

January 19, 2009

EUROPEAN NEW CAR MARKET CONTINUES TO DECLINE

- **Volkswagen Europe's best selling brand in 2008**
- **Volkswagen Golf Europe's best selling model in 2008**
- **European new car market drops 7.8% during 2008**
- **Steady decline in sales since May**

JATO Dynamics, the world's leading provider of automotive data and intelligence, today reports that the European new car market fell by 7.8% (1,227,941 units) during 2008, recording a steady decline since May.

Though the market maintained a strong growth at the start of 2008, in the fifth month of the year the global economic crisis began to take its toll. The picture is yet more bleak when comparing figures over the second half (July – December) of 2008 to the same period in 2007, as the market recorded a 14.5% drop.

Perhaps unsurprisingly, in December alone the European new car market fell by 17.8% (196,337 units), when compared to the same month in 2007. However, whilst this signals the market performing poorly, it is less of a reduction in sales than the previous month.

Total new car sales throughout Europe during 2008 stand at 14,459,714.

"Whilst on paper, 7.8% may not appear to be a significant drop for the new car market during 2008, it's important to consider it remained fairly buoyant up until May, so the figure we see is largely down to the last six months of the year. Not only that, but that percentage represents in excess of a million new cars – the output of more than one manufacturing plant," says David Di Girolamo, Business Manager for JATO Consult.

Brand Performance

Volkswagen baulked the downward trend and recorded strong sales in 2008, remaining Europe's top-selling car brand. In December, the marque led Opel/Vauxhall, Ford, Peugeot and Renault to keep its place at the top of the table.

Few brands recorded increased sales in December. However, following the introduction of the new Delta, Lancia posted a 7.2% upturn than in the same month in 2007, whilst Dacia's sales grew by 16.0%, following the introduction of the Sandero. Subaru also saw its sales climb by 2.3%, thanks to the addition of a diesel engine option.

Looking at 2008 as a whole, other manufacturers worthy of note are Nissan (up 8.2%), Mazda (up 0.9%), Dacia (up 39.8%), smart (up 9.6%), Subaru (up 9.3%) and Jaguar (up 11.5%).

2008's top 10 performing brands were Volkswagen, Ford, Opel/Vauxhall, Renault, Peugeot, Fiat, Citroen, Toyota, Mercedes-Benz and BMW.

Top Ten Brands

Make	Dec_08	Dec_07	% Change Dec	Yr_08	Yr_07	% Change Yr
VOLKSWAGEN	110,571	113,049	-2.2%	1,551,302	1,609,792	-3.6%
OPEL/VAUXHALL	79,559	91,772	-13.3%	1,134,910	1,322,979	-14.2%
FORD	75,058	87,818	-14.5%	1,216,696	1,286,990	-5.5%
PEUGEOT	60,850	68,970	-11.8%	994,337	1,090,782	-8.8%
RENAULT	59,278	81,510	-27.3%	1,083,004	1,179,909	-8.2%
FIAT	55,840	65,510	-14.8%	942,502	965,417	-2.4%
CITROEN	53,449	60,097	-11.1%	852,329	936,875	-9.0%
BMW	47,072	58,158	-19.1%	676,514	704,565	-4.0%
AUDI	45,167	47,122	-4.1%	660,444	660,631	-0.0%
TOYOTA	44,396	66,103	-32.8%	744,187	893,244	-16.7%

Top Models

The Volkswagen Golf maintained its lead of the European new car market in December, with sales up by 5.3% YtD, when compared to 2007.

During that month, helped by the introduction of the new sixth generation model, the Golf led the Opel/Vauxhall Corsa, Ford Fiesta, Peugeot 207, Opel/Vauxhall Astra, Ford Focus, Volkswagen Polo, Volkswagen Passat, BMW 3-Series and Renault Clio.

The Volkswagen Golf also proved to be the market's strongest performer throughout 2008, whilst a variety of other models vied for position in the top 10.

An overview of the year sees the BMW 3-Series and Volkswagen Passat fall out of the high performers table, whilst the Fiat Punto and Audi A4/S4/RS4 steal eighth and tenth place respectively. The latter posted an increase in sales for 2008 of 15.9% which is impressive considering the climate.

Sales of the Golf stand at 458,283 units for 2008, followed by the Peugeot 207 (406,163 units), Ford Focus (364,638 units), Opel/Vauxhall Corsa (360,247 units), Renault Clio (335,548 units), Ford Fiesta (327,314 units), Opel/Vauxhall Astra (320,856 units), Fiat Punto (278,934 units), Volkswagen Polo (275,921 units) and Audi A4/S4/RS4 (255,474 units).

Other models performing well in the European new car market include the Dacia Sandero, Hyundai i10, Ford Kuga, Audi Q5, Alfa Romeo Mito, Volvo XC60, Suzuki Splash, Opel/Vauxhall Insignia, Volkswagen Scirocco, Renault Koleos, Lancia Delta, Mercedes-Benz GLK-Class and BMW X6.

