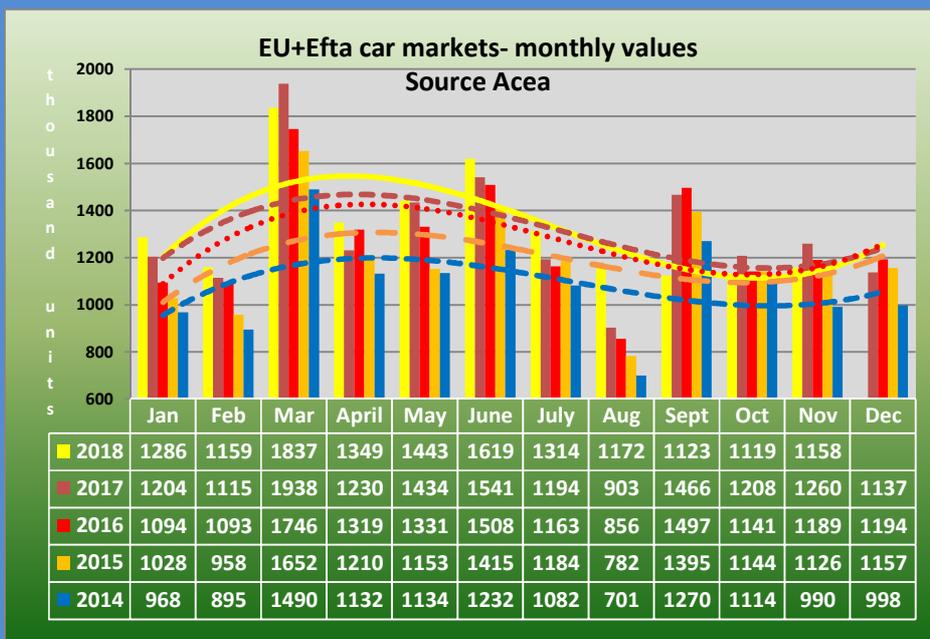


Torino, December 14, 2018

**European (EU+Efta) car market. November 2018 Registrations**

Also in November, and for the third month in a row, the European car demand dropped significantly: -8.1 in the month, partly as a result of the abnormal growth in the summer due to the advantageous offer of pre-WLTP cars test, effective from September 1<sup>st</sup>. Cumulatively in the first eleven months of the year, registrations increased only by 0.6% to 14,585,417 units.

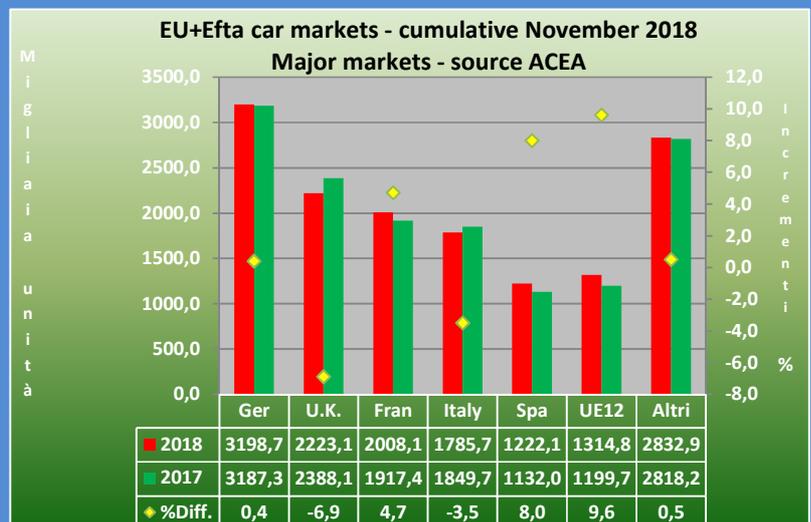


Among the major markets, the largest losses occurred in Spain (-12.6%) and in the Efta area (-10.6%), followed by Germany (-9.9%), Italy (-6.3%), the EU12 (-5.1%), France (-4.7%) and the United Kingdom (-3%).

