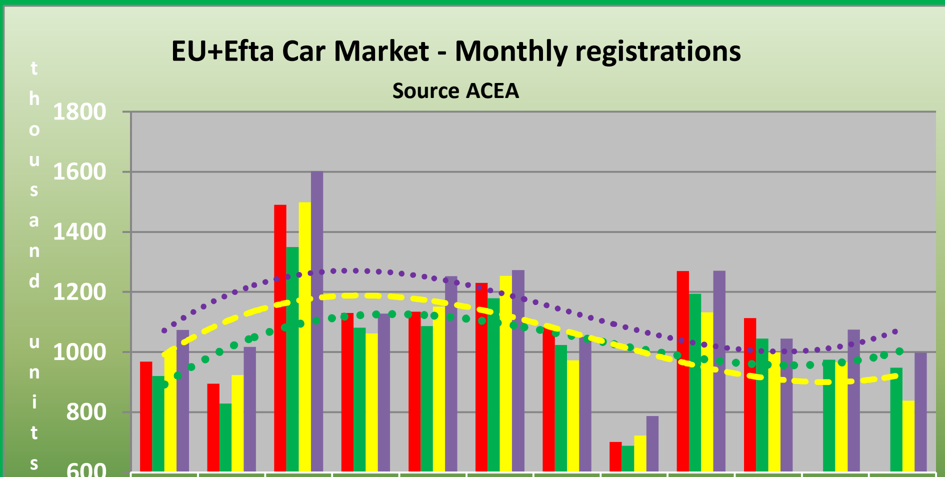
Press Release

European car Market – October 2014 Registrations

Turin, November 18, 2014

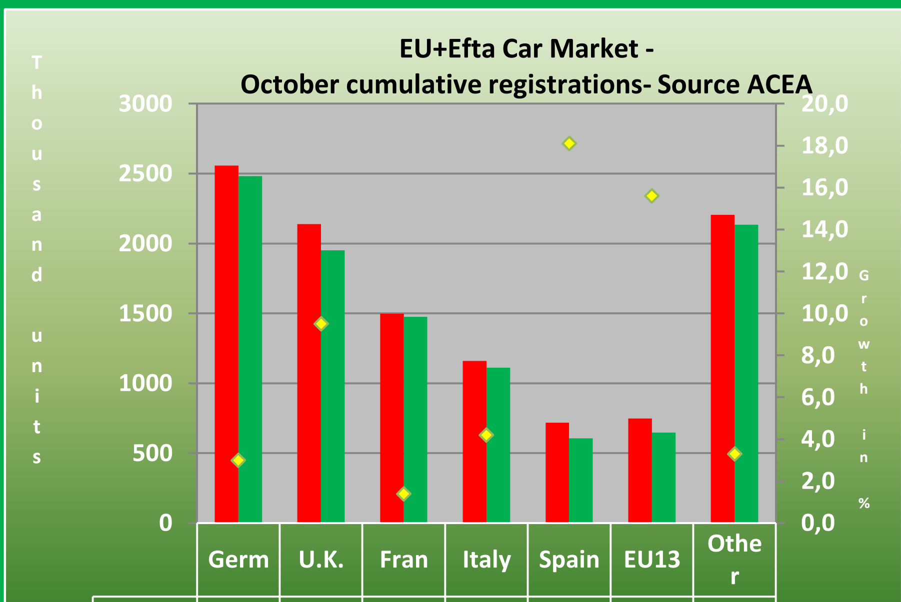
Continues through October, and for the fourteenth consecutive month, the growth of the European market (EU+Efta): 1,112,628 units registered, 6.2% more than in the same month last year. Cumulatively in the first 10 months 11,020,107 units were registered, 5.9% more than in the same period last year.



