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EUROPEAN NEW CAR SALES END ON A HIGH, IN 2009, BUT UNCERTAIN TIMES AHEAD

- **Full year 2009 European new car sales only 0.7% down vs. 2008**
- **Total European December sales over one million units**
- **Volkswagen Golf is Europe's best-selling car in 2009**
- **Post-scrappage blues begin to take hold**

A highly unusual year in new car sales has ended on a high for most manufacturers, but there are growing signs of uncertain times ahead, according to the full-year 2009 analysis by the world's leading provider of automotive data and intelligence, JATO Dynamics.

While the Volkswagen Golf can comfortably claim the crown of Europe's best-selling car with a 23.9% sales rise vs. 2008, it has done so in a market artificially stimulated by unprecedented government and manufacturer incentives that have maintained demand over the past 12 months.

"The figures we've seen over the past year tell a story of how incentives have driven certain markets through these tough times – but this story is not necessarily set for a happy ending," says David Di Girolamo, Head of JATO Consult.

JATO analysis shows a strong finish in December for France, Great Britain, Italy and Spain, all of which recorded double digit percentage sales increases, vs. the same period 2008 – a period in the height of the recession, but without the support of scrappage incentives.

However, JATO's analysis also shows a significant shrinking of December sales in Germany (-4.6%), the one major European new car market to have closed its scrappage incentive scheme. This continues a trend first spotted by JATO in November 2009.

It is supported by the situation JATO has analysed in Eastern Europe, where a lack of scrappage schemes and rising VAT has significantly restricted new car demand. For example, Latvia and Lithuania ended 2009 down 72.9% and 66.2% respectively whilst even those more aligned to Western demographics and consumer spending patterns, such as Finland, Denmark and Hungary, have seen demand drop between 20% and 60%.

"The concern is that these market conditions could be reflected in Western Europe in 2010," suggests Di Girolamo. "For example, VAT is already rising in the UK and the remaining national scrappage schemes are scheduled to close in the early part of this year. This makes for uncertain times in new car sales across some of the key Western European markets."

Model performance

Volkswagen Golf is the 2009 best-selling model across Europe, beating Ford's new Fiesta, by almost 100,000 units.

No other models came close to these two, although the biggest beneficiary of the year overall was Fiat, with both its Panda and Punto posting double-digit European percentage sales increases vs. 2008.

Top 10 Models

Make & Model	Dec_09	Dec_08	% Change Dec	FY_09	FY_08	% Change FY
VOLKSWAGEN GOLF	38,394	35,110	+9.4%	571,838	461,539	+23.9%
FORD FIESTA	34,222	23,905	+43.2%	472,091	327,828	+44.0%
PEUGEOT 207	27,432	23,760	+15.5%	367,160	406,718	-9.7%
RENAULT CLIO	27,145	17,250	+57.4%	312,925	335,920	-6.8%
VOLKSWAGEN POLO	24,452	20,424	+19.7%	282,780	276,077	+2.4%
OPEL/VAUXHALL CORSA	24,012	26,496	-9.4%	351,807	360,761	-2.5%
FORD FOCUS	22,044	20,315	+8.5%	309,134	364,226	-15.1%
FIAT PANDA	21,695	14,379	+50.9%	298,914	223,441	+33.8%
FIAT PUNTO	21,595	16,013	+34.9%	323,536	279,115	+15.9%
OPEL/VAUXHALL ASTRA	20,892	21,127	-1.1%	275,638	320,878	-14.1%

Brand Performance

A number of key models guided the brand performances in 2009, with no surprises in the fact that the top brands were those with models popular in scrappage schemes.

Volkswagen and Ford take the top two spots in 2009, exclusively due to the performance of the Golf and Fiesta. These two models accounted for over a third of all vehicles sold by these two brands.

The popularity of Fiat's low-CO₂ European model range helped it to post the highest sales increase for a volume brand, finishing the year 7% up compared to 2008.

