

ANNEX

This annex gives additional data in relation to release of the Car price report.

Methodology

The report is factual and based on list prices –before any discount– both including and excluding taxes, provided by car manufacturers in co-operation with their associations (ACEA and JAMA). It is widely distributed and made available on DG Comp's website. The methodology used is the same as that employed in previous reports: a total of 17 European and 8 Japanese manufacturers supplied the Commission with their recommended retail prices, as of 1 May 2007, for 87 among the best-selling models.

The reference price for the calculation of differentials for any model is that of the cheapest country within the euro zone. Prices are adjusted for differences in standard equipment, and are given in euro and, where applicable, local currency¹, both before and after tax. Prices for major options and for right-hand drive specification are also supplied, together with other information. For some models, further options and variations in standard equipment may exist on certain national markets. It should also be noted that actual retail prices may differ from recommended list prices, as dealers must be free to propose lower prices and to offer additional financial benefits to customers, depending on the market.

Car Prices declining in real terms

According to Eurostat figures on inflation, the convergence as shown by the Report takes place in a context of car prices increasing significantly less than the average price for the other products in all Member States:

Year-on-year change in price index (May 2007 compared with May 2006)

Euro zone	Cars	Headline inflation	EU-25	Cars	Headline inflation
Belgium	0.6	1.3	Bulgaria	3.9	4.5
Germany	3.2	2.0	Czech Republic	-2.3	2.4
Greece	-0.7	2.6	Denmark	0	1.7
Spain	1.5	2.4	Estonia	-3.6	5.9
France	1.3	1.2	Cyprus	-10.8	1.9
Ireland	0.5	2.7	Latvia	3.4	7.8
Italy	1.5	1.9	Lithuania	-1	5
Luxembourg	1.0	2.3	Hungary	1.7	8.4
Netherlands	0.5	2.0	Malta	n.a.	-1
Austria	0.4	2.1	Poland	0.1	2.3
Portugal	0.6	2.8	Romania	-4.2	3.9
Slovenia	-3.2	3.1	Slovakia	-8.5	1.5
Finland	-2.0	1.3	Sweden	-0.7	1.2
Euro zone	1.5	1.9	United Kingdom	0.3	2.5
Source: Eurostat, HCPI n.a: not available			EU	1.1	2.1

¹ The euro rates used for conversion are those published in the Official Journal C99 of 3 May 2007, p.7.

Some highlights within the euro zone

Price differences for a selection of best-selling cars (expressed as percentages of prices in euro before tax, comparing the most expensive with the cheapest euro zone market) on 1 May 2007 were as follows:

Small segments A and B:	1/05/2007	1/11/2006	1/05/2006
VW Polo	25.4%	13.4%	12.9%
Fiat Grande Punto/Punto	17.5%	18.6%	21.1%
Ford Fiesta	20.2%	16.3%	18.2%
Renault Clio	19.1%	15.3%	16.0%
Peugeot 206/207	24.9%	18.7%	19.8%

Medium segment C:	1/05/2007	1/11/2006	1/05/2006
VW Golf	25.2%	23.4%	24.3%
Opel Astra	24.8%	24.8%	18.0%
Ford Focus	23.8%	28.5%	28.8%
Renault Mégane	19.2%	22.3%	23.6%
Peugeot 307	31.0%	21.2%	16.2%

Large car segments D, E and F:	1/05/2007	1/11/2006	1/05/2006
BMW 320D	9.0%	5.5%	5.5%
Audi A4	13.9%	12.7%	12.1%
Peugeot 407	15.9%	14.3%	15.7%
Mercedes C	12.1%	5.6%	5.2%
VW Passat	20.3%	22%	20.8%