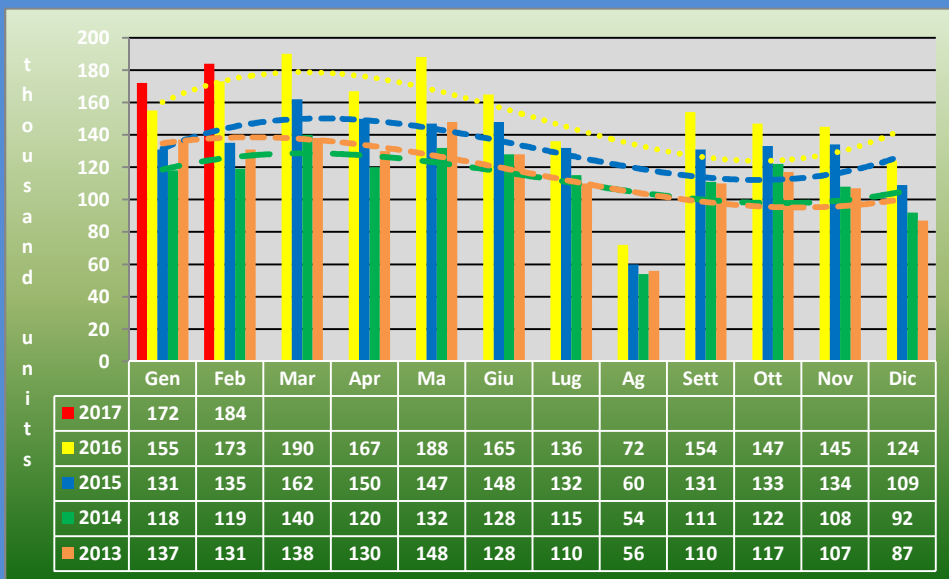


Italian Car Market: February 2017 registrations

Continued growth of the car market in Italy, although at a reduced rate compared to January, also justified by one working day difference: in February, up 6.2% with 183,777 units registered. The 1st two months maintains, therefore, a positive sign with a 8.1% growth and 355 656 cars sold compared to 328,949 in the January-February 2016, which itself had already shown an increase of 23%. The FCA Group share came in the period to 29.4% against 29% last year.

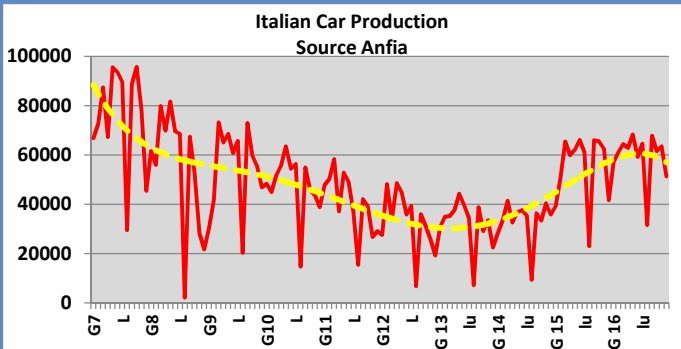
Registrations monthly trend. ('000 units) Source Min. Transport / Anfia / Unrae



Anfia emphasizes that it is the thirty-third consecutive monthly gain, in the context of a first two months of 2017 which has seen rising inflation and fuel prices and declining confidence. Among the sales channels, observes Unrae, grow company registrations (+ 43.9%) and rent (+ 6.3%)

while the private channel, although a return to massive support actions by the houses with their networks, such as those who had already characterized the 1st quarter of last year and who had already supported the performance of last January, recorded in February, a slight slowdown (-2.5%), also the result of the comparison with the same period of 2016, in which household purchases had grown by more than 38%. The 1st two months maintains, therefore, a positive sign with a 8.1% growth and 355,656 cars sold compared to 328,949 in the January-February 2016, which itself had already shown an increase of 23%. Two consecutive monthly gain so, for a market that promises to grow moderately in the coming months, even if the economic data ahead is anything but positive. The stability law proposed by Italy has not been welcomed by the heads of the European Community for overruns proposed by Italy because of its typical and special problems: the great immigration from Africa and the recurrence of earthquakes in central Italy, and by the end of April it is expected that Italy will introduce reforms that will bring the deviations to the levels required to avoid direct intervention by the EU. In this situation of absolute inaction regarding the future remain all the concerns already mentioned in recent months In January, it has remained at 11.9% the rate of unemployment compared to the past few months, and is instead increased compared to 11.6% in January last year. Youth unemployment fell to 37.9% compared to 39.2% in December of last year and 38.7% in January last year. So, as repeatedly stated in the past, the major push for further increases in car sales is the urgent

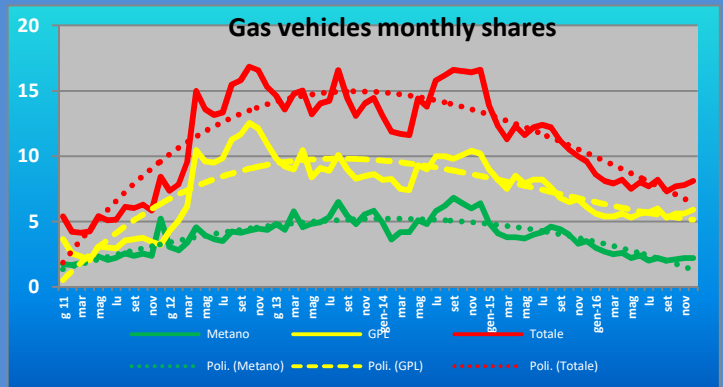
need to replace old cars, already postponed during the crisis years. No real solution is yet in sight on the long-term problems facing our economy, which remain virtually unchanged, such as a marked reduction in public spending to revive consumption and investment with a substantial reduction in the tax burden.



As for the automotive industry as a whole, positive note for Italy is the continuation of the increase in the production of car trend. According to data collected by ANFIA among manufacturing companies, in 2016 the growth was 7.5%, with 713.182 units produced.

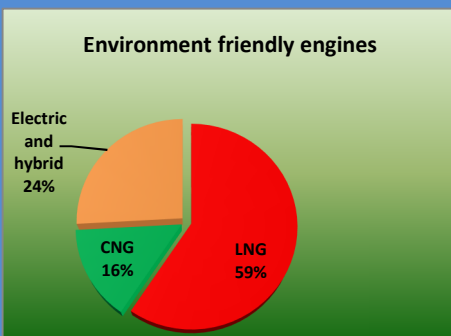
Continues to decrease the proportion of

gas vehicles: 7.7% compared to 8.1% last year, because of the sharp fall of the sale of natural gas vehicles. Together with the share of electric and hybrid alternative fuel to petroleum vehicles share amounted to 10.7% in February. Diesel stands at 56%. Petrol vehicles down to 33.3% compared to



33.7% last year.

As for the environmentally friendly engines the proportions between the various alternatives continue to shift in favor of the electric and hybrid that have outsold CNG vehicles.



Emilio di Camillo – www.centrostudisubalpino.it - march 2017