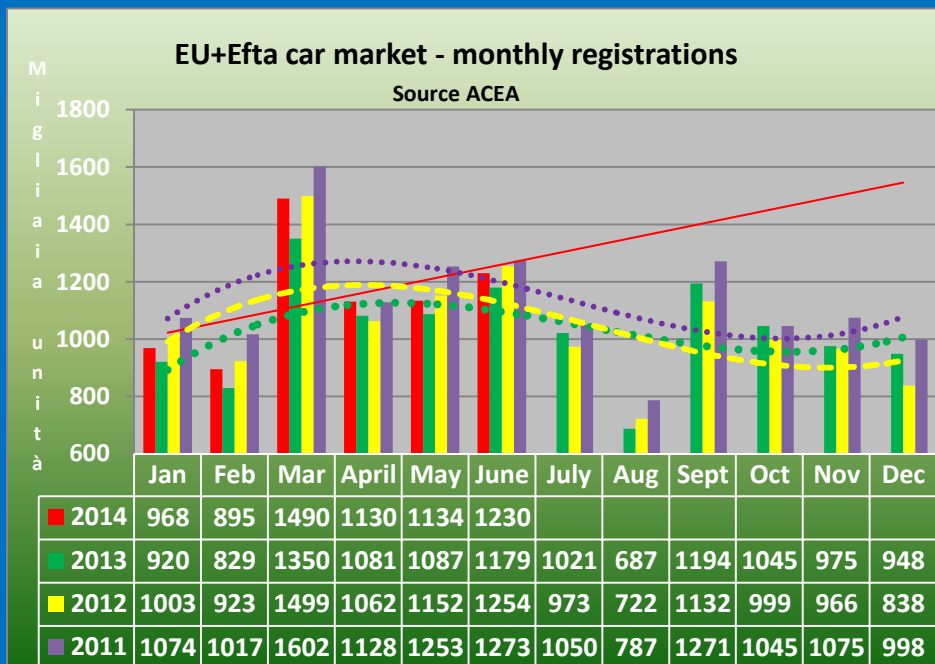


Turin 17 June 2014

European Car Market (EU+Efta) – June 2014 Registrations

Continues in June too the recovery of the European car market (EU + EFTA): up 4.3% in the month, with 1.230363 units registered. Cumulatively in the first half of the year 6,851,552 units were registered, 6.2% more than in the same period last year. It should be emphasized, however, that despite being the tenth month in a row in ascent June 2014 is the second lowest in the month since 2003, the year from which Acea started the measurements.

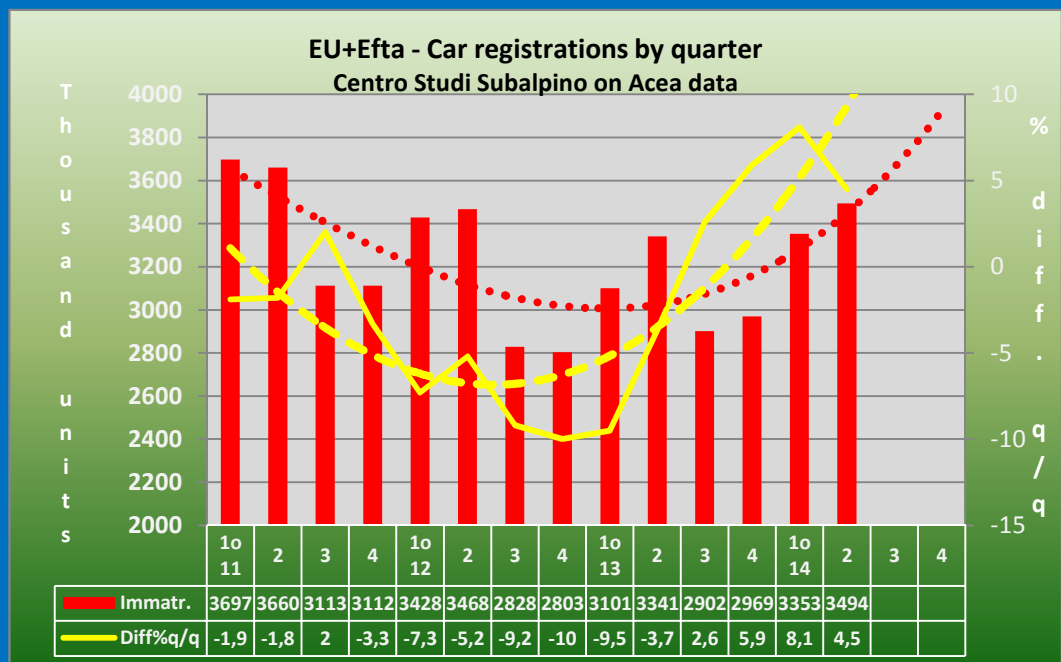


As in recent past, particularly brilliant the performance in the month of Spain (+23.9%), among major markets, followed at some distance by the EU13 (+13.6%) and the UK (+6.2%). France also increased slightly (+2.5%); rising again Italy (+3.8%). Back to descent Germany (-1.9%) after the positive result of May. Down slightly in the month the EFTA area.

