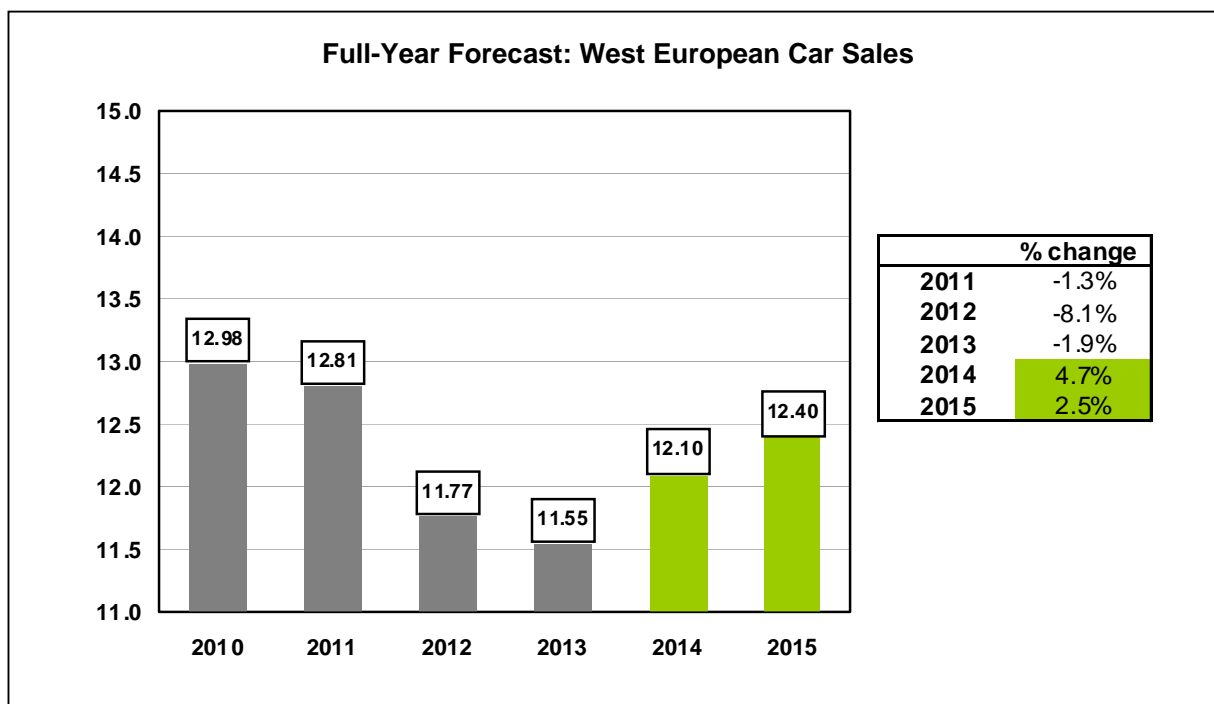


## West European Car Sales

December 2014

### Summary

- Car sales in Western Europe grew by 3.6% in December. Year-on-year, car registrations were higher for the 16th consecutive month. For 2014 overall, the market grew to 12.1 mn units, 4.7% up on 2013.
- Result for Germany: sales up by 6.7% — the full-year market was up by 2.9%. Registrations in Germany finished the year at 3.04 mn units, though the selling rate deteriorated a little in recent months, highlighting that challenging conditions remain, even for the largest market in the region.
- It was a rather lacklustre finish to the year in France (with registrations falling in the final month) and Italy (its selling rate slipping back last month) — both markets were up for 2014, though only by a fraction in France. Better news came from Spain — the market was up over a fifth on 2013, with the selling rate above 900,000 units/year for the third consecutive month in December, promising a good start to 2015.
- UK registrations grew by an impressive 9.3% in 2014 to 2.48 mn units, the market's best annual result since 2004 — the UK market was comfortably the largest contributor to the region's overall volume improvement in 2014.



