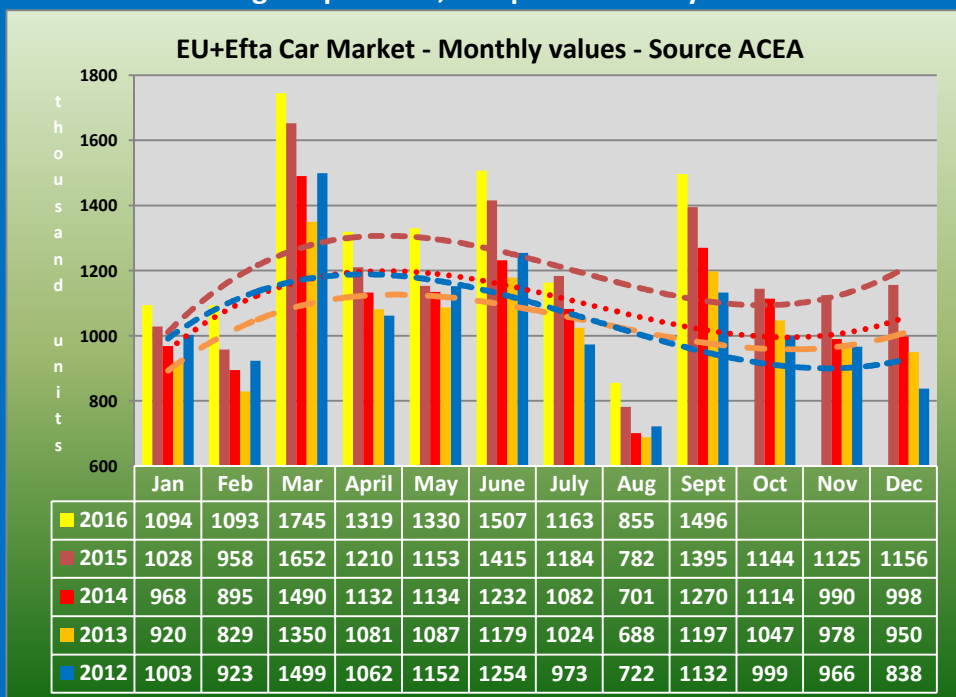


## European Car Market (EU+Efta) – September 2016 registrations

Torino, October 14, 2016

It remains around the average of the period the growth in car registrations in the EU+EFTA in September, an increase in the month of 7.3%, to 1,496.205 units. In the cumulative of the first nine months, the European market was up by 7.7% to 11,607,266 units.

Excellent increase in volume and share of FCA Group with share increasing from 6.2% to 6.6% in the cumulative through September, compared to last year.



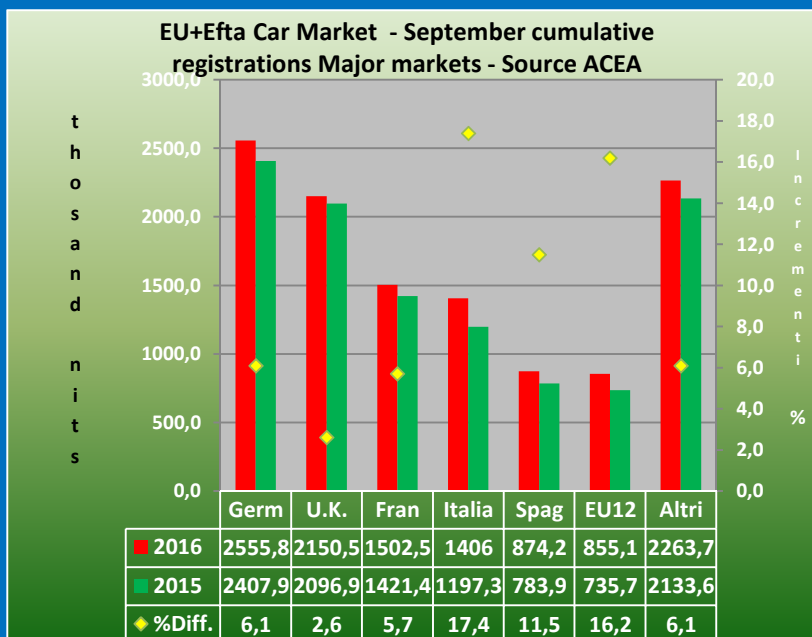
To get to the results of the month contributed mainly the good performances of the EU12 (+20.4%) and Italy (+17.4%), followed by Spain (+13.9%), Germany (+9.4%) and from the Efta area (+9.8%). More distant France, increased by 2.5% and Britain increased by 1,6%.