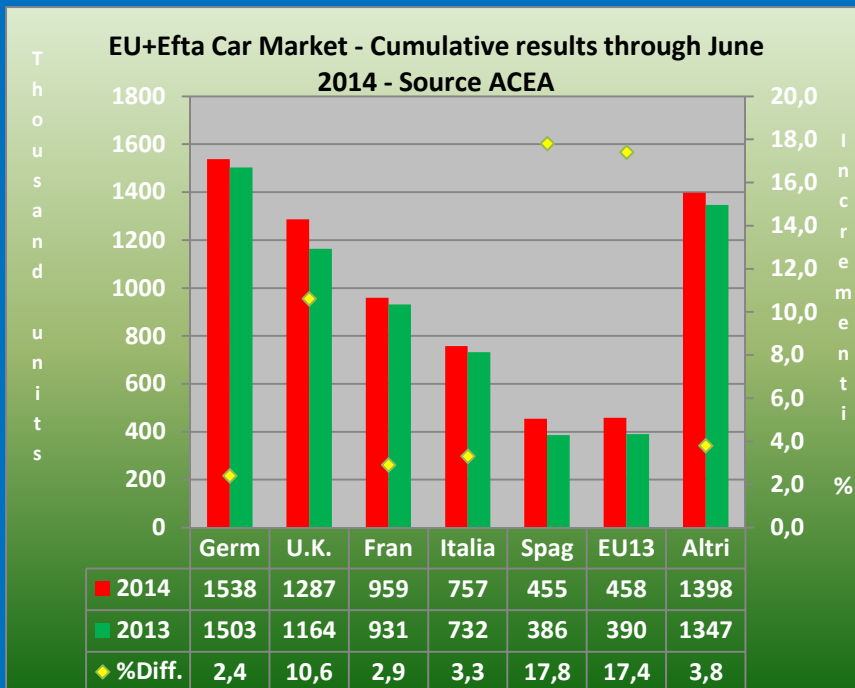
In progress most of the markets of Northern Europe.

Even the quarterly values remained positive, but with decreasing growth rate compared to the 1st quarter.

Cumulatively in the first half of the year Spain remains the best market, going up by 17.8%, always supported by government incentives, closely followed by the EU13 that increased by 17.4% - especially for the brilliant results of Romania (+27.2%),



'Hungary (+21.4%), Poland (+19.3%) and the Czech Republic (16.4%) - and Great Britain (+10, 6%).



Britain remains in the period in second place in the European ranking.. Growth of 2.4% in Germany, behind Italy (+3.3%) and France (+2.9%). Drops instead of 1,4% the EFTA area. Continue to be excellent the results in Portugal (+37.7%) and Ireland (+23.4%). More modest results in most of the countries of Northern Europe; remains below the level of 2013, although improving, Holland, the only country in Europe to report significantly negative results in the period (-5.4%), recently followed by Belgium (-0.9%).

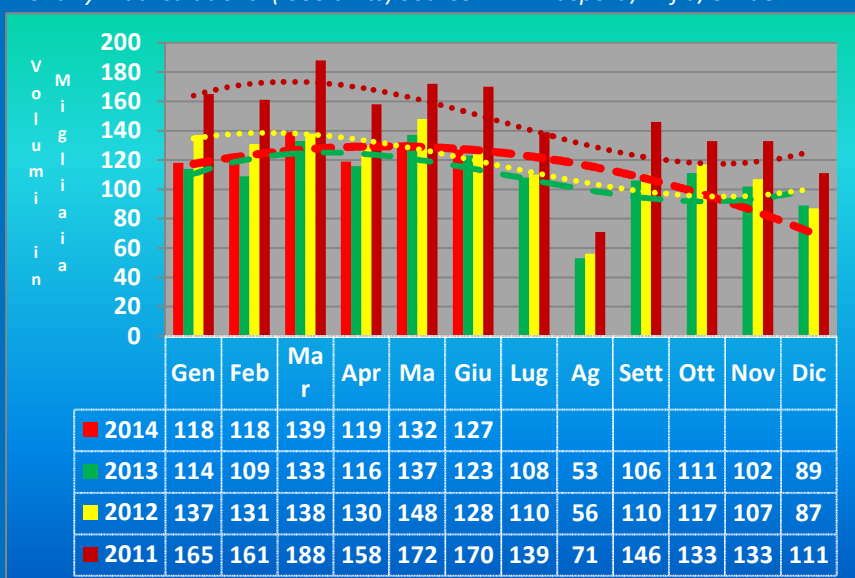
Improves slightly the share of the Fiat Group in June, but down in the cumulative of the first semester: from 6.4% last year to 6.1%.

