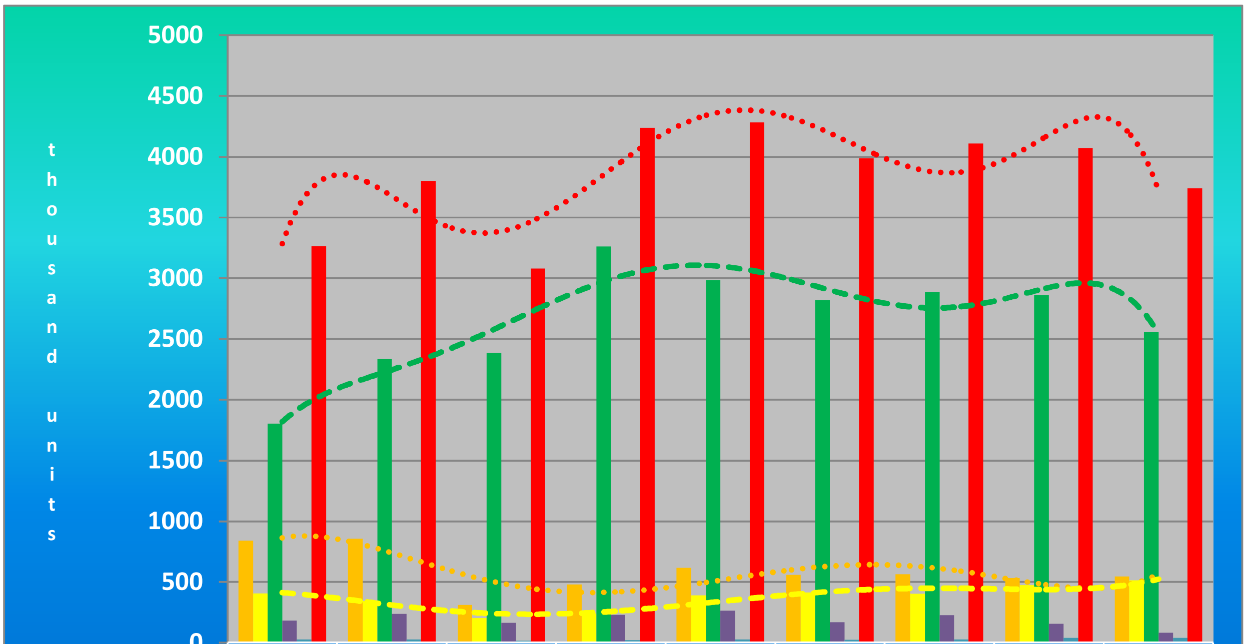
World Production of Heavy-duty trucks in 2015

Source: elaborations of Centro Studi Subalpino on OICA and Acea* data and forecasts.

***Introductory Note**: compared to the previous editions of this annual report we used, in addition to the OICA data, those of Acea for updating the EU data, since OICA from 2011 no longer receives heavy trucks statistics from Germany, France, Holland and Sweden.*

