

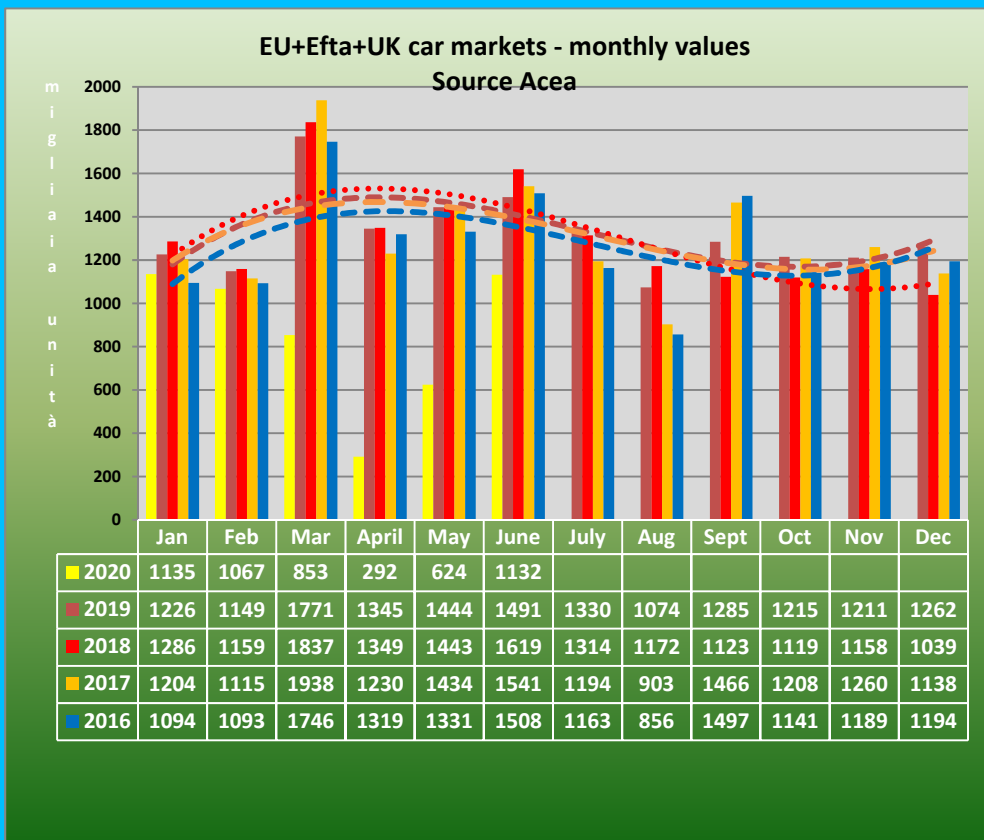


Press Release

Torino, July 17, 2020

European car market. Registrations in June 2020

The fall of all European car markets, due to the Covid-19 crisis, was also heavy in June: -24.1% in the month.



According to data released by ACEA, the Association of European Manufacturers, in June the registrations of new cars in the EU + EFTA + UK area amounted to 1,131,843 units compared to 1,491,465 in the same month last year, with a loss of over 300,000 units (-24.1%). The first half of the year therefore closed with a decrease of

39.5% to 5,101,669 units sold compared to 8,427,639 in the first half of 2019, with a loss of over 3 million units.

