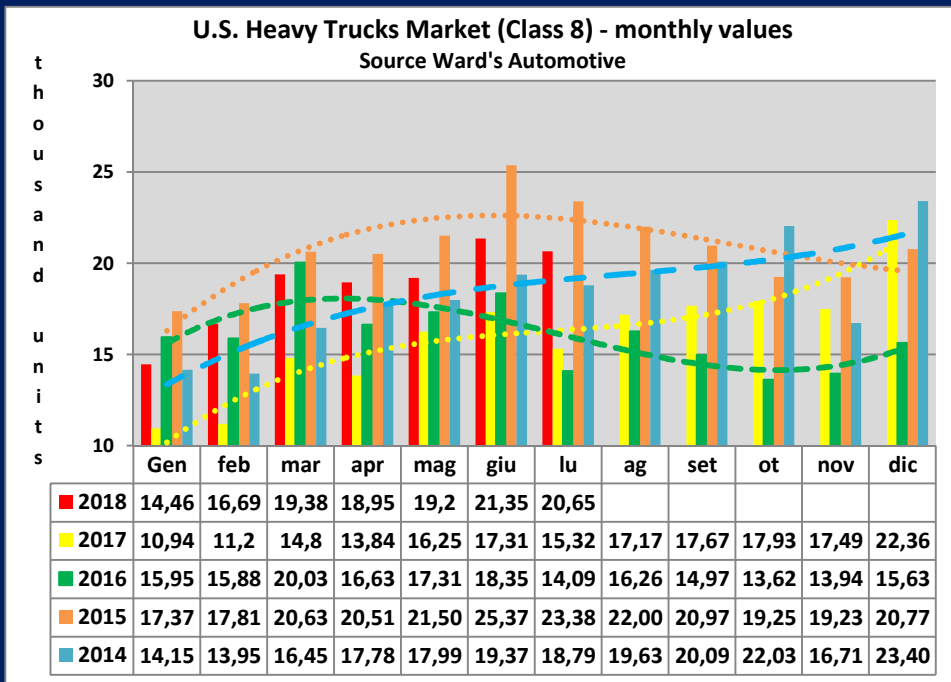


U.S. Heavy Trucks Markets – sales in July 2018

Torino, August 14, 2018

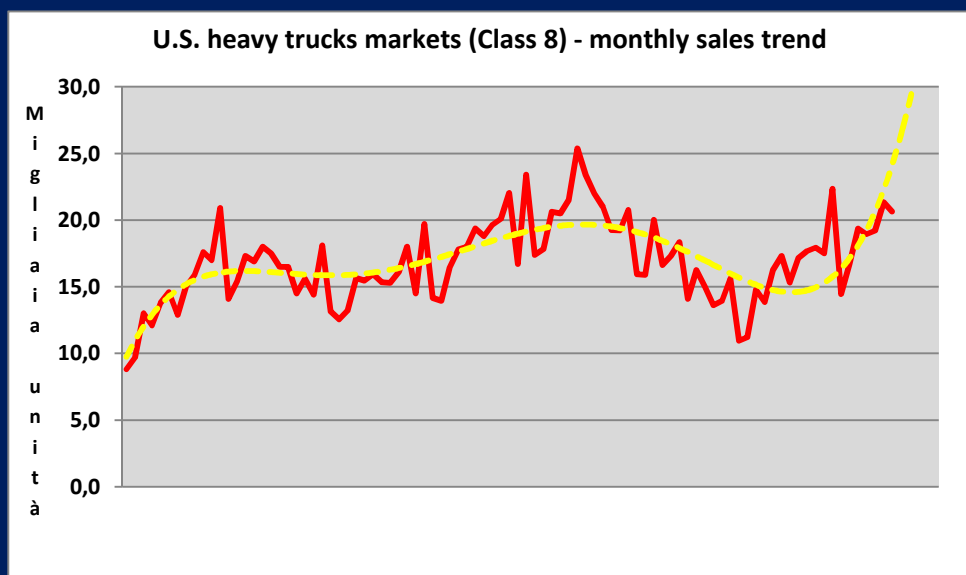
Slight decline in sales results in July of heavy trucks (class 8), dropped by 3.3% compared to June.



