

# RENAULT GROUP

## FY 2014 FINANCIAL RESULTS

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# AGENDA

**01** **FY 2014 FINANCIAL RESULTS**  
**DOMINIQUE THORMANN**  
EVP, Chief Financial Officer

**02** **2014 REVIEW AND 2015 OUTLOOK**  
**CARLOS GHOSN**  
Chairman & Chief Executive Officer

**03** **QUESTIONS & ANSWERS**



# 01

## FY 2014 FINANCIAL RESULTS

**DOMINIQUE THORMANN**

EVP, Chief Financial Officer



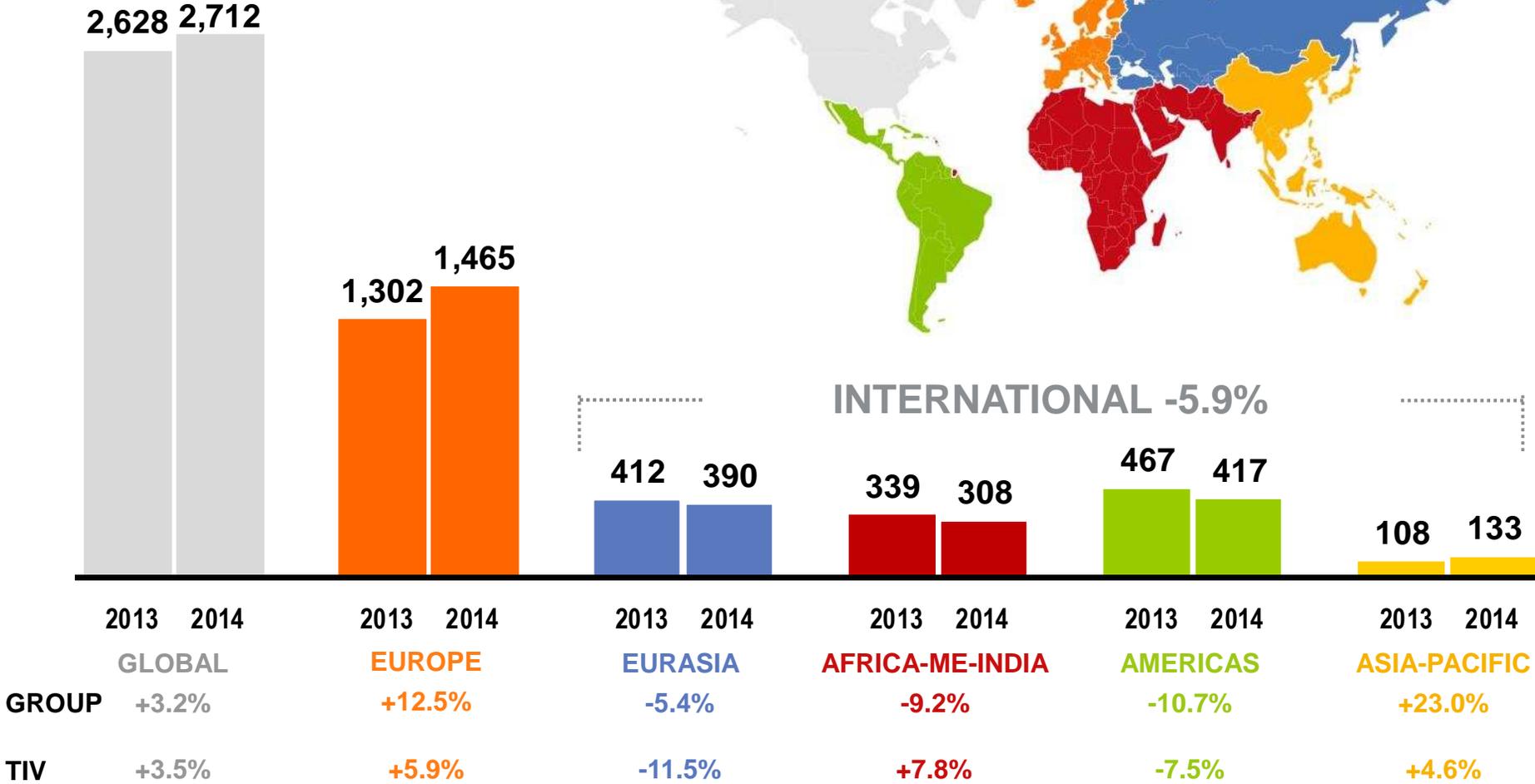
# RENAULT GROUP UNIT REGISTRATIONS 2014 vs 2013

