

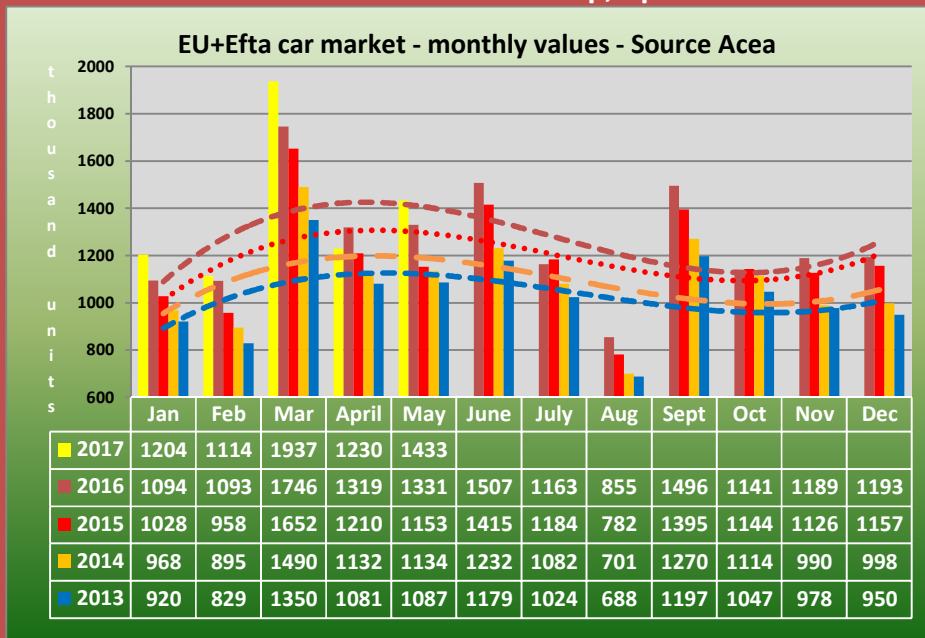


Press Release

Turin, June 21, 2017

European (EU+EFTA) car market. May 2017 registrations

Significant recovery of car registrations in the EU + EFTA (+ 7.7%) in May, with 1,433,236 units registered, a value that is recorded as the volume of registrations in May 2007, before the crisis hit the car market. In the aggregate of the first five months the registrations were 5.1% higher than the same period last year to 6,920,496 units. Increase in volume and share of FCA Group, up from 7.0% to 7.4% in the first five months of

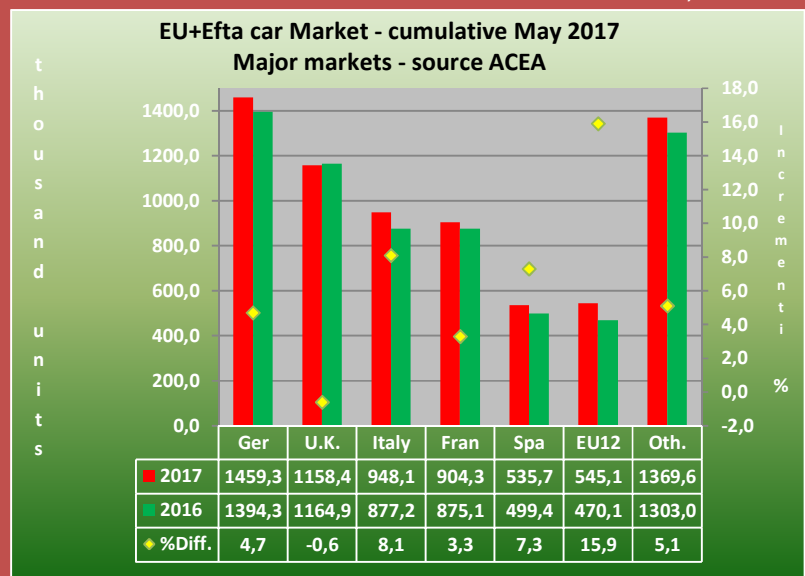


the year.