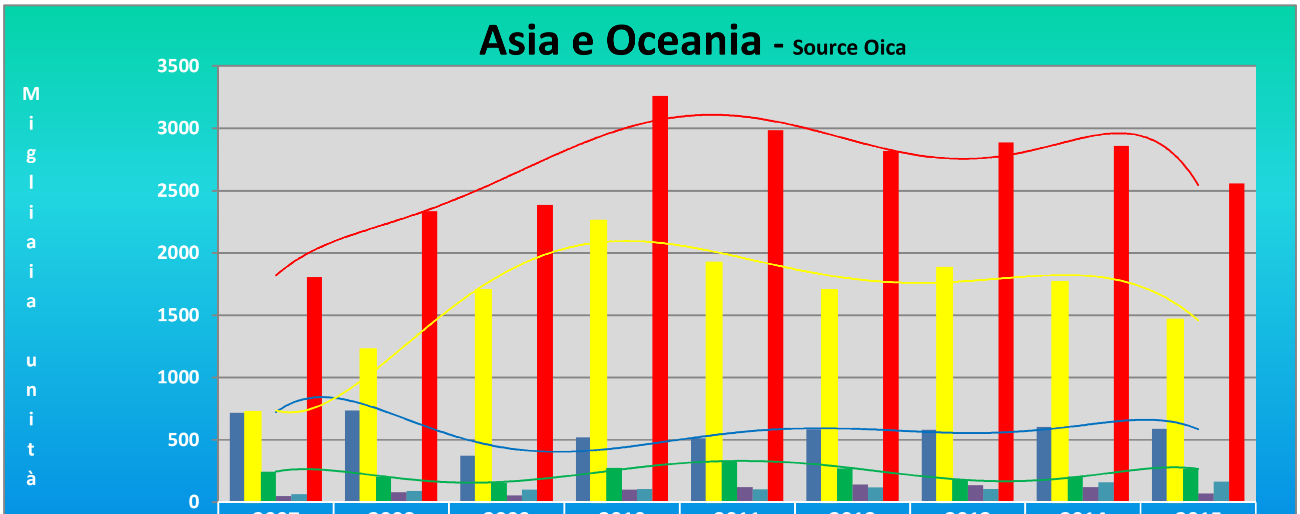
World Production of Heavy Trucks, which had been contracting since 2011, and had recovered somewhat in 2013, has started to shrink again in 2014 (-1%) and especially last year, a decline of 8.2%, despite the brilliant performance of the NAFTA area.
The descent is due in particular to the decline in Asia, and particularly in China, but also in South America. Slight increase of production in Europe.



	2007	2008	2009	2010	2011	2012	2013	2014	2015
Europa*	840	856	310	479	618	560	565	534	547
Nafta	405	343	203	243	391	417	403	476	515
Asia	1805	2335	2386	3260	2985	2817	2887	2861	2556
Sud America	184	239	164	232	264	169	229	158	82
Africa	29	29	17	22	26	25	26	43	41
Total	3263	3802	3080	4236	4284	3988	4110	4072	3741

Looking in more detail to the individual regions the results in Asia and Oceania were deeply influenced by the heavy losses in China where trucks registrations fell in 2015 by 17.1% following a

-6% in 2014. Indonesia was also down heavily, by 41.1%, while India continued in its recovery, with an

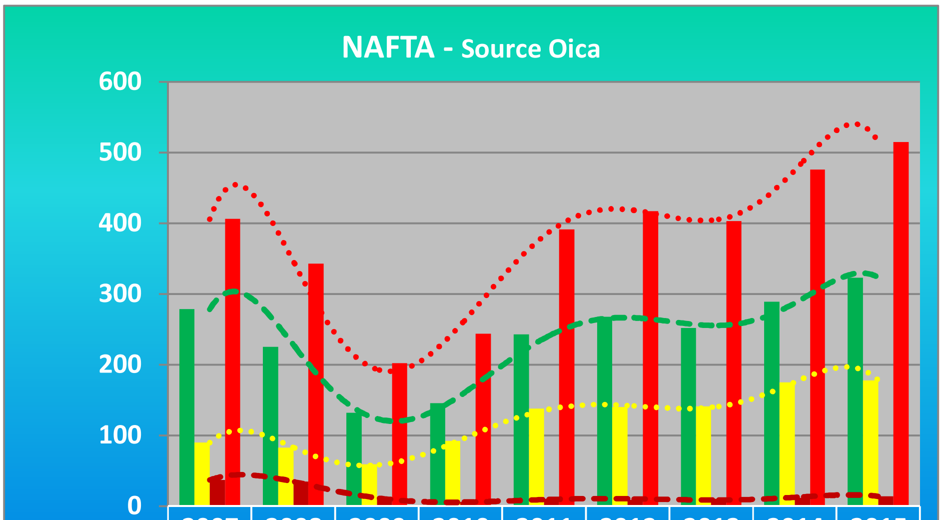


	2007	2008	2009	2010	2011	2012	2013	2014	2015
Giappone	719	735	372	521	512	583	580	605	587
Cina	726	1225	1704	2259	1924	1704	1882	1770	1467
India	246	203	155	276	326	270	183	205	267
Indonesia	49	81	56	100	121	142	137	120	71
Altre Asia	65	91	99	105	102	118	105	161	164
Totale Asia	1805	2335	2386	3261	2985	2817	2887	2861	2556

increase of 30.6%. Also up Thailand, with an increase of 29.5%. Japan lost 3%, while remains stable South Korea.

