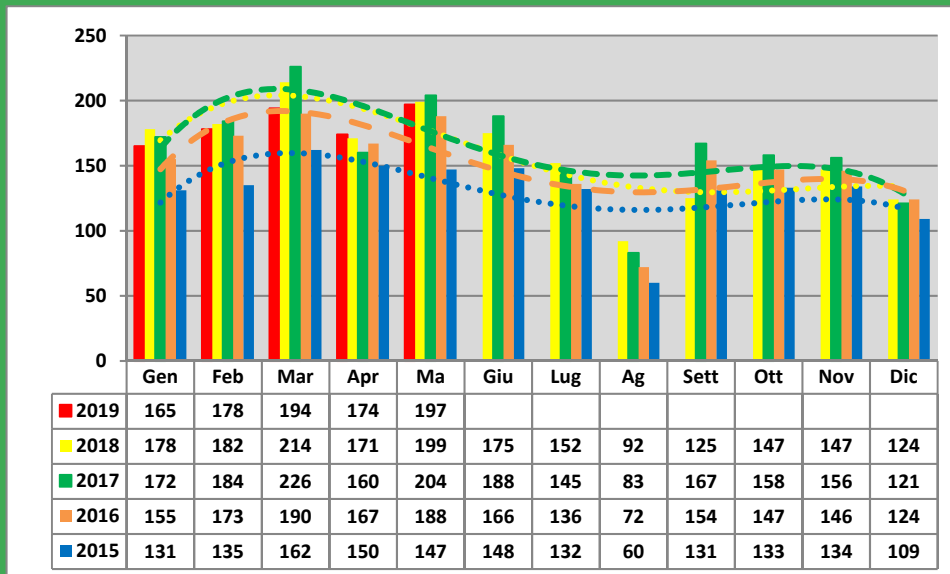


Torino, June 5, 2019

Italian Car Market. May 2019 registrations.

Down again in May the Italian Car Market: -1.2%. In the cumulative of the first 5 months demand falls by 3.8%.

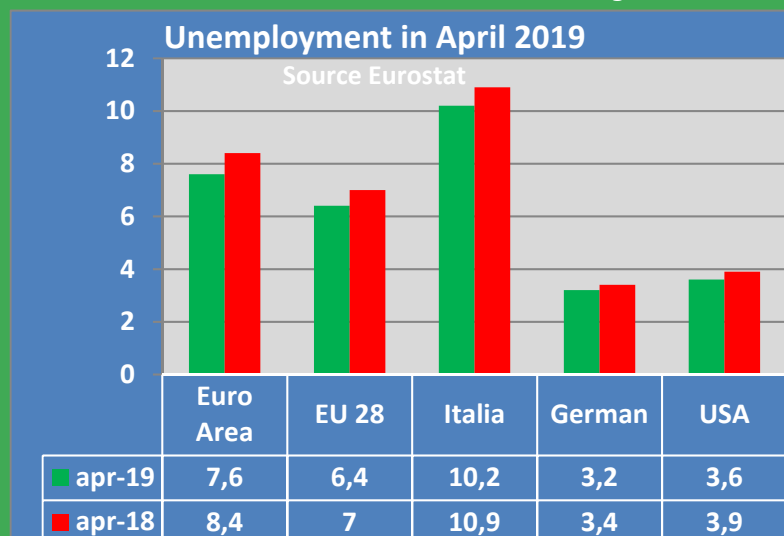
Monthly registrations trend ('000 units) Source Min. Trasporti/Anfia/Unrae



According to Anfia: "After the slight recovery in April (+ 1.5%), the Italian car market returns to have a minus sign, while benefiting from an extra working day compared to the same month of 2018. In the month, registrations of diesel cars continue to fall in double figures while the growth trend of gasoline cars continues. In the first

five months of the year, diesel contracted by 24%, while for petrol cars the increase was 24%. The measure of the Ecobonus is pushing a sector (electric and rechargeable hybrid cars) which, at the end of the year, could represent between 1% and 2% of the total market, in a context of infrastructures still strongly lacking".

