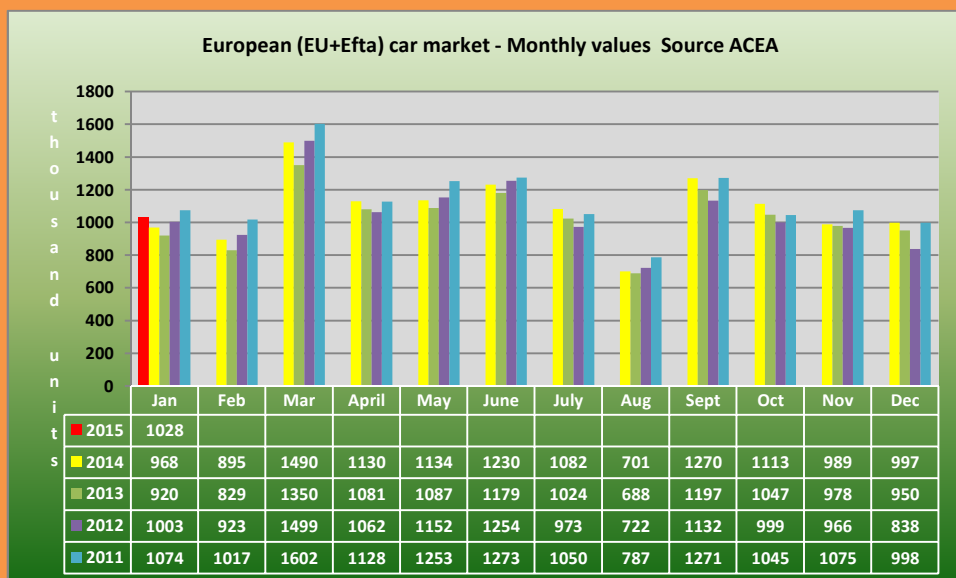


European Car Market – January 2015 registrations

Turin, february 17, 2015

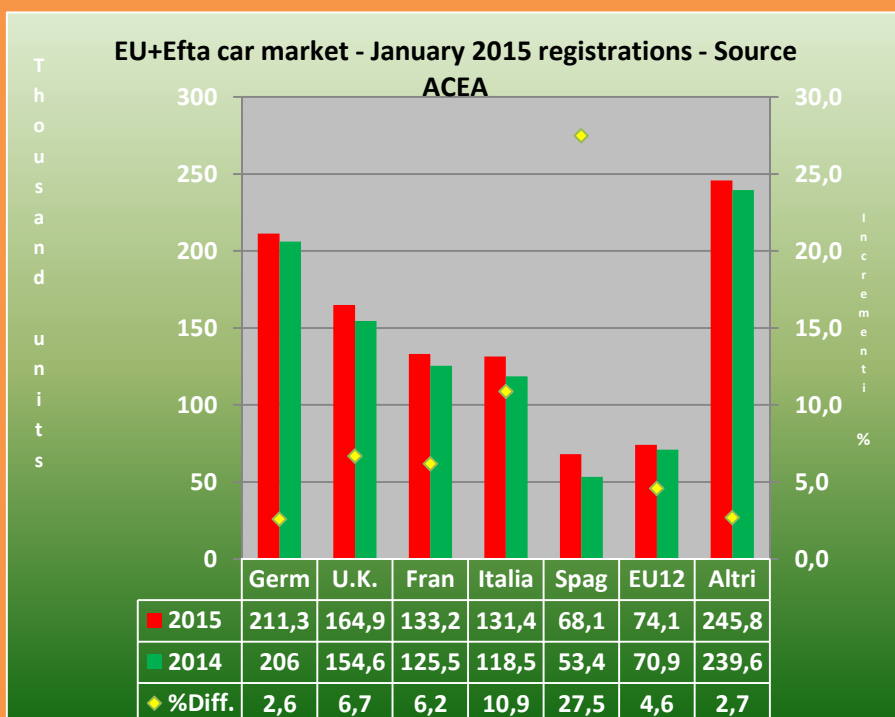
Good start of the year for the European car market (EU+Efta): January sales increased of 6.2% over last year to 1,028,760 units, the seventeenth consecutive month of increase.



Slight increase in volume of FCA Group.

