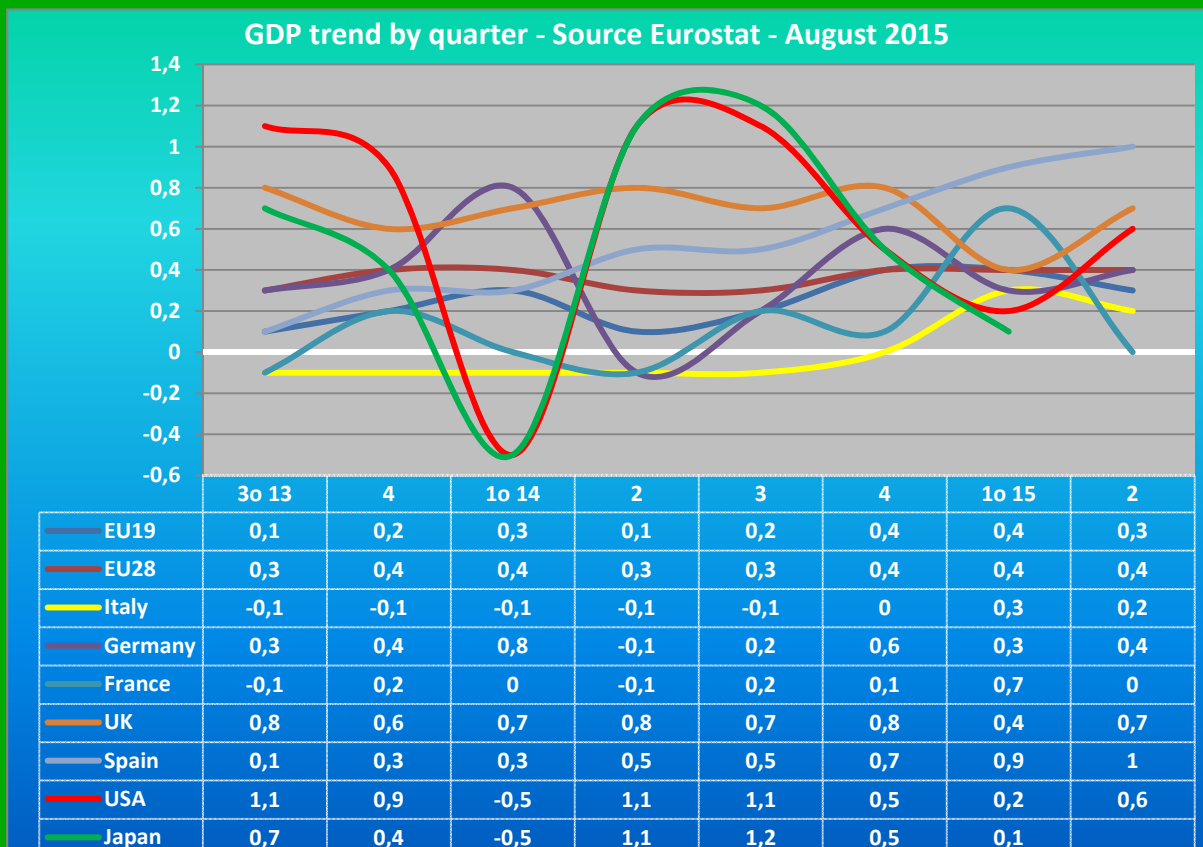


# Economics and the European Trucks Market

## 1<sup>st</sup> semester 2015

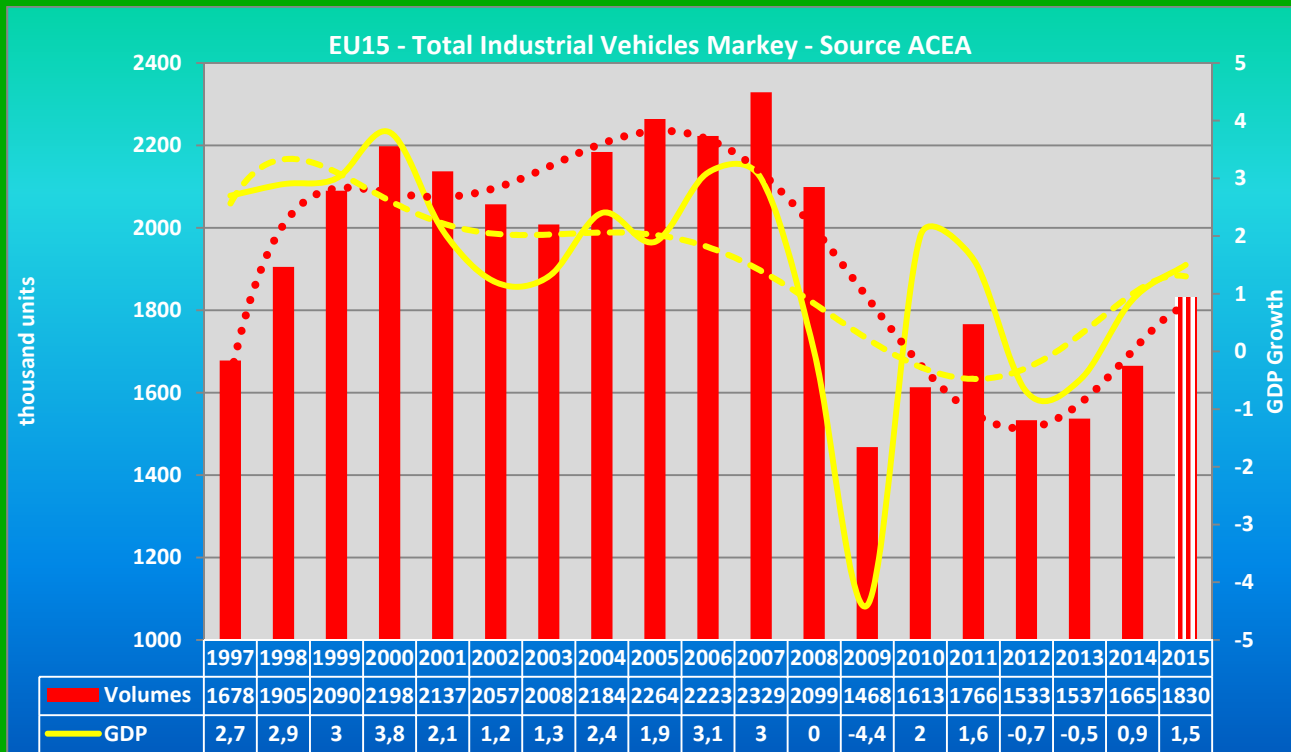
### GDP trend in Europe

During the present century three crises have struck in varying degrees the various economic regions of the world, and with particular intensity the euro area. After that of the years 2001-2003, which started already at the end of the 90's years from the Asian continent, and the most famous and devastating of 2007-2009 (the famous global crisis felt especially in Europe and the United States), we are just coming out of what has recently hit the euro area in 2012/2013. The table below shows the trend of GDP in the major European countries in the last 8 quarters, according to data reported by Eurostat at the beginning of August. You will immediately notice that the European economy started to improve in the 2nd quarter of 2014, but weakens again in the 2<sup>nd</sup> quarter of this year. The best economies of the continent appear to be Spain and Great Britain. Germany is just on average. Below average Italy (that is however out of the recession that hit the country in the last two years) and France. To underline the parallel trend of GDP trends in Japan and the USA.



## The Industrial vehicles market and the economic trends

The market for industrial vehicles has always been affected or influenced, as it is obvious, by these economic phases, and has in fact literally collapsed in Europe between 2008 and 2009, and after shooting up in 2011 fell again in 2012/2013 as a result of the new recession. A certain recovery started last year and seems to be improving this year.

