

## Historic results of Groupe PSA in 2017: revenue, volume of sales, recurring operating income and net result group share at a record level

- Successful execution of [Push to Pass](#) plan and first concrete results of Opel Vauxhall (OV) turnaround plan [PACE](#)<sup>1</sup>
- 15.4% increase of Group sales at 3.63 million vehicles<sup>2</sup>
- 20.7% Group revenue growth at €65.2 billion<sup>3</sup>
- 7.3% Peugeot Citroën DS (PCD) Automotive division recurring operating margin at a record level<sup>4</sup>
- 7.1% Group recurring operating margin<sup>4</sup> excluding OV and 6.1% including OV with a Group recurring operating income at €3,991 million
- 11.5% increase of Net result group share
- €1.56 billion positive operational free cash flow<sup>5</sup>

**Carlos Tavares, Chairman of Groupe PSA Managing Board** said: « Peugeot Citroën DS outstanding results, making significant progress for the 4<sup>th</sup> year in a row, are the proof of our ability to deliver a profitable and sustainable growth. Our agile, customer focused and socially responsible approach is making the difference. The [acquisition of Opel Vauxhall](#) is a great opportunity to boost value creation ».

### A dividend of €0.53 per share will be submitted for approval at the next Shareholders' Meeting.

In 2017, **Group revenue** amounted to €65,210 million compared to €54,030 million in 2016 up 20.7%. At constant 2015 exchange rates and perimeter, 2017 Group cumulated revenue was up 12.9%<sup>6</sup>. **PCD Automotive division revenue** amounted to €40,735 million up by 9.9% compared to 2016. This increase was mainly driven by the product mix (+4.5%) and the volume and country mix (+4.9%) improvement linked to the worldwide success of the Group's new models that more than compensated the negative impact of exchange rates (-1.6%). **OV Automotive division revenue** amounted to €7,238 million in 2017<sup>2</sup>.

**Group recurring operating income** amounted to €3,991 million, up 23.4% compared to 2016. **PCD Automotive recurring operating income** grew by 33.3% compared to 2016 at €2,965 million. This 7.3% record profitability level was reached despite raw material cost increases and exchange rate headwinds, thanks to a positive product mix and further cost reductions. **OV Automotive recurring operating income** amounted to a €179 million loss in 2017<sup>2</sup>.

**Group recurring operating margin excluding OV** stood at 7.1% versus 6% in 2016<sup>4</sup> and **Group recurring operating margin with OV** stood at 6.1%.

**Group non-recurring operating income and expenses** had a negative impact of -€904 million, compared to -€624 million in 2016.

<sup>1</sup> Opel Vauxhall turnaround plan launched on November, 9<sup>th</sup> 2017

<sup>2</sup> Opel Vauxhall (OV) is consolidated since August, 1<sup>st</sup> 2017

<sup>3</sup> Group revenue includes OV since August, 1<sup>st</sup> 2017

<sup>4</sup> Recurring operating income related to revenue

<sup>5</sup> Sales and manufacturing companies

<sup>6</sup> Growth at constant exchange rates (2015) and perimeter (excluding OV)

**Group net financial expenses** decreased to €238 million compared to €268 million in 2016.

**Consolidated net income** reached €2,358 million, an increase of €209 million compared to 2016. Net income, Group share, reached €1,929 million compared to €1,730 million in 2016.

The **Opel Vauxhall turnaround plan** presented on November 9<sup>th</sup> is delivering its first concrete achievements such as a joint purchasing organization, social agreements and costs savings.

**Banque PSA Finance** reported **recurring operating income** of €632 million<sup>7</sup>, up 10.7%.

**Faurecia recurring operating income** was €1,170 million, up 20.6%.

The **free cash flow of manufacturing and sales companies** was €500 million and the **operational free cash flow** was €1,554 million.

**Total PCD inventory**, including independent dealers, stood at 416,000 vehicles at 31 December 2017, an increase of 10,000 units year on year.

**The net financial position of manufacturing and sales companies** was €6,194 million at 31 December 2017, compared to €6,813 million at 31 December 2016.

A dividend of €0.53 per share will be submitted for approval at the next Shareholders' Meeting *with an ex-dividend date considered to be on May 2<sup>nd</sup> 2018, and the payment date on May 4<sup>th</sup> 2018.*

**Market outlook:** in 2018, the Group anticipates a stable automotive market in Europe, and growth of 4% in Latin America, 10% in Russia and 2% in China.

### **Operational outlook**

The Push to Pass plan sets the following targets for Groupe PSA (excluding Opel Vauxhall):

- Deliver over 4.5% Automotive recurring operating margin<sup>8</sup> on average in 2016-2018, and target over 6% by 2021;
- Deliver 10% Group revenue growth by 2018<sup>9</sup> vs 2015, and target additional 15% by 2021<sup>9</sup>.

[Link](#) to the presentation of FY2017.

### **Financial Calendar**

24 April 2018: First-quarter 2018 revenue

24 April 2018: Shareholders' Meeting

24 July 2018: 2018 interim results

24 October 2018: Third-quarter 2017 revenue

*Group PSA consolidated financial statements for the year ended 31 December 2017 were approved by the Managing Board on 19 February 2018 and reviewed by the Supervisory Board on 28 February 2018. The Group's Statutory Auditors have completed their audit and are currently issuing their report on the consolidated financial statements. The report on the annual results and the presentation of the 2017 results can be consulted on the Group's website ([www.groupe-psa.com](http://www.groupe-psa.com)), in the "Finance" section.*

<sup>7</sup> 100% of the result of Banque PSA Finance. In the financial statements of the PSA Group, joint ventures are consolidated using the equity method.