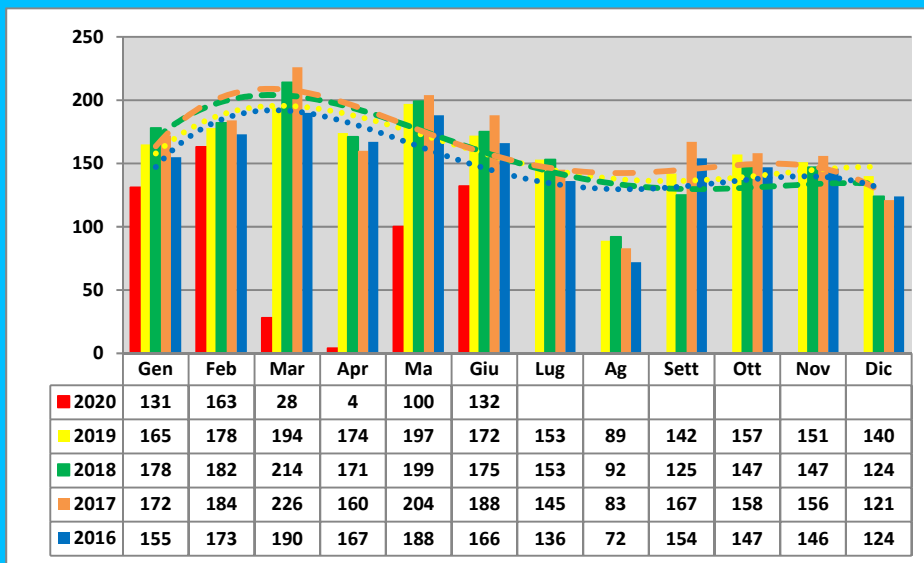
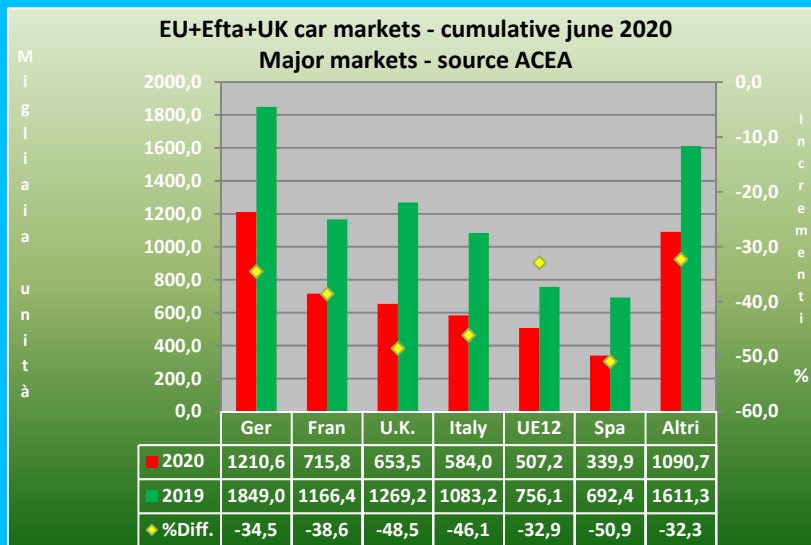
In the first half of the year the largest losses were recorded in Spain (-50.9%) followed by Great Britain (-48.5%), Italy (-46.1%) and, to a certain distance from France (38.6%), Germany (-34.5%), EU 12 (-32.9%) [the latter mainly because of Poland (-35.4%), from Slovakia (-34.7%), Slovenia (-31.9%), and Romania (-30.7%)], and from the EFTA area (-31.3%).

In June, France overtakes Britain.

As to the Italian market in particular further slight recovery in June of the car market after the collapse of the previous quarter due to Covid-19: -23.1% and 132,457 registered units. The final half-year report therefore stops at 583,960

registrations, volumes almost halved compared to the same period of the previous year (- 46.1%), with a loss of 500,000 units in the absolute indifference of the Government.