According to preliminary data from Ward's Automotive with 20649 units, sales of Class 8 vehicles in July decreased by 3.3% compared to June, but increased by 34.8% compared to June of last year. In the first semester cumulated sales amounted to 130,674 units, 31.1% more than the same period last year.

Orders continue to show a progressive increase over the previous year, and with a volume of over 52250 units (+ 25% over June and + 187% over last year), they mark the highest value ever.

Fleets are desperate to get new trucks, but supply is limited. Because fleets are frustrated by the current situation and are uncertain when they can receive trucks, they are placing a large volume of orders in hopes of getting some deliveries at some point in the future. In essence, there is a truck shortage. Freight growth is robust and industry capacity is extremely tight. OEM's have been hindered because numerous

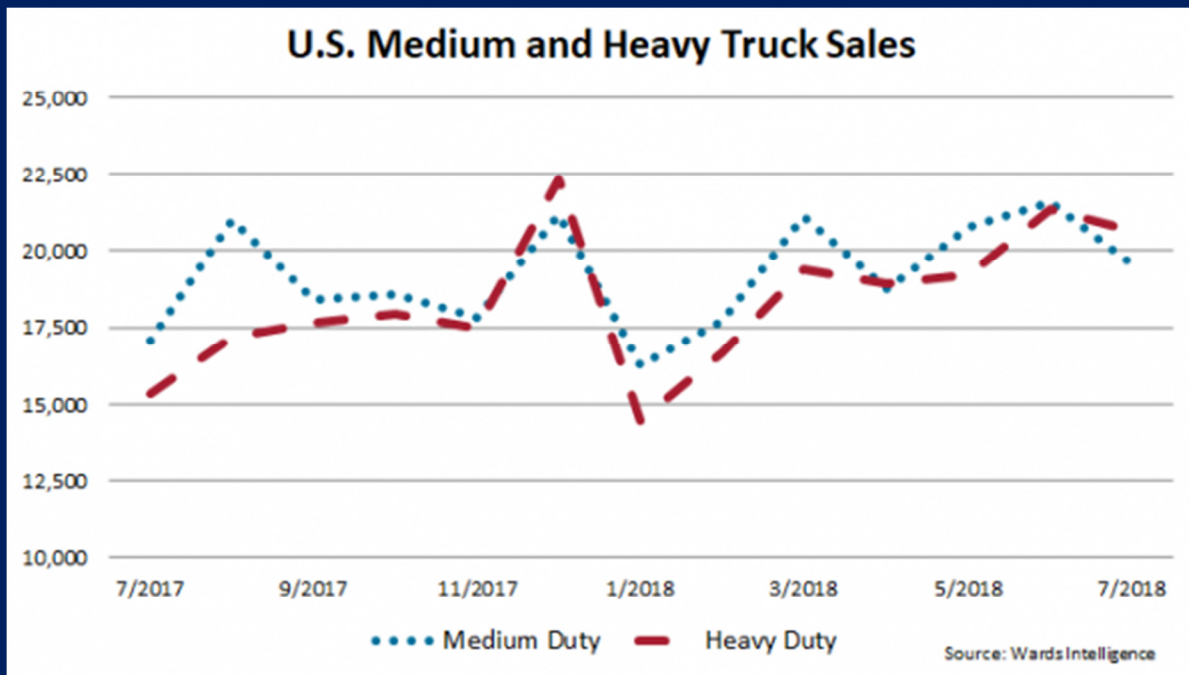


parts and component suppliers have not been able to produce and deliver on time.

Don Ake, FTR vice-president of commercial vehicles, said: “The supply chain issues began around March. OEM’s started falling behind in deliveries to fleets in April. Deliveries did improve a bit in June, but most OEM’s are still operating in catch-up mode. It is uncertain when suppliers will be able to improve delivery times and for OEMs’ to ship all orders on time. Realistically it may take up to a year for everyone to catch up.

“This is a unique situation where strong demand is meeting limited supply. Prices can’t rise enough to alleviate the situation. Therefore, the market is responding by placing an immense number of orders into the backlog. Fleets are reserving places in line, so they can get the maximum number of trucks in the future. It is a bizarre occurrence and it will not be resolved soon. Conditions may be abnormal, but they are abnormally good.”

The total of trucks sold in July, among medium and heavies, amounted to 40,235 units, +29,5% compared to July of 2017, when 32,371 units were sold.



Emilio di Camillo – Centro Studi Subalpino – august 2018