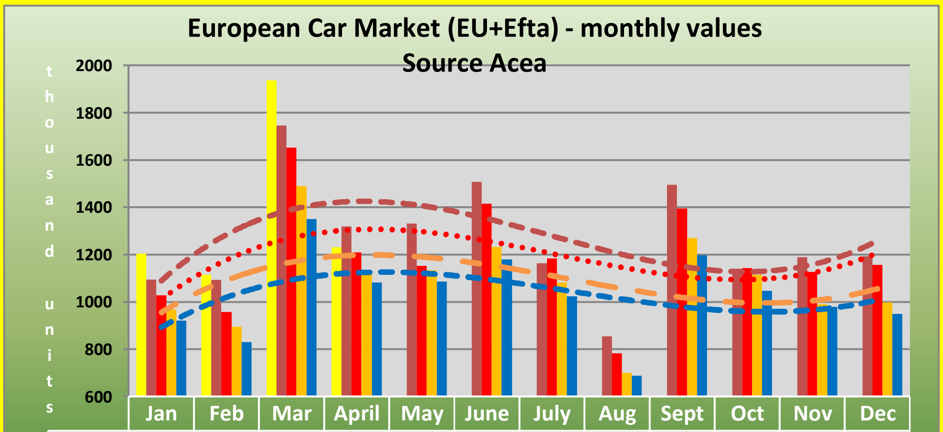
CENTRO STUDI SUBALPINO

Press Release

Turin, May 16, 2017

European car market (EU+EFTA) – April 2017 registrations

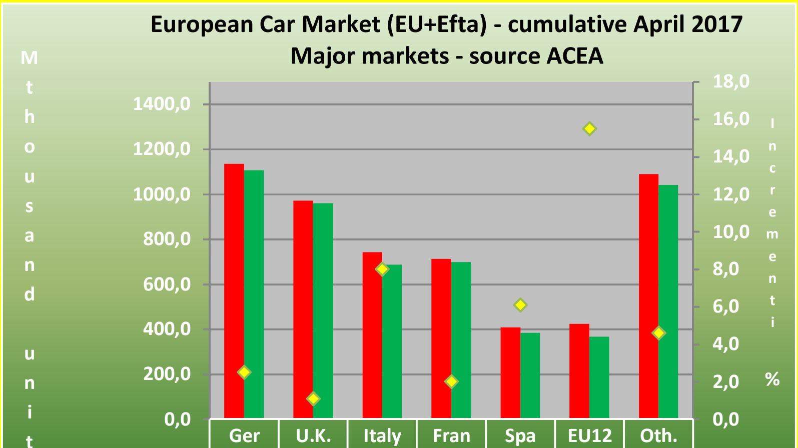
Conditioned by Easter falling in April (it was in March last year) car registrations in the EU+Efta dropped of 6.8%. In the aggregate of the first four months the registrations were 4.5% higher than in the same period last year at 5.487.695
Increase in volume and share of FCA Group, up from 6.7% to 7.2% in the first four months of the year...



	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
2017	1204	1114	1937	1230								
2016	1094	1093	1746	1319	1330	1507	1163	855	1496	1141	1189	1193
2015	1028	958	1652	1210	1153	1415	1184	782	1395	1144	1126	1157
2014	968	895	1490	1132	1134	1232	1082	701	1270	1114	990	998
2013	920	829	1350	1081	1087	1179	1024	688	1197	1047	978	950

Few positive figures in the month: the best was EU12 with a +8.2% [mainly due to Poland (+14.4%), Lithuania (+10.7%), Slovenia (+9,7%) and Romania (+7.5%] followed by Spain with a +1.1%. Italy lost 4.6%, followed by France with a -6%, Germany by -8%, Efta area by -13.1%, and Great Britain by -19.8% .

In the first four months of the year, EU12 rose by 15.5%, followed by Italy with +8%, Spain (+6.1%), Germany (+2.5%), France +2% and Great Britain with a modest +1.1%. The Efta area loses 1.8%. Great Britain remains in second place and Italy ranked third in the ranking of the major European countries.