	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
2014	968	895	1490	1130	1134	1230	1082	701	1270	1113		
2013	920	829	1350	1081	1087	1179	1024	688	1194	1045	975	948
2012	1003	923	1499	1062	1152	1254	973	722	1132	999	966	838
2011	1074	1017	1602	1128	1253	1273	1050	787	1271	1045	1075	998

Always at the top of the ranking Spain with 26.1% more of October 2013, followed by Britain with 14.2% more, and the new members of the EU with a 13% increase. More and more brilliant the result recorded in the month in Italy (+ 9.2%), followed at some distance by Germany (+ 3.7%). Fall instead registrations in France (-3.8%). Slightly decreasing in the Efta area (-0.5%), but in fairly good progress in almost every country in Northern Europe.

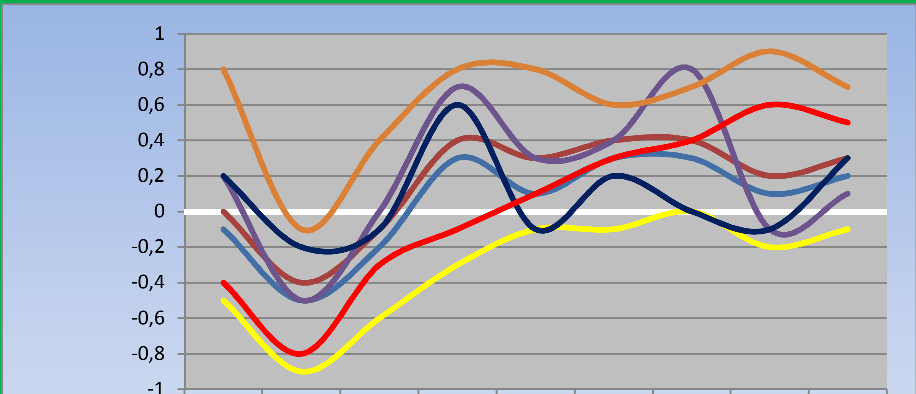
Cumulatively in the first ten months of the year the best market in terms of percentage increase remains Spain rising by 18.1%, always supported by government incentives that are expected to continue until the end of the year, followed closely by the UE13, rising by 15.6%, and the UK (+9.5%). Particularly brilliant among the new EU members the results of Romania (+26.2%), Hungary (+20.2%), Czech Republic (+17.5%) and Poland (+14,3%). Britain remains in the period in second place in the European rankings,



	Germ	U.K.	Fran	Italy	Spain	EU13	Other
2014	2557	2138	1497	1159	717	748	2204
2013	2482	1952	1476	1112	607	647	2133
%Diff.	3,0	9,5	1,4	4,2	18,1	15,6	3,3

continuing to expand the distance with France, rising only by 1.4%. In the ten months cumulative Italy grows by 4.2% and 3% Germany. Down by 1.1% the Efta area. Continue to be excellent the results in Portugal (+34.7%) and Ireland (+29.6%). More modest results in most of the countries of Northern Europe; remain below the level of 2013, although gradually improving, those of the Netherlands, the only country in Europe to report a negative data in the period (-4.9%), always followed by Belgium (-0.6).

Down slightly the share of FCA Group in Europe in the first 10 months cumulative: from 6.1% last year to 5.9%; slightly up in the month (from 5.8% to 5.9%).



	3o 12	4	1o 13	2	3	4	1o 14	2	3
EU18	-0,1	-0,5	-0,2	0,3	0,1	0,3	0,3	0,1	0,2
EU28	0	-0,4	-0,1	0,4	0,3	0,4	0,4	0,2	0,3
Italia	-0,5	-0,9	-0,6	-0,3	-0,1	-0,1	0	-0,2	-0,1
Germania	0,2	-0,5	0	0,7	0,3	0,4	0,8	-0,1	0,1
Francia	0,2	-0,2	-0,1	0,6	-0,1	0,2	0	-0,1	0,3
UK	0,8	-0,1	0,4	0,8	0,8	0,6	0,7	0,9	0,7
Spagna	-0,4	-0,8	-0,3	-0,1	0,1	0,3	0,4	0,6	0,5

Looking to the near future Eurostat has recently published the GDP data for the 3rd quarter in Europe. All European countries have registered a positive trend with the only exception of Italy that show a decrease (-0,1%) for the 13th consecutive quarter. And with poor prospective for the near future to exit recession. To be underlined the positive trend of Spain and the improved values in France and Germany. U.K. remains the best among major countries in the EU.