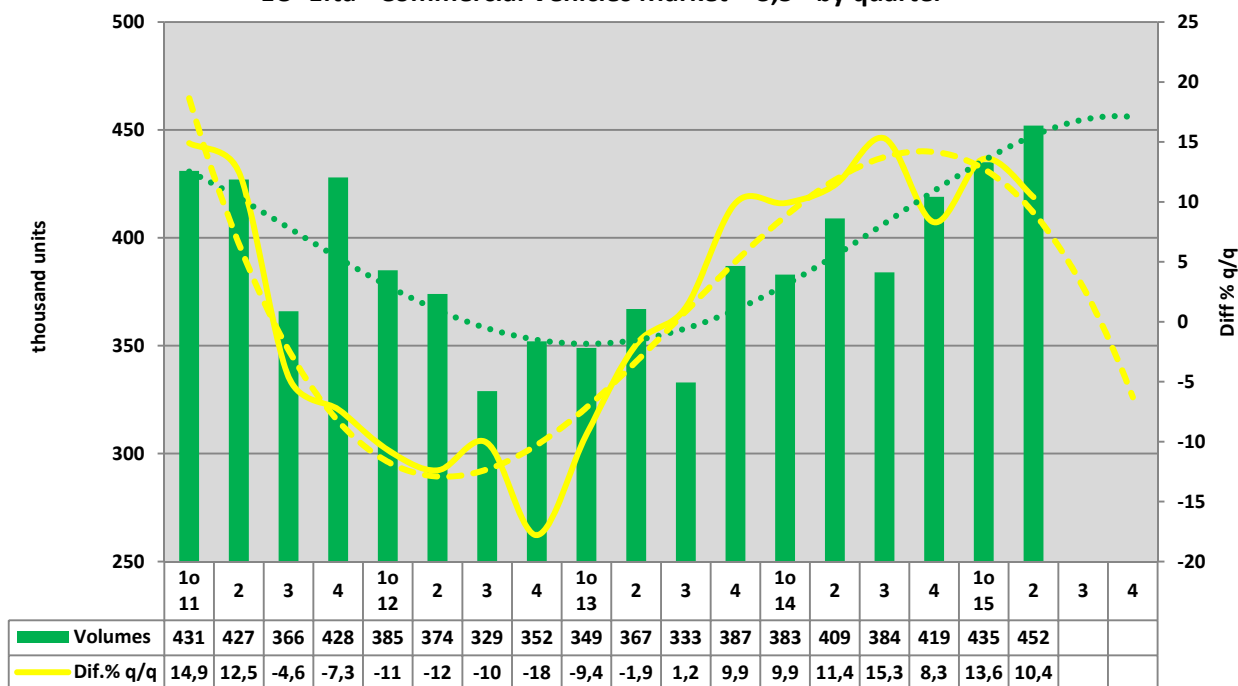


It should be emphasized that the reaction to the economic crisis is dramatically more pronounced than the size of the decline in GDP, as shown by the graph that for comparison has been referred to the European Union at 15, for which comparable data are available.

The above is already significant in the case of commercial vehicles, where the downturn had already begun in 2008 and again in 2012 and 2013 has started to fall dramatically to recover only at the end of 2013. With the recovery of GDP last year, the market appears to develop positively, especially in the field of commercial vehicles (< 3,5t).

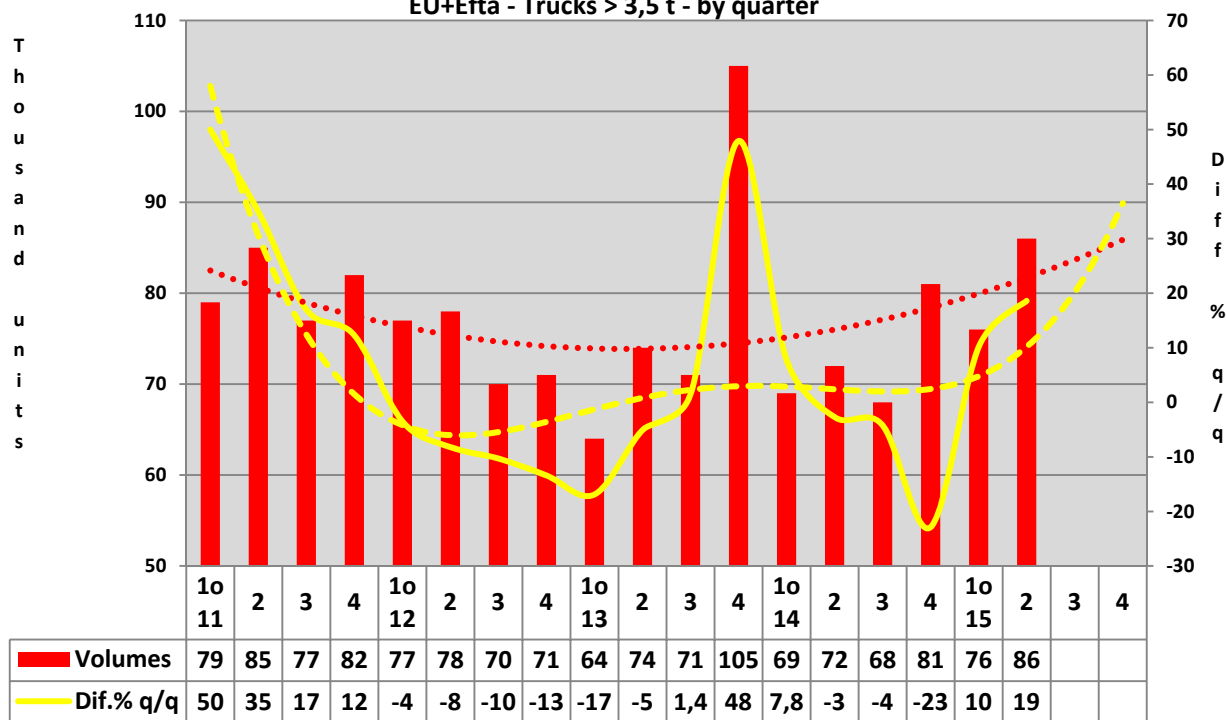
In this regard, we show the data by quarters for both commercial (<3.5 t) and trucks from 2011. The Commercial Vehicles are enjoying a revival as early as the last quarter of 2013 and continuing with increments of approximately 10% in the last 18 months.