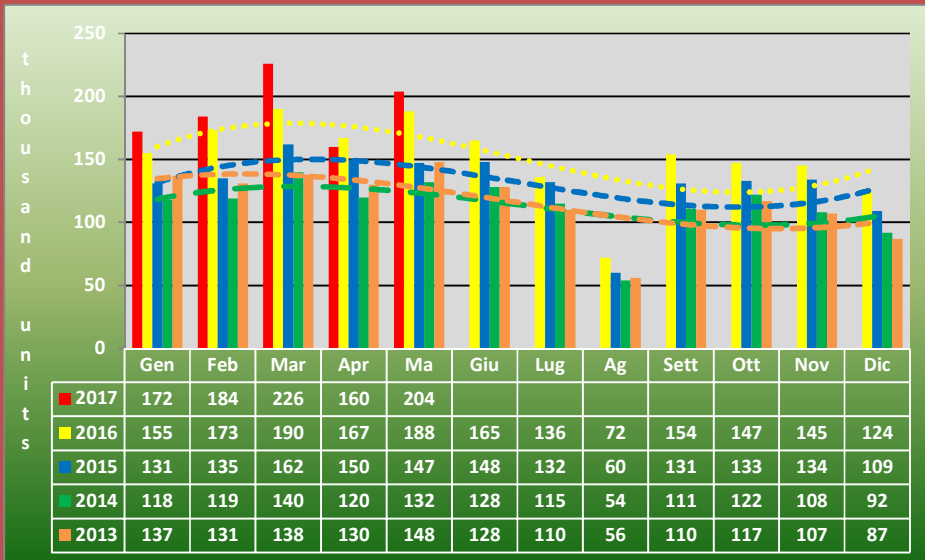
In the analysis of registrations by geographical area, the best was EU12 with + 17.3% [mainly due to Hungary (+28.6%), Romania (+27.1%) and Poland (+20,5)], followed by Germany with +12.9%, Spain +11.2%, France +8.9% and Italy + 8.2%. The EFTA area was up by 9.5%, while Britain loses 8.5%. In the aggregate of the first five months, EU12

rose by 5.1% [mainly due to Romania (+23.3%), Poland (+19.1%) and Hungary (+ 21.2%)], followed by Italy (+8.1%), Spain (+7.3%), Germany (+4.7%) and France (+3.3%). Great Britain loses 0.6%. The Efta area earns 0.6%. Great Britain remains in second place and Italy ranked third in the ranking of the major European countries.

As to Italy in particular back up the demand for passenger cars in May:



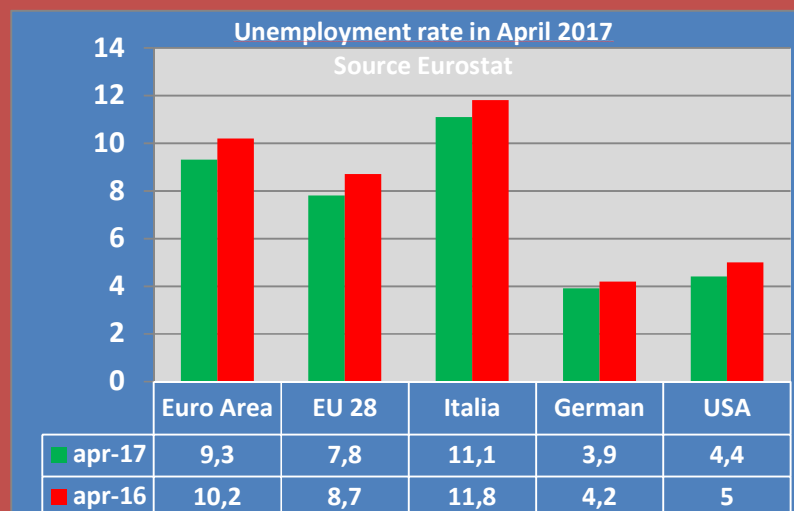
+8.2% in the month, with 204,113 units registered. The figure for the first five months continues to show a very positive sign, with growth of 8.1% to 948,051 units. It improves the quota of the FCA group, which stands at 29.6% in the period against 29.3% last year. Monthly registrations ('000 units) Source Min transport / Anfia / Unrae



Anfia emphasizes that "this is the best month of May since 2008, when it had exceeded the 206,000 registrations. Despite a worsening consumer and business climate, the monthly sales performance is good, as well as the positioning of Italian cars, with six models in the top ten of the best-selling cars."

