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## **CENTRAL AND EASTERN EUROPEAN CAR MARKET STALLS IN 2009**

- **Central and Eastern European markets showing significant slowdown in 2009**
- **Poland is region's largest market, over 33% of all CEE sales**
- **Skoda Octavia is most popular model overall**

JATO Dynamics, the world's leading provider of automotive data and intelligence, has observed a significant contraction in Central and Eastern European new car markets, in the first half of 2009.

All the major volume brands, with the exception of Kia, have experienced a downturn in sales, as the region, once the star of performer in European new car sales, reflects the wider economic crisis.

### **Regional Summary**

In total, 504,641 cars were sold in CEE in the first six months of 2009. Poland remains the largest market in the region, with sales of 168,888 in the period (up 0.1% on H1 2008) representing a third of all sales, having the distinction of being one of only two markets in the region to post a YtD sales rise.

Sharing this accolade was Slovakia, which saw YtD sales rise 3.6%, to 45,728 units. All other markets suffered sales falls, with Latvia (-73.7%), Lithuania (-67.9%), Estonia (-62.4%) and Croatia (-48.6%) amongst the worst affected.

"The brakes have been well and truly applied to the racing Central and Eastern Europe new car market," says David Di Girolamo, Head of JATO Consult. "The recent growth enjoyed in these markets has put them on a level close the Western Europe, but this growth has now been severely affected by the recession."

Another of the markets significantly affected by the downturn is Hungary which saw a 42,390 fall in units on the same period last year. Di Girolamo continues "the stricter loan policies introduced by financial institutions and the effects of an increase in VAT (20% to 25%) from 1<sup>st</sup> July aren't helping the market to recover. Industry experts and market analysts hoped that the scrappage schemes which have stimulated western European markets could be introduced but there is no sign on the agenda for the near future".

### Regional Summary

Country	H1 2009	H1 2008	Diff	% Change
Poland	168,888	168,645	243	0.1%
Czech Republic	85,608	93,765	-8,157	-8.7%
Romania	70,612	144,988	-74,376	-51.3%
Slovakia	45,728	44,118	1,610	3.6%
Hungary	39,613	82,003	-42,390	-51.7%
Slovenia	29,446	39,070	-9,624	-24.6%
Croatia	25,302	49,242	-23,940	-48.6%
Serbia	17,819	26,918	-9,099	-33.8%
Cyprus	8,478	11,801	-3,323	-28.2%
Estonia	5,725	15,206	-9,481	-62.4%
Lithuania	4,312	13,416	-9,104	-67.9%
Latvia	3,110	11,847	-8,737	-73.7%
<b>Grand Total</b>	<b>504,641</b>	<b>701,019</b>	<b>-196,378</b>	<b>-28.0%</b>

### Brand Performance

Skoda was the region's top-selling car brand in the first half of 2009, ahead of Volkswagen and Ford, showing the penetration of the major Western European brands into Eastern Europe. However, all suffered losses and the only volume brand to post a rise in sales was Kia (up 3.5%, to 23,691 units in the period).

### Top 10 Brands

Make	H1 2009	H1 2008	Diff	% Change
SKODA	62,123	84,714	-22,591	-26.7%
VOLKSWAGEN	39,019	51,762	-12,743	-24.6%
FORD	38,768	49,837	-11,069	-22.2%
RENAULT	35,323	46,852	-11,529	-24.6%
FIAT	33,028	33,671	-643	-1.9%
OPEL	31,449	55,491	-24,042	-43.3%
TOYOTA	29,672	43,546	-13,874	-31.9%
DACIA	27,160	46,050	-18,890	-41.0%
HYUNDAI	23,815	24,319	-504	-2.1%
KIA	23,691	22,883	808	3.5%

## Model Performance

Skoda's Octavia and Fabia took the top two sales spots in the first half of 2009, while the Dacia Logan saw a dramatic decline in sales (56.0%), to drop to third place by June 2009, from its top spot this time last year.

The only really strong model performance was by the Fiat Punto, which improved 19.8%, to reach 5<sup>th</sup> place in the 2009 standings (14,237 units). Kia Cee'd and Volkswagen Golf also posted sales rises, albeit more modest.

## Top 10 Models

Model	H1 2009	H1 2008	Diff	% Change
SKODA OCTAVIA	28,995	36,486	-7,491	-20.5%
SKODA FABIA	24,981	38,637	-13,656	-35.3%
DACIA LOGAN	19,840	45,092	-25,252	-56.0%
KIA CEE'D	15,509	14,919	590	4.0%
FIAT PUNTO	14,237	11,883	2,354	19.8%
VOLKSWAGEN GOLF	13,646	13,319	327	2.5%
FORD FOCUS	11,678	19,792	-8,114	-41.0%
RENAULT MEGANE	11,656	12,152	-496	-4.1%
RENAULT CLIO	10,151	18,342	-8,191	-44.7%
TOYOTA YARIS	9,293	12,852	-3,559	-27.7%

"Central and Eastern Europe remains a very distinct geographic region, in buying trends and customer tastes, but it is not immune from the effects of the global recession and is no longer the guaranteed growth area it once was", concludes Di Girolamo.

The above data is provided by JATO Consult, the company's bespoke consulting service which offers customers access to its unique data and provides solutions and advice to meet a wide range of automotive business challenges. For more information visit [www.jato.com](http://www.jato.com) or email [consult@jato.com](mailto:consult@jato.com).

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### Editorial note: JATO Dynamics background

JATO was founded in 1984 and provides the world's most timely, accurate and up-to-date information on vehicle specifications and pricing, sales and registrations, news and incentives. The company has representation in over 40 countries, providing unique local market expertise. The JATO client base includes all of the world's volume vehicle manufacturers, giving them the ability to react to short-term market movements, plan for long-term developments and ultimately to meet consumers' needs. JATO's data has also been adapted for consumer use in motoring web portals where customers can see the advantages and disadvantages of a specified model against any other while major leasing companies use JATO data to drive the vehicle quotation process. Visit JATO at [www.jato.com](http://www.jato.com).

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