DEVELOPMENT OF ECONOMIC VALUE ADDED (EVA) OF LEASING COMPANIES ACTIVE IN THE CZECH REPUBLIC IN THE YEARS 2005-2019

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Abstract: In times of economic crisis, leasing companies can be an alternative way to obtain a loan. However, their value is constantly changing during economic cyclical events. However, this value of the company is important from the point of view of their owners as well as investors and creditors. Likewise, the number of currently active leasing companies on the market is affected by economic cyclical events. It was found that with the upcoming economic situation, it is very likely that the value of leasing companies in the Czech Republic will have a similar development trend in the coming years as during the last global economic crisis.

Keywords: leasing company, economic crisis, company value, EVA, market occupancy

1 Introduction

All companies are established with the goal of a future profit and rise in value. The value of these companies and the profit they are able to generate depends on many aspects. These are both the consequences resulting from decisions made by their owners and possibly management, but also the external influences of the market and, finally, the overall economy of the country or the world. Kasych and Vochozka also draw attention to this fact [1].

Leasing companies providing motor vehicle leasing can be considered very specific in comparison to other types of businesses. These are companies that are strongly influenced by developments in the banking sector, but also in the automotive industry. Another influential aspect could also be considered the fuel market. Leasing companies provide motor vehicles to consumers under specific pre-agreed conditions. Until the expiry of these conditions, however, they are still the owners of the motor vehicle in question and the lessee is liable for their obligations in most cases by guaranteeing the motor vehicle in question, which they operate through leasing companies, for commercial or private purposes.

Leasing companies therefore provide a specific type of non-bank financial services. It is therefore very important for owners and creditors, as in any other sector, to know the economic performance of these companies quickly and with the greatest possible accuracy. Strong and economically efficient companies are also able to respond quickly to sudden changes in the local, state and global economy. Specific economic evaluation indicators can be used to continuously measure the economic performance of leasing companies. One of the economic indicators that can be applied repeatedly to individual leasing companies or also to this sector as a whole is the Economic Value Added (EVA) indicator.

The EVA indicator provides owners and existing and potential investors with information on the economic performance of a particular leasing company to which this indicator is currently applied. From a broader view of the whole issue of economic performance, this indicator can also be applied to the entire group of leasing companies and thus obtain information that can then be compared within the sector, the state and worldwide.

In times of economic crises, which recur cyclically, the numbers of companies active in a given sector may also change. With the decline in the number of active companies, we are referring to a market cleanse, because only strong and stable companies are able to withstand these extreme economic shocks. Thus, for economically weaker companies, a decrease in the values of the EVA indicator can be expected in this period. In some cases, the value of the EVA indicator may be negative. If the value of the EVA indicator is negative in the long run, it is economically best to shut down the company's operations and thus prevent further financial losses caused by the loss of the company's value.

The aim of this paper is to analyse the development of the EVA Entity and EVA Equity indicators of leasing companies operating in the Czech Republic in the years 2005-2019. To achieve the set goal of the paper, three research questions were formulated:

1. Did leasing companies operating in the Czech Republic generate positive economic value for their owners in the years 2005-2019?
2. Did leasing companies operating in the Czech Republic in the years 2005-2019 generate a positive economic value for existing and potential investors and creditors?
3. How did the global economic crisis, which began in 2008, affect the development of the economic value of leasing companies?

The second goal of the paper is to analyse the number of leasing companies active in the Czech Republic for the period 2005-2019 with a focus on fluctuations in their numbers on the market during the economic crisis.

2 Literature Review

In a time of ever-increasing competition and changing economic conditions, the individual economic sectors of each country must adapt to economic development. By measuring the effectiveness of leasing companies, it is possible to determine the performance of individual entities and the entire economic sector, and based on the results obtained, look for ways to improve it. An economic sector with economically efficient companies is generally better able to cope with negative economic fluctuations and thus also contributes to stability in related economic sectors that are dependent on this economic sector or overlap with this economic sector in several places.

