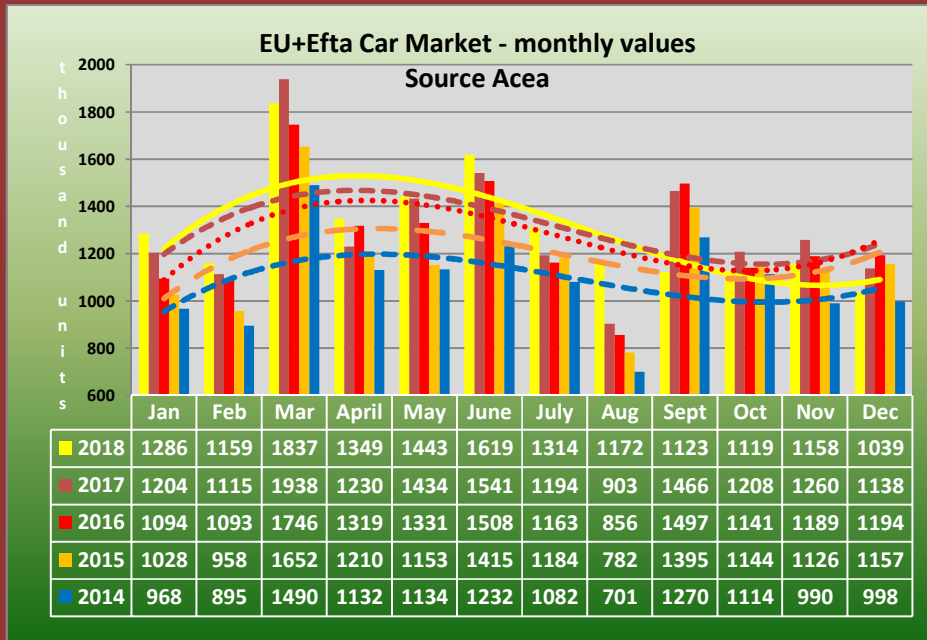


Torino, January 17, 2019

## European car market – December 2018 registrations

It also continues in December, and for the fourth consecutive month, the descent of European car demand: -8.7% in the month. In the total of the year 2018, registrations decreased by 0.04% to 15,624,486 units.

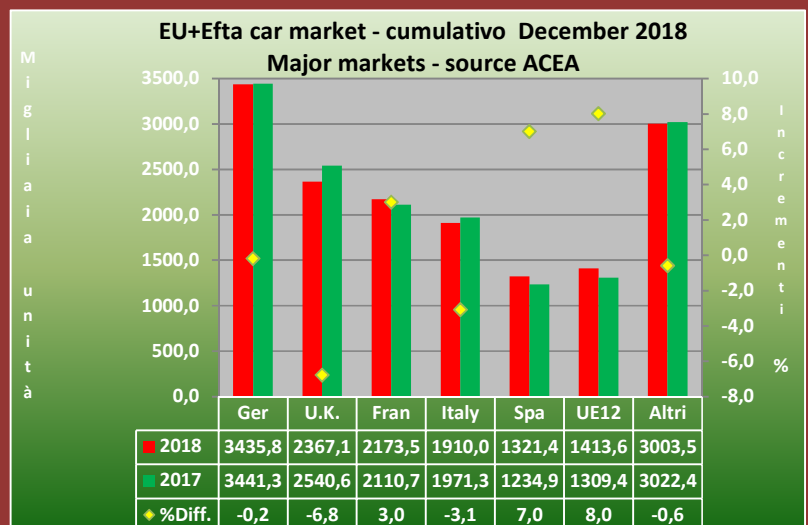


Among major markets the most significant losses were in the Efta area, (-15.7%), followed by France (-14.5%), UE12 (-9.9%), Germany (-6.7%), the United Kingdom (-5.5%) and Spain (-3.5%). Italy rises in the month of 2%.

