

Groupe PSA achieved a new profitability record in 2019

- **€74.7 billion Group revenue up 1%**
- **8.5% Group adjusted operating margin¹ at €6.3 billion**
- **8.5% Automotive division² adjusted operating margin up 0.9 pt at €5.0 billion**
- **Record net result Group share at €3.2 billion**
- **€3.3 billion Automotive division free cash flow**
- **PACE! plan target achieved with Opel Vauxhall 6.5% adjusted operating margin**

Carlos Tavares, Chairman of Groupe PSA Managing Board said: “Our skilled and committed teams made the difference once again and we have achieved record results in 2019, driven by our agile, customer focused and socially responsible approach. We are ready for the energy transition and all teams are focused to offer a clean, safe and affordable mobility for customers. Based on our business model and fighting spirit which has proved to be efficient, we are eager to enter a new era with the [projected merger with FCA](#).”

A dividend of €1.23 per share³ will be submitted for approval at the next Shareholders' Meeting.

Group revenue amounted to €74,731 million in 2019, up by 1.0% compared to 2018. **Automotive division revenue** amounted to €58,943 million up by 0.7% versus 2018, mainly driven by product mix (+4.3%) and price (+1.2%), which offset the decrease of sales to partners (-1.7%), the negative impact of exchange rates (-0.5%), volumes and country mix (-2.4%) as well as others (-0.2%).

Group adjusted operating income⁴ amounted to €6,324 million, up 11.2% with **Automotive adjusted operating income** up 12.8% at €5,037 million. This 8.5% strong profitability level was reached thanks to a positive product mix and further cost reductions despite exchange rate headwinds and raw material costs increases.

Group adjusted operating margin reached 8.5%, up 0.8 pt versus 2018.

Other operating income and expenses amounted to -€1,656 million, compared to -€1,289 million in 2018.

Group net financial expenses decreased to -€344 million compared to -€446 million in 2018.

Consolidated net income reached €3,584 million, an increase of €289 million compared to 2018. Net income, Group share, reached €3,201 million, up €374 million compared to 2018.

Banque PSA Finance reported **adjusted operating income** of €1,012 million⁵, up 7.8%.

¹ Adjusted operating income related to revenue

² Automotive Division (PCDOV)

³ Dividend per share calculated on the basis of the total number of outstanding shares of the company minus the treasury shares of the company as of 25 February 2020. The actual dividend per share will depend on the number of treasury shares held at the ex-dividend date and any shares issued or cancelled prior to this date.

⁴ Adjusted operating income (loss) excludes from Operating income certain adjustments comprising Restructuring costs, Impairment of CGU's and Other operating income (expense) considered rare or discrete events and are infrequent in nature.

⁵ 100% of the result of Banque PSA Finance. In the financial statements of Groupe PSA, joint ventures are consolidated using the equity method.

Faurecia adjusted operating income was €1,227 million, down 2.9%.

The **free cash flow of manufacturing and sales companies** was €2,745 million of which €3,265 million for the Automotive division.

Total inventory, including independent dealers and importers⁶, stood at 606,000 vehicles at 31 December 2019, down 74,000 vehicles compared to 31 December 2018.

The net financial position of manufacturing and sales companies was €7,914 million at 31 December 2019 after IFRS 16 effect and Clarion acquisition by Faurecia and including DFG share repurchase debt.

A dividend of €1.23 per share⁷ will be submitted for approval at the next Shareholders' Meeting with an ex-dividend date considered to be on 21 May 2020, and the payment date on 25 May 2020.

Market outlook: in 2020, the Group anticipates a decrease by 3% of the automotive market in Europe and by 2% in Russia as well as a stable automotive market in Latin America.

Operational outlook:

Groupe PSA has set the target to deliver over 4.5% Automotive adjusted operating margin⁸ on average for the period 2019-2021.

[Link](#) to the presentation of 2019.

Financial Calendar

21 April 2020: First-quarter 2020 revenue

14 May 2020: Shareholders' Meeting

28 July 2020: 2020 interim results

28 October 2020: Third-quarter 2020 revenue

Groupe PSA consolidated financial statements for the year ended 31 December 2019 were approved by the Managing Board on 25 February 2020 and reviewed by the Supervisory Board on 25 February 2020. The audit procedures on the consolidated accounts were carried out by the Group's Statutory Auditors. Their certification report is being issued. The report on the annual results and the presentation of the 2019 results can be consulted on the Group's website (www.groupe-psa.com), in the "Finance" section.

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About Groupe PSA

[Groupe PSA](#) designs unique automotive experiences and delivers mobility solutions to meet all customer expectations. The Group has five car brands, Peugeot, Citroën, DS, Opel and Vauxhall and provides a wide array of mobility and smart services under the Free2Move brand. Its 'Push to Pass' strategic plan represents a first step towards the achievement of the Group's vision to be "a global carmaker with cutting-edge efficiency and a leading mobility provider sustaining lifetime customer relationships". An early innovator in the field of [autonomous and connected cars](#), Groupe PSA is also involved in financing activities through Banque PSA Finance and in automotive equipment via Faurecia.

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⁶ Including Peugeot importers outside Europe

⁷ Dividend per share calculated on the basis of the total number of outstanding shares of the company minus the treasury shares of the company as of 25 February 2020. The actual dividend per share will depend on the number of treasury shares held at the ex-dividend date and any shares issued or cancelled prior to this date.

⁸ Automotive Division (PCDOV) adjusted operating income related to revenue

Appendix

Consolidated Income Statement

<i>(en millions d'euros)</i>	2018	2019
Revenue	74,027	74,731
Adjusted operating Income	5,689	6,324
Operating income	4,400	4,668
Net financial income (expense)	(446)	(344)
Income taxes	(615)	(716)
Share in net earnings of companies at equity	(44)	(24)
Consolidated profit	3,295	3,584
Attributable to owners of the parent	2,827	3,201
<i>attributable to non-controlling interests</i>	468	383
Basic earnings per €1 par value share attributable to equity holders of the parent	3.16	3.58
Diluted earnings per €1 par value share – attributable to equity holders of the parent	3.01	3.40

Consolidated balance sheet

Assets

<i>(in million euros)</i>	31 December 2018	31 December 2019
Total non-current assets	33,806	38,439
Total current assets	28,146	31,327
TOTAL ASSETS	61,952	69,766

Equity and liabilities

<i>(in million euros)</i>	31 December 2018	31 December 2019
Total equity	19,594	21,801
Total non-current liabilities	12,356	16,265
Total current liabilities	30,002	31,700
TOTAL EQUITY & LIABILITIES	61,952	69,766

Consolidated statement of cash flows

<i>(in million euros)</i>	2018	2019
Consolidated profit from continuing operations	3,295	3,584
Funds from operations	6,734	7,573
Net cash from (used in) operating activities of continuing operations	8,395	8,705
Net cash from (used in) investing activities of continuing operations	(4,739)	(5,972)
Net cash from (used in) financing activities of continuing operations	(7)	(309)
Effect of changes in exchange rates	(44)	(21)
Increase (decrease) in cash from continuing operations and from operations held for sale or to be continued in partnership	3,605	2,403
Net cash and cash equivalents at beginning of period	11,797	15,402
Net cash and cash equivalents of continuing operations at end of period	15,402	17,805