Stable also most of the other smaller local entities.

Overall Asia and Oceania lost 10, 6%.

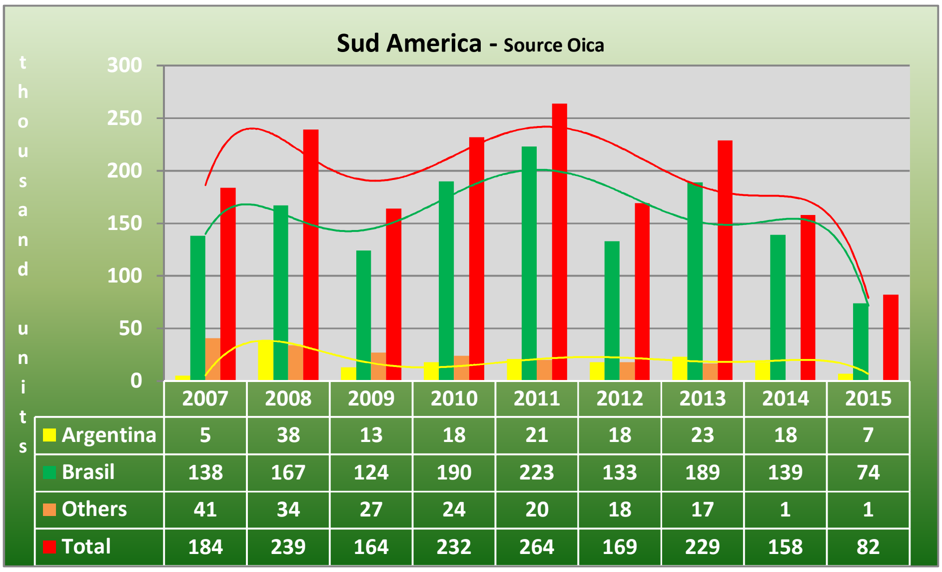


	2007	2008	2009	2010	2011	2012	2013	2014	2015
USA	279	225	132	146	243	268	252	289	323
Mexico	90	83	59	92	138	140	141	175	178
Canada	37	35	11	6	10	9	10	12	14
T. Nafta	406	343	202	244	391	417	403	476	515

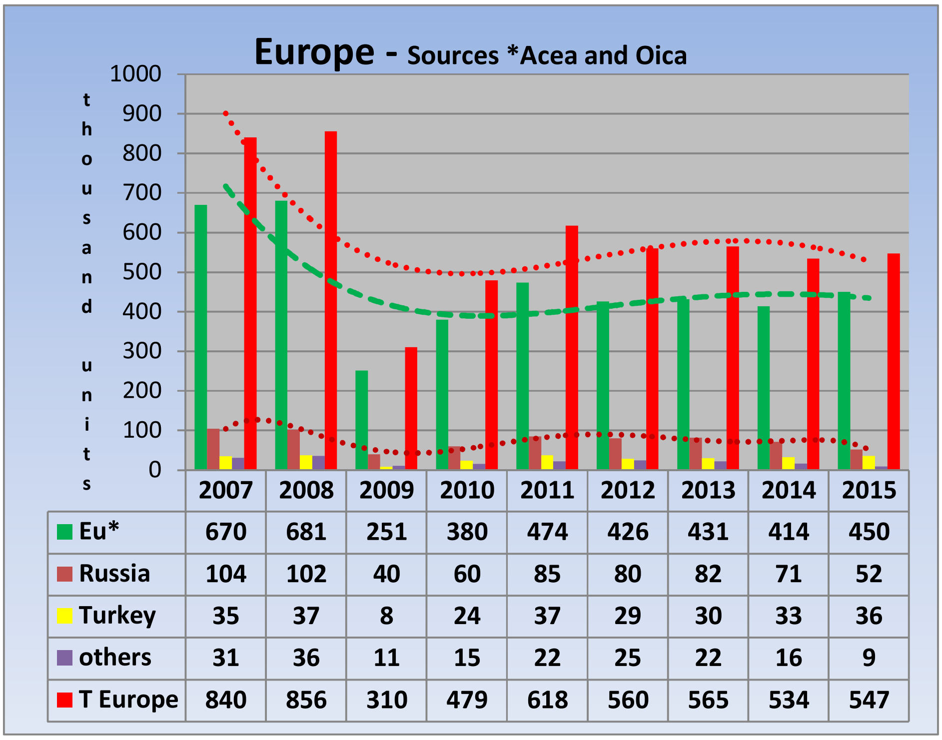
Goes up significantly the NAFTA area, after the losses of 2013 as a result of falling sales in the US in that year. In 2015, production increased by 8.2%, mainly due to the increase in US (+11.6%). Modest growth even in Mexico and Canada.