EU+Efta - Commercial Vehicles Market < 3,5 - by quarter

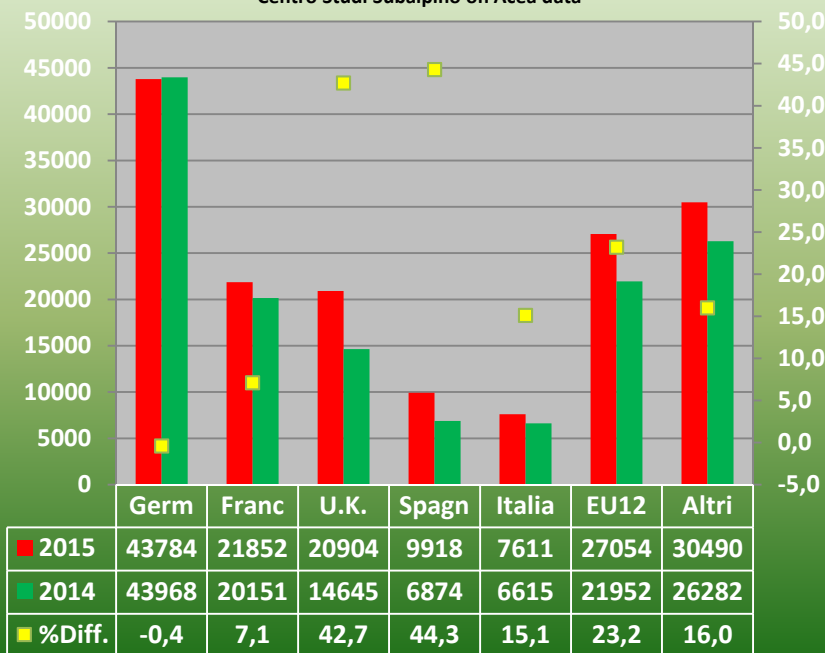


For trucks, after the anticipation of purchases in the last quarter of 2013, in anticipation of the introduction of the Euro 6 from January 1<sup>st</sup>, 2014, sales decreased again last year, but started to recover in the first two quarters of this year, after the surplus of purchases at the end of 2013 has been absorbed and with stronger GDP growth.

EU+Efta - Trucks > 3,5 t - by quarter



EU+Efta Trucks Market > 3,5 t - Cumulative June 2015 - Major markets  
Centro Studi Subalpino on Acea data



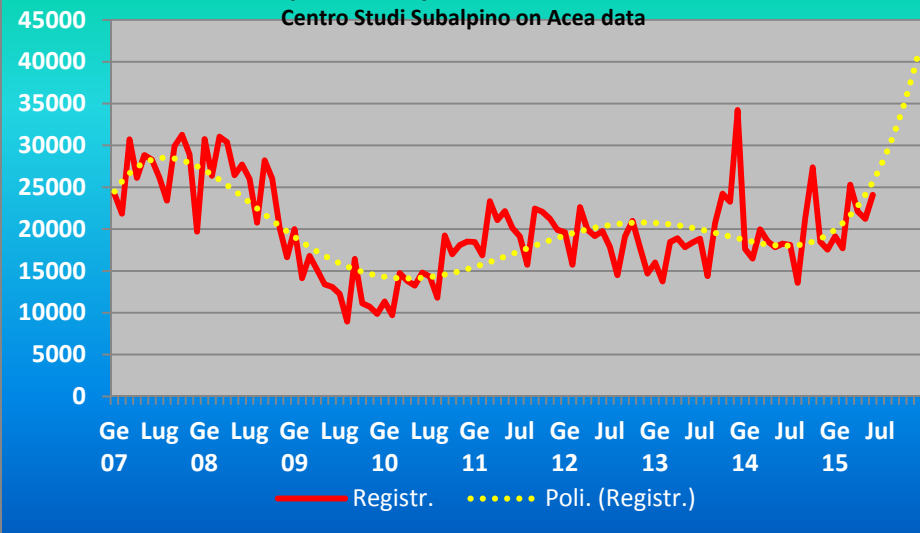
With 161,613 units registered in the first half of the year the increase over last year rises to +15%, mainly thanks to the great performances of Holland, that grew up in the period by as much as 73.1%, Spain (+44.3%) and Great Britain (+42.7%), followed by the EU12 with an increase of 23.2% on last year, [especially thanks to Romania (+45.3%), Slovakia (+34%), Slovenia (+26.4%), Hungary (+25%) and Poland (+22%)], and Italy with +15.1%. France gained