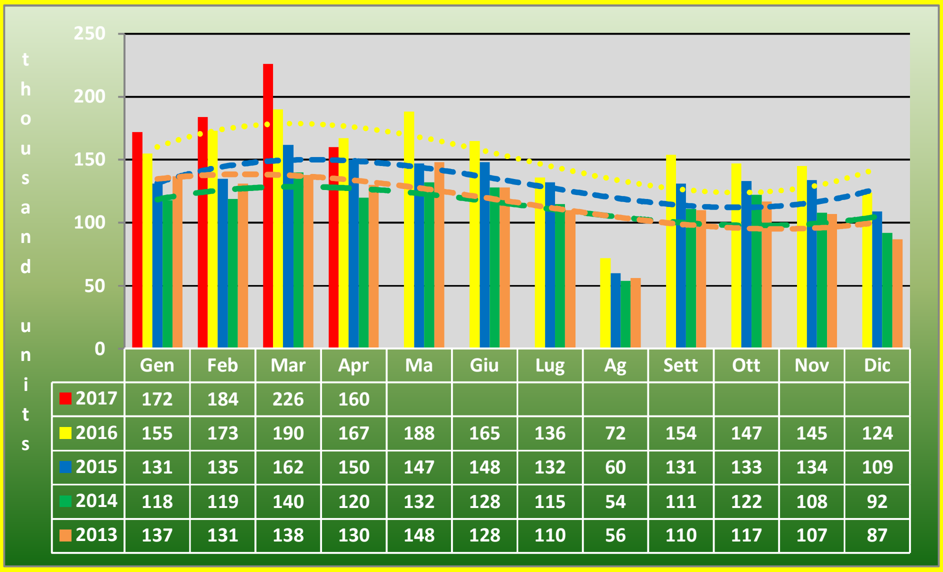


	Ger	U.K.	Italy	Fran	Spa	EU12	Oth.
2017	1135,4	972,1	743,3	712,9	409,3	425,1	1089,6
2016	1107,3	961,3	688,5	699,2	385,8	367,9	1041,7
%Diff.	2,5	1,1	8,0	2,0	6,1	15,5	4,6

As far as Italy in particular is concerned the calendar influenced April results: after 34 consecutive months of increases, the car market dropped by 4.6% with 160,359 cars registered. The figure for the first four months continues to show a very positive sign, with an increase of

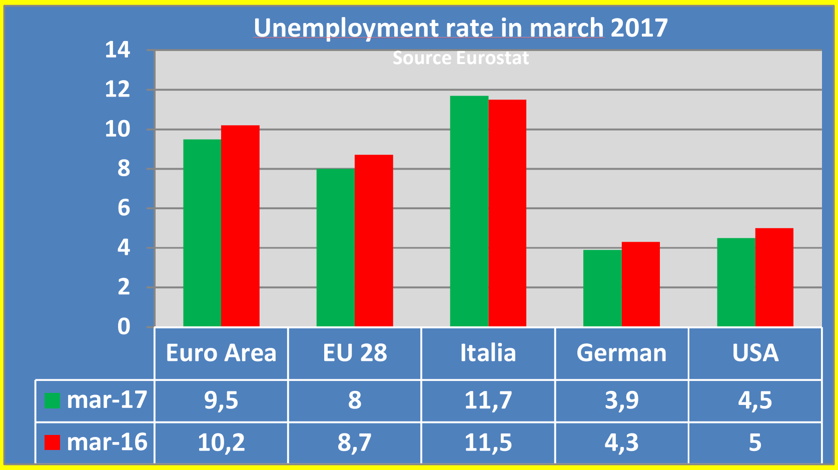
8% to 743,371 units.
It continues to improve FCA's share: 29.7% share in the period against 29.15% last year.

Monthly Sales ('000 units) Source Min transport / Anfia / Unrae



	Gen	Feb	Mar	Apr	Ma	Giu	Lug	Ag	Sett	Ott	Nov	Dic
2017	172	184	226	160								
2016	155	173	190	167	188	165	136	72	154	147	145	124
2015	131	135	162	150	147	148	132	60	131	133	134	109
2014	118	119	140	120	132	128	115	54	111	122	108	92
2013	137	131	138	130	148	128	110	56	110	117	107	87