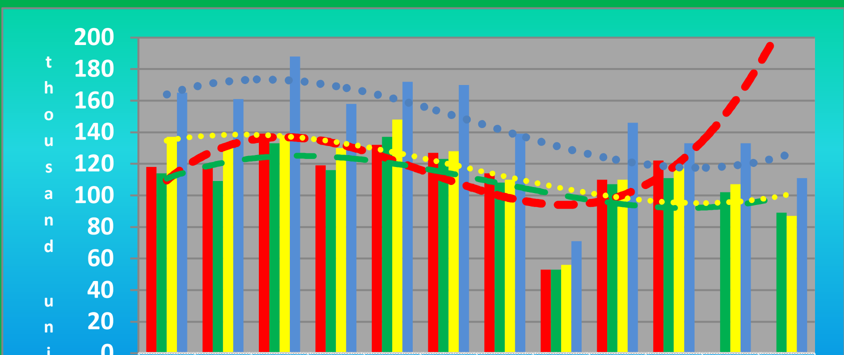
Industrial Production was also up in September in Europe, compared to the poor results of August. Remains negative in Italy.

Unemployment remains stable at 11,5% in the Euro area, and at 10,1% in the EU 28. Again up in Italy: 12,6 % in September (vs 12,5% in August). Slightly down (42,9%) among young people.

As for the automotive industry, on the basis of the good results of the first 10 months of the year, it is now common opinion among observers that 2014 will close with an increase of around 5-6%

As to Italy in particular, a modest improvement in private consumptions, emphasized by the increase in car sales to private individuals, has led to a 9.2% increase in car registrations on the Italian market compared to October of last year, with 121.736 units registered. In the first ten months, the cumulative increase over the previous year, improved to + 4.2% with 1,158,896 units. Slight decline in the national brands (-1%).

Monthly registrations. ('000) Source Min. Transportation / Anfia / Unrae



	Gen	Feb	Mar	Apr	Ma	Giu	Lug	Ag	Sett	Ott	Nov	Dic
2014	118	118	139	119	132	127	114	53	110	122		
2013	114	109	133	116	137	123	108	53	107	111	102	89
2012	137	131	138	130	148	128	110	56	110	117	107	87
2011	165	161	188	158	172	170	139	71	146	133	133	111

Rather than comment directly on this information I decided to leave this month, the word to the presidents of the two Car Associations. According to the President of ANFIA: *"Entering the fourth quarter of the year is positive for the market and confirms the forecast of a year-end increase by a few percentage points, for the first time after six* *years in decline, compared to 2013. The rise in new car registrations in October follows the trend of modest improvement, as already shown in the cumulative registrations in the first 9 months of 2014, in the recovery of share of car sales to private individuals. If in the first half of 2014, in fact, the cars registered to individuals accounted for 58.7% of the total registered, in the first nine months 2014 the share rose to 60%, thanks to the recovery occurred in the third quarter: + 4.6% compared to the same quarter in 2013, an increase higher than the overall market (+3.7%).* According to the President UNRAE instead*:*

"the positive market hides the evidence that sales to households - once again, the true litmus test of the health of the market - remain stagnant at levels close to those of last year. There is indeed a problem of mobility, more and more costly for the Italian families who, despite having the need to change the car, do not find the environment conducive for doing so. This is leading to the non-renewal of the vehicle fleet, as recently pointed out by ACI that places our country among the worst in Europe for the age of vehicle park, definitely much worse with respect to the other major markets. The largest impact is no longer negligible and the aging of our fleet concern mostly for the social costs related to the safety of these vehicles and their impact on the environment.

It is therefore still difficult to draw definitive positive signs for the future, because the comparison is always with the data extremely negative of past years.

On the other hand the economic outlook of our country, as shown by the data on GDP growth in the second quarter that reaffirm we are in recession, remains extremely weak.

The government has lowered the Revenue estimates last April, with the note of update of the Document of Economics and Finance (Def) anticipating that GDP will close this year to -0.3% to return to growth, of only 0.6% in 2015.