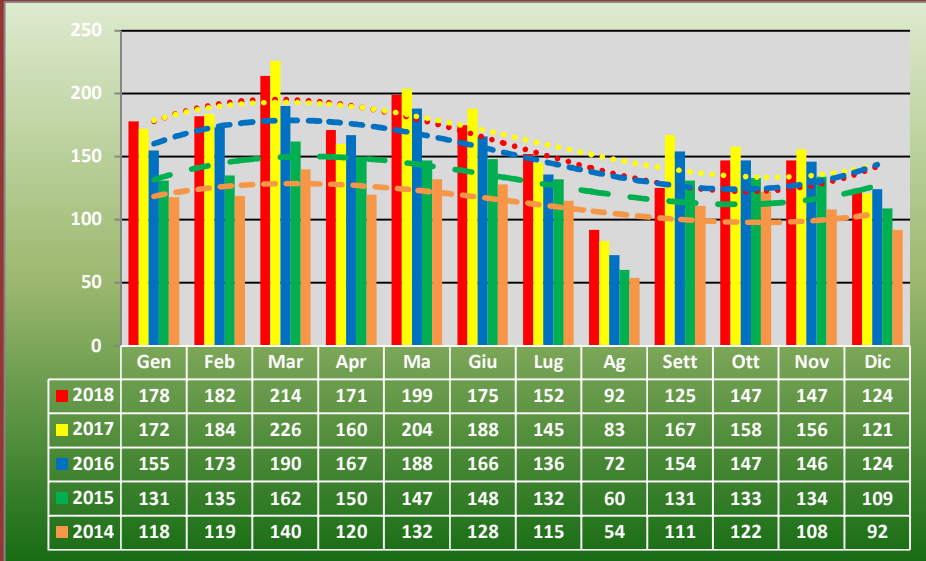
In the total year 2018 stands out the result of EU12 which rises by 8% [mainly due to Lithuania (+25.4%), Romania (+23.1%), Hungary (+17.5%), and Poland (+

9.4%)] followed by Spain rising 7%, and France (+3%). Germany drops by 0,2%, Italy by 3.1%, the EFTA zone loses 5.7% and Great Britain 6.8%.

As to Italy in particular slight progress in December of the car market: + 2% in the month with 124.068 units registered. In total, 1,910,025 units were registered in the year, 3.1% (around 60,000 cars) less than in 2017.



Monthly registrations trend ('000 units) Source Min. Transport / Anfia / Unrae



According to Anfia, “the month of December was positive, even for one more working day compared to December 2017, after three months in decline, but the new year opens with some concern for the negative repercussions of the bonus-malus taxation of new cars registrations, for the climate of economic uncertainty and for a critical productive

context”.

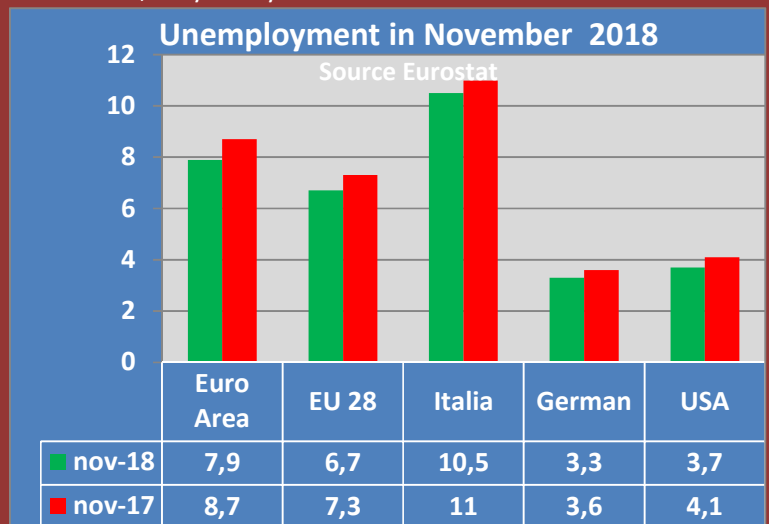
According to Unrae: “In the year just ended the Italian motorists were convinced on the possibility of tax reductions on fuel excise, and reassurance on the promise that no new taxes would be introduced. 2019, on the contrary, opens with additional imposition for buyers of new cars, not only luxury cars or large displacements vehicles, already subject to the superbollo, but some versions of popular models exceeding the “malus” values (high CO2 emissions – over 160 grams)”.