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



The Anfia bitterly underlines that the stock of vehicles accumulated by manufacturers and dealers during the past months, along with the current weakness of the demand, are hindering the restart of industrial production in the automotive supply chain. Incentivizing the market means restarting it, but also triggering a virtuous circle for the

revival of the production levels of the Italian industry as a whole and of the country system. In addition, the tax authorities would also gain, because every 100,000 registrations lost corresponds to a shortfall in tax revenues of around 500 million euros, not to mention that an industrial system in recovery means less use of social safety nets. Without stimulating the market, we risk counting, at the end of 2020, just 1.2 million new cars registered, with a 35% drop compared to 2019. The proposals of the Anfia to avoid it are that urgent implementation of short-term measures is carried out: extension of the Ecobonus to cars with average CO2 emissions of up to 95 g / km; establishment of a temporary premium for cars and commercial vehicles in stock (over 450,000 units), with simultaneous scrapping. Finally, let's start with the definition of a medium-long industrial policy plan

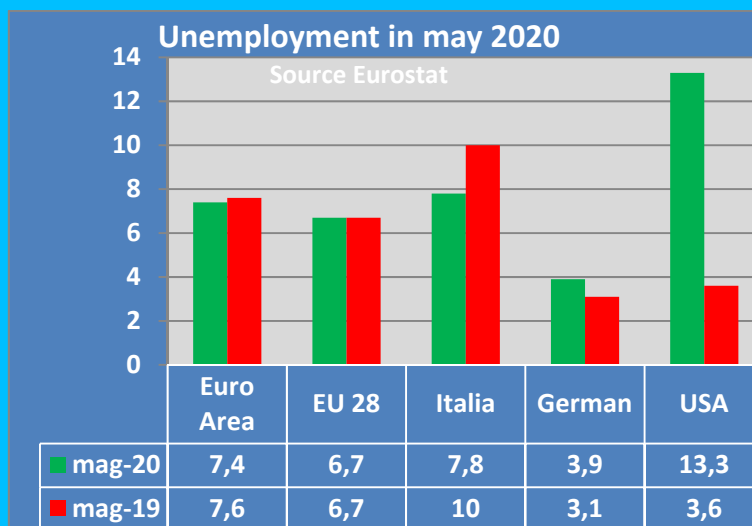
deadline to safeguard the competitiveness of the Italian automotive sector, accompanying it in the delicate technological transition underway with the support of the productive investments in R&D and human capital ”.

For its part, UNRAE stresses that *time has run out for preconceived, uneconomical and falsely environmental ideologies. It is time to find the necessary funds for an intervention on a strategic sector such as the automotive sector.*

A market crisis such as that which has been going on for months, with devastating consequences for our economy, cannot be curbed with the existing measures, which more than a year after their entry into force still exclude 98% of the market. Those who really care about the environment, and not just a sterile ideology, would have the duty to concretely facilitate the replacement of old vehicles with latest generation vehicles.

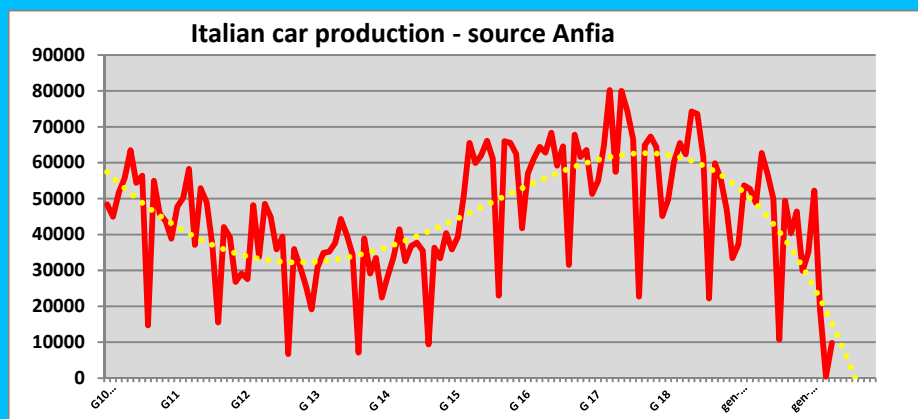
Those who really care about the country and work, and not the flag

provisions, should start a serious development strategy, to protect a sector that represents 1/10 of the GDP and the state's tax revenues: a sector that today risks to disappear, and for which adequate resources have not yet been found. UNRAE, for months already, has submitted its proposals to the institutions to relaunch the demand. For passenger transport: the expansion of the Ecobonus to reach a wider audience of citizens, the alignment of the company car with European taxation, support for the disposal of unsold vehicles during the lockdown. For freight transport: incentives for scrapping and increased deductions for businesses.

