



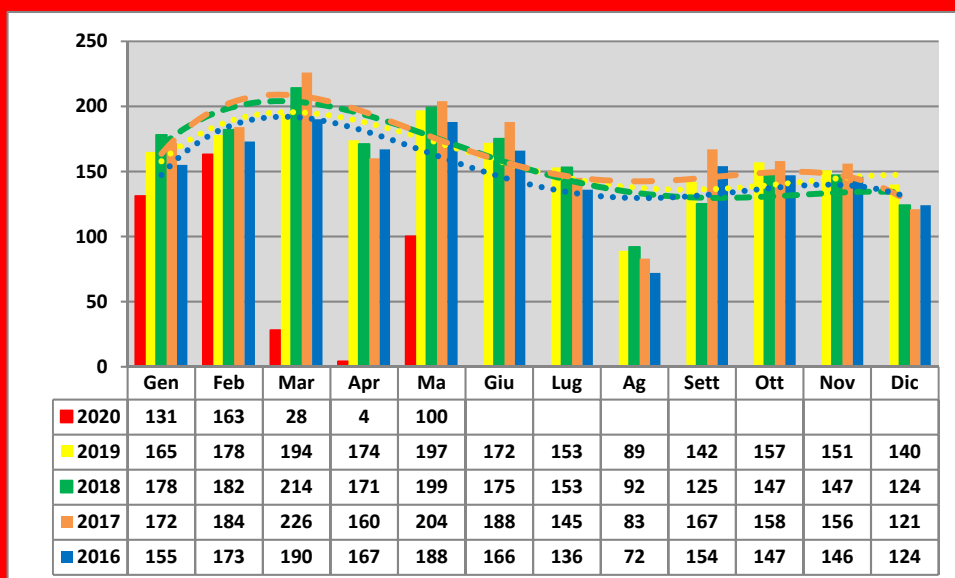
Press Release

Turin, June 2, 2020

Italian Car Market – May 2020 Registrations

Slight recovery in May of the Italian car market after the collapse of the previous two months due to Covid-19: + 49.6% at 99,711 units. The final 5 months 2020 result therefore stops at 451,366 registrations, volumes halved compared to the same period of the previous year (- 50.5%), with a loss of 460,000 units in the government's indifference.

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

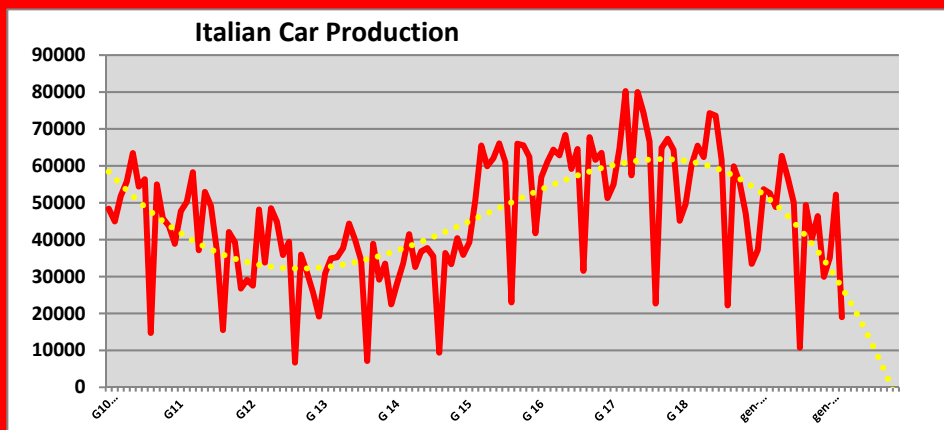
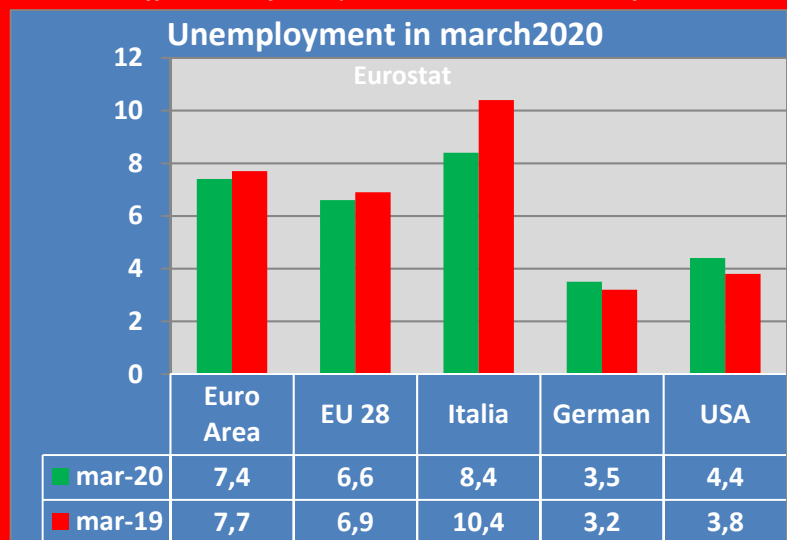