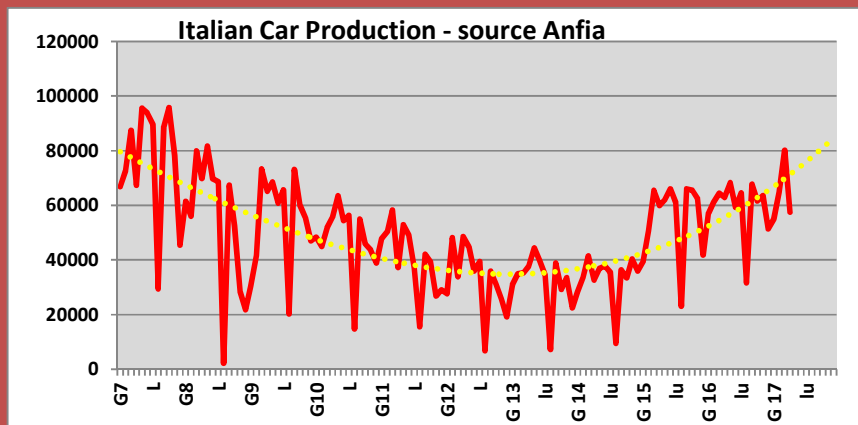
According to Unrae, "Thanks to the significant investments of the Manufacturers and their Dealers in communication and promotion for consumers, the market remains toned, confirming that the April slowdown was only a technical effect and growth tends to stabilize." "While economic drivers are finally showing signs of improvement, political issues, on the other hand, necessarily hold a wave of uncertainty around the dynamics of the coming months. This leads us to carefully observe the cross-sectional phenomenon of sales in the private channel, which is substantially stable (+0.7%) in May with total sales in the Dealerships (Private, Dealer's Car Rental, Self-registrations) which remain moderately positive (+3,7%). "So the market seems to be able to keep its growth potential unchanged at year-end around 9%."

As also mentioned above, however, there is uncertainty about the political, institutional and economic framework: the major parties seem to have reached an agreement on the electoral law (proportional of German type), but it materializes the possibility of new elections already in September or October, when one needs to approve the



Budget Law. The risk is that the so called "provisional Budget " is needed and that the safeguard clauses, including the 25% VAT, may be triggered. Mr Gentiloni's government continues to promise tax breaks and initiatives in favor of employment, but the situation remains immobile as it is difficult

to foresee its term of office. As far as the future is concerned, in fact, all the perplexities already mentioned in the past months, remain, although Istat re-evaluated GDP growth in the first quarter to 0.4% (from 0,2%) and 1.2% (from 0,8%) for the whole year. In Europe the unemployment rate decreased to 7.8% in the EU and 9.3% in the eurozone (respectively 7.9% and 9.4% in March). Sensitive decline also in Italy, where it fell to 11.1% versus 11.5% last March and 11.8% a year ago. Youth unemployment remained at 34% but dropped from 37% a year ago. So, as repeatedly stated in the past, the biggest push for further increases in private car sales comes from the need to replace old cars, which have already been postponed during the crisis years. We will never tire of reiterating that no concrete solution is yet in sight on the long-term problems

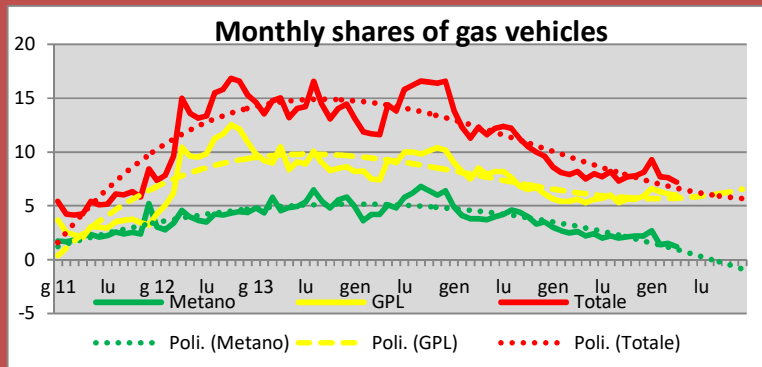


affecting our economy, which remain virtually unchanged, such as a decisive reduction in public spending to fuel consumption and investments by a substantial reduction in tax burden.

Regarding the automotive industry as a whole, a positive note for Italy is the continuation of the trend of increased car production.

According to data collected by ANFIA among manufacturing companies, growth in the first four months was 5%.

The share of gas vehicles remained stable: 7.5%, same as last year, mainly due to the sharp drop in the sale of CNG vehicles.



Along with electrics and hybrids, the share of alternative fuel-based vehicles in May was 10.9%. In the month the diesel drops to 55.8%. Gasoline vehicles are up on the value of last year, at 33.2%.

As far as eco-friendly engines are concerned, the proportions of the

various alternatives in the year continue to move in favor of the electricity that goes far beyond the CNG values over the period.