WORLD MARKET SHARE: 3.2% (=)

K units  
(PC+LCV)



INTERNATIONAL -5.9%



# FY 2014 GROUP REVENUES

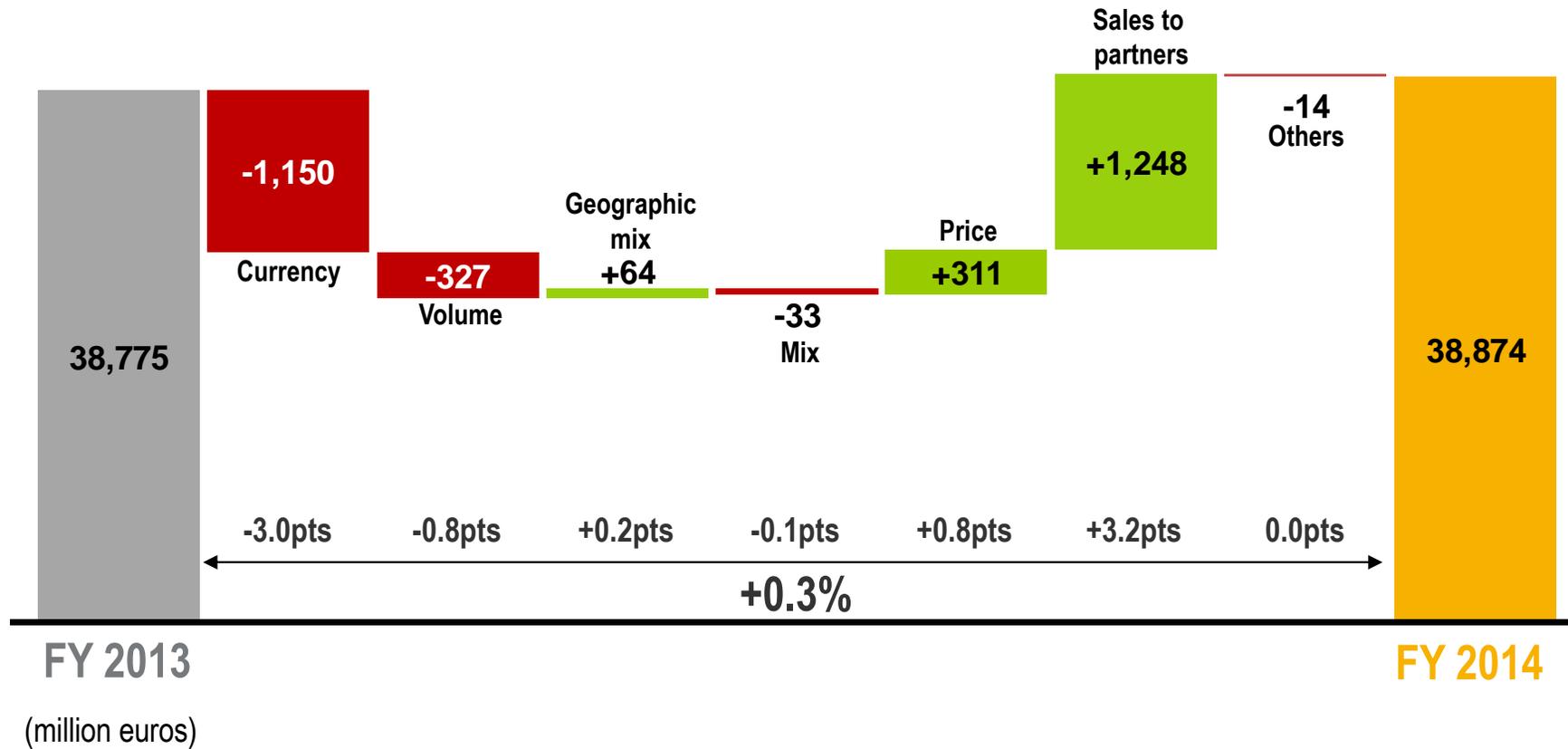
	2013	2014	CHANGE
<b>Global unit sales (units)</b>	2,628,208	2,712,432	+3.2%
<b>Group revenues</b>	40,932	41,055	+0.3%
of which: Automotive	38,775	38,874	+0.3%
Sales financing	2,157	2,181	+1.1%

