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EUROPEAN NEW CAR MARKET RIDES LAST SCRAPPAGE WAVE

- **European November sales up 27.3%, vs. 2008; only 1.9% down YtD**
- **First signs of post-scrappage sales slowing in key markets**
- **VW Golf still on top; Fiesta shows greatest YtD improvement**

The latest monthly analysis by the world's leading provider of automotive data and intelligence, JATO Dynamics, sees the European new car market enjoying what could be the last wave of scrappage-incentivised sales, contrasted by apparent first signs of a slowdown.

Volkswagen Golf and Ford Fiesta continue as the only contenders for the 2009 top-model crown, which Golf is looking certain to secure comfortably, through its almost universal popularity across Europe.

"On first inspection, European new car sales figures look healthy, but look closer and there are some ominous signs," says David Di Girolamo, Head of JATO Consult.

JATO's monthly 27-market analysis shows that November 2009 was a significantly better month for new car sales than the same period, 2008, as expected. However, in key markets, the sales surge is lessening as scrappage schemes close. In Germany, October 2009 sales were up 24.1%, vs. 2008; in November, this gap has closed to 19.7%.

By contrast, France, Italy, Spain and the UK all returned buoyant sales figures for November, as their schemes are set to endure until at least the end of 2009.

"Already, we are seeing reduced new car imports into Europe and the extent of the decline in sales will be something to watch carefully over the next couple of months. You only have to look at Eastern Europe, where there are no such schemes to see a truer picture of new the car market place – demand here is

significantly lower, year-on-year," suggests David Di Girolamo, Head of JATO Consult.

Model performance

Volkswagen Golf remains the best-selling model in Europe, up 59.9%, vs. a stagnant November 2008 (25.3% YtD). Ford Fiesta remains second and is up by an even greater margin – 64.7% in the month – but trails Golf by 97,000 units, YtD.

Fiat's Punto and Panda are the other big beneficiaries of scrappage, recording November sales up 45.4% and 54.0% respectively and healthy increases YtD.

Top 10 Models

| Make & Model | Nov_09 | Nov_08 | % change Nov | Nov YtD_09 | Nov YtD_08 | % change YtD |
|---------------------|--------|--------|--------------|------------|------------|--------------|
| VOLKSWAGEN GOLF | 48,445 | 30,288 | +59.9% | 534,511 | 426,429 | +25.3% |
| FORD FIESTA | 38,953 | 23,653 | +64.7% | 437,808 | 303,923 | +44.1% |
| RENAULT CLIO | 33,911 | 20,820 | +62.9% | 285,697 | 318,670 | -10.3% |
| PEUGEOT 207 | 30,093 | 22,219 | +35.4% | 339,487 | 382,958 | -11.4% |
| OPEL/VAUXHALL CORSA | 27,433 | 19,806 | +38.5% | 327,712 | 334,265 | -2.0% |
| VOLKSWAGEN POLO | 25,287 | 19,242 | +31.4% | 258,048 | 255,657 | +0.9% |
| FIAT PUNTO | 25,079 | 17,254 | +45.4% | 301,801 | 263,101 | +14.7% |
| FIAT PANDA | 24,910 | 16,179 | +54.0% | 277,328 | 209,060 | +32.7% |
| RENAULT MEGANE | 23,062 | 15,616 | +47.7% | 212,103 | 153,123 | +38.5% |
| FORD FOCUS | 22,616 | 22,033 | +2.6% | 286,755 | 343,911 | -16.6% |

Brand Performance

The effect of scrappage is clear when judging brand performance. Europe's two biggest-selling car brands, VW and Ford, are in their positions almost exclusively because of Golf and Fiesta. For example, one in four of every Fords sold in Europe is currently a Fiesta.

Renault's face lifted Clio and new Mégane have accelerated its own sales recently, although this may be too late to show positive growth for the year.

Of the Top 10 selling volume brands Fiat continues to record the highest YtD percentage improvement, thanks to a model mix that has taken advantage of the low-CO₂ consumer focus in many countries.