Positive results were obtained in January mainly due to the results, ,always very brilliant, Spain which has gained 27.5% on January last year, followed by Italy (+ 10.9%), from EFTA with 7.9% more, from Britain with the 6.7% increase, from France with 6.2% more from the new members of the EU with

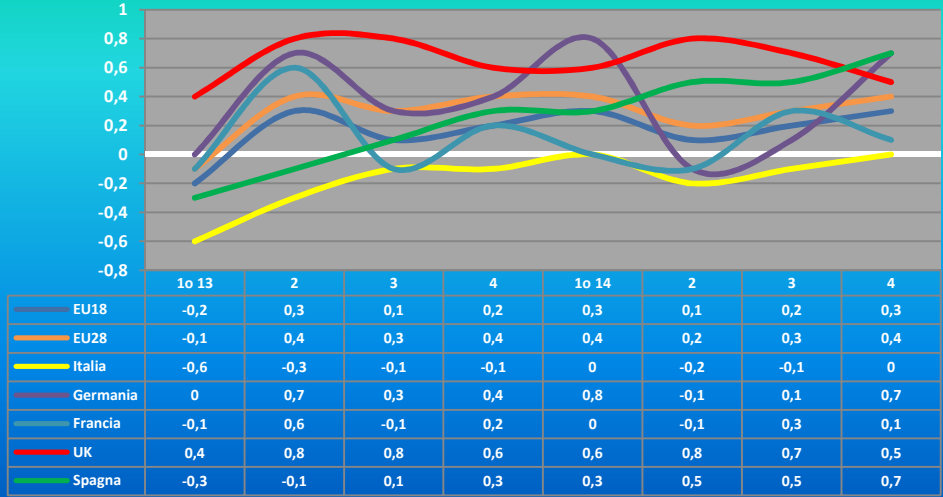
4.6% more, and finally by a modest + 2.6% in Germany. Positive results of most of the countries of Northern Europe. Looking to the near future, Eurostat has just published the preliminary data of GDP for the fourth quarter of last year: the prospects are not very bright, and it is confirmed that the eurozone growth has weakened, in an environment of low inflation (in December Eurostat even indicates that Europe has entered into deflation, a fall in inflation to - 0.6%) and high unemployment (see details on page 3 and table), even if are confirmed



expectations of a modest recovery. Unemployment down slightly in December to 11.4% in the Eurozone and 9.9% in the EU 28. In light descent in Italy 12.9% in December.

As for the automotive industry, with economic data not particularly bright, it is now common opinion among observers that the market will not grow over the 3/3.5%.

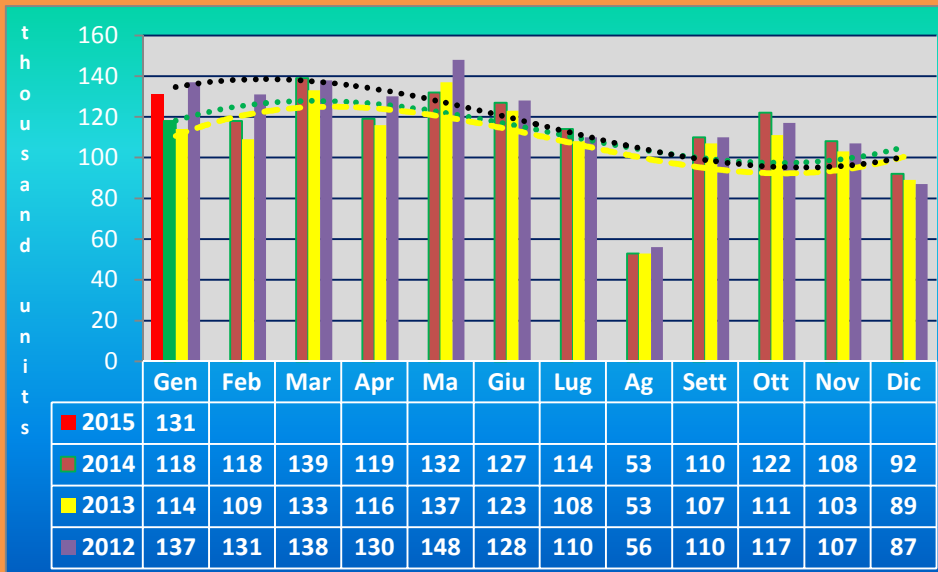
PIL per trimestre- Andamento nelle maggiori aree europee
Fonte Eurostat, febbraio2015



As to Italy in particular new leap forward in January of auto demand in the Italian market, up 10.9% on the same month last year, with 131,385 units registered . Increase to 28.4% the share of the Fiat group, compared to 28.3% last year..
Monthly car

Registrations ('000 unità) Source Min. Trasporti/Anfia/Unrae

According to Unrae "great protagonist in the month was rental! The approximately 10,000 cars registered more than in January 2014 represent an increase of as much as 54.2%, which allows the market share to reach 21%, increasing by almost 6 percentage points compared to January last year. The stagnation of private individuals purchases is demonstrated by modest growth in volume (1,600 units more) and a share in January down to 62.5%, compared to 68% last year. Also good performance of companies (+ 8.4% in volume) although, growing less than the market, reduces its share of a few tenths of a point. But leaving aside January data remains completely open an important question:



How will the current year go? (typically forecasts stop at a + 3% and 1.4 million units) in the face of difficulties that remains beset our economy.

