

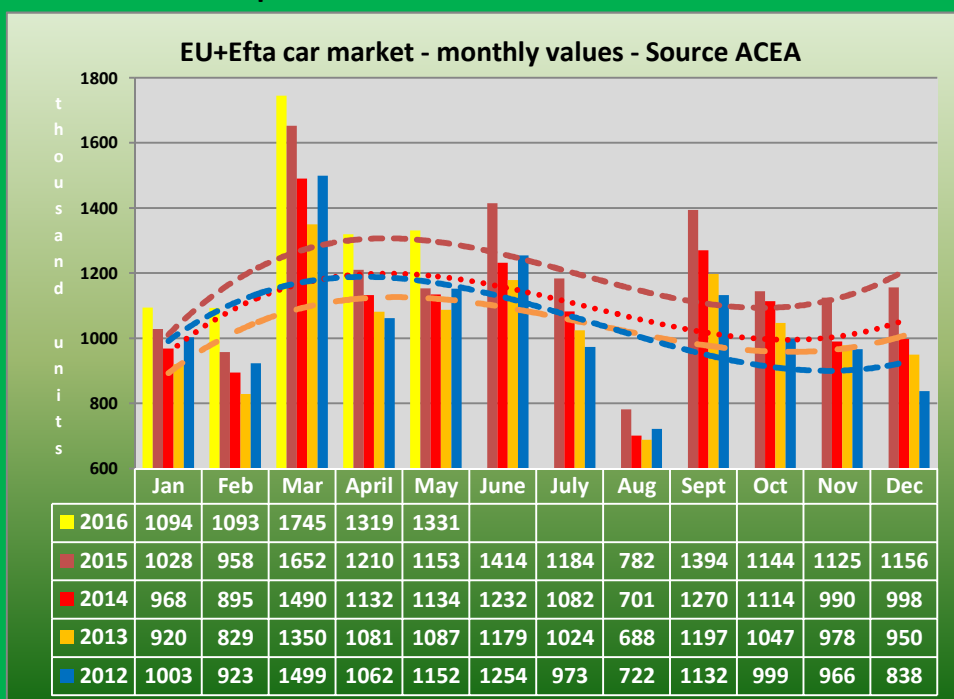
European Car Market (EU+Efta) – May 2016 registrations.

Turin June 16, 2016

Strong growth in May of car registrations in the EU+EFTA, the 33rd consecutive month of increase, an increase of 15.5% in the month with 1,330,599 units registered.

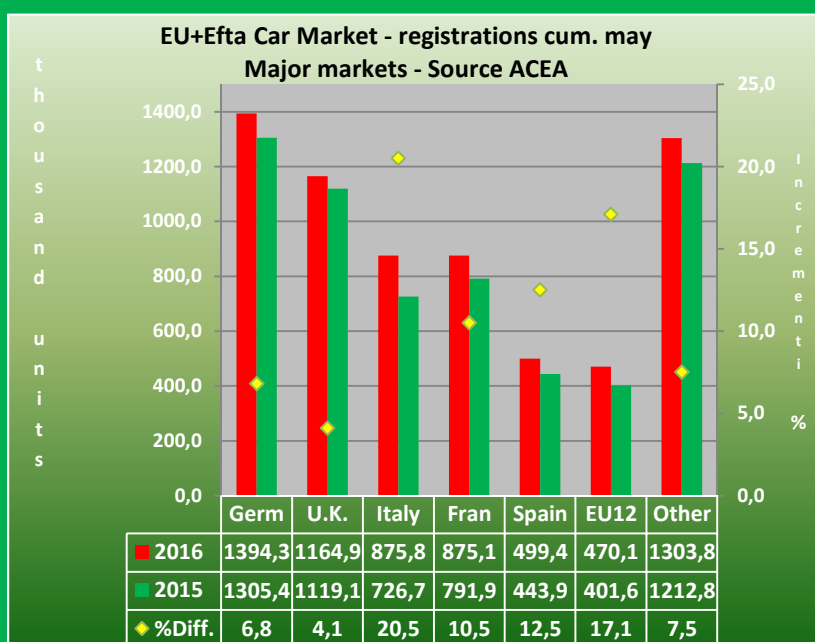
In the first five months, the cumulative European market rises by 9.7% to 6,583,373 units.

