

19 July 2011

New car sales decline in Europe during H1 2011

- **Sales for region down 1.4% for H1 2011 compared to same time last year**
- **Despite a hopeful increase in May, June's sales decrease 7.8%**
- **Sales in all the 'big five' markets decrease in June, only France and Germany up during H1 2011**
- **Volkswagen remains Europe's most popular brand during the first half of the year**

The latest new car sales for H1 2011 show that, despite what was looking like an improving market, sales across Europe were slightly down on last year, according to JATO Dynamics. Although there was uplift in sales during May, total sales in June 2011 fell by 7.8%.

JATO's key analysis of the market:

- *The European market dropped by 1.4% (104,900 units) during H1 2011 compared to the same period last year and by 7.8% in June*
- *Overall European markets struggled during H1 2011, with GB, Italy, Spain and Greece, down 7.1%, 13.2%, 26.9% and 43.6% respectively*
- *Only Ford and Audi experienced sales increases during June, both helped by the launch of new models*
- *Volkswagen retains and consolidates its position as Europe's leading brand, selling 880,308 units during H1 2011*

Commenting on the findings, Gareth Hession, Vice President, Research said: "Despite some positive signs earlier this year, on-going economic instability in many markets has kept many people away from dealerships. The success of new models such as the new Ford Focus and Audi's A1 demonstrates the importance of having products that are fresh as well as competitively positioned in a difficult market."

National Trends

Similar to Q1 2011, only two of the 'big five' European markets showed positive growth during H1 2011: France and Germany were up 1.0% and 10.5% respectively while Great Britain, Italy and Spain were down 7.1%, 13.2% and 26.9%. Of these markets, Germany experienced the greatest unit growth in H1, up 153,788 units, while Spain saw the biggest decline, down 162,928 units.

Sales in Central and Eastern Europe have performed consistently well during 2011 as automotive markets expand in the region. Poland performed particularly well, up 22.9% in June and 22.8% during the first half of the year.

Sales by market

Country	Jun_11	Jun_10	% Change Jun	Jun YtD_11	Jun YtD_10	% Change YtD
Austria	32,018	32,957	-2.8%	187,593	169,676	+10.6%
Belgium	48,353	53,872	-10.2%	326,445	320,203	+1.9%
Cyprus	1,140	1,383	-17.6%	7,201	7,313	-1.5%
Czech Republic	16,156	18,515	-12.7%	88,284	88,960	-0.8%
Denmark	13,943	15,530	-10.2%	84,588	73,678	+14.8%
Estonia	1,458	896	+62.7%	8,463	4,853	+74.4%
Finland	11,220	12,237	-8.3%	71,278	62,436	+14.2%
France	210,172	240,531	-12.6%	1,225,084	1,212,436	+1.0%
Germany	288,382	289,259	-0.3%	1,622,579	1,468,791	+10.5%
Great Britain	183,125	195,226	-6.2%	1,029,638	1,108,662	-7.1%
Greece	9,738	14,591	-33.3%	55,160	97,732	-43.6%
Hungary	4,233	4,289	-1.3%	23,362	21,680	+7.8%
Iceland	1,166	1,135	+2.7%	3,056	1,925	+58.8%
Ireland	11,030	8,398	+31.3%	77,138	67,541	+14.2%
Italy	169,662	172,524	-1.7%	1,016,713	1,171,421	-13.2%
Latvia	912	631	+44.5%	5,082	2,634	+92.9%
Lithuania	1,344	663	+102.7%	6,623	3,277	+102.1%
Luxembourg	4,256	5,155	-17.4%	28,596	29,677	-3.6%
Norway	10,591	11,119	-4.7%	69,377	61,969	+12.0%
Poland	24,622	20,038	+22.9%	136,675	111,344	+22.8%
Portugal	17,162	26,028	-34.1%	91,915	115,245	-20.2%
Slovakia	7,485	6,284	+19.1%	35,403	29,522	+19.9%
Slovenia	5,769	5,663	+1.9%	32,942	32,403	+1.7%
Spain	83,325	121,727	-31.5%	442,394	605,322	-26.9%
Sweden	27,485	28,270	-2.8%	157,042	138,079	+13.7%
Switzerland	27,431	31,505	-12.9%	155,267	147,365	+5.4%
The Netherlands	50,677	50,680	-0.0%	328,773	270,093	+21.7%
Grand Total	1,262,855	1,369,106	-7.8%	7,316,671	7,424,237	-1.4%