Looking to the near future, also the third revision of the GDP in the 1st quarter in Europe, published earlier this month by Eurostat, confirmed a general modest progress, with the Eurozone progressing by 0.2% and the EU28 by 0.3%. Germany and Great Britain are the best, with advances of 0.8%, but also Spain continues to mark good progress (0.4%). France remains firm on the result of the last quarter of last year. Only Italy went back to negative results, despite the euphoria of our institutions that since a few months insist on the recovery of the economy already in progress, and also for the 2nd quarter we expect a negative figure. All these data are reflected on the performance of car industry. Also unemployment fell slightly in May in Europe. Always up instead in Italy: 12.6% in May, compared to 12.1% in May last year). Always more than 43% among young people.

As for the automotive sector, based on the good results of June and of the first half of the year, it is now common opinion among observers that the year will close with a progress of around 3-4%, even while most analysts still believe that we should not wait for a substantial recovery until next year, especially in the euro area, even in the presence of an increase in GDP.

As far as the Italian market in particular is concerned, it went back to positive figures in June:

Monthly matriculations. ('000 units) Source Min. Trasporti/Anfia/Unrae



127,489 registered units, up 3.8% over June of last year. In the first semester cumulative the increase over the previous year stabilizes at +3.3% to 756,818 units. Only for the sake of statistics in June 2007 226,057 units were registered, and 1,416,273 in the aggregate of the first semester, almost double the figure for this year. In that year the Italian market was in second place in Europe after Germany, now is only fourth. Falls in the period the share of the Fiat

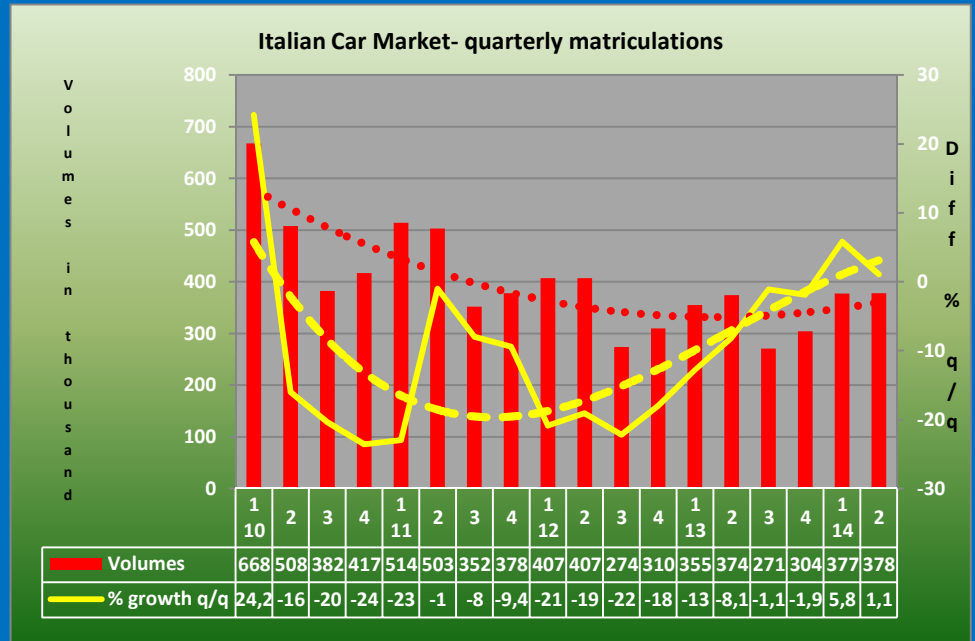
Group, from 29.2% last year to 28.1% this year.

The ups and downs in registrations of the past three months, after a positive first quarter, as the graph of registrations by quarter shows very well, and that after nearly four years of decline, confirm that the Italian car market is still far from an effective and lasting structural change, and therefore remains difficult to draw any positive indication for the next six months, also because the comparison is always with the extremely negative data of last year, already the lowest since 2007.

Meanwhile of course we hope that the market will resume as soon as possible the positive trend which had started in the first quarter, the scaling of the growth occurred in the second suggests that we should keep cautious about future trend.