Excellent increase in volume and share of FCA Group: + 25.3% in the month and + 17.6% in the five months, with the share increased from 6.8% to 7.4% in May and by 6.4% to 6.9% in the period. In the month FCA surpasses Ford.



These results were primarily attributable to the strong recovery in new car registrations in Italy (+27.3%), followed by the EU12 (+25.9%), France (+22.3%) and Spain (+20.9). At some distance Germany with an increase of 11.9%. Increase of only 2.5% in Britain and of 0.7% in the Efta area. More than positive results in the majority of northern European countries. In the first five months cumulative Italy increased its registrations

by 20.5%, ahead of the EU12 (+17.1%), (especially for the excellent results of Lithuania (+26.2%), Hungary (+22.2%), Latvia (+20.2%), Slovakia (+19.8%), Romania (+16.1%), Poland (+16.8%) and Czech Republic (+16.4%), and Spain (+12.5%). Follow France (+10.5%), Germany (+6.8%), and Britain, increased in the period by only 4.1%. The Efta area increases by 2.6%, and also increases almost all the northern European countries. Italy passes for the first time in many years in 3rd place in the ranking of major markets.

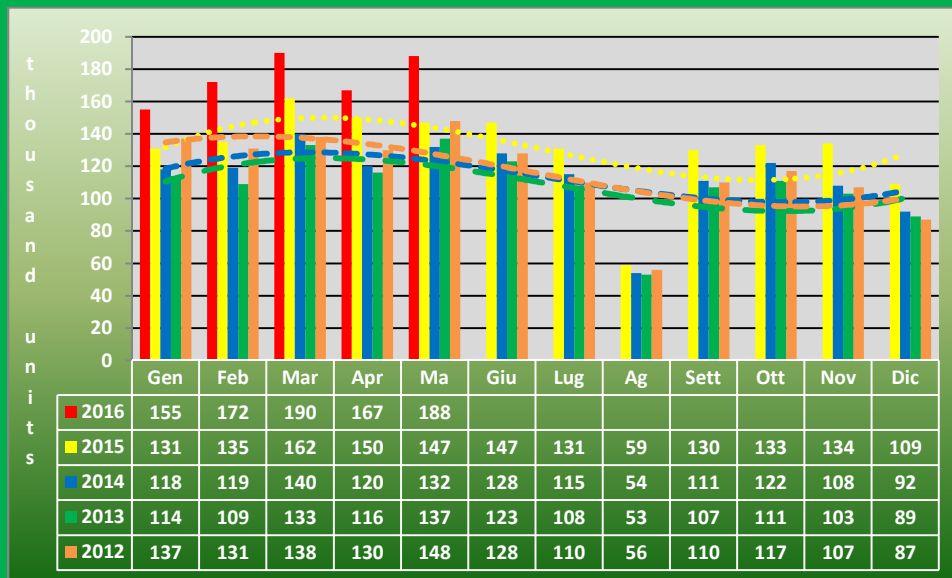


As for the future of the automotive industry, the latest figures published by Eurostat show a 1st quarter GDP increase of 0.6% in the euro area and by 0.5% in the EU28 (+ 1.7% and + 1.8% respectively) compared to first quarter of last year. In Italy the increase was 0.3% in the first quarter and 1% compared to the same period last year. Unemployment in April dropped compared to the last month in the EU28 to 8,7% (9.6% in April 2015) and has remained stable at 10.2% in the euro area (11% in April 2015).

Even on this basis, it is anticipated that the positive trend will continue in the current year also for the necessary renovation of the park and therefore with different trends in the various countries.

As to Italy in particular, although with two working days more compared to a year ago, the car market in May got an extraordinary result not seen from May 2009: 187,631 units registered, 27.3% more than in May last year, the 24th straight month of increase. The final of the first five months totaled 875,778 registrations, 20.5% more than the volume reached in the same period of 2015. The FCA group share grew in the period to 29.3% against 28.6% last year.

