

PRESS RELEASE

9:30 BST, 25th July 2019

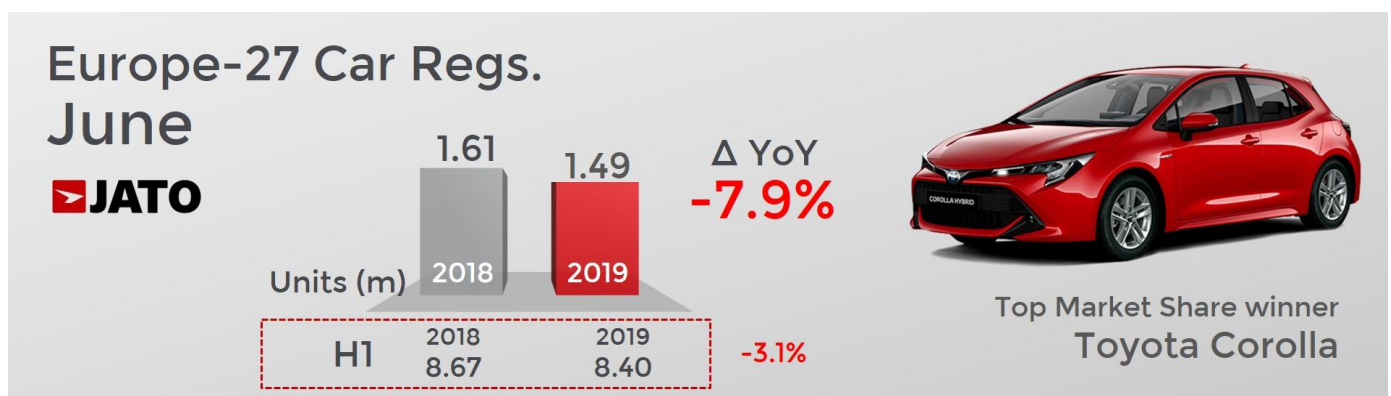
London, UK

DEMAND FOR SUVs SLOWS TO LOWEST RECORDED RATE IN JUNE, INDICATING THAT REGISTRATIONS MAY HAVE PEAKED IN THE EUROPEAN MARKET

- SUV registrations grew by just 0.7% in June 2019, but it was still the third highest month ever for sales in the segment
- The overall market was down by 7.9% – the highest monthly drop so far in 2019 and the lowest June result since 2015
- The decline was due to a fall in private registrations, which counted for 41% of the total market
- Tesla and Toyota bucked the trend and posted the highest market share gains

