

Fiat Chrysler posts weaker sales, higher net profit

July 31 2019



Fiat Chrysler sales fell in the second quarter of 2019, but the group still managed to post a higher net profit, excluding exceptional items

Fiat Chrysler (FCA) has been hit by slowing sales that have afflicted the car industry worldwide, but the Italian-US automaker said Wednesday

that it nonetheless managed to boost second-quarter profits.

In its first earnings report since an aborted merger attempt with France's Renault, FCA said net profits from continuing operations in the three months from April to June rose by 14 percent to 793 million euros (\$884 million).

It also confirmed a full-year forecast for 2019.

Shares in the group jumped by almost four percent in afternoon trading on the Milan stock exchange, which was 0.5 percent higher overall.

Sales by FCA's brands, which include Alfa Romeo, Chrysler, Dodge, Fiat, Jeep and Maserati had slipped by three percent to 26.74 billion euros.

The biggest drops were seen in North America, the group's biggest market, and China.

Sales by the luxury brand Maserati plunged by 46 percent.

Despite the weaker numbers "we remain confident in our ability to achieve our full-year 2019 guidance," an FCA statement said.

That means the group expects to post a full-year operating profit of more than 6.7 billion euros, about the same level as in 2018.

To reach that, FCA plans to focus on marketing, reorganise Maserati and restructure a [joint venture](#) with Chinese automaker GAC.

FCA and Renault caught the auto sector by surprise in late May when they said they were exploring a "merger of equals" that was to create a global giant, but the deal fell through about a week later.

On Wednesday, chief executive John Manley told media: "We have said and we'll continue to say that we are open to opportunities and that remains true.

"I think that we have a relatively robust business plan that will survive with or without that type of merger," Manley said, before adding: "It was not a necessary step for us."

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