

FCA profit up 34% for quarter

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Fiat Chrysler Automobiles NV reported a first-quarter net profit of 641 million euros (\$698 million), a 34 percent increase from the same quarter in 2016, when the company made 478 million euros (\$520 million).

Earnings per share were 0.41 euros, or 45 cents, in line with analysts' expectations. That compares to 0.31 euros, or 35 cents, over the same period last year.

Early Wednesday, FCA stock rose 3.61 percent to \$10.92 in pre-market trading following the earnings announcement.

FCA's results reflect the company's shift in strategy — moving away from sedans, which have dramatically sagged in sales in the U.S market. Last year, the company discontinued both the Dodge Dart and the Chrysler 200. In their place, the company plans to ramp up production of its Ram and Jeep brands.

Analysts had predicted earnings would be impacted by weaker performance in the light truck division, where sales dipped 4.4 percent overall from the same quarter in 2016. Jeep brands saw an 11 percent dip, while Dodge models saw an 11 percent increase.

March sales numbers were not encouraging as FCA reported it sold 190,254 vehicles in the month — a 4.6 percent drop from the same time frame a year earlier. Jeep's overall sales for the month were down 11 percent from the previous year. Chrysler sales dropped by 33.1 percent, while Fiat sales were down 5.3 percent.

But the month had its upside: the Dodge brand sales increased 9.7 percent, while the Ram truck brand was up 6 percent.

European sales provided a welcome boost for the automaker in 2017's first quarter. Sales increased by 14.6 percent in the quarter over 2016.

"The coming six months will be crucial for FCA," said David Kudla, CEO of Mainstay Capital Management in a statement released prior to FCA's earnings report. "They have got to take advantage of the still strong and profitable light truck segment in the U.S., particularly with Jeep. Competitors GM and Ford certainly are and doing so at FCA's expense."