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## **SMALL CAR SEGMENT DOMINATES EUROPE'S BIGGEST MARKETS**

- **B-segment is dominant sector in the 'big five' markets**
- **Ford Fiesta is top selling B-segment model**
- **Medium MPV sales up 49.8% YtD**
- **Luxury car segment down by 15.3% YtD**

JATO Dynamics, the world's leading provider of automotive data and intelligence, today reports that in Europe's big five markets of France, Germany, Italy, Spain and the UK, third quarter volumes are a marginal 0.9% higher over the same period last year and down by an identical 0.9% YtD. The small car – or B-Segment – is the most popular with consumers, holding 27.0% of the market though it has posted a small 0.5% drop YtD.

“With Europe's big five markets down by 0.9% YtD, it would be easy to assume that the market is relatively stagnant,” says Nasir Shah, Global Business Development Director at JATO. “In fact, the market is subject to considerable change thanks to political and legislative changes, economic considerations and the effect of new model introductions. The German car market, for example, is still adjusting to the taxation changes introduced at the beginning of the year.”

### **Segment Trends**

#### **B-Segment**

The B-segment has the largest share of the market by a considerable margin, with 27.0% market share in the first nine months of 2007. Its total volume for the YtD is 0.5% less than a year ago, which represents a smaller fall than the total market has experienced over the same period. However, recent months have seen a decline in the segment's volumes, with third quarter volumes 3.0% lower than the same period in 2006.

The **Ford Fiesta** is the segment leader in the 'big five' markets in the third quarter (up 2.0%) and has increased its sales by 3.9% YtD.

“This is an impressive result for the Fiesta considering the fashion conscious nature of the segment,” says Shah. “Ford is already courting publicity for the Fiesta’s replacement by showing the Verve concept at the recent Frankfurt show, but some long established models perform well throughout their life-cycle.”

The Fiesta’s lead is closely challenged in the same period by the Opel/Vauxhall Corsa, which is up 50.3% in the third quarter and up 48.8% YtD, following a well-received full model update. The Corsa is followed by the Peugeot 207 (up 14.2% in Q3), the Renault Clio and the Fiat Punto.

### Top ten B-segment models

Make & Model	Q3_07	Q3_06	% Change Q3	Sep YtD_07	Sep YtD_06	% Change YtD
FORD FIESTA	72,333	70,936	+2.0%	242,154	233,078	+3.9%
OPEL/VAUXHALL CORSA	70,517	46,931	+50.3%	241,209	162,118	+48.8%
PEUGEOT 207	69,133	60,524	+14.2%	236,902	102,524	+131.1%
RENAULT CLIO	68,372	78,642	-13.1%	244,494	275,962	-11.4%
FIAT PUNTO	63,727	72,574	-12.2%	255,727	268,148	-4.6%
VOLKSWAGEN POLO	53,392	52,770	+1.2%	165,644	164,973	+0.4%
TOYOTA YARIS	40,153	40,892	-1.8%	136,773	125,566	+8.9%
CITROEN C3	36,563	37,973	-3.7%	126,188	132,205	-4.6%
SEAT IBIZA	30,537	30,503	+0.1%	95,488	98,550	-3.1%
MINI	28,294	19,563	+44.6%	76,697	60,708	+26.3%

YtD, the top sellers are the Fiat Punto, Renault Clio, Ford Fiesta, Opel/Vauxhall Corsa and Peugeot 207 – demonstrating just how closely-fought the top of this market segment is, with the top five sellers each having between 9.8% and 10.6% of the segment share.

Other models worthy of note are the revised MINI, which has posted a 44.6% increase in the third quarter (26.3% YtD), the Suzuki Swift (up 31.2% Q3, 30.9% YtD), the Mazda2 (up 25.7% Q3, new model) and the Daihatsu Sirion (up 24.6% Q3, 21.9% YtD, facelift model).

### A-Segment

The slight decline of the B-segment can be mainly be attributed to the increase in A-segment sales, caused by the introduction of some key new models that include the Renault Twingo (Q3 sales up 158% on the old model’s performance a year earlier), the Fiat 500 and the Smart fortwo (up 94.6% in Q3).