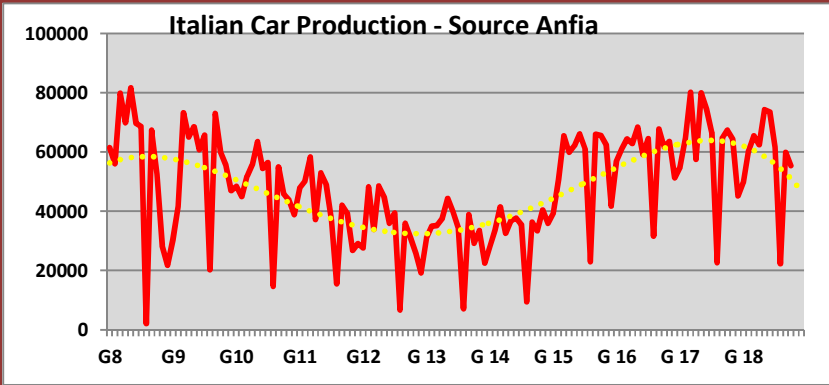
Among heavy contrasts between the two components of the government on various issues such as the TAV Turin Lyon, oil drilling and various infrastructure initiatives, only today or tomorrow will be held the Council of Ministers for the approval of the maxidecreto implementing the income of citizenship and new pension scheme (quota 100), which have undergone further reductions in financial means.

Even as a result of economic difficulties affecting all of Europe, the GDP growth forecast for the current year declines.

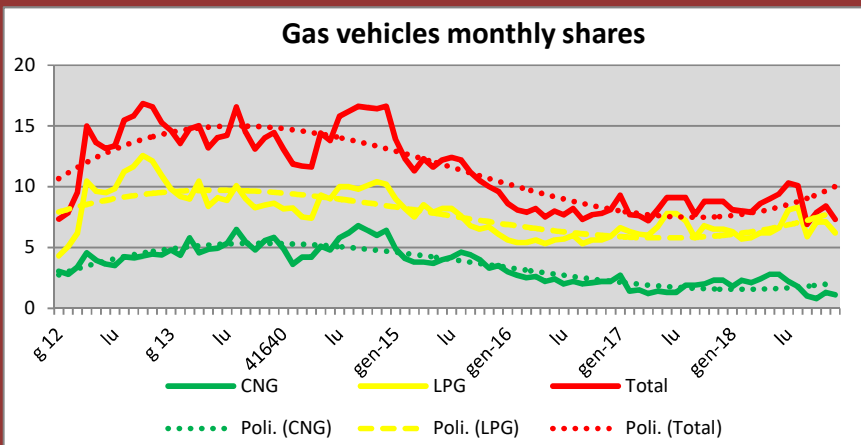
In the meantime the unemployment rate has returned to fall: 10.5% against 10.6% in October. Youth unemployment also declined compared to October (31.6% against 32.2%), down from 33.2% a year ago. As for the automotive sector as a whole, according to preliminary data from ANFIA, domestic car production in November 2018

amounted to 46,991 units, down 26.9% compared to November 2017. In the first eleven months of year in progress, the production of cars (631,543 cars) recorded a 9.5% decrease compared to the same period of 2017.





Down to 7.3% in December compared to 8.4% in the previous month, and in a decisive decline compared to the same month last year (8.8%), the share of gas vehicles.



Together with electric and hybrid vehicles, the proportion of vehicles with alternative fuels to oil stood at 12.1% in December compared to 14.1% in the previous month, due solely to the decline in the share of gas vehicles. The contribution of methane is always modest. However in the year total the share of gas vehicles rose from 8.1% last year to 8.4% in 2018. In the month, diesel recovered marginally to 46.4% compared to

45.1% of the last month but collapses compared to 57.4% last year. In the total of the year the share of diesel drops to 51.5% compared to 56.7 a year ago. Gasoline vehicles rose to 41.5% in the month compared to 29.7% last year. In the total year they rise to 35.3% compared to 31.6% last year. This situation has been created, among other things by the "demonization" campaigns of diesel cars that are disorienting and frightening customers, also in light of the impact on the residual value of their car.

As a result, for what concerns the environmentally friendly engines, the proportions between the various alternatives continue to shift in favor of the electric and hybrid.