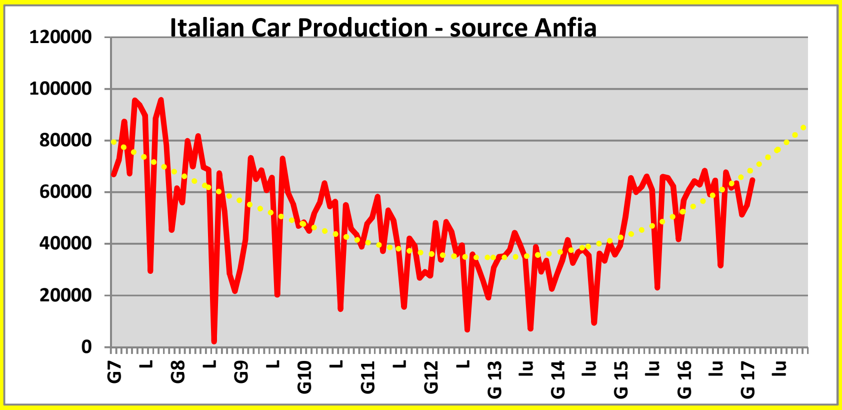
Anfia points out that *"In the fourth month of the year the Italian car market shows the first negative sign, mostly due to the calendar effects, since April 2017 counted two working days less than April 2016, which in turn closed up by 12.3%. It is not therefore a worrying sign: the improvement in the consumer confidence, the fall in fuel prices and the good performance of Italian cars, with six models in the top ten of the most sold cars, make us feel for the maintaining of market volumes in line with forecasts in the coming months".* According to Unrae, (which estimates a 10% downturn due to the absence of two business days*), a total of 1,996,000 cars is expected, an increase of 9.3% from 1,825,700 cars in the whole of 2016" "The market will be characterized by an increase of sales of rental and companies over the year, thanks to the contribution of Super Amortization and the Sabatini Law for the purchase of instrumental assets that are stimulating the investments of companies." After 2 consecutive years of increments around 16%, therefore, the car market in 2017 should go back to the level of 2 million total registrations, a sales volume that goes back to as far as 2010.* However, there is uncertainty about the political, institutional and economic framework: Mr Gentiloni's government continues to promise fiscal relief and initiatives to increase employment, but the situation remains immobile: for the future, all the perplexities already mentioned in recent months remain unresolved.



	Euro Area	EU 28	Italia	German	USA
mar-17	9,5	8	11,7	3,9	4,5
mar-16	10,2	8,7	11,5	4,3	5

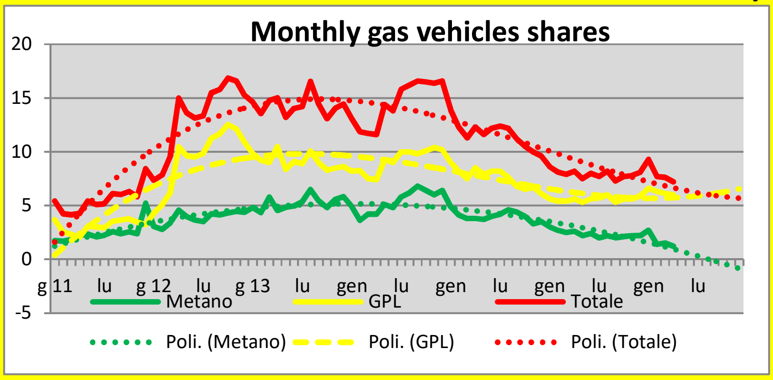
While improving in Europe in March, the unemployment rate in Italy has again risen to 11.7%, compared to 11.5% last month and March last year. Youth unemployment, however, dropped to 34.1% compared with 37.1% in the same month last year and 34.5% last month. So, as repeatedly stated in the past, the biggest push for further increases in private car sales comes from the need to replace old cars, already postponed during the crisis years.

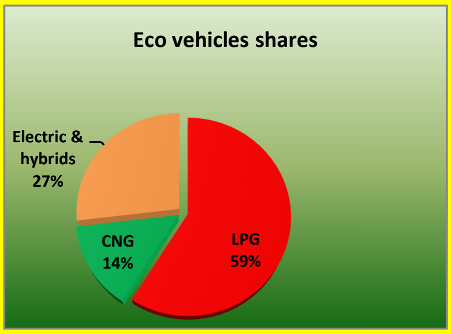
We will never tire of reiterating that no concrete solution is yet in sight on the long-term problems affecting our economy, which remain virtually unchanged, such as a decisive reduction in public spending to increase consumption and investments with a substantial reduction in tax burden.



Regarding the automotive industry as a whole, a positive note for Italy is the continuation of the trend of increased car production. According to data collected by ANFIA among the manufacturing companies, in the first two months of the year growth was of 1.3%.

Gas vehicles sales continue to fall: 7.2% versus 8.2% last year, mainly due to the sharp downturn in the sale of CNG vehicles. Along with electric and hybrid, the share of alternative fuel-based vehicles in April was 10.2%. In the month diesel grew to 58.3%. Petrol vehicles are down 31.5% versus 35.3% last year. As far as eco vehicles are concerned, the proportions of the various alternatives in the year continue to move in favor of the electricity which goes far beyond CNG in the first four months of the year.





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