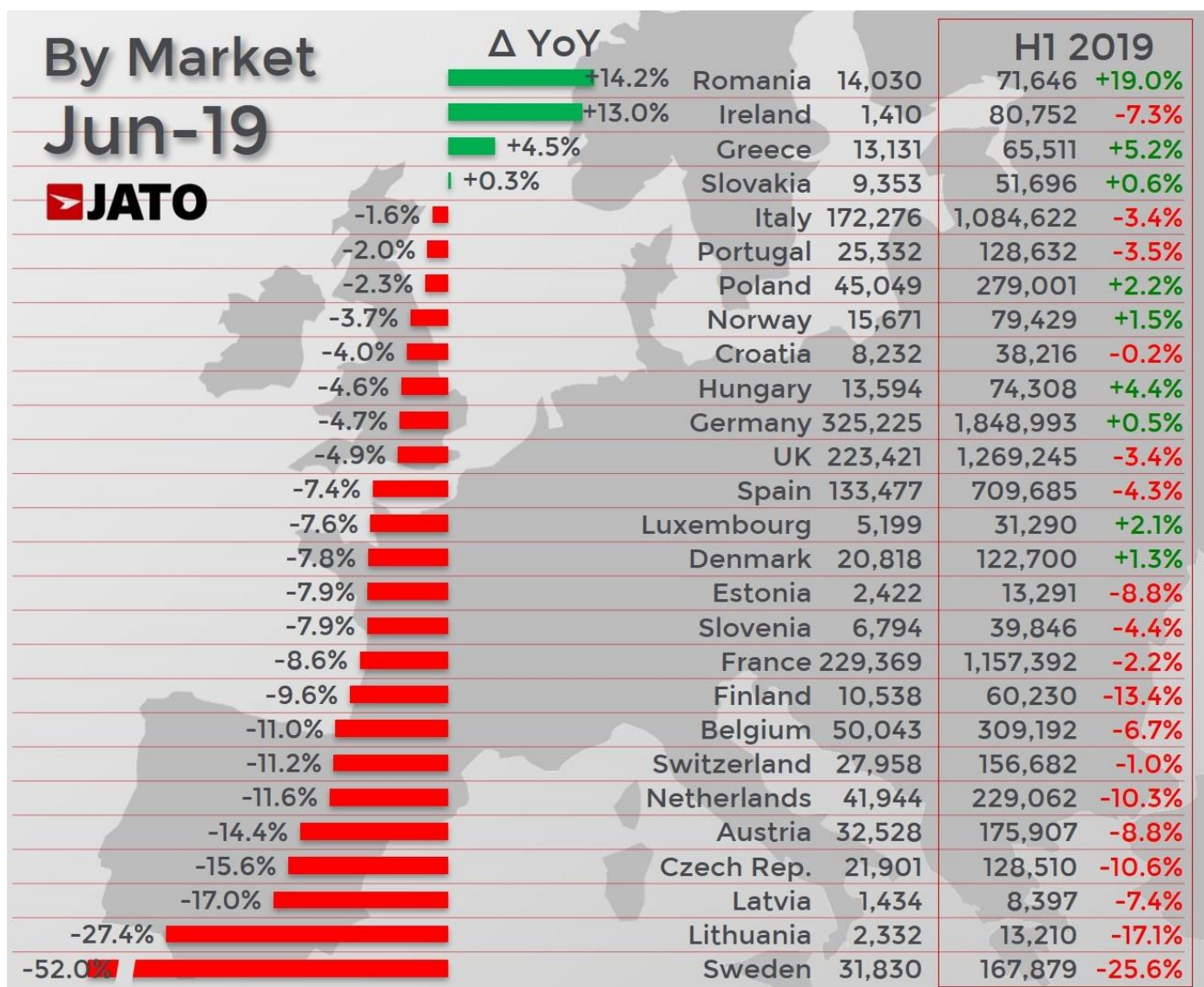
Following two consecutive months of growth, the European car market dropped in June 2019 as 1.49 million vehicles were registered – down by 7.9% on the same time last year. It was the biggest monthly drop so far in 2019, as only four out of the 27 markets included in JATO's analysis posted growth but counted for a marginal 2.6% of total registrations. "June's results confirm that conditions in Europe are getting worse. We continue to see a repeat of the same pattern: lower consumer confidence is mostly affecting diesel car registrations, which used to dominate the European landscape," commented Felipe Munoz, JATO's global analyst.

The diesel crisis is particularly challenging in Scandinavia, where electric cars continue to increase their market share. In June, diesel car registrations in the four Scandinavian markets fell by 52% to just 20,092 units, marking the first time that these cars were outsold by electrified vehicles (20,182 units). The noticeable



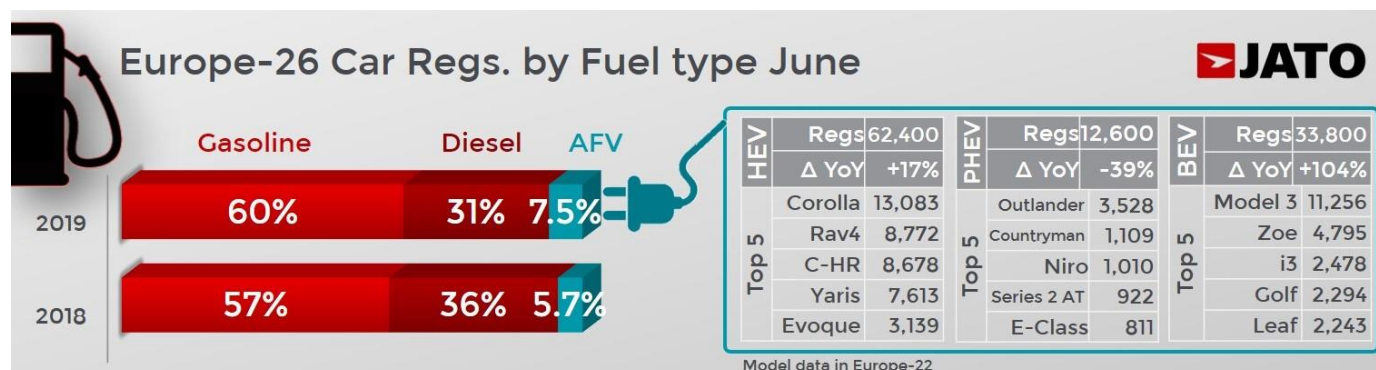
YoY drop can be partially explained by the record month of registrations seen in Sweden in June 2018, which came ahead of a new tax hike which hit the market in July of that year.

