all buyers are affected by the same market drivers (rental companies, contractors, other buyers)
- **Segmentation:**
 - By geography: 17 countries
 - By year: 2016-2029
 - By equipment:
 - ICE, electric
 - Equipment typology (e.g., construction, material handling)



OHR market insights

Market overview



- 2024 was a very poor year, with declines across most European countries except Ireland. Southern and Eastern Europe were the least affected
- The overall market remains challenging in 2025, with an estimated contraction of around 2%
- A broader recovery is anticipated in 2026-27



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