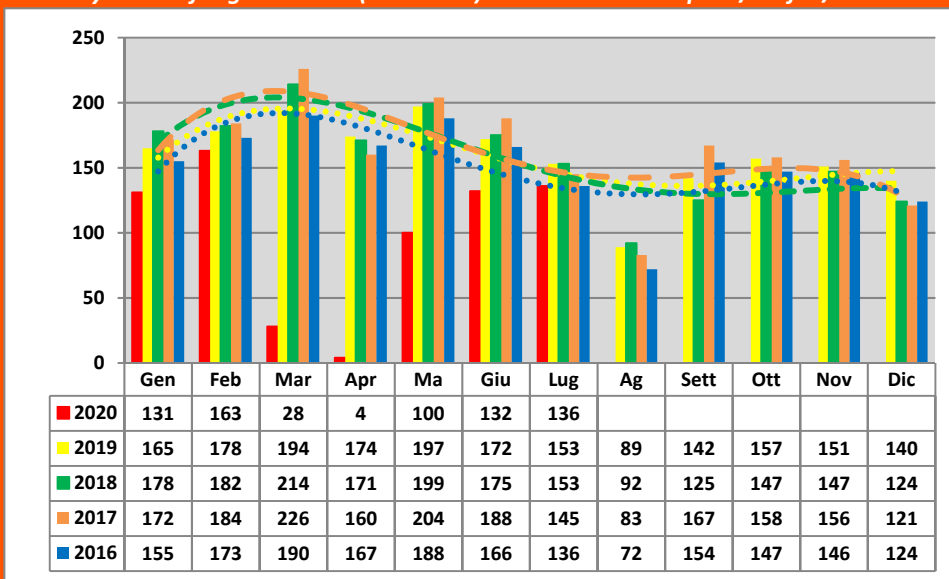


Torino, July 6 2020

Italian Car Market - July 2020 registrations

Further slight recovery in July of the Italian car market after the collapse of the previous quarter due to the Covid-19: -11% and 136,455 registered units. The final balance of the first seven months therefore stops at 720,620 registrations, (-41.7%).

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



According to Anfia, in addition to the fact that the volumes recorded in the summer months per se are traditionally low, on the registrations in July continue to weigh the climate of uncertainty on times and on ways out of the health crisis - which is accompanied by growing concerns for the labor market - which, in consumers, translates into a

tendency towards savings and the renunciation of unnecessary purchases.

With the recent conversion into law of the Relaunch Decree, a first step has been taken in the direction of supporting the automotive sector, recognizing a contribution for the purchase of cars with emissions up to 110 g / km of CO₂, of all power supplies.

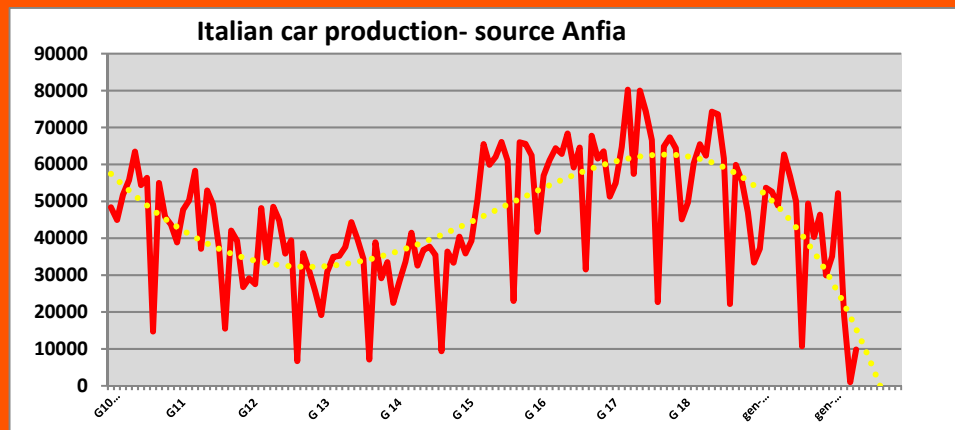
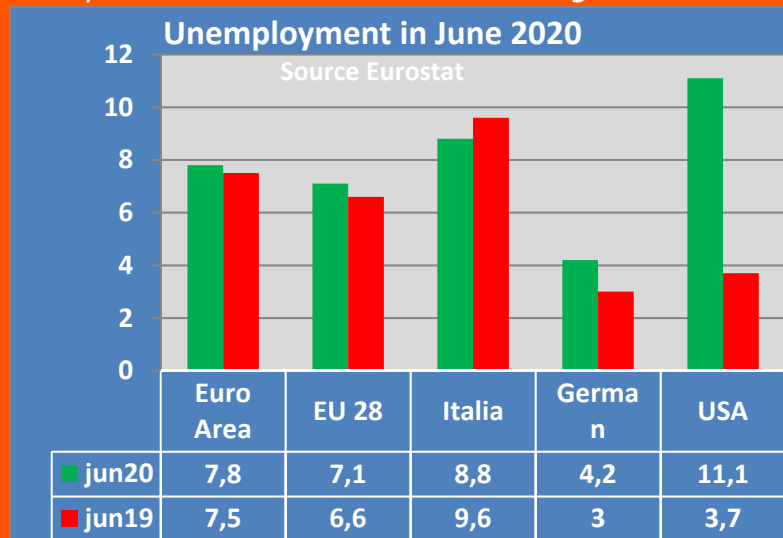
However, the related allocation of just 50 million euros is not enough for revive the demand for new cars.