In the first eleven months of the year, the result of the EU12 stands out, rising by 9.6%, [above all thanks to Romania (+24%), Hungary (+20.4%), and Poland (+11%)] followed by Spain, rising by 8%,

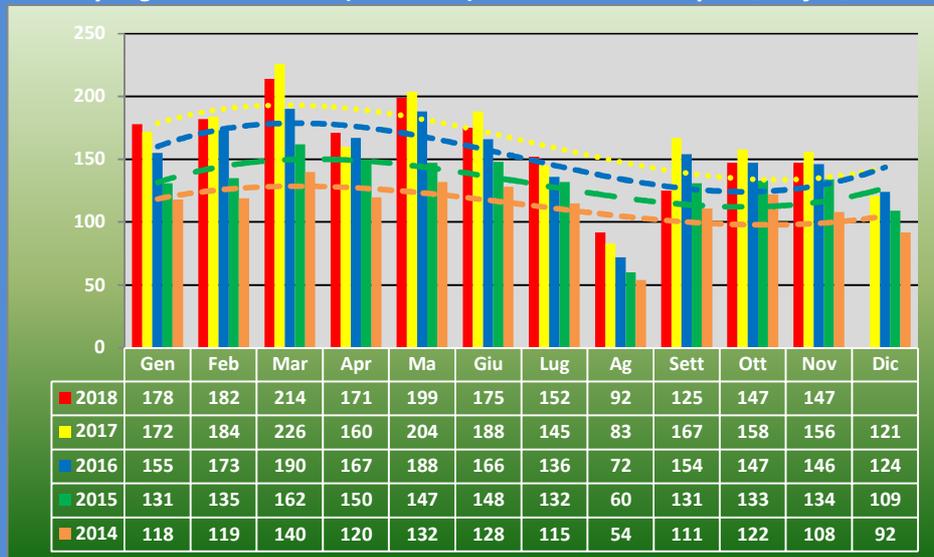
France (+4.7%) and Germany (+0.4%). Italy fell by 3.5%, the Efta area lost 4.7% and Great Britain 6.9%.

As to Italy in particular the car market continued to decline in November: -6.3% in the month with 146,991 units registered. In the first eleven months of the year 1,785,722 units were



registered, 3.5% less than the same period last year.

Monthly registrations trend ('000 units) Source Min. Transport / Anfia / Unrae

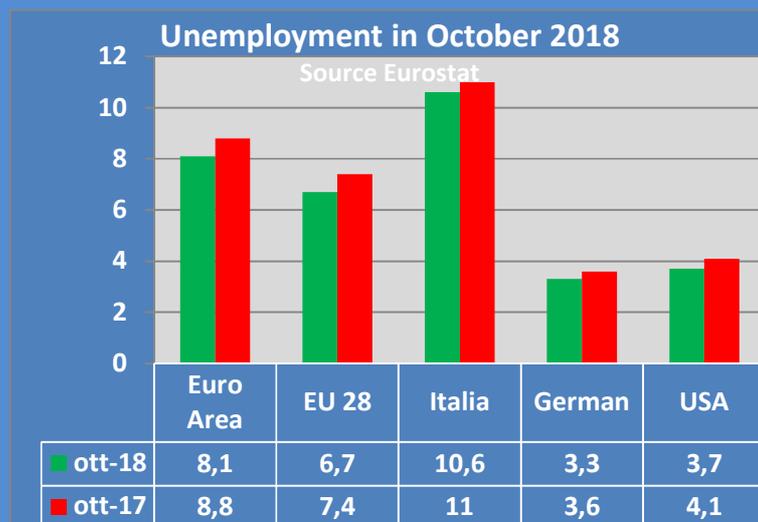


According to Anfia: " In November the car market continues to slow down, but it shows a slight improvement compared to the previous two months. It should be recalled that the entry into force of the new standards on emission measurement on the market has affected the decline of the latter period. In this context, the Italian manufacturer is

focusing on the quality of sales with good signs of growth in the most profitable channels - sales to individuals, fleets and long-term rentals. It should be noted in particular that the Jeep brand has maintained a growing trend in recent months, reaching a market share of 4.4% in the cumulative volumes from the beginning of the year".

According to Unrae: "The effects the introduction of the new standards of approval have weighed heavily, as well as on September, also on the results of October and November, archiving data worse than expected. This

bring about a further 2018 closure compared to the latest downward estimates, with 1,910,000 cars registered (-3.1% versus 2017). Drastic decline in diesel in November (-25.6%), the criminalization of which by many local authorities caused uncertainty among customers, causing significant sales contractions. The reduction in sales of diesel cars is affecting the increase in CO2 and the latest data for November show that the average weighted CO2 emissions in Italy have increased by 3.9% to 117.0 g / km."