Top 10 Brands

| Make | Nov_09 | Nov_08 | % change Nov | Nov YtD_09 | Nov YtD_08 | % change YtD |
|---------------|---------|---------|--------------|------------|------------|--------------|
| VOLKSWAGEN | 135,889 | 110,730 | +22.7% | 1,522,494 | 1,441,261 | +5.6% |
| RENAULT | 106,177 | 73,427 | +44.6% | 997,784 | 1,024,026 | -2.6% |
| FORD | 101,066 | 81,036 | +24.7% | 1,192,708 | 1,141,651 | +4.5% |
| PEUGEOT | 83,018 | 58,908 | +40.9% | 909,435 | 933,553 | -2.6% |
| FIAT | 78,585 | 59,786 | +31.4% | 940,028 | 887,117 | +6.0% |
| OPEL/VAUXHALL | 77,876 | 60,847 | +28.0% | 986,173 | 1,055,446 | -6.6% |
| CITROEN | 74,697 | 54,820 | +36.3% | 799,302 | 799,004 | +0.0% |
| TOYOTA | 55,533 | 41,393 | +34.2% | 657,272 | 699,907 | -6.1% |
| AUDI | 50,985 | 50,714 | +0.5% | 571,735 | 615,325 | -7.1% |
| MERCEDES | 50,056 | 45,558 | +9.9% | 543,657 | 643,629 | -15.5% |

National Trends

National sales in November are increasingly in the black, with the dividing line being drawn across a rough East-West boundary. Europe has closed the deficit in new car sales to 1.9% YtD. National governments and OEM sales operations must now wait to see how the end of government-backed incentive schemes affects demand.

"As these schemes come to an end, Europe is about to find out what happens when economic reality bites," warns Di Girolamo.

Sales by Market

| Country | Nov_09 | Nov_08 | % change Nov | Nov YtD_09 | Nov YtD_08 | % change YtD |
|--------------------|------------------|----------------|---------------|-------------------|-------------------|--------------|
| Austria | 25,612 | 19,836 | +29.1% | 299,982 | 277,986 | +7.9% |
| Belgium | 35,136 | 30,381 | +15.7% | 449,745 | 514,110 | -12.5% |
| Cyprus* | 902 | 1,319 | -31.6% | 13,702 | 20,808 | -34.2% |
| Czech Republic | 14,975 | 13,994 | +7.0% | 146,848 | 168,563 | -12.9% |
| Denmark | 8,866 | 7,822 | +13.3% | 100,344 | 140,242 | -28.4% |
| Estonia | 671 | 1,120 | -40.1% | 9,249 | 23,650 | -60.9% |
| Finland | 5,706 | 6,445 | -11.5% | 84,558 | 135,148 | -37.4% |
| France | 216,354 | 145,893 | +48.3% | 2,040,279 | 1,896,597 | +7.6% |
| Germany | 279,725 | 233,772 | +19.7% | 3,591,611 | 2,864,059 | +25.4% |
| Great Britain | 158,082 | 100,333 | +57.6% | 1,844,063 | 2,023,103 | -8.8% |
| Greece | 18,090 | 13,395 | +35.1% | 210,394 | 258,899 | -18.7% |
| Hungary | 3,689 | 10,053 | -63.3% | 56,581 | 143,248 | -60.5% |
| Iceland | 63 | 74 | -14.9% | 2,030 | 8,987 | -77.4% |
| Ireland | 520 | 644 | -19.3% | 57,158 | 151,419 | -62.3% |
| Italy | 184,100 | 140,660 | +30.9% | 2,000,920 | 2,031,840 | -1.5% |
| Latvia | 360 | 1,063 | -66.1% | 5,028 | 18,811 | -73.3% |
| Lithuania | 496 | 1,047 | -52.6% | 6,924 | 21,191 | -67.3% |
| Luxembourg | 3,302 | 3,426 | -3.6% | 42,386 | 48,144 | -12.0% |
| Norway | 9,600 | 6,952 | +38.1% | 88,425 | 102,798 | -14.0% |
| Poland* | 27,134 | 27,126 | +0.0% | 292,032 | 290,382 | +0.6% |
| Portugal* | 14,118 | 15,383 | -8.2% | 142,151 | 192,188 | -26.0% |
| Slovakia | 4,770 | 6,057 | -21.2% | 79,434 | 80,334 | -1.1% |
| Slovenia | 4,409 | 4,252 | +3.7% | 52,159 | 65,372 | -20.2% |
| Spain | 87,042 | 63,107 | +37.9% | 864,571 | 1,088,814 | -20.6% |
| Sweden | 20,126 | 17,616 | +14.2% | 194,040 | 235,199 | -17.5% |
| Switzerland* | 21,634 | 20,265 | +6.8% | 241,026 | 261,741 | -7.9% |
| The Netherlands | 27,647 | 29,688 | -6.9% | 378,325 | 490,572 | -22.9% |
| Grand Total | 1,173,129 | 921,723 | +27.3% | 13,293,965 | 13,554,205 | -1.9% |

*Denotes Estimated data for November 2009.

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, or email 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 45 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.

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