7 January 2015

For more information, please contact: Jonathon Poskitt (jposkitt@lmc-auto.com, +44 1865 791737)

*For more detailed discussion and the full data table, please continue to next page...*

## Commentary

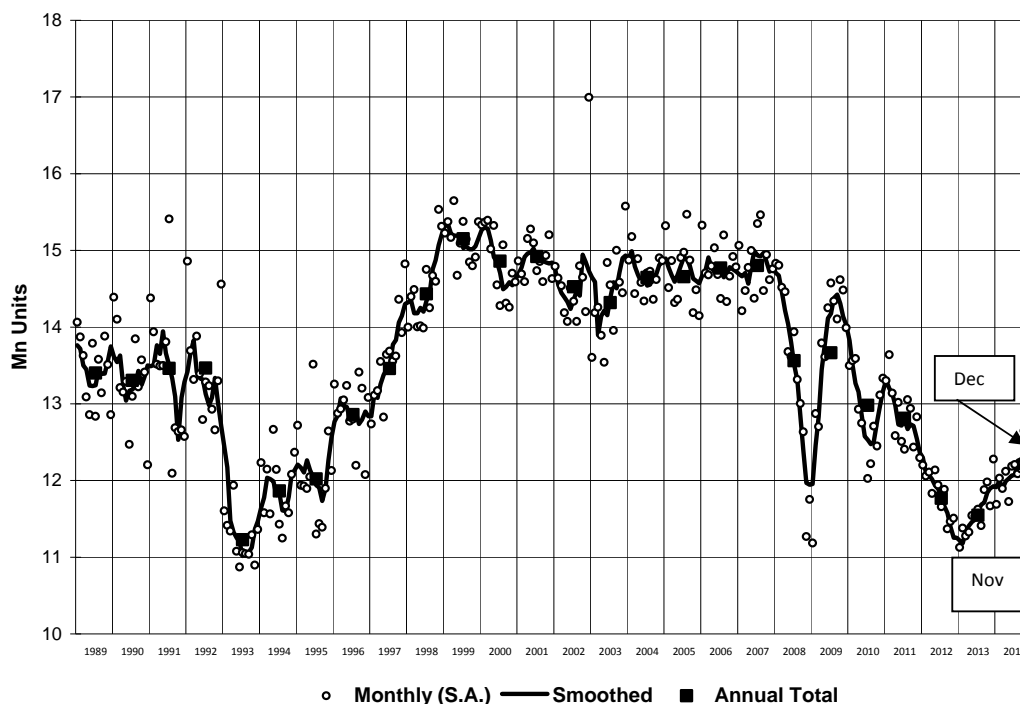
The West European car market expanded by 4.7% in 2014 taking it to 12.1 mn units, the best result since 2011 and the first year of growth since 2009. The 2014 result still leaves the market 2.7 mn units below the 2007 result, highlighting the scale of the contraction in new car sales in the region since the start of the financial crisis. All Big Five markets in the region improved on their 2013 totals (though, in the case of France, it was a close call); however, the evolution of some market selling rates in recent months has disappointed. West European registrations in the region grew 3.6% in December, though many markets had the added benefit of an additional selling day versus December 2013. With the economic and political picture looking far from rosy, we forecast somewhat slower growth for the region for 2015.

The UK market has been the star performer in Western Europe this year, adding over 200,000 units to the 2013 result. The last few months have seen the selling rate continue to climb, indicating a strong start to 2015 too and while we do not forecast growth to continue at the same pace this year, OEMs could well continue to look to the UK as a source of relief from tougher market conditions elsewhere in Europe.

Spain continued to pick up well through last year, and selling rates above 900,000 units/year in recent months bode well for the start of 2015. The ongoing use of the PIVE scheme will be key to supporting market volumes.

In Germany, registrations grew well last year, though selling rates in recent months have been a little disappointing. The run in at the end of 2014 was also weaker for France where consumer confidence continues to struggle. With a lack of economic growth, the Italian market remains at very low levels by historical standards — little improvement is expected this year as the economy continues to stall.