In a time of ever-increasing competition and changing economic conditions, the individual economic sectors of each country must adapt to economic development. By measuring the effectiveness of leasing companies, it is possible to determine the performance of individual entities and the entire economic sector, and based on the results obtained, look for ways to improve it. An economic sector with economically efficient companies is generally better able to cope with negative economic fluctuations and thus also contributes to stability in related economic sectors that are dependent on this economic sector or overlap with this economic sector in several places.

Andrikopoulus and Markellos [2] have therefore developed a dynamic interaction model between fluctuations in the leasing sector and motor vehicle sales. Based on the analysis of data from 2002 to 2011 and the application of the created model, it was concluded that changes in motor vehicle prices have a large effect on the development of market leasing prices. They are also inclined to believe that leasing valuations could also be performed using this model. According to Dasgupt, Siddarth and Silva-Risso [3], from the consumer's point of view, a lease can be seen as a way of obtaining otherwise inaccessible expensive motor vehicles. However, they also point out that consumers of leasing services are often very short-sighted and therefore prefer small monthly payments and do not realize that the total price of a motor vehicle purchased in this way will be much higher than if they bought the motor vehicle with cash up front. At the end of the last century, Mannering, Winston and Starkey [4] conducted research on the share of motor vehicles purchased by households in the US between 1984 and 1988. During this time, the share of motor vehicles purchased by households in the form of a lease in the US increased from 3% to 30% of all motor vehicles operated

in the United States. From this it follows that already at the end of the last century, the leasing sector was gaining importance. Ionascu and Ionascu [5] see motor vehicles used through leasing as one of many possible tools for the sustainability of the state's economy. Companies whose fleet consists of motor vehicles operated on the basis of leasing contracts can also be considered in the eyes of the public as "green companies". This designation is even more important for companies that are listed and traded on the stock exchange.

With a large number of motor vehicles used through leasing, there is also an increased risk that a certain percentage of lessees will not be able to meet their obligations under the leasing contract, and therefore in some cases the leasing company will impose sanctions in the form of motor vehicle withdrawal. For the subsequent financial settlement, it is then necessary to determine the residual value of the motor vehicle in question. Different countries have different conditions for providing leasing for motor vehicles. Tot [6] therefore examined these different models of contractual terms in Germany, Austria and Croatia. All applied contractual models reflect the risk of the residual value of the motor vehicle after the expiry of the leasing contract. Under these leases, the residual value of the motor vehicle is calculated on the basis of the number of kilometres travelled for the duration of the contract. Usually, the individual limits and the corresponding value that a motor vehicle usually has are set. However, this method of determining the residual value of a motor vehicle is not applicable to motor vehicles with an excessive mileage. Cerquitelli et al. [7] developed a model for determining the residual value of lorries and commercial motor vehicles on the basis of data collected through Industry 4.0, which is very rich in these sets of data, especially for this type of motor vehicles. In some leasing contracts provided for trucks and commercial motor vehicles, it is already stipulated at the time of their signing that this motor vehicle will be repurchased by the leasing company upon expiry of the leasing contract.

With the rise of electromobility, leasing companies began to provide leasing loans for batteries for electric vehicles. However, the question is whether these services will make electric cars more accessible to the general public. When leasing a battery to an electric car, parameters such as the price of the battery, the price of electricity, the power of the battery, the weight of the electric car, the price of fuel and the discount rate are included in the calculation of the amount of periodic payments. According to the analysis, leasing companies providing leasing for batteries for personal electric cars are inefficient and generate only small profits. The performance of leasing companies would increase if they provided loans for batteries for heavier electric cars [8]. However, in response, Zhang and Rao [9] identify the manufacturer of electric car batteries operated under leasing contracts as companies with a high competitiveness compared to oil companies, which are the least competitive in this respect. Also, from the lessee's point of view, it is not recommended to negotiate a lease on a battery for a high-weight electric car.