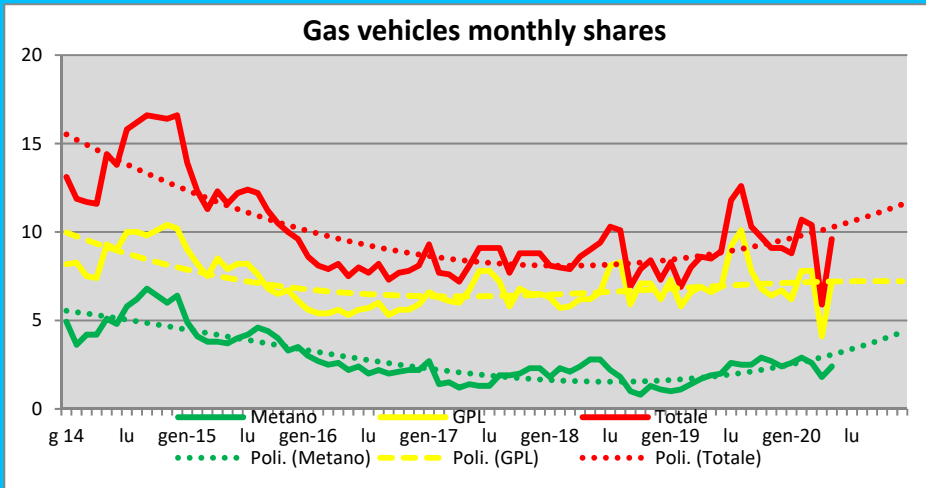


In May, unemployment rose to 7.8% compared to 6.6% in April and 10.0% in 2019. Youth unemployment also rose (23.5%): it was 21.5% in April and 29, 2% a year ago. Last month, Istat specified that the drop in unemployed job seekers already registered in March is strengthening, with further strong growth in inactivity. The sharp decrease in jobseekers involves both women and men.

As for the automotive sector as a whole, according to ANFIA preliminary data, in May 2020 domestic production of cars decreased by 84,4% compared to the same month of the previous year. In the first five

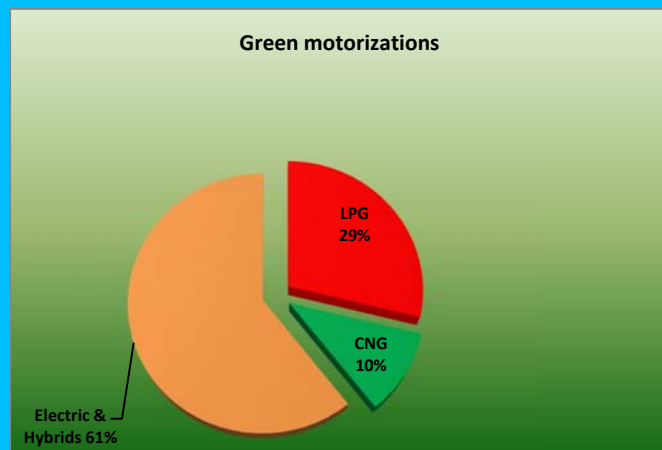


months, auto production fell by 54, 7%.



The share of gas vehicles rose to 9.6% compared to 5.9% in April and up also from 8.9% in the same month last year. Together with electric and hybrids, the share of alternative petrol vehicles stood at 24.6% in May compared to 15.2% last year, only thanks to electric vehicles. During the month, diesel drops to 35.6% (it was 41.9% in May 2019). Petrol vehicles covered 39.8% of the market in the

month compared to 42.8% in May 2019. Consequently, as regards environmentally friendly engines, the proportions between the various alternatives continue to shift in favor of the electric and hybrid.



Emilio di Camillo – Centro Studi Subalpino – July 2020