The Anfia bitterly underlines that the May data only confirm that the automotive sector is struggling to recover after two months of almost zeroing the market. At the reopening, on May 4, the network of dealers found themselves having to deal with the economic difficulties of families

and businesses, in a climate of strong uncertainty and a low propensity to purchase durable goods, not to mention that the month just ended has still seen, in the first part, restrictions on the mobility of people. What is worse is that institutions, at all levels, do not seem to want to reserve a place for the car sector in the future of the country. In addition to the lack of a plan of relaunch of the supply chain that other European major markets, such as France, already have fielded - to bring demand and production back to regular levels in the short term, but also to accompany the transition to electrification in the medium to long term period there are explicit signs of hostility and discrimination. Anfia's proposals in this sense focus on an increase in the Ecobonus 2020 fund to continue the incentive for BEV and PHEV cars and the provision for an extension of the bonus (currently in force for cars up to 60 g of CO₂ / km) to alternative fuel cars with CO₂ emissions from 61 to 95 g / km, in line with the market's policies for low environmental impact technologies and in line with the objectives set by European regulations. Furthermore, given the considerable number of cars accumulated in stock by dealers and manufacturers during the lockdown, to avoid their disposal blocking the restart of production and to give an immediate boost to the resumption of sales at a time when consumer confidence is low, Anfia believes it can be highly effective for citizens and businesses to provide an incentive to purchase cars in stock produced before the lockdown "

For its part, UNRAE underlines that "in May all channels are falling: private individuals go down by 35%, rental by 69% and companies by 57%. The May registrations data for most deliveries of orders signed before the emergency started from COVID-19, confirms the gravity of the unprecedented crisis that is going through the auto sector. "Despite the reopening in early May after two months of complete closure, the car distribution system remains gripped by a serious liquidity crisis, weighed down by hundreds of thousands of vehicles stopped in the aprons and with the resources made available by the Liquidity Decree still entangled in the bureaucracy and blocked within the banking system. "On the other hand, the mere reopening of dealers is not enough to restart demand, with families and businesses prostrated by the collapse of economic activity and with a very uncertain and gloomy future. Testimony is the data collected at the end of May, which speak of a drop in orders of about 60% compared to May of last year. "In the absolute, incomprehensible deafness and indifference of the political class, the risk of hundreds of companies in the automotive distribution chain is closing in the coming months, which would dramatically accompany the disappearance of tens of thousands of jobs." "There is a clear need for an acceleration by the government, which immediately follows effective actions to their good intentions"

In March, unemployment unexpectedly drops to 8.4% compared to 9.3% in February and 10.4% in 2019 in the presence of Covid-19. Youth unemployment falls to 28%: it was 29.2% in February and 30% a year ago. Unemployment starts to rise in Germany and the USA. As for the automotive sector as a whole, according to preliminary figures from ANFIA, in March 2020 domestic car production decreased by 64.2% compared to the same month of the previous year due to covid-19. For the same reason, production fell by 26.6% in the first quarter to 175,137 units.



Although not significant in a time of serious crisis, the share of gas vehicles goes up to 8.3% from 5.9% last month and compared to 8.5% in the same month last year. Together with electric and hybrid vehicles, the share of vehicles powered by alternative

oil is equal to 22.8% in May compared to 14.5% last year only thanks to electric vehicles. During the month, diesel drops to 36.1%% (it was 41.9% in May 2019). Petrol vehicles covered 41.2% of the market in the month compared to 43.6% 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.