Top 10 Brands

Make	Dec_09	Dec_08	% Change Dec	FY_09	FY_08	% Change FY
VOLKSWAGEN	118,650	112,071	+5.9%	1,640,451	1,553,332	+5.6%
FORD	95,755	74,597	+28.4%	1,288,367	1,216,247	+5.9%
RENAULT	88,947	58,845	+51.2%	1,087,712	1,082,871	+0.4%
PEUGEOT	79,262	61,631	+28.6%	989,170	995,184	-0.6%
OPEL/VAUXHALL	71,408	80,038	-10.8%	1,057,313	1,135,484	-6.9%
FIAT	69,719	56,044	+24.4%	1,009,623	943,164	+7.0%
CITROEN	66,264	54,087	+22.5%	865,839	853,092	+1.5%
BMW	47,910	46,967	+2.0%	571,701	676,409	-15.5%
TOYOTA	47,554	42,953	+10.7%	705,172	742,860	-5.1%
MERCEDES	44,226	39,805	+11.1%	587,895	683,435	-14.0%

National Trends

Ending 2009 strongly has brought the European market to within 1% of 2008 sales, although the varying national performances are a further indicator of the effect on this performance of national scrappage incentive schemes. Only Austria, France and Germany posted an increase over 2008.

"It will be fascinating to see how this picture changes through 2010, as consumers react to the changing economic conditions. A good 2010 will depend on European markets emerging from recession quickly, so consumer spending does not fall too sharply without incentives," warns Di Girolamo.

Sales by Market

Country	Dec_09	Dec_08	% Change Dec	FY_09	FY_08	% Change FY
Austria	19,422	15,712	+23.6%	319,404	293,698	+8.8%
Belgium	26,449	21,837	+21.1%	476,194	535,947	-11.1%
Cyprus	1,014	1,405	-27.8%	15,004	22,213	-32.5%
Czech Republic	14,815	13,172	+12.5%	161,663	181,735	-11.0%
Denmark	8,869	7,466	+18.8%	109,306	147,708	-26.0%
Estonia	697	941	-25.9%	9,946	24,591	-59.6%
Finland	3,787	4,463	-15.1%	88,345	139,611	-36.7%
France	228,392	153,686	+48.6%	2,268,671	2,050,283	+10.7%
Germany	215,564	225,981	-4.6%	3,807,175	3,090,040	+23.2%
Great Britain	150,936	108,691	+38.9%	1,994,999	2,131,794	-6.4%
Greece	9,680	7,931	+22.1%	220,074	266,830	-17.5%
Hungary	4,562	9,636	-52.7%	61,143	152,884	-60.0%
Iceland	102	46	+121.7%	2,132	9,033	-76.4%
Ireland	304	188	+61.7%	57,456	151,607	-62.1%
Italy	166,664	143,228	+16.4%	2,168,330	2,175,078	-0.3%
Latvia	339	1,020	-66.8%	5,367	19,831	-72.9%
Lithuania	591	1,026	-42.4%	7,515	22,217	-66.2%
Luxembourg	2,800	2,761	+1.4%	45,186	50,905	-11.2%
Norway	10,250	7,819	+31.1%	98,675	110,617	-10.8%
Poland*	28,304	29,658	-4.6%	320,123	320,040	+0.0%
Portugal*	15,855	21,160	-25.1%	159,466	213,348	-25.3%
Slovakia*	7,835	8,503	-7.9%	87,269	88,837	-1.8%
Slovenia	3,553	3,161	+12.4%	55,712	68,533	-18.7%
Spain	90,826	72,281	+25.7%	955,397	1,161,095	-17.7%
Sweden	19,368	17,156	+12.9%	213,408	252,355	-15.4%
Switzerland*	21,926	23,928	-8.4%	263,325	285,669	-7.8%
The Netherlands	8,473	7,146	+18.6%	386,523	497,708	-22.3%
Grand Total	1,061,377	910,002	+16.6%	14,357,808	14,464,207	-0.7%

*Denotes estimated data for December 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 43 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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