Jiao, Yan and Pang [10] examined the specifics of leasing contracts for the rental of shipping containers. In this area of leasing contracts, the amount of leasing value depends on the prices of consumer products that are transported by specific containers. Usually, with a larger number of leased containers, the amount of the total lease is determined on the basis of the average price of their contents, their number and the period for which the transport container thus obtained will be used. However, from the point of view of leasing companies, these types of contracts are very specific and usually are not dealt with by leasing companies.

In economic sectors, which have a high heterogeneity of their consumers, Li and Xu [11] have discovered the possibility of always offering their consumers the best possible products and services through leasing loans. In the event that new economic technology is modernized or developed in a given economic sector, companies operating in this economic sector may remove their obsolete assets by repurchasing them from a leasing

company and acquire new modernized equipment by means of a new leasing contract.

During an economic crisis, liquidity in all markets will generally decrease. In some markets, this decline will be more pronounced and in some less so. In the area of non-bank consumer loans, however, liquidity is declining very noticeably. The collapse in the securities market causes that leasing companies do not have enough capital to meet the demand for non-bank loans of all applicants. The decline in liquidity in the automotive industry is also closely linked to this. By contrast, banking institutions usually broaden their loan offers in times of economic crisis [12]. In times of economic crisis, there are more and more cases where other companies enter into leasing agreements with leasing companies to acquire current and highly liquid assets. These companies thus supplement or completely replace bank loans for their operations during this period [13].

It is also very interesting to account for leasing liabilities in companies that use leasing loans. Svoboda dealt with this topic in the Czech Republic. According to him, a leasing loan may be incorrectly recorded in the company's accounts on the basis of a subjective perception of this source of liabilities [14].

He also analysed small and medium-sized enterprises and their views on the accounting for this type of liability. According to small and medium-sized enterprises operating in the Czech Republic and using leasing loans, the asset and the liability should be reported in one aggregate amount and the decrease in the liability and amortization of the asset should be assessed separately. The best solution for changes in estimates is to use the historical incremental interest rate [15].

The EVA indicator began to become known to the economic community at the moment when individual market participants began to focus on the future value of their business activities. The EVA indicator can be used to estimate a specific type of economic profit, which states that in order to achieve real profits, it is necessary not only for the company to earn sufficient profit to cover the company's operating costs, but also to cover capital costs [16]. The EVA indicator has also found its application in the government sector of some countries. It has also replaced the return on equity (ROE), especially in the private sector [17]. Gupta and Sikarwar [18] found by applying regression models that the EVA indicator has great potential to supplement information on the financial health of the business unit even after the application of traditional economic indicators. This increase in information is also a very valuable source of information for investors and shareholders. The equation of the EVA valuation model took its form under the assumption of a constant required return and a constant return on equity. According to Beher [19], however, the required rate of return never remains constant. However, it was confirmed that the EVA valuation model can be implemented even when the required yield changes. Gralucci, Iazzolino, Laise and Migliano [20] examined the link between the Value Added Intellectual Coefficient (VAIC) and EVA. The results of the correlation analysis suggest that EVA and VAIC have no significant relationships. According to other tests performed, it was found that EVA is a valuable indicator for company managers. It was recommended to use more multicriteria methods to correctly determine a company's performance.

The EVA indicator itself has two basic forms (versions), while the EVA indicator in the EVA entity variant serves as an informational piece of data for business owners [21]. For the conditions of the Czech Republic, Neumaier and Neumaierová [22] compiled the EVA indicator in the variant of EVA equity, which serves as an informational piece of data on a company's ability to create value for creditors and existing and potential investors.

Machová and Vrbka [23] also used, for example, the EVA indicator as the main evaluation parameter of company value to determine the value generators of companies operating in one of the sectors that are key to the economy and production of most

countries around the world. Vochozka and Machová [24] also used the EVA indicator to determine the value of individual transport companies and subsequently also to identify their value generators with a possible prediction of future developments.

In the Czech Republic, quarterly surveys of selected indicators are carried out, the evaluation of which can be used to determine the value of a particular company and thus compare its standing in comprison with the entire economic sector in which it operates. One of these indicators, which is commonly used, is the EVA indicator [25].