<sup>8</sup> Recurring operating income related to revenue

<sup>9</sup> At constant (2015) exchange rates and perimeter (excluding OV)



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### About Groupe PSA

The Groupe PSA designs unique automotive experiences and delivers mobility solutions to meet all client expectations. The Group has five car brands, Peugeot, Citroën, DS, Opel and Vauxhall, as well as a wide array of mobility and smart services under its Free2Move brand, aiming to become a great carmaker and the preferred mobility provider. It is an early innovator in the field of autonomous and connected cars. It is also involved in financing activities through Banque PSA Finance and in automotive equipment via Faurecia. Find out more at [groupe-psa.com/en](http://groupe-psa.com/en). Media library: [medialibrary.groupe-psa.com](http://medialibrary.groupe-psa.com) / [@GroupePSA](https://twitter.com/GroupePSA)

## Attachements

### Consolidated Income Statement

(in million euros)	2016				2017			
	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL
Revenue	53,884	161	(15)	<b>54,030</b>	65,094	139	(23)	<b>65,210</b>
Recurring operating income (loss)	3,234	1		<b>3,235</b>	3,977	14		<b>3,991</b>
Operating income	2,610	1		<b>2,611</b>	3,073	14		<b>3,087</b>
Net financial income (expense)	(272)	4		<b>(268)</b>	(241)	3		<b>(238)</b>
Income taxes	(498)	(19)		<b>(517)</b>	(691)	(10)		<b>(701)</b>
Share in net earnings of companies at equity	(67)	195		<b>128</b>	(9)	226		<b>217</b>
Profit (loss) from operations held for sale or to be continued in partnership	174	21		<b>195</b>	(7)			<b>(7)</b>
Consolidated profit	1,947	202		<b>2,149</b>	2,125	233		<b>2,358</b>
Attributable to owners of the parent	1,532	198		<b>1,730</b>	1,702	227		<b>1,929</b>
attributable to non-controlling interests	415	4		<b>419</b>	423	6		<b>429</b>
Basic earnings per €1 par value share attributable to equity holders of the parent				<b>2.16</b>				<b>2.18</b>
Diluted earnings per €1 par value share – attributable to equity holders of the parent				<b>1.93</b>				<b>2.05</b>

## Consolidated balance sheet

Assets <i>(in million euros)</i>	31 December 2016				31 December 2017			
	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL
Total non-current assets	22,311	1,654		23,965	28,693	2,313		31,006
Total current assets	20,133	1,087	(32)	21,188	25,678	865	(44)	26,499
<b>TOTAL ASSETS</b>	<b>42,444</b>	<b>2,741</b>	<b>(32)</b>	<b>45,153</b>	<b>54,371</b>	<b>3,178</b>	<b>(44)</b>	<b>57,505</b>

  

Equity and liabilities <i>(in million euros)</i>	31 December 2016				31 December 2017			
	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL
Total equity				14,618				16,720
Total non-current liabilities	10,123	15		10,138	11,544	7		11,551
Total current liabilities	19,797	632	(32)	20,397	28,654	624	(44)	29,234
<b>TOTAL EQUITY &amp; LIABILITIES</b>				<b>45,153</b>				<b>57,505</b>

## Consolidated statement of cash flows

<i>(in million euros)</i>	2016				2017			
	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL	Manufacturing and sales companies	Finance companies	Eliminations	TOTAL
Consolidated profit from continuing operations	1,773	171		1,944	2,132	233		2,365
Funds from operations	4,466	69		4,535	5,205	145		5,350
<b>Net cash from (used in) operating activities of continuing operations</b>	<b>4,937</b>	<b>1,356</b>	<b>177</b>	<b>6,470</b>	<b>5,213</b>	<b>63</b>	<b>1</b>	<b>5,277</b>
<b>Net cash from (used in) investing activities of continuing operations</b>	<b>(2,673)</b>	<b>113</b>	<b>10</b>	<b>(2,550)</b>	<b>(4,713)</b>	<b>(535)</b>	<b>270</b>	<b>(4,978)</b>
<b>Net cash from (used in) financing activities of continuing operations</b>	<b>(905)</b>	<b>(330)</b>	<b>(447)</b>	<b>(1,682)</b>	<b>(347)</b>	<b>264</b>	<b>(271)</b>	<b>(354)</b>
<b>Net cash related to the non-transferred debt of finance companies to be continued in partnership</b>		<b>(2,615)</b>	<b>305</b>	<b>(2,310)</b>				
<b>Net cash from the transferred assets and liabilities of operations held for sale or to be continued in partnership</b>	<b>(255)</b>	<b>1,097</b>	<b>1</b>	<b>843</b>	<b>(7)</b>			<b>(7)</b>
Effect of changes in exchange rates	(93)	16		(77)	(119)	(2)		(121)
<b>Increase (decrease) in cash from continuing operations and from operations held for sale or to be continued in partnership</b>	<b>1,011</b>	<b>(363)</b>	<b>46</b>	<b>694</b>	<b>27</b>	<b>(210)</b>		<b>(183)</b>
Net cash and cash equivalents at beginning of period	10,453	893	(54)	11,292	11,464	530	(8)	11,986
<b>Net cash and cash equivalents of continuing operations at end of period</b>	<b>11,464</b>	<b>530</b>	<b>(8)</b>	<b>11,986</b>	<b>11,491</b>	<b>320</b>	<b>(8)</b>	<b>11,803</b>