

2020 FINANCIAL RESULTS
Net Income reached €501 million

Operating profit stood at €647 million, while net profit reached €501 million, up 7% on 2019. 2020 was marked by a slowdown in production volumes (-20% compared to 2019) caused by the impacts of the Covid-19 outbreak, although FCA Bank's commercial support to FCA remained at first-rate levels, with global penetration at 47.9% of sales.

Financial and operating highlights (€ million)

FCA Bank Group	31.12.2020	31.12.2019	2020 vs 2019	Change %
Average portfolio	25.535	26.348	-813	-3%
End-of-period portfolio	26.168	27.539	-1.371	-5%
Net banking income and rental margin	993	1.025	-32	-3%
Net operating costs	-279	-293	14	-5%
Cost of risk	-68	-66	-2	3%
Operating income	647	666	-20	-3%
Other income/expenses	16	-28	44	ns
Profit before tax	663	638	25	4%
Net income	501	467	34	7%

Volumes of activity

In 2020 amounted to €11.0 billion, including rental business. FCA Bank supported the sale of new FCA vehicles, with a global penetration at 47.9% of registrations.

Loans at the end of the period amounted to €26.2 billion, down 5% year-on-year.

Net banking income and rental margin

Net banking income and rental margin for the period decreased by 3% compared to 2019, consistent with the reduction in average portfolio, reaching €993 million. Portfolio profitability remained stable at 3.9%.

Operating costs

Operating efficiency reduced the Cost/Income ratio to 28.1% (28.6% in 2019), continuing the improvement path undertaken since the transformation into a bank. Overall, costs were reduced by €14 million compared to 2019 (-5%).

Cost of risk

FCA Bank's cost of risk stood, in absolute terms, at €68m (0.26% of average portfolio), in line with the previous year's performance, demonstrating the soundness of its credit policies despite the Covid-19 outbreak. The Bank also included in the 2020 accounts the impact of the New Definition of Default, in the amount of €26 million, although the application of the new regulation started on 1 January 2021: this amount was accounted for in the line "Other income/expenses".

Other income/expenses

The results for the year were positively affected by the reversal of a provision of €60 million, recorded in 2018 to cover risks related to a penalty imposed by the Competition Authority. The reversal is motivated by the positive resolution of the Lazio Regional Administrative Court, published on 24 November 2020, which upheld the appeal filed by the Bank.

Funding

Also in 2020, the Group strengthened its policy aimed at diversifying the sources of funding, with access to the bond and interbank refinancing markets and through online deposit-taking with "Conto Deposito", with a collection that has now exceeded €1.5 billion.

The Group continued to be active in the capital markets and placed notes for an amount of €2.5 billion in three public issues.

In addition, TLTRO-III transactions amounting to €2.1 billion were finalized in 2020, against maturities of €1.2 billion related to the previous TLTRO-II program.

Capitalization

FCA Bank maintains a first-rate level of capitalization, with Regulatory Capital standing at around €3.3 billion, a Core Tier 1 Ratio of 15.43% and a Total Capital Ratio of 17.21% at consolidated level.

Rating

The ratings assigned to FCA Bank at December 31st, 2020 are as follows:

ENTITY	LONG TERM RATING	OUTLOOK	SHORT TERM RATING	LONG TERM DEPOSITS RATING
Moody's	Baa1	Negative	P-2	Baa1
Fitch	BBB+	Negative	F1	-
Standard & Poor's	BBB	Stable	A-2	-
Scope Ratings	A	Stable	-	-

Turin, 30th March 2021

FCA Bank

FCA Bank S.p.A. is a bank engaging mainly in car finance, with the aim to meet all mobility requirements through Leasys rental services. It is an equally-held joint venture between Stellantis, a global automotive company, and Crédit Agricole, leader in consumer credit. FCA Bank S.p.A. provides financing products to drive the sales of prestigious car brands in Italy and in Europe. The loan, lease, rental and mobility financing programs provided by FCA Bank S.p.A. are specifically designed for sale networks, private customers and corporate fleets. FCA Bank S.p.A. is operational in 17 European countries and in Morocco, directly or through branches. At 31 December 2020, FCA Bank had a credit portfolio of 26.2€ billion. For more information: www.fcabankgroup.com

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