Unfortunately, the prospects are not encouraging.

Aside from the ECB's decision on QE (Quantitative Easing) announced on 22 January and that should ensure the new plan of monetary expansion through a program of buying government bonds, nothing has changed from the statements of Marrio Draghi, in his speech after 'last Council of the ECB. Eurozone growth has weakened, in an environment of low inflation (fell in January to - 0.6%) and high unemployment, even if is confirmed expectation of a modest recovery The economy of the area is seen in 1% growth this year of 1.5% next year. The ECB has also revised down growth estimates of inflation: in 2015 the Eurotower expects inflation to + 0.7% from + 1.1% initially estimated in 2016 and consumer prices are seen rising of 1.3% from 1.4% previously expected.

In December, the Eurozone PMI index fell more than expected. "Once again the eurozone manufacturing enterprises have experienced a stagnation of business. As a result in 2014, started positively, has slowly deteriorated until the stall during the second half of the year," said the chief economist at Markit, Chris Williamson, pointing out that the weakness of the production, along with

the poor growth of the services sector reported by the preliminary estimate suggests that during the fourth quarter, the Eurozone economy grew by just 0.1%. "

The Italian PMI fell to 48.4 in December from 49 in November. Confindustria also revised in December GDP forecast that is expected to rise from the first quarter of this year with an expected annual growth of 0.5% and 1.1% in 2016. Unemployment drops in December both in the Eurozone, and the EU. Decreases in Italy to 12.9% from 13.4% a month ago, but it is still higher than last year in December. Back to decline slightly youth unemployment, around 42%.%

Compared to last month we have today a new President of the Republic, a former Christian-Democrat who does not promise at first glance great shocks, compared to the policy of his predecessor, but to support probably the policies of his Great Elector, Matteo

Renzi, who in the meantime has seriously endangered the so-called "pact of the Nazareno", creating new difficulties to the approval of the reforms

On the stability law, meanwhile passed by Parliament on Christmas Eve, always hangs verification of the European Commission, which has reserved an additional check of the progress achieved in March. It is a maneuver with a modest expansionary impact, which is the bare minimum tied as it is by macroeconomic constraints that the recession makes it increasingly tight. Modest also stimulus to enterprise and self-employment. After removing labor costs from taxable IRAP, one grants some relief on the tribute paid by businesses without employees. Increases the deduction for the permanent job..

However, no government decision on the subject of real cuts in public spending and modest reductions in the tax burden, unless the renewal of the reduction of € 80 (for the exclusive benefit of those who have a job), but without any measure in favor of the VAT people.

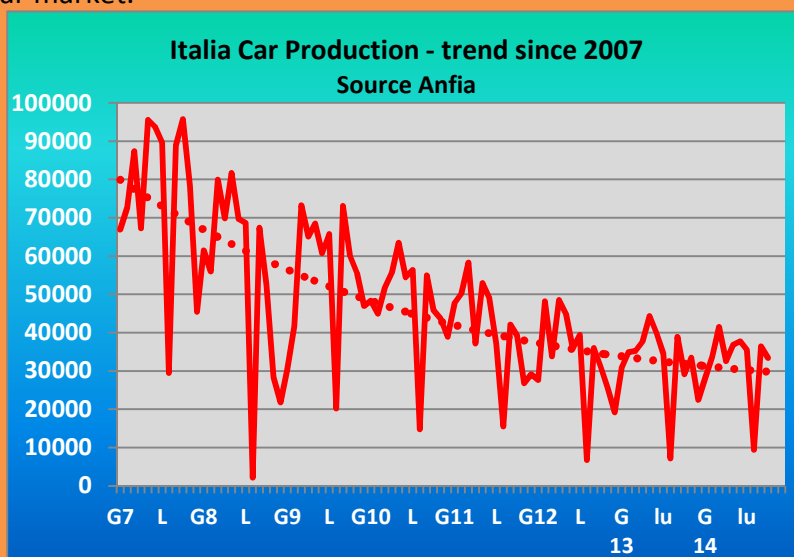
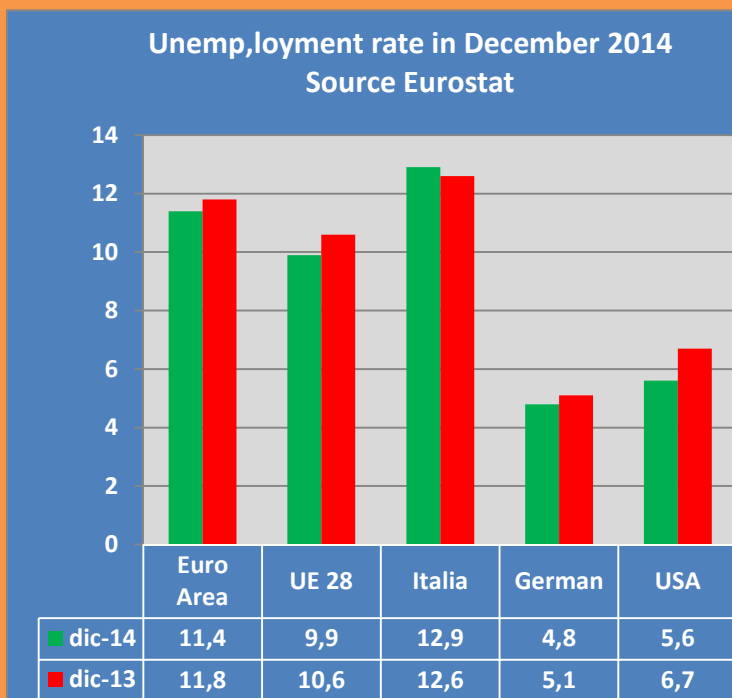
Some new perspective opens on the side of labor after the approval of the "Job Act", which should include, inter alia greater flexibility in output for the new open-ended contracts (increasing protections), a measure that already appears watered down by the first applications decrees.