(million euros)



# AUTOMOTIVE REVENUES VARIANCE ANALYSIS

CHANGE 2014 vs 2013: +€99m



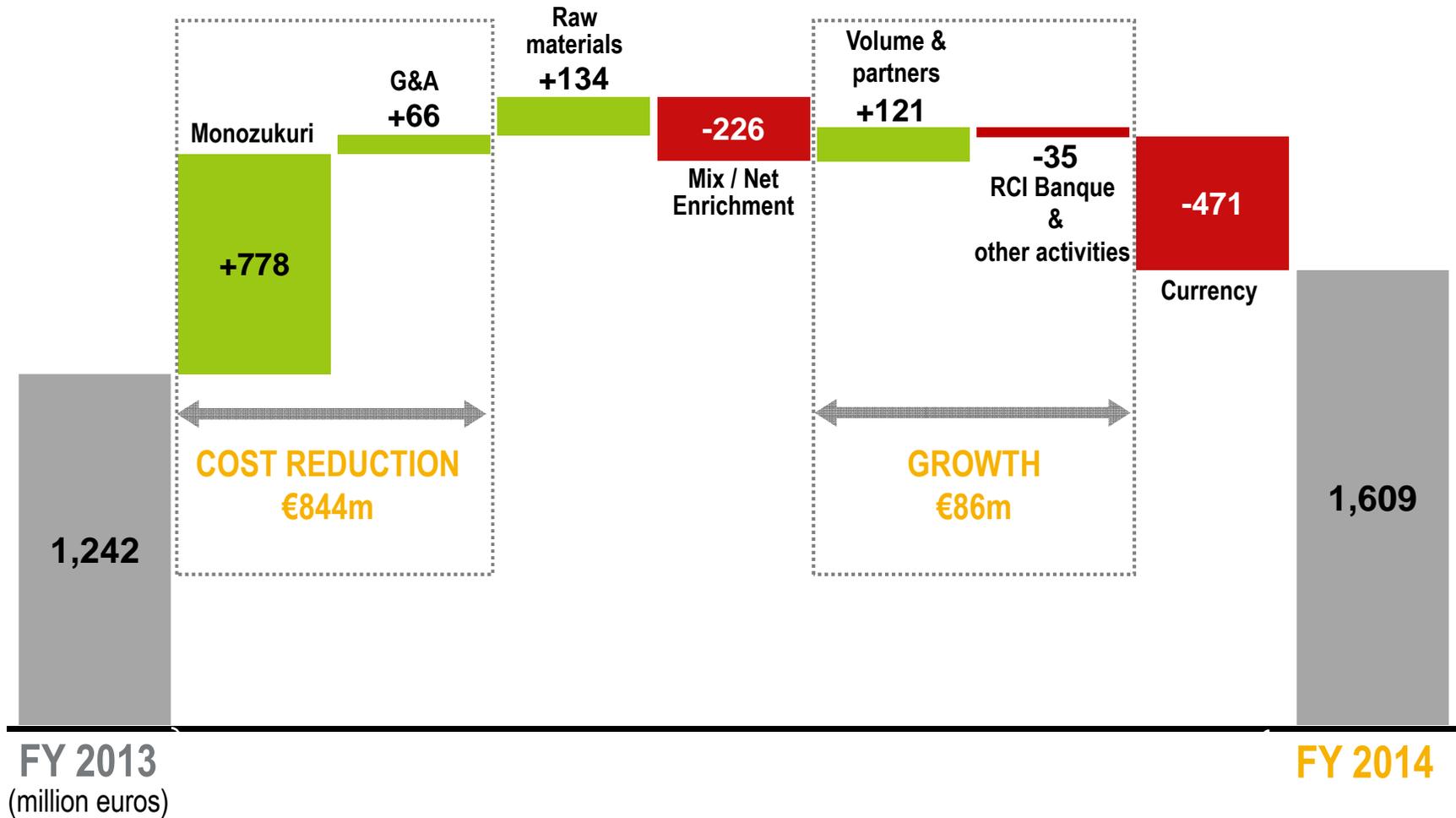
## OPERATING PROFIT BY ACTIVITY

	FY 2013	FY 2014	CHANGE
<b>AUTOMOTIVE</b>	495	858	+363
% Automotive revenues	1.3%	2.2%	+0.9pts
<b>SALES FINANCING</b>	747	751	+4
<b>GROUP OPERATING PROFIT</b>	1,242	1,609	+367
% Group revenues	3.0%	3.9%	+0.9pts

(million euros)

# GROUP OPERATING PROFIT VARIANCE ANALYSIS

CHANGE 2014 vs 2013: +€367m



## OTHER OPERATING INCOME & EXPENSES

	FY 2013	FY 2014
Net restructuring costs (incl. competitiveness agreement in France)	-423	-305
Impairment of assets / reversal	-488	-153
RCI Banque (mainly change in regulation)	-	-50
Profit / loss on asset sales	+153	+7
Others	-518	-3
<b>Total other operating income &amp; expenses</b>	<b>-1,276</b>	<b>-504</b>

(million euros)

# FY 2014 FINANCIAL RESULTS

	FY 2013	FY 2014	CHANGE
<b>Revenues</b>	40,932	41,055	+0.3%
<b>Operating profit</b>	1,242	1,609	+367
in % of revenues	3.0%	3.9%	+0.9pts
<b>Other operating income &amp; expenses</b>	-1,276	-504	+772
<b>EBIT</b>	-34	1,105	+1,139
<b>Net financial income &amp; expenses</b>	-282	-333	-51
<b>Associated companies</b>	1,444	1,362	-82
<b>Current &amp; deferred taxes</b>	-433	-136	+297
<b>Net income</b>	695	1,998	+1,303

(million euros)

## ASSOCIATED COMPANIES

	FY 2013	FY 2014	CHANGE
<b>Nissan</b>	1,498	1,559	+61
<b>AVTOVAZ <sup>(1)</sup></b>	-34	-182	-148
<b>Others</b>	-20	-15	+5
<b>Total associated companies</b>	1,444	1,362	-82

(million euros)

*<sup>(1)</sup> AVTOVAZ is consolidated with a 3-month time lag . Adjustments have been made to take into account significant transactions and accounting entries that occurred between September 30, 2014 and December 31, 2014.*