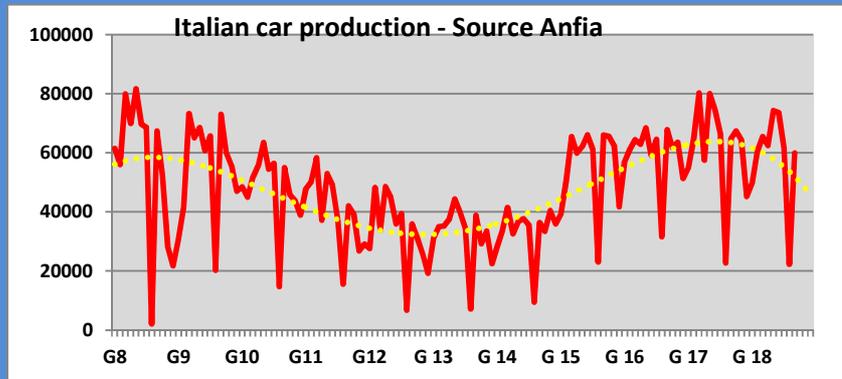


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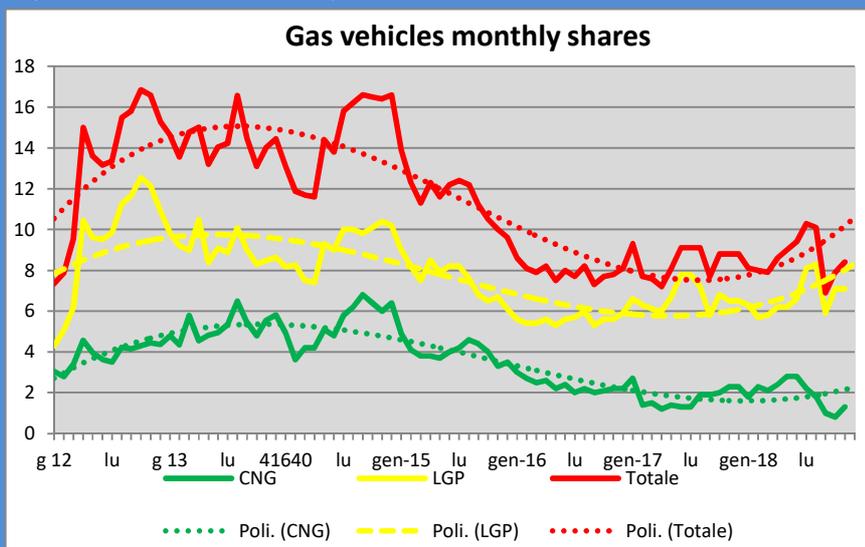
will

Contacts between the government representatives and the EU Commission continue to reduce the deficit (from 2.4% to 2.04%?) to avoid the infringement procedure according to the Community rules. The budget law has already been approved by the Chamber and is now in the Senate where the changes agreed with the EU Commission will be introduced and approved.

In the meantime, the unemployment rate increased to 10.6% in October, compared to 10.3% last September. Youth unemployment also increased compared to September (32.5% against 32.4%), but down compared to 34.1% a year ago. During the week, ISTAT announced a 0.1% decline in GDP in the third quarter. As to the automotive sector as a whole, according to preliminary data of ANFIA, in September 2018 the domestic production of cars amounted to 59,858 units, down by 7.7% compared to September 2017. In the first nine months of the year, the production of cars (529,165 cars) recorded a decrease of 6.5% compared to the same period of 2017.



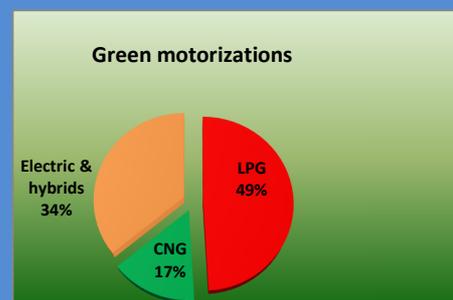
It goes up to 8.4% in November, compared to 7.1% last month, but still down compared to the same month last year (9.2%), the share of gas vehicles.



Together with electric and hybrid, the share of vehicles with alternative fuels to oil stood at 14.1% in November compared to 14.2% last month. The contribution of CNG is always modest. In the month diesel increases marginally at 45.1% compared to 44% last month but collapses compared to 56.5% last year. Cumulatively in the first eleven months the share of diesel fell to 51.8% compared to 56.7 a year ago. Gasoline vehicles rose to 40.7% in the month compared to 29.9% last year. In the first 11 months rise to 34.8% compared to 31.7% in the first 11 months of last year. This situation has been created, as mentioned above, by

the "demonization" campaigns of diesel cars that are disorienting and frightening customers, also in light of the impact on the residual value of their car.

As a result, for what concerns the environmentally friendly engines, the proportions between the various alternatives continue to shift in favor of the electric mode.



**Emilio di Camillo – [www.centrostudisubalpino.it](http://www.centrostudisubalpino.it) - december 2018**