Based on the knowledge gathered so far about the EVA indicator, it is clear that the use of this indicator is the right step to achieve the set goals of the paper.

3 Materials and Methods

The input data for the analysis will be taken from Bisnode's Magnusweb database. These will be the financial statements of leasing companies operating in the Czech Republic. According to the classification of economic activities CZ NACE, this is section "N" (administrative and support service activities). Data from subgroup 771100 (rental and leasing of cars and other light motor vehicles, except motorcycles) will be used. The data will be from the period 2005-2019. This time frame was be chosen taking into account the presence of a major global economic crisis and the subsequent developments after its end. Due to this, a fluctuation in the number of active leasing companies can be expected. The data file will therefore contain in individual years the data of leasing companies which have been in liquidation for any reason and which have ceased to exist in this year or at the end thereof. The database also contains different levels of detail of available information from the financial statements of specific leasing companies, and therefore the highest levels of detail of financial statements for each leasing company contained in the database will always be used for individual calculations.

First, the data will be broken down by year. To refine the calculation, companies whose return on equity (ROE) will be outside the range of <-100%; 100%> will be removed. Companies with indebtedness outside the range of <0 %; 200%> will also be removed. Furthermore, the data of companies that have meaningless negative values in their economic indicators will be deleted. This is data on the amount of bank loans and advances, total assets, interest expense, inventories and liabilities. The data will also be adjusted for information that is not relevant to the calculation of the EVA Equity and EVA Entity indicators and the data needed to calculate the individual steps. Therefore, only relevant data will remain. Specifically, the remaining data will be the year of the financial statements, the economic result for the accounting period, equity, income tax for ordinary and extraordinary activities, interest expense and borrowed capital. Furthermore, companies for which EVA Equity and EVA Entity indicators would not be calculated due to missing data in these input datasets will be removed from the source data.

Furthermore, it will be necessary to supplement the data obtained from the Magnusweb database with other publicly available data. This will be risk-free income, which will be taken from the information portal of the Czech National Bank (CNB). Data on the yield rate of ten-year government bonds will be worked with specifically. The yield values of ten-year government bonds for the years 2005-2019 are shown in Table 1.

Table 1: Yield on ten-year government bonds from 2005–2019 according to the Maastricht criterion in %

Year	Risk-free yield [%]
2005	3.61
2006	3.77
2007	4.68
2008	4.3
2009	3.98
2010	3.89

2011	3.7
2012	1.92
2013	2.2
2014	0.67
2015	0.49
2016	0.53
2017	1.5
2018	2.01
2019	1.51

Source: Czech National Bank [26] (Author's interpretation).

Furthermore, the data will be supplemented by the values of the risk premium for the examined years. This data will come from the website [27]. The values of the risk premium from 2005–2019 for the Czech Republic in % are given in Table 2.

Table 2: Risk premiums for 2012–2015 in %

Year	Risk premium [%]
2005	1.2
2006	0.9
2007	1.05
2008	1.05
2009	2.1
2010	1.35
2011	1.28
2012	1.28
2013	1.28
2014	1.05
2015	1.05
2016	1.11
2017	1
2018	0.81
2019	0.98

Source: http://pages.stern.nyu.edu/~adamodar/ [27] (Author's interpretation).

Last but not least, for the final completion of the data file, data on the size of the *β unlevered* indicator will also be taken from the same source. Specifically, these will be sets of data from the financial services sector (excluding banking and insurance) for the years 2012-2019. The values of the indicator *β unlevered* are given in Table 3.

Table 3: *β unlevered* values for the years 2012–2019 in %

Year	*β unlevered* [%]
2012	0.11
2013	0.14
2014	0.26
2015	0.12
2016	0.13
2017	0.11
2018	0.18
2019	0.16

Source: http://pages.stern.nyu.edu/~adamodar/ [27] (Author's interpretation).