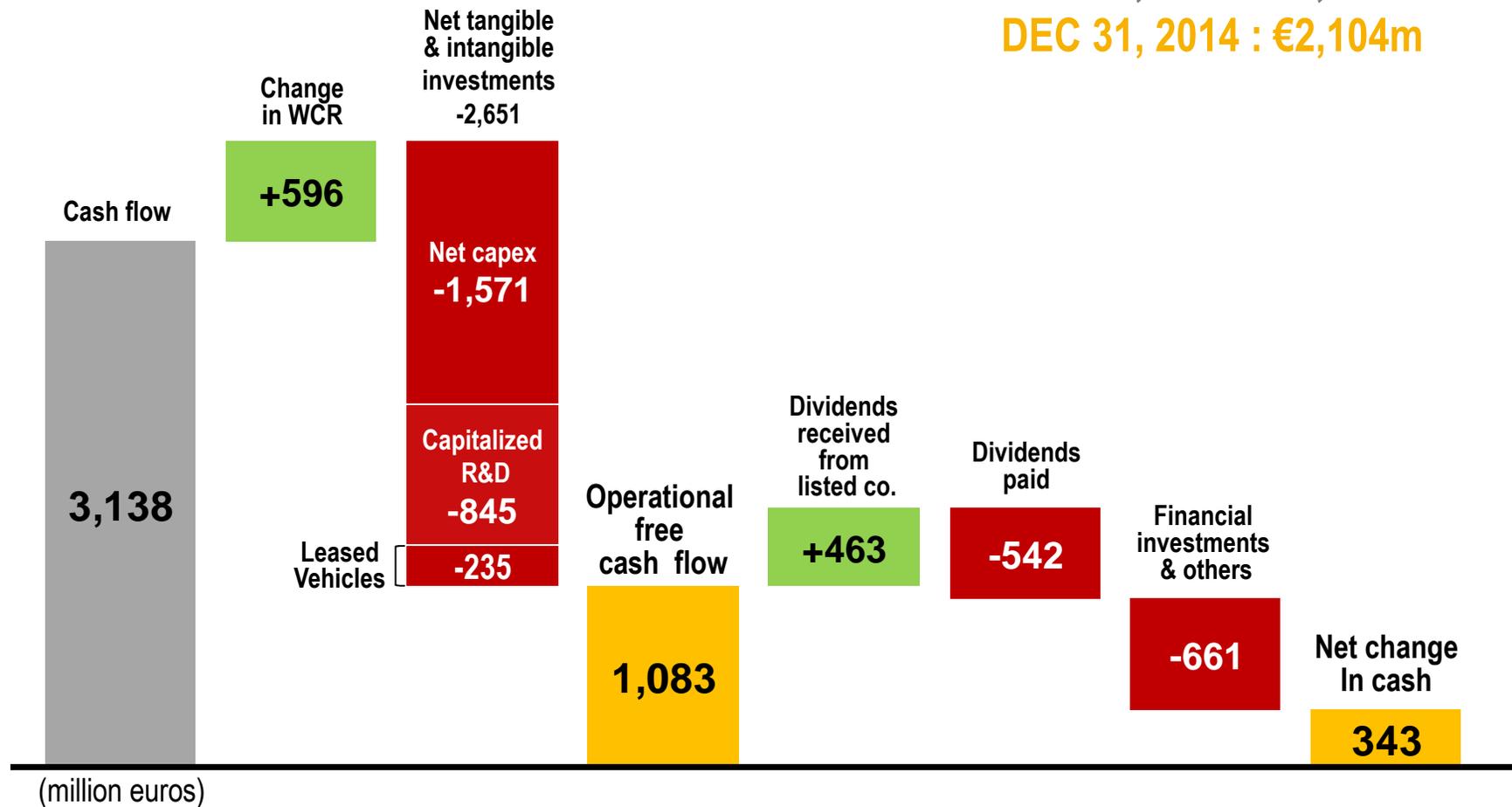
# FY 2014 FINANCIAL RESULTS

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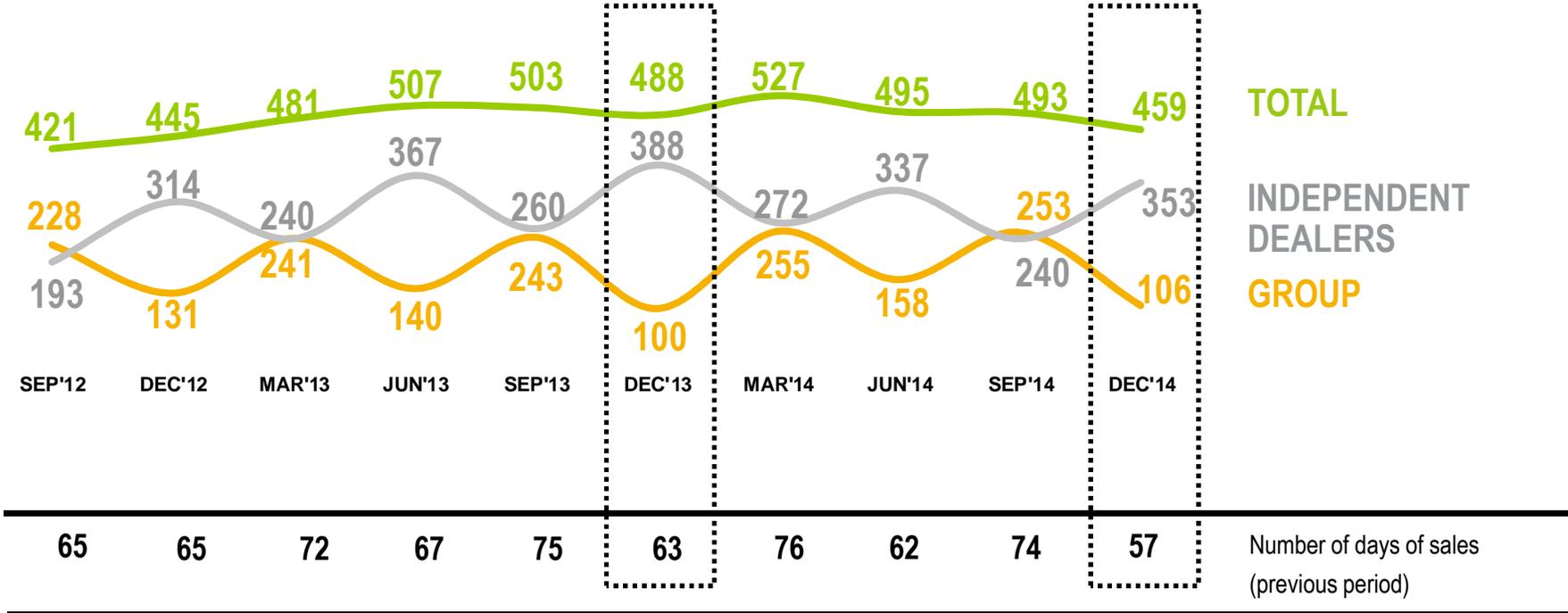
# AUTOMOTIVE NET CASH POSITION

DEC 31, 2013 : €1,761m  
 DEC 31, 2014 : €2,104m



# DISTRIBUTION STOCK

## NEW VEHICLE DISTRIBUTION STOCK (IN K UNITS)



# AUTOMOTIVE DIVISION LIQUIDITY

DECEMBER 2013

## LIQUIDITY RESERVES

Cash = €10.7bn  
Available credit lines = €3.4bn

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**TOTAL = €14.1bn**



DECEMBER 2014

## LIQUIDITY RESERVES

Cash = €11.6bn  
Available credit lines = €3.2bn

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**TOTAL = €14.8bn**

# RCI BANQUE

	2013	2014
<b>New financings (€bn)</b>	11.4	12.6
<b>Average loans outstanding (€bn)</b>	24.2	25.4
<b>Net banking income*</b>	5.04%	4.98%
<b>Cost of risk (customer &amp; dealer)</b>	-0.42%	-0.43%
<b>Operating expenses*</b>	-1.56%	-1.58%
<b>Pretax income*</b>	3.07%	2.95%
<b>Operating profit (€m)</b>	747	751

(in percentage of average loans outstanding)

\* Excluding non recurring items

# RCI BANQUE RETAIL DEPOSIT ACTIVITY



**RENAULT**  
Bank direkt

	End 2013	End 2014
<b>DEPOSITS</b>	<b>4,33</b>	<b>6,53</b>
o/w GERMANY	3,05	4,38
o/w FRANCE	1,28	1,78
o/w AUSTRIA	-	0,37

(billion euros)