It appears that since last year most of the area production's growth is localized in U.S. factories.

In confirmation of the severe economic crisis in 2014 and 2015 of the countries of South America collapsed in that area the production of heavy trucks, falling in particular in Brazil (-47.1%), after the 26.5% loss in 2014. Also down production in Argentina. In total that area lost 48,8% compared to previous year.



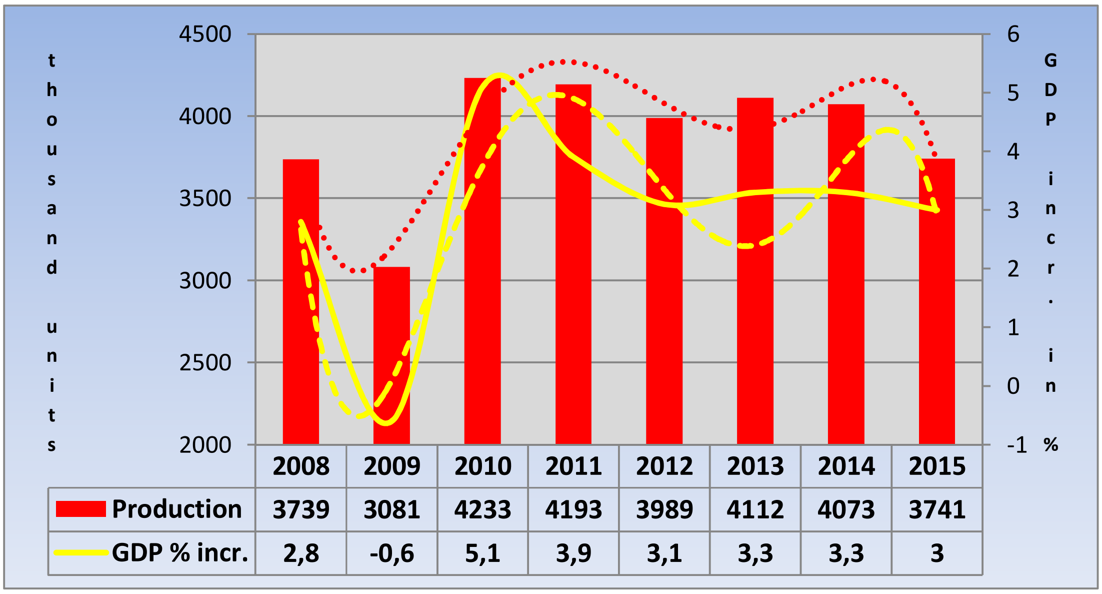
	2007	2008	2009	2010	2011	2012	2013	2014	2015
Argentina	5	38	13	18	21	18	23	18	7
Brasil	138	167	124	190	223	133	189	139	74
Others	41	34	27	24	20	18	17	1	1
Total	184	239	164	232	264	169	229	158	82