The values of the parameter *β unlevered* for the years 2005-2011 will subsequently be derived on the basis of the values of the indicator *β unlevered* determined [27] for the USA due to the absence of this data. The determination of *β unlevered* values will be carried out for each of the years in the period of 2005-2011 according to the following formula (formula no. 1):

$$\beta \ unlevered \ EU_{year\ X} = \frac{\beta \ unlevered \ EU_{year\ X-1} * \beta \ unlevered \ USA_{year\ X}}{\beta \ unlevered \ USA_{year\ X-1}} \quad (1)$$

Where:

$\beta \ unlevered \ EU_{year\ X}$ is the value of *β unlevered* for the EU in the specific year,

$\beta \ unlevered \ EU_{year\ X-1}$ is the value of *β unlevered* for the EU in the previous year,

$β$ unlevered $USA_{year\ X}$ is the value of $β$ unlevered for the USA in the specific year, $β$ unlevered $USA_{year\ X-1}$ is the value of $β$ unlevered for the USA in the previous year.

The calculation according to formula 1 will therefore take place backwards from 2011 to 2005.

After determining the values of the parameter $β$ unlevered for the years 2005-2011, calculations of the EVA Equity and EVA Entity indicators for the years 2005-2019 will be performed. The calculation of the EVA Equity indicator will be performed using formula No. 2 [22].

$$EVA_{Equity} = (ROE - r_e) * E \qquad (2)$$

Where: *ROE* is Return on Equity,
r_e is the cost of equity,
E is Equity.

Subsequently, the EVA Entity indicator will be calculated using formula No. 3 [28].

$$EVA_{Entity} = EBIT * (1 - t) - WACC * C \qquad (3)$$

Where: *EBIT* is Earnings Before Interest and Tax,
t is the corporate income tax rate,
WACC is the Weighted Average Cost of Capital,
C is capital that is tied up in assets used for the operating activities of the company.

As a representative leasing company operating on the Czech market, the average leasing company operating on the Czech market will be determined using the arithmetic average of the values of the EVA Equity and EVA Entity indicators in each of the years of the period 2005-2019.

The results will be presented in graphical form in a line graph to show the ongoing development of the calculated values. The obtained results will then be analysed and described in terms of the development of these indicators, especially before, during and after the economic crisis.

Finally, leasing companies will be analysed in terms of their numbers in which they were active in the market in the Czech Republic. Again, these numbers will be analysed in terms of the development of these indicators, especially before, during and after the economic crisis.

4 Results

After adjusting the input data and deleting irrelevant data, a different number of leasing companies active in the Czech Republic entered the calculation each year. Table 4 shows the specific numbers of active leasing companies entering the calculation of the EVA Equity and EVA Entity indicators.

Table 4: Numbers of actively operating leasing companies entering the calculation of EVA Equity and EVA Entity indicators in 2005-2015

Year	Number of leasing companies
2005	74
2006	98
2007	121
2008	135
2009	150
2010	160
2011	161
2012	172
2013	188
2014	215
2015	186
2016	138
2017	128
2018	122
2019	66

Source: Author.

Table 4 shows that the number of active leasing companies entering the calculation increased every year. In the last year, however, fewer companies were suitable for the calculation, which was due to the incompleteness of the data needed to calculate both indicators.

Subsequently, it was necessary to calculate the values of the parameter $β$ unlevered for the years 2005-2011 according to the formula given in the methodological part of this paper. The calculated values of the parameter $β$ unlevered for the years 2005-2011 are given in Table 5.

Table 5: Calculated values of the parameter $β$ unlevered for the years 2005-2011

Year	$β$ unlevered [%]
2005	0.135581
2006	0.086977
2007	0.11
2008	0.112558
2009	0.061395
2010	0.099767
2011	0.11

Source: Author.

Finally, the parameters of EVA Equity and EVA Entity of leasing companies active in the Czech Republic were calculated and the average leasing company operating on the Czech market in the years 2005-2019 was determined by the subsequent calculation of the arithmetic average of both values. A graphical representation of the achieved results is shown in Graph No. 1.