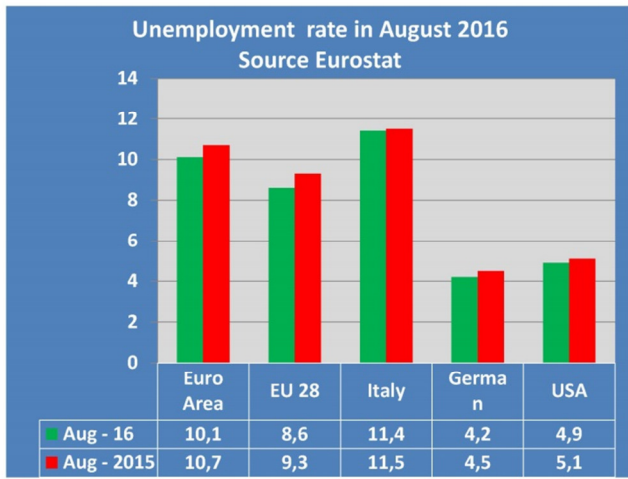
Generally above-average the increases in the rest of Europe.

In the first 9 months cumulative Italy increases of 17.4%, the EU12 of 16,2%, [especially for the excellent results of

Hungary (+25.6%), Latvia (+23%), Lithuania (+21,4%), Poland (+17.3%), and Spain of 11.5%, (whose good results are always tied to the PIME incentive program). Follow Germany at +6.1%, France (+5.7%), and Great Britain, increased in the period by 2.6%. The EFTA area increased by a meager 0.3%. It increases with good percentages almost all the northern European countries.

As for the future of the automotive industry, the Great Britain exit of the EU continues to provoke negative reactions, both in terms of sales and on-site production, especially by



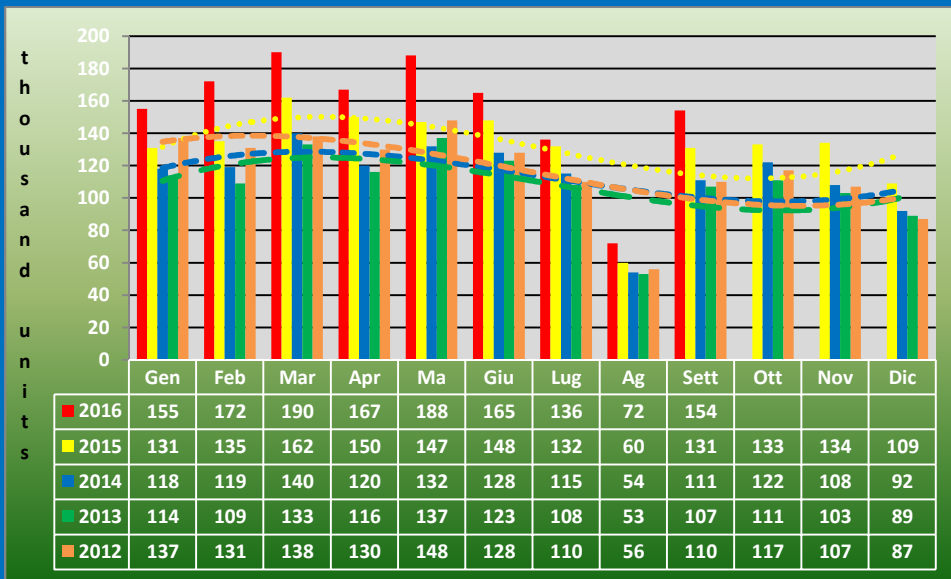


foreign houses that have assembly plants in Britain, and could therefore lead to a reduction in car registrations in Europe, especially in 2017. Unemployment in the EU in August remained at 8.6% (9.3% in August 2015) and 10.1% in the Euro area (was 10,7% in august 2015). Industrial production has increased considerably in August, both in the EU (+ 1.4%) than in the euro area (+1.6%). Similar growth in Italy. It can still be anticipated that the positive trend will continue in the current year for the necessary renovation of the park and therefore with different trends in the

various countries.

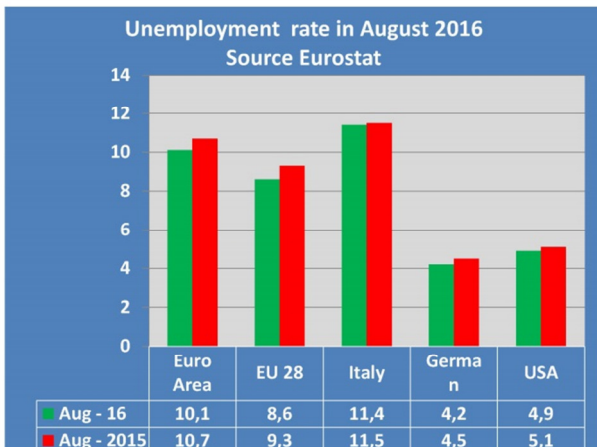
As to Italy in particular continued also in September the acceleration of sales after the slowdown in July: 153,617 units registered in the month with an increase of 17.4% on September last year and the 28th consecutive month of increase. The cumulative result for the nine months amounted to 1,406,035 units, 17.4% more than the volume in the same period of 2015. The FCA Group share came in the period to 29.2% against 28.5% last year.