## West European Car Sales



## West European Car Sales

|                       | Sales (units)   |                |                   |                      |                      |                   | Selling rate (units/year) |                      |                   |                   |
|-----------------------|---|----------------|-------------------|----------------------|----------------------|-------------------|---------------------------|----------------------|-------------------|-------------------|
|                       | Dec<br>2014   | Dec<br>2013    | Percent<br>change | Year-to-date<br>2014 | Year-to-date<br>2013 | Percent<br>change | Dec<br>2014               | Year-to-date<br>2014 | Year<br>2013      | Percent<br>change |
| <b>WESTERN EUROPE</b> | <b>913,847</b>  | <b>882,077</b> | <b>3.6%</b>       | <b>12,095,121</b>    | <b>11,547,702</b>    | <b>4.7%</b>       | <b>12,476,998</b>         | <b>12,095,121</b>    | <b>11,547,702</b> | <b>4.7%</b>       |
| AUSTRIA               | 18,863  | 20,831         | -9.4%             | 304,790              | 319,035              | -4.5%             | 309,722                   | 304,790              | 319,035           | -4.5%             |
| BELGIUM               | 26,990  | 25,081         | 7.6%              | 482,939              | 486,065              | -0.6%             | 525,085                   | 482,939              | 486,065           | -0.6%             |
| DENMARK               | 15,420  | 14,257         | 8.2%              | 189,044              | 182,198              | 3.8%              | 179,461                   | 189,044              | 182,198           | 3.8%              |
| FINLAND               | 7,091   | 5,927          | 19.6%             | 106,218              | 103,454              | 2.7%              | 155,309                   | 106,218              | 103,454           | 2.7%              |
| FRANCE                | 163,382   | 175,319        | -6.8%             | 1,795,913            | 1,790,457            | 0.3%              | 1,752,586                 | 1,795,913            | 1,790,457         | 0.3%              |
| GERMANY               | 229,700   | 215,320        | 6.7%              | 3,036,791            | 2,952,431            | 2.9%              | 2,950,746                 | 3,036,791            | 2,952,431         | 2.9%              |
| GREECE                | 3,566   | 4,248          | -16.0%            | 68,401               | 58,696               | 16.5%             | 73,587                    | 68,401               | 58,696            | 16.5%             |
| IRELAND               | 350   | 212            | 65.1%             | 96,337               | 74,366               | 29.5%             | 106,140                   | 96,337               | 74,366            | 29.5%             |
| ITALY                 | 91,518  | 89,415         | 2.4%              | 1,359,615            | 1,304,649            | 4.2%              | 1,321,179                 | 1,359,615            | 1,304,649         | 4.2%              |
| LUXEMBOURG            | 2,562   | 2,555          | 0.3%              | 48,719               | 46,624               | 4.5%              | 51,334                    | 48,719               | 46,624            | 4.5%              |
| NETHERLANDS           | 36,424  | 38,918         | -6.4%             | 387,835              | 416,674              | -6.9%             | 610,266                   | 387,835              | 416,674           | -6.9%             |
| NORWAY                | 12,649  | 11,395         | 11.0%             | 144,202              | 142,151              | 1.4%              | 146,817                   | 144,202              | 142,151           | 1.4%              |
| PORTUGAL              | 11,905  | 8,634          | 37.9%             | 142,828              | 105,940              | 34.8%             | 127,147                   | 142,828              | 105,940           | 34.8%             |
| SPAIN                 | 73,440  | 60,513         | 21.4%             | 855,308              | 722,693              | 18.4%             | 925,463                   | 855,308              | 722,693           | 18.4%             |
| SWEDEN                | 27,062  | 26,423         | 2.4%              | 303,866              | 269,647              | 12.7%             | 282,829                   | 303,866              | 269,647           | 12.7%             |
| SWITZERLAND           | 26,727  | 30,111         | -11.2%            | 295,880              | 307,885              | -3.9%             | 302,481                   | 295,880              | 307,885           | -3.9%             |
| UK                    | 166,198   | 152,918        | 8.7%              | 2,476,435            | 2,264,737            | 9.3%              | 2,656,846                 | 2,476,435            | 2,264,737         | 9.3%              |
| Notes:                | Austria, Greece, Luxembourg and Switzerland: estimates for latest month   |                |                   |                      |                      |                   |                           |                      |                   |                   |
|                       | The percent change in the final column compares the average selling rate in the year-to-date with the last full year. |                |                   |                      |                      |                   |                           |                      |                   |                   |

Decisions based on this information are at the user's own risk and LMC Automotive cannot accept any liability for its accuracy. If the information in this document is reproduced in any form then full attribution must be given to LMC Automotive.