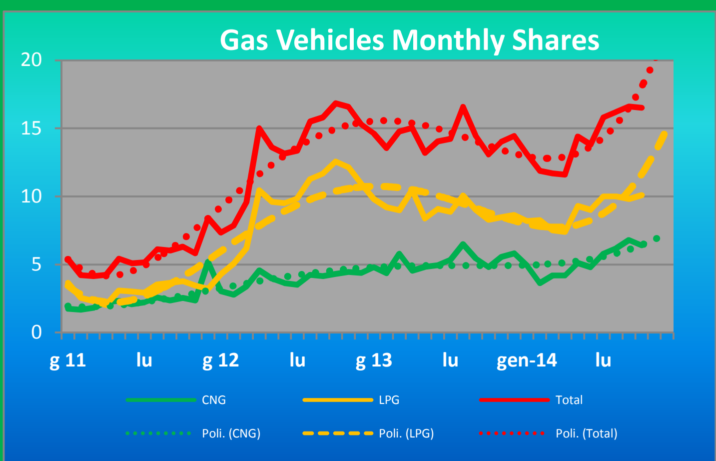
The stability law has since been approved by the European Commission, although unofficially, but with worsening of the deficit ratio admitted.

However, no government decision in terms of real cuts in public spending and reduction of the tax burden on businesses and households yet materialized, except for the proposed renewal of the reduction of € 80 for a certain number of people, and a further slight reduction of IRAP, that are however dependent on parliamentary approval of the Budget Law, while the youth unemployment continues to travel at about 43%, only slightly lower than the figure for August (44.2%) and overall unemployment returns above 12% (12.6% in September, up 0.3% on August and 0.1% on twelve months ago). This in a general improvement in the year in Europe. It should be noted the progress in Germany, where the rate fell to a structural minimum, and the United States where the economy is progressing at rates well above Europe.

Some new perspective opens up on the side of labor law with the likely approval of the "Jobs Act", which should include, inter alia, greater flexibility in the new open-ended contracts (increasing protection).

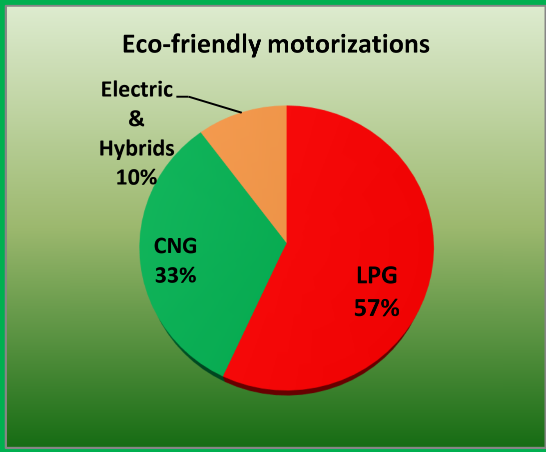
All this leaves practically unchanged the problems of our economy that has returned to recession, from which is expected to exit only next year.

Meanwhile, our country continues to experience a deflationary phase (consumer prices fell 0.4% also in October). No measures in sight with a view to facilitate the recovery of the automotive market,



Continues to grow in October the market for gas-powered vehicles, with a 16.6% share, much better than last year (13.1%). Together with electric and hybrid cars the share of alternative fuel vehicles stood at 18.2% in October, compared with 14.5% last year. In the first ten months cumulative gas vehicles sales accounted for 14% of the market, same value of the same period last

year.
Diesel increased in the month to 54.1%, a figure only slightly lower than the 54.8% last year, and gasoline dropped to 27.5%, compared to 30.6% last year. Cumulatively diesel closes the first ten months at 55.4% compared to 53.8% last year. The petrol cars were down from 31.0% to 29.0%.
As to the eco-friendly engines, the proportions of the various alternatives are maintained in favor of gas engines, leaving only 10% for electric and hybrid cars, despite major investments on their images and related media campaigns and promotions.



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Emilio di Camillo – Centro Studi Subalpino – November 2014