Registrations monthly trend. ('000 units) Source Min. Transport / Anfia / Unrae

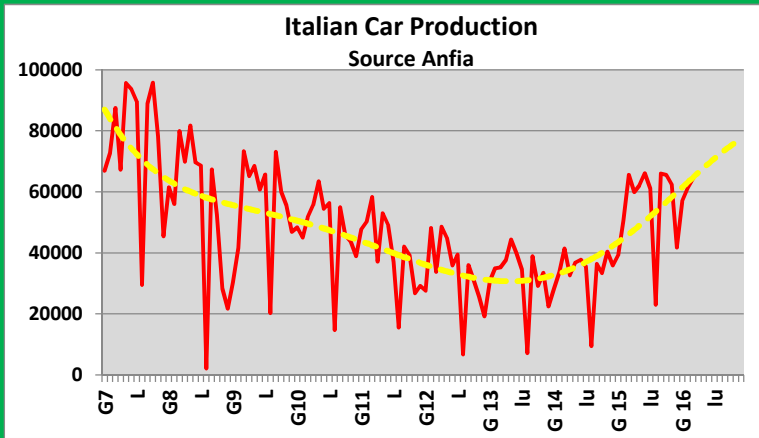


According to Unrae "the Italian market is going very well - led in sales by households, by strong commercial actions offered by houses with their own networks. It proves to work well the super-depreciation in sales to companies, a sign that, in particular small and medium-sized companies, appreciated the partial easing of the tax burden. Hence the need to clarify the future

of this measure and plan its renewal schedule promptly - as was done in France - to avoid year-end unproductive anticipation of demand and the subsequent collapse in 2017, also including the extension of the 40% increase of the deductibility limit (now at about 25,000 Euros), which also expire on the same date. Regarding the near future, according to Anfia the year-end forecast, that should amount to 1,700,000 units, an increase of 7 to 9%, is based on a lower trend of increase in the 2nd half of the year, also for the resumption of fuel price increases. Higher instead the Unrae forecast that last month spoke of a closing the year at 1,780,000 units.

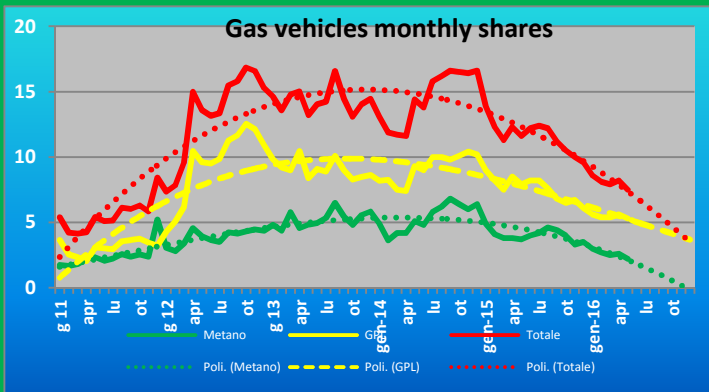
The economic picture continues to show, however, contradictory signals as our economy continues to struggle with such difficulty as bureaucratic and judicial ones in the first place. In April increased again the unemployment rate (11.7% compared to 11.5% in March) and 36.9% youth unemployment (36.7% in March). So the greater push for further increases to justify the Unrae forecast is "the urgent need to replace old cars, already postponed during the crisis years" also favored by a "much more favorable credit market for purchase of automobiles".

However to date there are no concrete signs of long-term solutions to the problems that still plague our economy, which remain virtually unchanged, such as a marked reduction in public spending to revive consumption and investment with a substantial reduction in the tax burden.



As for the automotive industry as a whole, positive note for Italy is the continuation of the increase in the production of car. According to Anfia domestic production of cars in the first four months of the year was by 14% higher than last year, at about 245.000 units.

compared al'8,2% in April, and well below 11.5% in May last year and of course the values achieved



Starts to descend again the proportion of gas vehicles, with a 7.5% share in May compared al'8,2% in April, and well below 11.5% in May last year and of course the values achieved in 2015 and especially in 2014. Together with the share of electric and hybrid alternative fuel to petroleum vehicles amounted to 9.4% in May, compared to 13.1% last year. In the first five months, the gas vehicles amounted to 8.1% and the share of all vehicles with alternative propulsion at 10%, against 13.8% in the same period last year. In the period diesel rose to 56.2%, higher than the 55.7% last year. The petrol vehicles obtained a 33.8% last year.

share against 30.5% last year.

As for the environmentally friendly engines the proportions between the various alternatives in the first five months continue to move slightly in favor of the electrics.