In fact, the results of diesel and electric vehicles contrast heavily across Europe. In June 2019, diesel car registrations fell by 21% and made up 31% of the total market, while demand for electrified vehicles increased by 20%. However, the latter's growth is still not strong enough to enable them to become a big player on the market, as they still account for just 7.5% of all registrations. "The drop seen in diesel car registrations continues to be higher than the growth posted by electrified cars. In order to see a real change in their market position, electrified vehicles need to attract more consumers, or else they won't be able to capitalise on the demise of diesel," explains Munoz.



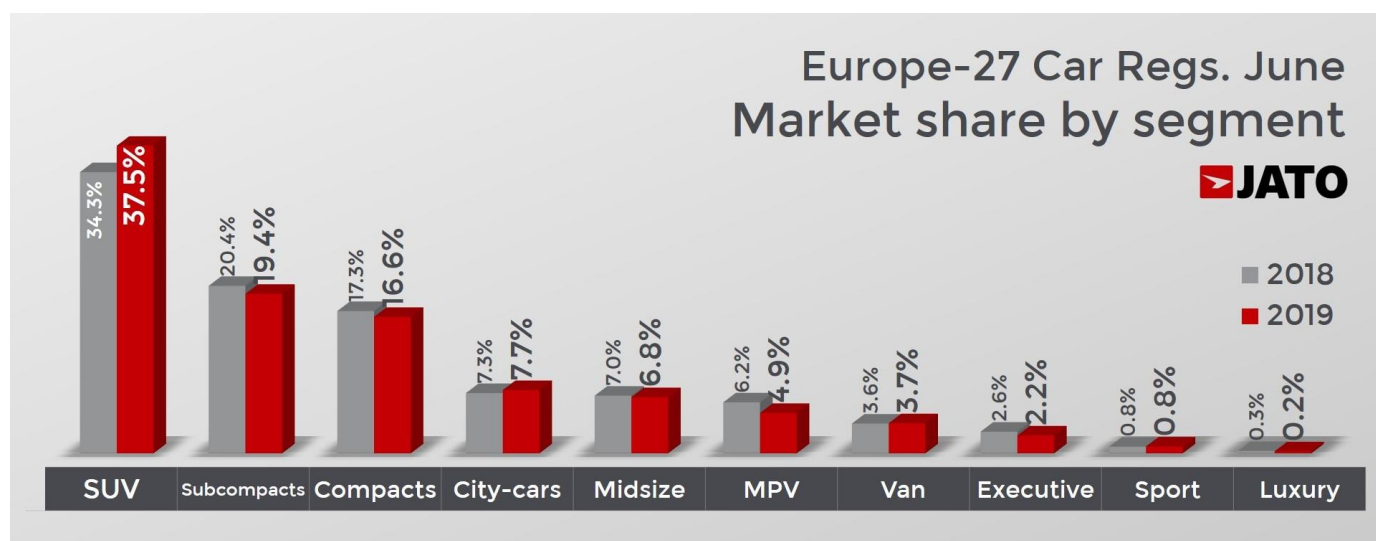
"But the most worrying result from June was not the continuous diesel decline, but the slowdown in demand for SUVs," continues Munoz. SUV registrations totalled 556,400 units during the month, up by only 0.7% compared to the 552,500 units of June 2018. "Although it was still the third highest month ever for sales in the segment (behind March 2018 and March 2019), there are two factors that explain the limited growth.

The first is that the poor conditions of the wider market are finally impacting SUVs, which are usually more expensive than regular car types. The second, which is more concerning, is that SUV demand may be peaking after many years of growth. If the second explanation is true, then Europe could be losing its main driver of growth,” Munoz concluded.