7.1%, and Germany, even if improving in the month, remains negative (-0.4%). Loses also the EFTA area (-6.9%).

As to heavy trucks (>16t) in the first half of the year EU+EFTA market rose by 19.3% with 129,770 units registered, but with the progress linked in a special way to increased demand in the UK (+57.7%), followed by Spain (+47.4%), EU12 (+27.4%), [the latter especially for the good results in Romania (+49.6%), Slovakia (+42.6%), Hungary (+29.3%), Slovenia (+26.9%), and Poland (+26.8%)] and Italy (+19.1%). Germany ended the period with a modest +2.2%. France has resumed instead rising more vigorously (+9.4%). The Efta area closed the period with a -6%. Also in this area to report the excellent recovery of the Netherlands (+78.8%) and Denmark (+53.5). Also positive the sales results of the Northern European countries, exclusions made of Sweden

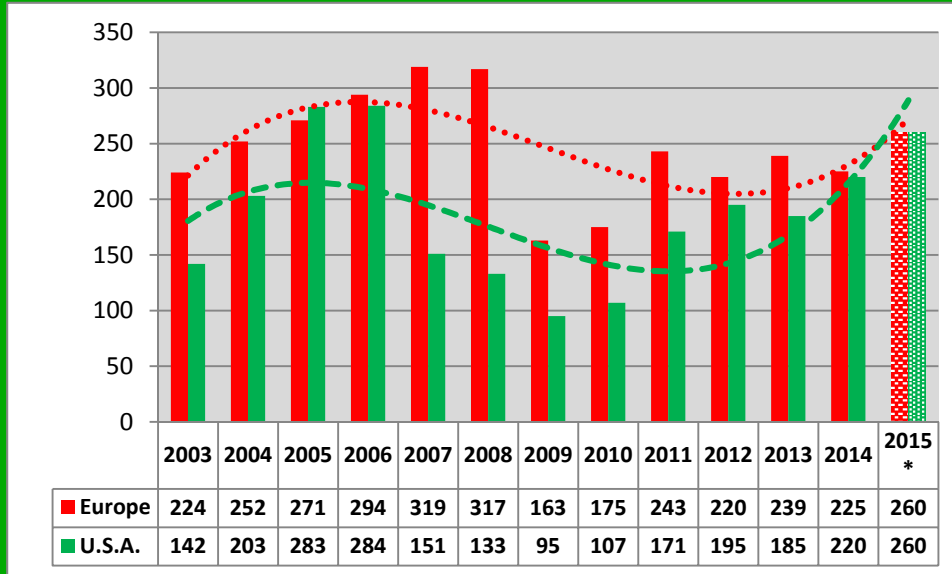
European Heavy Trucks Market (>16t)

Centro Studi Subalpino on Acea data



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**A comparison between sales of heavy vehicles in Europe (EU+EFTA) and the USA (over 16 t) in**



Europe, and in Class 8 in the USA), shows how the crisis has affected other important areas of the western world. In this example it should be noted that the crisis in the USA started already in 2007 with a drop in the market by as much as 47% in one year and 67% in three years.

The recovery in that

market was equally pronounced with an increase in 2011 of 60%. Even in that area, however, the pace of growth reduced in the second half of 2012 but that has not prevented the growth of the total of the year, while in Europe was already in place a new recession. In 2013 the American market has fallen mainly for the disputes about the "fiscal cliff." In Europe, the market remained weak for most of the year, and has recovered only in the last quarter in anticipation of purchases in view of the entry into force of the Euro VI on January 1<sup>st</sup>, 2014. Also supported by the recovery of the economy last year the American market has started to grow remarkably, gaining 18,8% on previous year and in the first 7 months of this year sales jumped 24,4% on the same period last year, heading to a possible total year volume of more than 260.000 units, the best result since 2006. In Europe, registrations decreased by about 6% last year, but with improving economic trend this year sales are increasing by 15% in the first semester.