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TITLE OF DIPLOMA THESIS:

Leasing in the construction industry

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ABSTRACT

The Law No.1665 of 1986 established for the first time in Greece the notion of the financing loaning or as it is most commonly known, the “leasing contract”. Through this type of agreement, the lending base for the financial institutions that were allowed to give such loans was widened, since a very large amount of corporations or even business oriented individuals, leaned towards that option of acquiring capital in order to either renew or update their production facilities and their professional equipment. The benefit of doing so is the saving of own funds in order to be able to invest them elsewhere in other profit making activities. In reality, the leasing contracts became part of the legislation and operate in our country for more than 20 years, the same way that most developed countries in the United States of America, Europe and Asia also do. The main objective of this particular diplomatic thesis statement is the analysis of the notion of leasing, with particular focus on the construction industry. In the beginning, it starts with an explanation of the theory of leasing, its main characteristics and forms, and finally with the procedure needed or the contract to be made and agreed. On the second part of the paper, the advantages and disadvantages of such a contract are explained and analyzed, regarding the one that sells the product, the one that receives the leasing contract and the one that provides it. There is also a short notice on the International Financial Reporting Standards. On the final part there is an analysis of leasing sector with emphasis on the construction industry, both on a European and a local level, according to the standards of the European Confederation of the Association of Leasing Companies and the Hellenic Union of Financial Leasing.

KEYWORDS

Financial Leasing, Leasing, Operating Leasing