Graph 1: EVA Equity and EVA Entity of an average leasing company active in the Czech Republic in 2005-2019
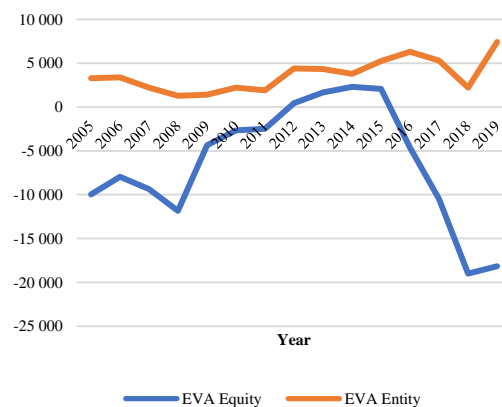
Source: Author.

According to Graph No. 1, it is evident that the values of the EVA Equity and EVA Entity parameters of the average leasing company active on the Czech market in 2005-2019 changed significantly, especially during the economic crisis that hit the Czech market in 2008-2014, rather than immediately before and after the crisis. Since 2005, the value of the EVA Equity parameter has remained below zero, with the largest decrease in 2008, when it reached the value of -11,843.7. At the same time, the lowest value of the EVA Entity parameter (1,290.892) was also recorded in the same year, although this parameter's value was positive throughout the observed period. Subsequently, there is a noticeable sharp increase in the EVA Equity parameter in 2009 to -4,366.29. Since 2012, the value of the EVA Equity parameter has been positive until 2015. From 2015, however, the average leasing company recorded a large decline in the value of EVA Equity to -19,001 until 2018, and then began to increase gradually again. EVA Entity in 2018 also recorded a more

significant decrease compared to 2017, but it was still in positive values. In 2019, it increased again.

Finally, an analysis of the number of leasing companies active in the Czech Republic in the years 2005-2019 was performed. Based on all obtained source data before adjustment for the calculation of EVA Equity and EVA Entity parameters, data on the following numbers of leasing companies active in the Czech Republic were obtained. Table 6 shows the achieved results.

Table 6: Number of leasing companies active in the Czech Republic in the years 2005-2019

Year	Total number of leasing companies
2005	91
2006	111
2007	132
2008	157
2009	164
2010	176
2011	184
2012	194
2013	217
2014	245
2015	219
2016	247
2017	245
2018	222
2019	119

Source: Author.

Based on the analysis of the number of leasing companies active in the Czech Republic in the years 2005-2019, it is evident that their number has been constantly increasing. However, during the economic crisis, the surpluses of the number of leasing companies on the Czech market decreased slightly compared to previous years. On the contrary, the largest increase in leasing companies in the Czech Republic was recorded in 2014, when 28 new leasing companies were added. In 2015, however, a decrease in the number of these companies was recorded again, despite the fact that the economic crisis at that time had completely subsided. Subsequently, however, between 2018 and 2019, a large decrease in leasing companies operating on the Czech market was recorded, up to half of the number of companies operating on the Czech market in 2018.

5 Discussion

Based on the achieved results, it is now necessary to answer all the research questions asked.

The first research question asked was whether leasing companies operating in the Czech Republic generated positive economic value for their owners in the years 2005-2019. Leasing companies operating on the market of the Czech Republic in the years 2005-2019 did generate value for their owners. However, during the economic crisis, their performance fell by about half compared to the performance they showed before and after the crisis. Overall, however, the value generated by leasing companies increased significantly after the crisis, as shown in Graph No. 1. An interesting development of the value generated by leasing companies operating in the Czech market was also recorded between 2018 and 2019, when the fastest increase for the entire period occurred.

The second research question asked was whether leasing companies operating in the Czech Republic in the years 2005-2019 generated a positive economic value for existing and potential investors and creditors. However, the economic sector in which leasing companies operate has become interesting for investors and creditors only from the year 2012. Until then, even before the onset of the economic crisis, leasing companies operating on the Czech market had a negative economic value. However, since 2016, leasing companies operating on the Czech

market have again shown significantly negative values of the EVA Equity indicator and thus become unattractive for investors again. According to another analysis, this result is reflected in a decrease in the number of leasing companies, due to a decrease in the volume of financial resources obtained by leasing companies from investors and creditors. This is a direct example of a market cleanse.