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



In the opinion of Unrae: "The data for September confirm that the car remains central in mobility, for the opportunity given by the strong commercial promotions and by tax incentives, to address a need for replacement of older park, postponed for too much time. "The result of September - continues Nordio - confirms our forecast of a market this year close to 1,850,000 registrations, with a double-digit growth, better than the beginning of the year expectations".

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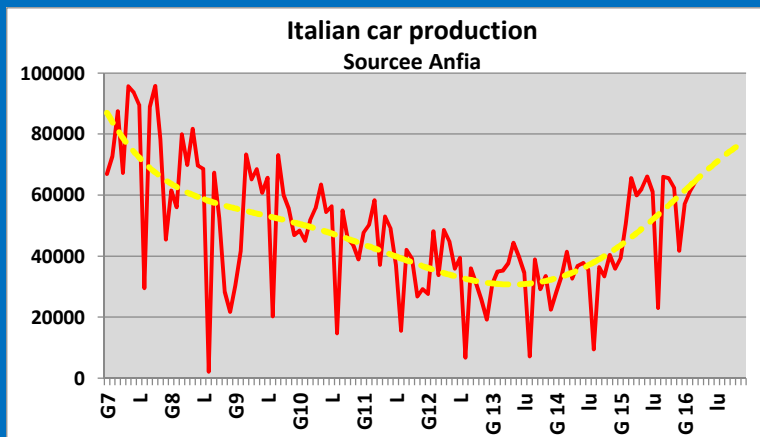
According to Anfia the reduction to 120% of the superammortamento for vehicles and other means of transport is likely, however, to slow down the necessary process of modernization of the fleet.

As for the future remain all the concerns already identified in the past months: the economic picture continues to show mixed signals as our economy continues to struggle with such difficulty, bureaucratic and judicial

ones in the first place. In August, the unemployment rate remained stable compared to July (11.4% compared to 11.5% in August 2015) and decreased that of youth unemployment to 38.8%.

So the greater push for further increases in sales comes from the urgent need to replace old cars, already postponed during the crisis years. To date still no concrete signs of long-term solutions to the problems that 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.

According to "La Stampa" the next step is the approval of the Law of Stability that will amount to about 23 billion Euros, of which 15 aimed at defusing the usual safeguards on VAT. And 7-8 billion possible interventions will be concentrated on four priority strategic items (pensions, public investment of Commons, support for private investment, energy bonus), who will support some measures already announced (money for the state, for productivity wages, for recruitment, for the Fund for poverty. If all goes well in the expectations of the Economy Minister Pier Carlo Padoan, in



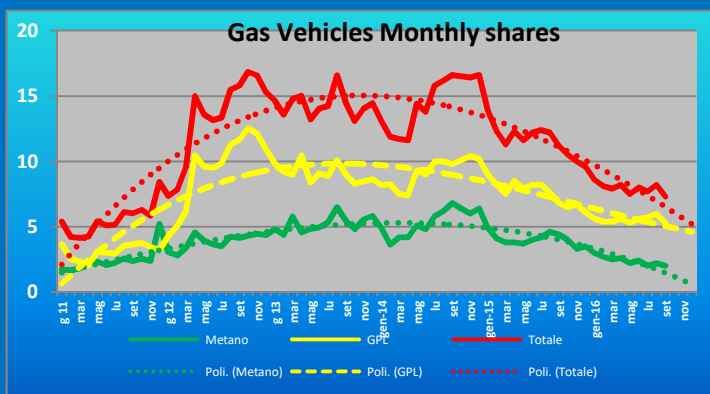
these hours he is trying to avoid further complications with the European Commission, and the law of stability in 2017 will not be a declaration of war against Brussels and the Bundesbank.

As for the automotive industry as a whole, positive note for Italy is the continuation of the increase in the production of car trend. According to preliminary data compiled by ANFIA, in the first eight months of this year

increased production of cars was nearly 10%, with 469,000 cars produced.

**Back down the share of gas vehicles,** with a 7.3% share in September compared to 8.2% in August, well below the 12.1% in September 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 stood in September at 9.9%, compared to 13.3% last year. In the first nine months gas vehicles amounted to



7.9% and the share of all vehicles with alternative propulsion to 9.9%, against 13.8% for the same period last year. In the period diesel rose to 56.9%, higher than the 55.3% last year. The petrol vehicles represented 33.1% against 30.9% last year.

As for the environmentally friendly engines the proportions between the various alternatives in the eight months continue to move slightly in favor of the electric.