Most of the slowdown in the SUV segment in June came from premium SUVs, where demand fell by 5% as a result of double-digit drops at Mercedes, Volvo and Land Rover. Although several mainstream brands posted growth, such as Seat (+37%), Dacia (+21%) and Volkswagen (+19%), the three most popular SUV models posted the biggest drops: Nissan Qashqai (-15%), Volkswagen Tiguan (-18%) and Peugeot 3008 (-18%).

There were however some success stories in June. Amongst all the automakers, Tesla posted the highest market share gain, as registrations increased from 4,034 units in June 2018 to 14,106 units last month. As we saw in Q1-2019, the brand is posting large increases in its Model 3 deliveries at the end of each quarter. In June 2019, the Model 3 was Europe’s best-selling premium midsize sedan, and – thanks to this model – Tesla has been able to more than triple its sales in the first half of 2019.



Toyota was the other big market share winner of the month. The new Corolla performed far better than the Auris, and the new Rav4 continued to climb the SUV rankings, hitting the top 10 mainstream compact SUVs. Along with Lexus, these brands controlled 72% of the hybrid car market in June.

Brand	Regs.	ΔYoY	Market Share Top Winners & Losers		Model	Regs.	ΔYoY
1 VOLKSWAGEN	165,979	-13.8%	<div style="display: flex; align-items: center; justify-content: center;"> <div style="margin-right: 10px;">Group</div> <div style="text-align: center;">  </div> <div style="margin-left: 10px;">Model</div> </div>		1 GOLF	37,569	-13.9%
2 RENAULT	127,031	-6.8%			2 CLIO	35,972	-9.9%
3 PEUGEOT	89,991	-9.5%			3 CAPTUR	28,186	+5.2%
4 FORD	88,344	-5.4%			4 POLO	24,005	-32.1%
5 OPEL/VHALL	81,728	-9.6%		Tesla	5 SANDERO	23,150	+4.5%
6 BMW	78,026	-10.6%		Toyota	6 DUSTER	21,663	+10.8%
7 MERCEDES	73,711	-8.2%		Hyundai-	7 CORSA	20,932	-6.8%
8 AUDI	71,565	-9.2%		Kia	8 FIESTA	20,922	-18.5%
9 TOYOTA	69,061	+3.2%		Ford	9 208	20,907	-4.3%
10 SKODA	68,127	-8.4%		Suzuki	10 TIGUAN	20,603	-17.5%
11 CITROEN	60,715	-3.4%		Subaru	11 FOCUS	20,220	+21.7%
12 FIAT	59,312	-17.0%		BMW	12 OCTAVIA	20,167	-11.5%
13 DACIA	58,252	+3.6%		Group	13 YARIS	19,720	-4.0%
14 SEAT	50,483	+5.4%		Volvo	14 C3	19,089	-11.5%
15 HYUNDAI	47,737	-6.1%		VW Group	15 T-ROC	19,025	+14.4%
16 KIA	43,920	-4.2%		FCA	16 QASHQAI	18,877	-14.5%
17 NISSAN	34,137	-26.9%			17 500	17,108	-13.4%
18 VOLVO	29,307	-22.5%			18 3008 SUV	16,884	-17.9%
19 SUZUKI	24,354	+1.4%			19 PANDA	16,284	+11.8%
20 MINI	22,066	-8.5%			20 A-CLASS	16,050	+42.0%
21 MAZDA	21,243	-2.3%			21 COROLLA	15,577	New
22 JEEP	16,169	+0.8%			22 2008	15,509	-16.6%
23 TESLA	14,106	+250%			23 MEGANE	15,461	-11.5%
24 MITSUBISHI	13,103	-5.5%			24 FABIA	15,300	-10.9%
25 LAND ROVER	11,945	-10.3%			25 MINI	13,900	-6.9%

It was also a good month for the Volkswagen T-Cross, which hit the top 50 with 11,058 recorded sales, and the Citroen C5 Aircross, which recorded 7,741 sales and outsold the Mazda CX-5 and Jeep Compass. Meanwhile, the Mercedes A-Class occupied the 4th position amongst compact cars – only behind the Golf, Focus and Octavia, and the Ford Focus was boosted by increased demand in Germany, Italy and France.

The Hyundai Kona also did well in June, recording almost 8,700 sales – of which 22% originated from its electric version. Elsewhere, the Seat Tarraco recorded 3,910 registrations and became Europe's 4th best-selling mainstream midsize SUV – only behind the 5008, Kodiaq and Outlander.

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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 intelligence 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.

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