Therefore remain virtually unchanged the problems facing our economy which remains in recession, from which will not come out until next year.

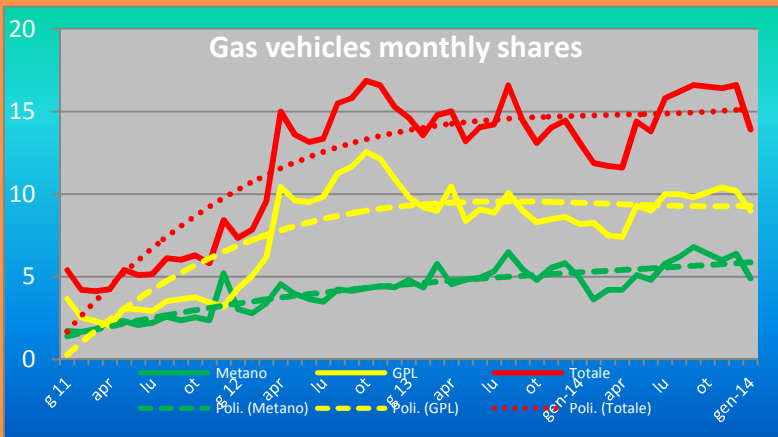
Meanwhile, our country continues to experience a deflationary phase, and there is no action in view to facilitate a strong recovery of the car market.

Meanwhile, car production in Italy continues to decrease: 325.046 units at the end of October, 2,2% less than in the same period last year.

Excluding Maserati, increased by almost 160% to 34.282 units, the drop would have been by 8,9%. Increased by 1,5% la Production of Ferraris. Comes down dramatically



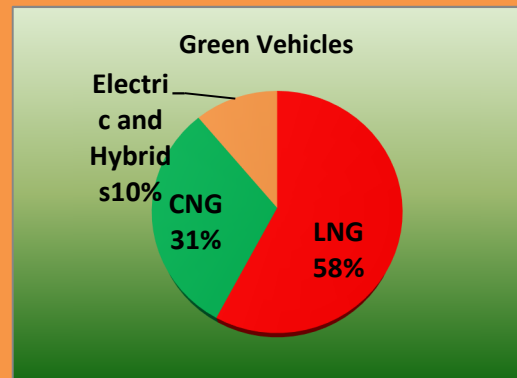
even that of trucks (>3.5T), fell by -29.2% in the first nine months. Grows only that of commercial vehicles risen by 13.7% in the same period as a result of the recovery in the sector across Europe, including Italy.



Decreases in the month, the share of gas vehicles, with a 13.9% share in the month, however, higher than that of January last year (13.1%).

Together with electric and hybrid alternative the share green vehicles stood at 15.6% in January, compared with 14.5% last year. The diesel increased in the month to 54.9%, which is still lower than the 55.3% last year, in favor of the gasoline that goes back to 29.5% against 28.7% last month. As for

the engines environmentally friendly proportions between the various alternatives remain unchanged in favor of gas engines, leaving only 10% for electric and hybrid cars.



Emilio di Camillo – www.centrostudisubalpino.it – february 2014