	2007	2008	2009	2010	2011	2012	2013	2014	2015
Eu*	670	681	251	380	474	426	431	414	450
Russia	104	102	40	60	85	80	82	71	52
Turkey	35	37	8	24	37	29	30	33	36
others	31	36	11	15	22	25	22	16	9
T Europe	840	856	310	479	618	560	565	534	547

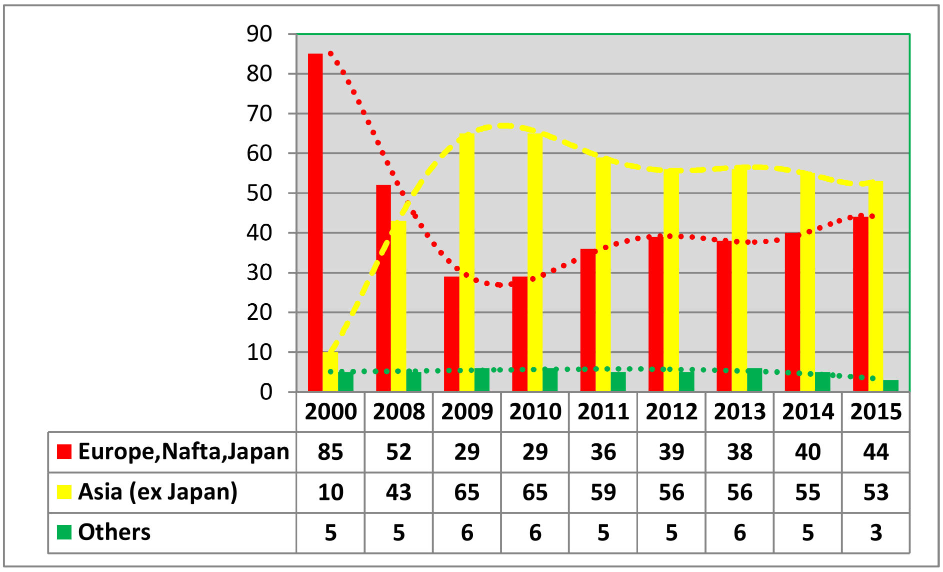
According to our estimates, and in parallel with the strong recovery of the truck market, EU production increased by just over 8%. But continued the collapse of Russia that in 2015 lost 26,6%. Slight progress of Turkey. Overall Europe shows a modest progress after the descent of 2014. And further progress is expected in the current year.

In this regard it is interesting to note that since 2008 the trend of GDP and World Production were almost parallel (coefficient of correlation 0.95), which predicts that only with the resumption of GDP production growth will move back to positive values. Ocse in march foresees an increase of world GDP by 3% also this year and of 3,3% only next year.



	2008	2009	2010	2011	2012	2013	2014	2015
Production	3739	3081	4233	4193	3989	4112	4073	3741
GDP % incr.	2,8	-0,6	5,1	3,9	3,1	3,3	3,3	3

Localization of Production.



	2000	2008	2009	2010	2011	2012	2013	2014	2015
Europe,Nafta,Japan	85	52	29	29	36	39	38	40	44
Asia (ex Japan)	10	43	65	65	59	56	56	55	53
Others	5	5	6	6	5	5	6	5	3

In the decade 2000-2010 the localization of production volumes has radically overturned, moving from the three traditional areas (Europe, NAFTA and Japan) in Asia, particularly in China. In practice the three major areas together fell from 85% in 2000 to 29% in 2010. Asia, excluding Japan, arrived in 2010 to represent two thirds of world production (including Japan the Asian continent accounted for 77% of world production). From 2011, however, the trend was slightly reversed for the recovery of the big three traditional areas, but above all of the NAFTA area in 2012 and then in 2014 and 2015, while China dropped by 35% between 2011 and 2015. China remains still by far the world's largest producer, accounting for 39% of the trucks produced in the world and over 57% of those produced in Asia-Oceania. In practice, 40% of heavy truck produced in the world comes from some Chinese factory, but it remains, for the moment, in the Far East. But until when?