Brand Performance

Despite recording a decrease of 4.3% in June, Volkswagen remains Europe's leading brand, extending its lead over rivals, with sales increasing 5.9% over the last six months. German brands continue to perform well in 2011 with Audi, BMW and Mercedes all experiencing increases of 8.7%, 8.4% and 0.6% respectively.

The month of June saw increases in only two of the top ten brands, Ford and Audi, up 0.7% and 9.2% respectively, largely due to the significant sales of the Focus and the new A1.

Outside of the top ten brands, Asian manufacturers, Nissan and Hyundai, have had positive performances, increasing 16.8% and 10.5% respectively during H1. Toyota experienced a decrease of 9.9% for the same period.

Gareth commented: "Consumer perception of quality, high standard equipment levels and strong residual values are critical factors in the success of the German brands. Their success is supported not only by their traditional customer base, who being typically more affluent are more confident purchasers during these tough economic times, but also from consumers who are looking for security from their hard earned investment."

Top 10 Brands

Make & Model	Jun_11	Jun_10	% Change Jun	Jun YtD_11	Jun YtD_10	% Change YtD
VOLKSWAGEN	146,508	153,110	-4.3%	880,308	831,381	+5.9%
FORD	104,140	103,401	+0.7%	596,526	631,943	-5.6%
OPEL/VAUXHALL	102,191	113,998	-10.4%	547,008	531,437	+2.9%
RENAULT	96,254	119,419	-19.4%	566,660	636,759	-11.0%
PEUGEOT	90,410	100,933	-10.4%	519,366	557,887	-6.9%
CITROEN	74,804	86,128	-13.1%	436,569	466,262	-6.4%
FIAT	69,484	80,466	-13.6%	393,906	487,005	-19.1%
AUDI	64,401	58,969	+9.2%	359,154	330,473	+8.7%
BMW	64,349	65,250	-1.4%	336,303	310,355	+8.4%
MERCEDES	58,498	61,064	-4.2%	300,943	299,098	+0.6%

Model Performance

Volkswagen's Golf maintains its leading position in Europe, selling 253,288 units in the first half of the year. The success of the re-launched Ford Focus and Volkswagen Passat meant these were the only two models in the Top 10 to experience growth in June and during H1.

Top 10 Models

Make & Model	Jun_11	Jun_10	% Change Jun	Jun YtD_11	Jun YtD_10	% Change YtD
VOLKSWAGEN GOLF	41,113	45,329	-9.3%	253,288	272,684	-7.1%
FORD FIESTA	33,567	34,046	-1.4%	195,592	239,026	-18.2%
OPEL/VAUXHALL CORSA	33,133	38,431	-13.8%	170,659	177,578	-3.9%
VOLKSWAGEN POLO	31,590	36,871	-14.3%	188,225	190,650	-1.3%
FORD FOCUS	30,790	22,611	+36.2%	149,328	145,812	+2.4%
OPEL/VAUXHALL ASTRA	29,809	34,612	-13.9%	162,334	165,394	-1.9%
RENAULT CLIO	26,832	33,612	-20.2%	162,519	194,275	-16.3%
PEUGEOT 207	23,859	30,332	-21.3%	140,986	174,733	-19.3%
RENAULT MEGANE	23,051	28,622	-19.5%	129,175	143,346	-9.9%
VOLKSWAGEN PASSAT	22,876	19,447	+17.6%	131,979	102,487	+28.8%

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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.

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