For its part, Unrae stresses that "the efforts made by the car manufacturers and their sales networks with attractive promotional offers, allowed the July market to limit the loss to -11% compared to the same period of 2019, limiting the drop of demand and also the slowdown in anticipation of the start - from 1 August - of the incentives provided for by the Relaunch Law. This data indicates that Italian motorists - in this moment of serious economic difficulties - react positively to incentives. On Saturday 1st August - underlines Unrae - the incentives introduced by the Relaunch Law started and the results of the first 3 days, with almost 12 million euros already requested, show that the market absolutely needed it and that we are going in the right direction".

"These resources for the car, accepting part of the requests of UNRAE, are an important recognition of the need to upgrade a very old vehicle fleet, without discriminating against the most modern Euro 6 petrol and diesel cars that can make a significant contribution to containment. emissions and in terms of road safety".

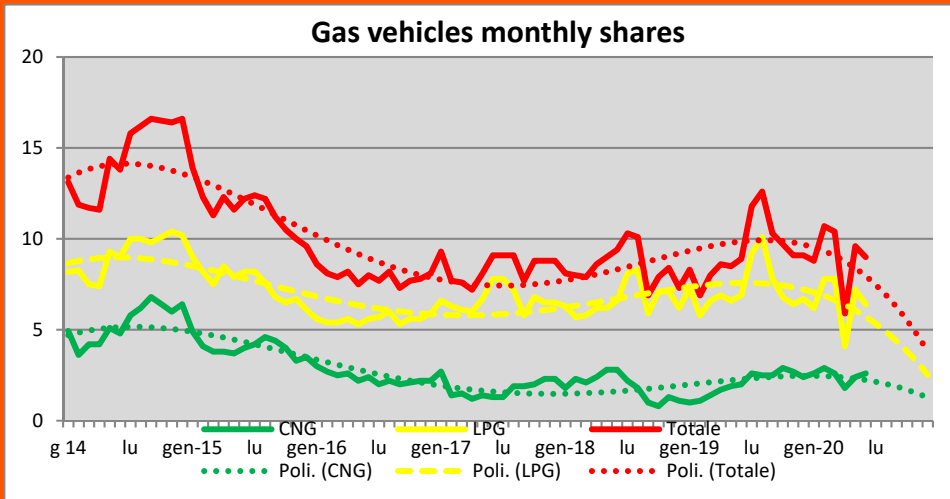
"The road taken by the government is the right one in the short term objectives, now we need to immediately refinance the fund with the current characteristics, without introducing further specificities or complications and it is time to sit all together and face strategic plans oriented on two directions: one review of taxation on company cars with new criteria of deductibility and deductibility of VAT, and a powerful acceleration in the widespread installation of recharging infrastructures, approaching our main European partners

Unemployment rose to 8.8% in June compared to 7.8% in May and 9.6% in 2019. Youth unemployment also rose (27.6%): it was 25.6% in May. Also last month, Istat specified that the decline in unemployed people looking for work already recorded in May is strengthening, with further strong growth in inactivity. The sharp drop in jobseekers involves both women and men.



As for the automotive sector as a whole, according to ANFIA preliminary data, in May 2020 domestic car production 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 fell to 9.0% compared to 9.6% in May and 11.7% in the same month last year.



Together with electric and hybrids, the share of alternative fuel vehicles stood at 24.5% in June compared to 18% last year, only thanks to electric vehicles. In the month, diesel rose to 36.9% (it was 37.3% in June 2019). Petrol vehicles covered 38.6% of the market in the month compared to 44.7% in June 2019.

Consequently, as regards environmentally friendly engines, the proportions between the various alternatives continue to shift in favor of the electric and hybrid.