Increased sales during December have also been enjoyed by the Renault Twingo, Mazda 2, Audi A4, Mercedes-Benz C-Class, Opel/Vauxhall Agila and Citroën C5, largely due to full model replacements or the addition of new versions.

Top Ten Models

Make & Model	Dec_08	Dec_07	% Change Dec	Yr_08	Yr_07	% Change Yr
VOLKSWAGEN GOLF	32,073	31,915	+0.5%	458,283	435,409	+5.3%
OPEL/VAUXHALL CORSA	26,041	29,001	-10.2%	360,274	401,777	-10.3%
FORD FIESTA	23,354	23,868	-2.2%	327,314	355,744	-8.0%
PEUGEOT 207	23,226	27,282	-14.9%	406,163	437,144	-7.1%
OPEL/VAUXHALL ASTRA	21,116	27,503	-23.2%	320,856	401,652	-20.1%
FORD FOCUS	20,758	26,785	-22.5%	364,638	398,983	-8.6%
VOLKSWAGEN POLO	20,378	19,731	+3.3%	275,921	289,382	-4.7%
VOLKSWAGEN PASSAT	18,322	21,569	-15.1%	253,853	301,436	-15.8%
BMW SERIES 3	16,992	20,240	-16.0%	251,140	294,995	-14.9%
RENAULT CLIO	16,953	25,281	-32.9%	335,548	381,777	-12.1%

National Trends

As expected given the global economic conditions, the majority of markets across Europe recorded significantly lower new car sales in December 2008 than in December 2007.

Finland, however, recorded dramatically higher sales than a year earlier – posting an increase of 137.5% (or 2,898 units). At first glance, this may appear to be a happy anomaly for the country, but is largely due to a severely depressed market in 2007, in anticipation of imminent tax changes. This depression also explains the YtD rise of 11.7%

Other markets recording YtD sales increases include Belgium, Czech Republic, Lithuania, Luxembourg, Poland, Portugal, Slovakia, Slovenia and Switzerland, following strong sales early in the year.

National Trends

Country	Dec_08	Dec_07	% Change Dec	Yr_08	Yr_07	% Change Yr
Austria	15,712	18,768	-16.3%	293,698	298,184	-1.5%
Belgium	26,571	23,695	+12.1%	540,681	524,795	+3.0%
Cyprus	1,405	1,156	+21.5%	22,213	22,717	-2.2%
Czech Republic	16,002	15,742	+1.7%	184,565	170,911	+8.0%
Denmark	7,466	13,830	-46.0%	147,707	159,464	-7.4%
Estonia	941	1,664	-43.4%	24,591	30,916	-20.5%
Finland	5,006	2,108	+137.5%	140,154	125,525	+11.7%
France	153,686	182,548	-15.8%	2,050,283	2,064,543	-0.7%
Germany	225,981	241,906	-6.6%	3,090,040	3,148,164	-1.8%
Great Britain	108,691	137,960	-21.2%	2,131,794	2,404,007	-11.3%
Greece	7,931	10,410	-23.8%	266,830	279,688	-4.6%
Hungary	9,636	12,927	-25.5%	152,884	171,012	-10.6%
Iceland	46	850	-94.6%	9,033	15,942	-43.3%
Ireland	188	493	-61.9%	151,614	186,542	-18.7%
Italy	142,105	165,198	-14.0%	2,171,478	2,514,781	-13.7%
Latvia	1,020	2,290	-55.5%	19,831	32,771	-39.5%
Lithuania	1,026	1,783	-42.5%	22,217	21,605	+2.8%
Luxembourg	2,761	2,926	-5.6%	50,905	49,590	+2.7%
Norway	7,819	9,222	-15.2%	110,617	129,195	-14.4%
Poland	26,898	26,738	+0.6%	317,310	293,305	+8.2%
Portugal	15,969	15,348	+4.0%	208,191	201,815	+3.2%
Slovakia	8,043	7,394	+8.8%	88,145	75,758	+16.4%
Slovenia	3,161	4,319	-26.8%	68,533	65,511	+4.6%
Spain	72,290	142,709	-49.3%	1,161,154	1,608,593	-27.8%
Sweden	17,156	30,750	-44.2%	252,355	306,799	-17.7%
Switzerland	23,255	22,678	+2.5%	284,988	282,411	+0.9%
The Netherlands	7,199	8,889	-19.0%	497,903	503,111	-1.0%
Grand Total	907,964	1,104,301	-17.8%	14,459,714	15,687,655	-7.8%

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 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.

For further press information, please contact:

Libby Croad
UKIP Media and Events Ltd
Tel: +44 (0) 1306 743744
l.croad@ukintpress.com

Peter Haynes
UKIP Media and Events Ltd
Tel: +44 (0) 1306 743744
p.haynes@ukintpress.com