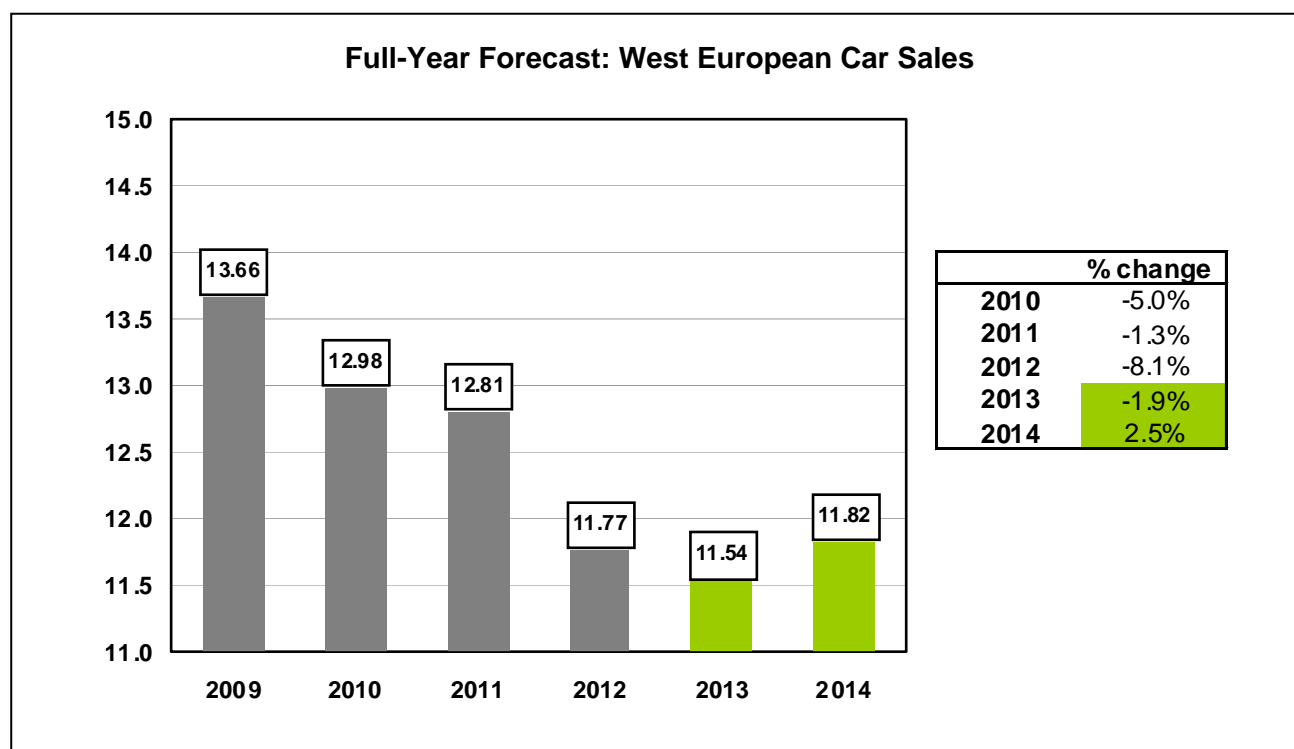


West European Car Sales

December 2013

Summary

- Car sales in Western Europe grew by 11.8% in December. For 2013 overall, car registrations fell back 1.9% compared with 2012.
- The market finished the year strongly as the selling rate climbed to 12.3 mn units/year, only the second time in 2013 that the selling rate has been above 12.0 mn units/year. All major markets were up in year-on-year terms in December, though the strong selling rate was boosted mainly by the results in the UK and the Netherlands.
- The UK was by far the best performer in terms of volume growth in 2013. Spanish sales were also higher, though assistance came from scrappage incentives. Elsewhere, there was less to cheer with both France and Italy slipping back.
- Result for Germany: sales up by 5.4% — the year-to-date market was down by 4.2%. While up year-on-year for December, the German market's selling rate looked a little disappointing once again, ensuring that the market fell short of the 3.0 mn units/year mark for 2013.