As to the economic outlook of our country, despite the "direct

confrontation" between Mr. Renzi and Madame Merkel and the subsequent closing statement at the summit of Ypres, that "in order to reconcile the discipline of the national public accounts with the demands of growth and job creation, you must make a "better use" of the flexibility inherent in Community rules", the iron law of stability does not leave much hope, given that the real problem is not the deficit but the debt that continues to rise.



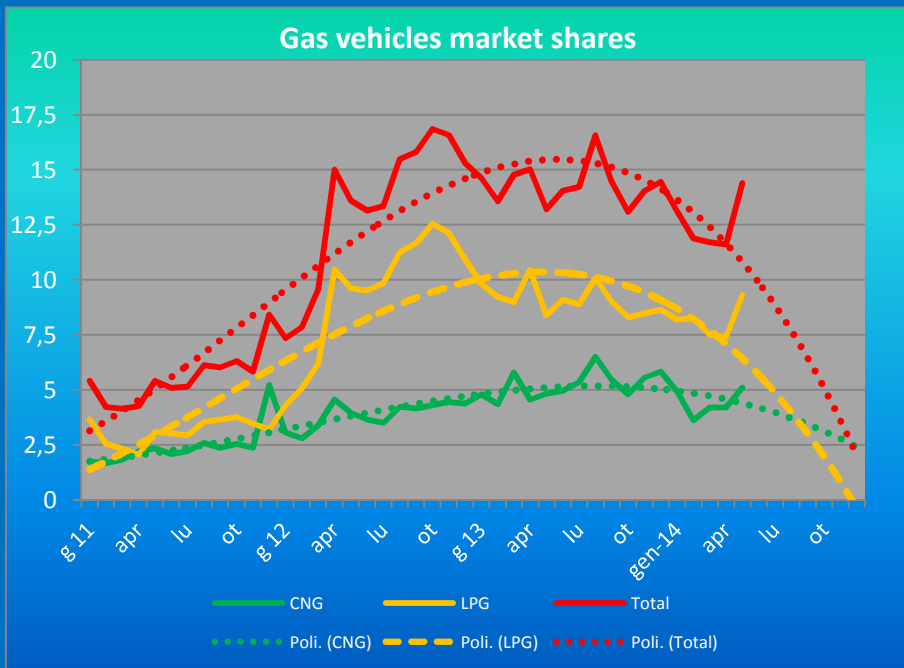
Continues to rise also because the much promised spending cuts continue to be postponed. This leaves practically unchanged the problems facing our economy that fails to exit the recession despite the short period of last quarter of last year, when GDP grew by 0.1%. In fact, the first quarter of this year has chilled the hopes of recovery, with a further decline

of 0.1%. And just yesterday Istat has anticipated a likely negative GDP in the 2nd quarter. Confindustria for its part has lowered its growth forecast for this year by reducing the GDP to 0.2% and 1% next year. In the meantime unemployment grows again in May to 12.6% (12.1% in May 2013), and drops slightly to



43% among young people, but remains second only to the Greek and Spanish data. Meanwhile, the Democratic Party, led by Matteo Renzi, despite the great success in elections to the European Parliament, is always struggling with internal difficulties, to approve the reforms. And it's now common opinion that the decision of the 80 Euro payroll increase for a limited number of people, whose dubious coverage was probably the reason for the new warning from the European Commission, may lead to a new maneuver in the fall with the obvious increase in the tax burden directly or indirectly (perhaps with further increases of excise duties on fuels) and the concomitant increase in various other taxes. The Letta decree to increase youth employment has virtually failed. Also still missing concrete measures by which we can expect a real recovery of the car market.

Remains good in June the market for gas-powered vehicles, with a 13.8% share, almost equal to that of last year in June, although down compared to last May, when perhaps the incentive campaign had helped this market segment. Together with the share of electric and hybrid cars the eco-friendly vehicles amounted to 15.4% in June, down from May, but up slightly on last year. In the first half of the year gas vehicles accounted for 12.8% of the market, in sharp decline, however, compared to 13.9% in the same period last year.



The diesel stood in the month to 55.4%, higher than the 53.9% of last year while gasoline drops further to 28.2%, compared to 31% last year. In the first semester cumulative diesel ended with 56% compared to 53.5% last year. Petrol cars went down from 31.6% to 29.7%.

As for the alternative engines, the proportions of the various eco-friendly alternatives remain substantially unchanged compared to last month and remain largely the domain of

gas engines, leaving only 11% to electric and hybrid cars, despite major investments over their images and the press and promotional campaigns.