“It’s interesting to note that the B-segment decline is at its smallest in the UK, where some of the key new A-segment cars such as the Fiat 500 are yet to launch,” says Shah.

Apart from the good market performance of some of the new models, many established A-segment models are suffering in the markets, with the exception of Italy, where government-sponsored scrapping incentives have benefited many models. The Fiat Panda remains the top selling car in the A-segment.

### **C-segment**

The Lower-Medium (C1-segment) has recorded a slight increase in sales in the third quarter (up 1.9%), partly due to new key model introductions such as the Peugeot 308, Fiat Bravo, Kia Ceed, Hyundai I30 and Toyota Auris. The segment-leading Volkswagen Golf is up 4.9% in the period.

The Premium Lower-Medium (C2-segment) increased registrations by 22.1% in the third quarter compared to 2006, largely due to the introductions of the Nissan Qashqai, Volvo C30 and revised BMW 1-Series.

### **Star performer**

The Medium-MPV segment posted the greatest percentage growth, with a significant 59.8% rise in the third quarter and 49.8% YtD. The introductions of the Citroën Grand C4 Picasso and Dacia's Logan MCV have been significant contributing factors in this growth.

### **Other segments**

Despite the escalating CO<sub>2</sub> debate, SUVs continue to prove popular in the big markets, with the small SUV segment increasing by 7.1% in the third quarter. The Suzuki SX4, Fiat Sedici and new Jeep Wrangler all posted increased sales. The medium SUV segment is up by 12.8% in the same period, thanks to the success of the Honda CR-V, Land Rover Freelander, Chevrolet Captiva, Mitsubishi's Outlander and the Opel/Vauxhall Antara. Registrations of large SUVs increased by 19.2%, with the revised Subaru Tribeca and newly-introduced Hummer H3 driving the increase. Luxury SUVs posted a 10.3% increase with much of the growth coming from the full model update of the BMW X5.

The biggest segment drop was luxury cars, which fell by 16.2% in the third quarter and by 15.3% YtD. This is not surprising given the segment's sensitivity to new model introductions, and that the Lexus LS was the only significant new model in the segment in the past year.

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## Segment performance

JATO regional segment	Q3_07	Q3_06	% Change Q3	Sep YtD_07	Sep YtD_06	% Change YtD
EU A - utility/city cars	201,947	172,901	+16.8%	642,784	586,990	+9.5%
EU B - small	711,713	733,477	-3.0%	2,414,488	2,426,518	-0.5%
EU C1 - lower medium -	483,331	474,277	+1.9%	1,542,428	1,612,579	-4.4%
EU C2 - lower medium +	118,591	97,088	+22.1%	340,071	306,627	+10.9%
EU D1 - upper medium -	195,860	228,195	-14.2%	654,244	780,894	-16.2%
EU D2 - upper medium +	173,799	164,621	+5.6%	531,937	526,249	+1.1%
EU E1 - large and executive	82,842	91,283	-9.2%	274,003	287,689	-4.8%
EU E2 - luxury	9,401	11,213	-16.2%	31,459	37,121	-15.3%
EU Mini MPV	348,452	379,818	-8.3%	1,166,050	1,267,650	-8.0%
EU Medium MPV	53,138	33,261	+59.8%	161,915	108,052	+49.8%
EU Large MPV	35,777	36,410	-1.7%	127,425	104,781	+21.6%
EU Small SUV	35,170	32,834	+7.1%	110,438	91,547	+20.6%
EU Medium SUV	119,514	105,925	+12.8%	368,192	340,336	+8.2%
EU Large SUV	725	608	+19.2%	2,439	2,136	+14.2%
EU Luxury SUV	57,339	51,983	+10.3%	174,813	164,741	+6.1%
EU Sports	98,075	94,157	+4.2%	328,248	312,841	+4.9%
Other	21,880	16,322	+34.1%	74,124	67,084	+10.5%
<b>Grand Total</b>	<b>2,747,554</b>	<b>2,724,373</b>	<b>+0.9%</b>	<b>8,945,058</b>	<b>9,023,835</b>	<b>-0.9%</b>

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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](http://www.jato.com)

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