7 January 2014

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

Commentary

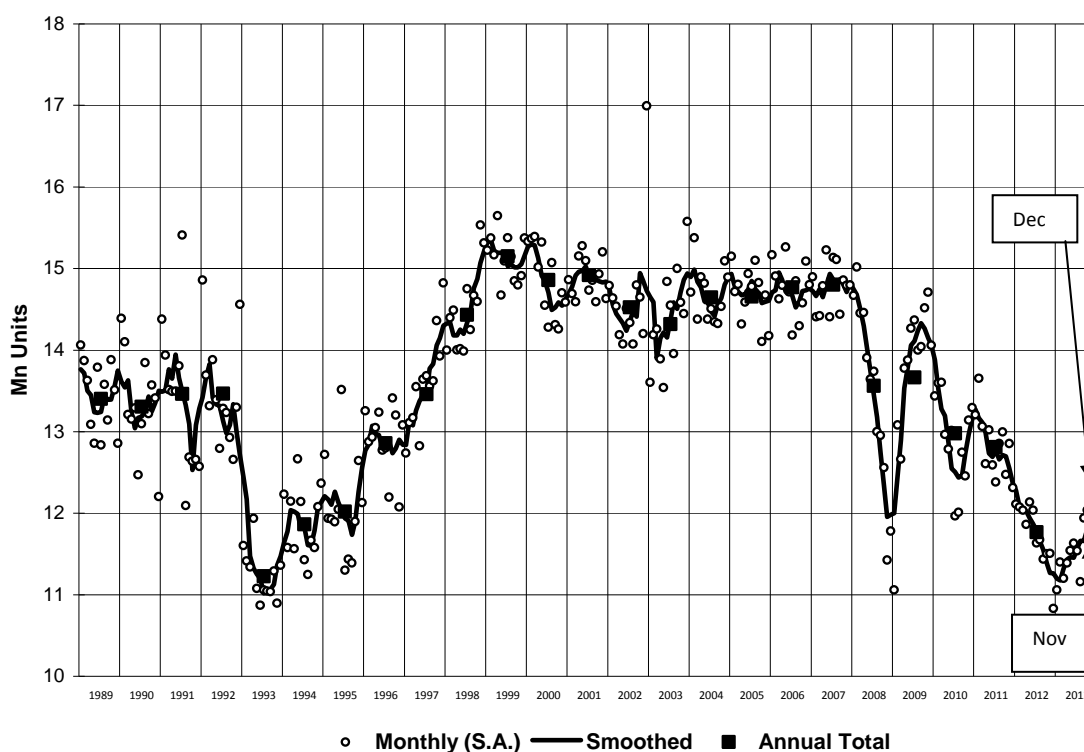
The West European car market's Seasonally Adjusted Annualised Rate (SAAR) of sales climbed to 12.3 mn units/year for December, easily the strongest result of 2013. Most markets were up in year-on-year terms, though a very strong result for the Netherlands provided a significant lift — the latter market saw a pull forward in sales prior to stricter CO₂ taxation. The UK finished the year with a flourish, up 23.8% in December with both private and fleet sales doing well. The UK market was the only major market to see significant growth last year, helped by low interest rates, windfalls from PPI mis-selling settlements and a general pick up in economic activity.

The German market disappointed in 2013 as registrations fell back to under 3.0 mn units. France and Italy were both also lower for the full year, with the latter market seeing selling rates continue to struggle at around 1.3 mn units/year for most of the year.

The Spanish market was a little higher, though at 720,000 units it still looks desperately weak by historical standards — it has continued to be supported by scrappage incentivisation, highlighting further the market's fragile state.

The strength of West European registrations in December helped ensure that the second half of 2013 eclipsed the corresponding period the previous year. However, the poor start to 2013 meant the market was down 1.9% overall. The generally positive evolution of selling rates over 2013 bodes well for growth in 2014, as does the expectation of expansion in the wider economy. At this stage though, we remain cautious that any major improvement will take place in 2014, forecasting modest growth of 2-3%.

West European Car Sales



West European Car Sales

	Sales (units)						Selling rate (units/year)			
	Dec 2013	Dec 2012	Percent change	Year-to-date 2013	Year-to-date 2012	Percent change	Dec 2013	Year-to-date 2013	Year 2012	Percent change
WESTERN EUROPE	873,926	781,552	11.8%	11,539,537	11,765,816	-1.9%	12,280,316	11,539,537	11,765,816	-1.9%
AUSTRIA	18,596	18,421	1.0%	316,800	336,010	-5.7%	309,242	316,800	336,010	-5.7%
BELGIUM	25,081	22,324	12.3%	486,065	486,737	-0.1%	483,108	486,065	486,737	-0.1%
DENMARK	14,257	10,707	33.2%	182,198	170,814	6.7%	167,006	182,198	170,814	6.7%
FINLAND	5,923	6,415	-7.7%	103,450	111,258	-7.0%	144,259	103,450	111,258	-7.0%
FRANCE	175,336	160,314	9.4%	1,790,473	1,898,760	-5.7%	1,884,918	1,790,473	1,898,760	-5.7%
GERMANY	215,320	204,331	5.4%	2,952,431	3,082,773	-4.2%	2,833,395	2,952,431	3,082,773	-4.2%
GREECE	3,362	3,669	-8.4%	57,810	58,479	-1.1%	76,512	57,810	58,479	-1.1%
IRELAND	212	316	-32.9%	74,303	79,574	-6.6%	78,938	74,303	79,574	-6.6%
ITALY	88,705	87,480	1.4%	1,303,534	1,403,009	-7.1%	1,287,063	1,303,534	1,403,009	-7.1%
LUXEMBOURG	2,718	3,072	-11.5%	46,787	50,399	-7.2%	56,924	46,787	50,399	-7.2%
NETHERLANDS	39,163	18,214	115.0%	417,035	502,495	-17.0%	846,463	417,035	502,495	-17.0%
NORWAY	11,395	9,369	21.6%	142,151	137,961	3.0%	134,533	142,151	137,961	3.0%
PORTUGAL	8,612	6,360	35.4%	105,899	95,315	11.1%	91,016	105,899	95,315	11.1%
SPAIN	60,513	51,197	18.2%	722,703	699,586	3.3%	743,678	722,703	699,586	3.3%
SWEDEN	25,790	26,698	-3.4%	269,362	279,899	-3.8%	285,099	269,362	279,899	-3.8%
SWITZERLAND	26,024	29,108	-10.6%	303,798	328,138	-7.4%	310,620	303,798	328,138	-7.4%
UK	152,918	123,557	23.8%	2,264,737	2,044,609	10.8%	2,547,542	2,264,737	2,044,609	10.8%
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.									

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