According to Unrae: "In the current market scenario, the Association has received with great interest the recent statements by the Vice President of the Council of Ministers and Interior Minister, Matteo Salvini, on the Government's commitment to operate already in the financial maneuver of next autumn to bring the deductibility of VAT on company cars to 100%. "A maneuver in this direction - concludes Unrae - could bring up the estimated volumes in the order of 100,000 units, with beneficial returns for the Treasury in terms of higher VAT and IPT revenues,

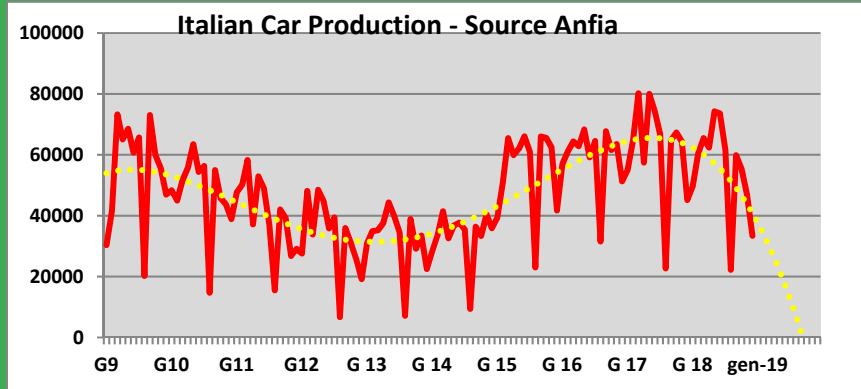


calculated by us at around 450 million euros a year , making financial coverage unnecessary, not to mention the positive effects on the environment and traffic safety ".

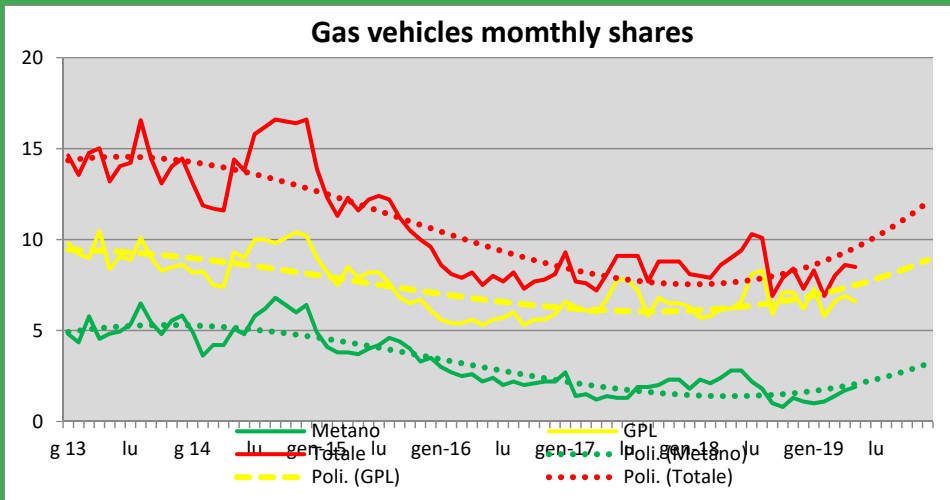
On May 31, the Italian government responded to the letter from the European Commission, which it had received last May 29, with a request for explanations on the failure to reduce the Public Debt. Italy is now awaiting a subsequent letter with comments from the Commission that could open an infringement procedure for excessive debt.

Unemployment figures remained at the same level as in March (10.2%), and are down compared to April last year (10.9%). Youth unemployment rises to 31.4% compared to 30.6% in March, but falls compared to 33% last year.

As for the automotive sector as a whole, according to preliminary ANFIA data, in March 2019 domestic car production decreased by 20% compared to the same month last year. In the first quarter, car production fell by 18.5% compared to a year ago.



The share of gas vehicles stood at 8.5% compared to 8.6% in April and lower than in May last year (9%).



Together with electric and hybrid vehicles, the share of alternative to oil-fueled vehicles stood at 15.8% in May compared to 13.2% last year, exclusively due to electric vehicles. The contribution of CNG is still modest. In the month, diesel stood at 41.8% (it was 51.7% in May last year). Petrol vehicles cover 43.7% of the market compared to

35.2% last year.

Consequently, with regard to eco-compatible engines, the proportions between the various alternatives continue to shift in favor of the electric and hybrid. CNG is definitely descending.