The third research question asked was how the global economic crisis, which began in 2008, affected the development of the economic value of leasing companies. According to the achieved results, it can be confirmed that the economic crisis, which began in 2008, had a great impact on the value creation of leasing companies active in the Czech Republic. However, after the end of this economic crisis, leasing companies experienced a big turnaround and from 2012 they began to reach positive values again for investors and creditors. The value created for owners of leasing companies has been even higher since 2014 than before the beginning of the economic crisis, reaching its highest values in 2019. Likewise, leasing companies began to create economic value for investors and creditors. The largest increase in the value of invested capital by investors and creditors was recorded in 2014. Subsequently, this growth was slightly slowed down, but was still positive. However, since 2016 there has been a large decline.

However, it is interesting that in terms of the number of leasing companies that operated on the Czech market during the economic crisis, the number of operating leasing companies was constantly increasing. However, two years after the end of the economic crisis, there was a decline in the number of leasing companies.

Also, in terms of the GDP of the Czech Republic, it is clear that the economic crisis has also affected other economic sectors. Graph No. 2 shows the development of the GDP of the Czech Republic in the years 2005-2019.

Graph 2: Year-on-year changes in the GDP of the Czech Republic in 2005-2019
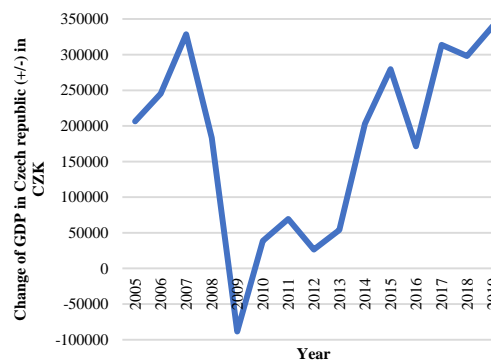
Source: CSO [29] (Author's interpretation).

According to Graph No. 2, it is evident that in 2008, when the EVA Equity indicator decreased during the economic crisis, it was also the year when the largest year-on-year decline in the Czech Republic's GDP occurred (a decrease of CZK 88,540).

6 Conclusions

The paper set forth two goals. The first of the set goals was to perform an analysis of the development of the EVA Entity and EVA Equity indicators of leasing companies operating in the Czech Republic in the years 2005-2019. The second goal was to analyse the number of leasing companies active in the Czech Republic for the period 2005-2019, focusing on fluctuations in their number in the market during the economic crisis.

Using the performed analyses of historical data, it was concluded that the development of the EVA Equity and EVA Entity

indicators was greatly affected by the economic crisis. However, this influence was felt most by investors and creditors who decided to invest their funds in this economic sector before the onset of this economic crisis. The economic crisis also affected the development of the number of active leasing companies in the Czech Republic.

Both goals of the paper were therefore met after answering all the research questions asked. Another contribution of this paper is considered to be the methodological procedure for determining the value of the parameter β *unlevered* for Europe on the basis of data set for the USA for the years before 2011. Based on the current economic situation in the Czech Republic and the world, it can be assumed that in the coming years, the development of the values of the EVA Equity and EVA Entity indicators will be similar to the development of these indicators from 2008-2015.

The results of the research are partly limited by varying degrees of the details of the financial statements of leasing companies, which were included in the calculation of both EVA indicators. However, this is due to the reluctance of individual companies to provide financial statements for research purposes in greater detail. Also, the result of the calculation of the EVA Entity indicator may be affected to some extent due to the methodology itself for determining the size of the parameter β *unlevered* for Europe on the basis of data determined for the USA.
On the basis of further research, a comparison of the impact of economic crises on this and other economic sectors of specific countries will be made in the future.

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Primary Paper Section: A

Secondary Paper Section: AH