- **2016 TARGET: 30% OF RCI BANQUE OUTSTANDINGS**



# 02

## 2014 REVIEW & 2015 OUTLOOK

**CARLOS GHOSN**

Chairman & Chief Executive Officer



# 2014: GUIDANCE **FULLY MET**

**REGISTRATIONS 2014 > 2013**



**REVENUES 2014 > 2013\***

\* at constant exchange rates



**GROUP & AUTOMOTIVE OP. PROFIT 2014 > 2013**



**AUTOMOTIVE OPERATIONAL FREE CASH FLOW > 0**



# 2014: EUROPEAN RECOVERY STRONGER THAN EXPECTED

GLOBAL	
TIV	+ 3.5%
EUROPE	
TIV	+ 5.9%

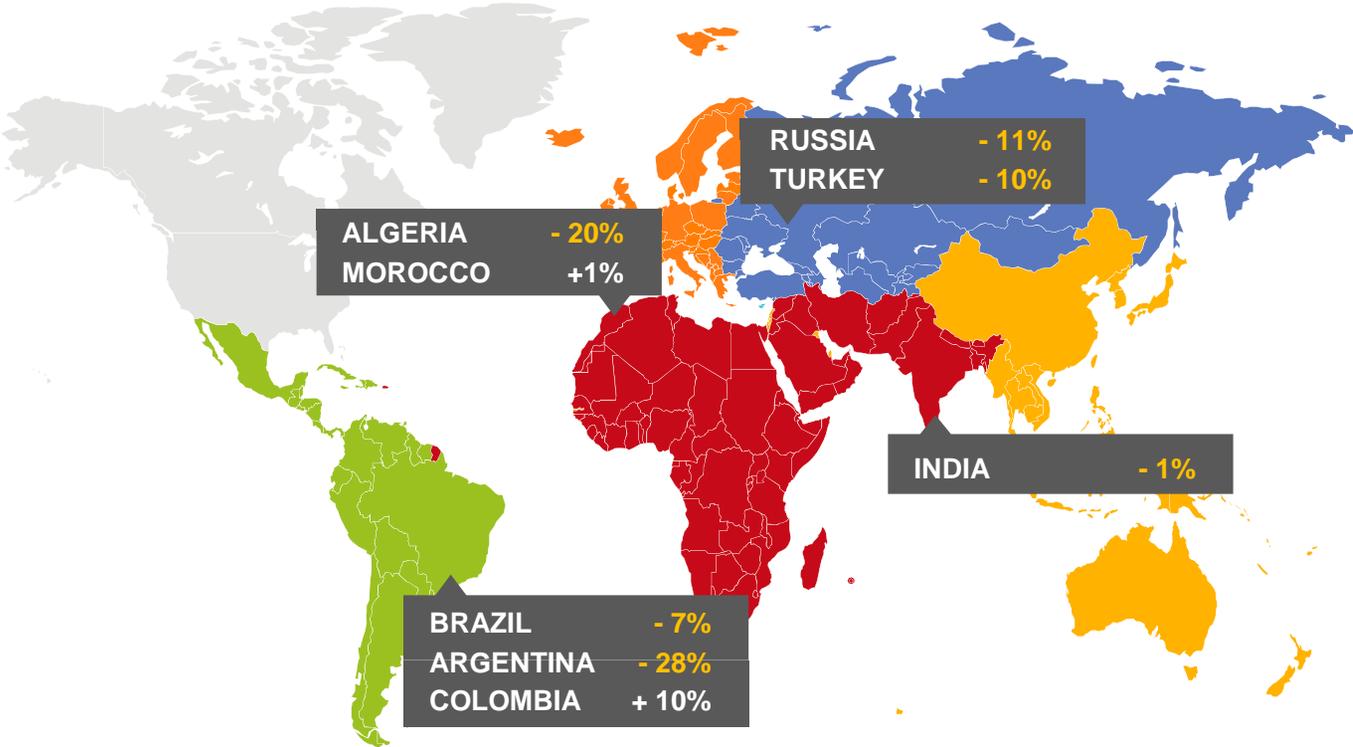


FRANCE	+ 0.5%
GERMANY	+ 3%
UK	+ 10%
ITALY	+ 5%
SPAIN	+ 20%



# 2014: ADVERSE ENVIRONMENT IN OUR MAIN EMERGING MARKETS

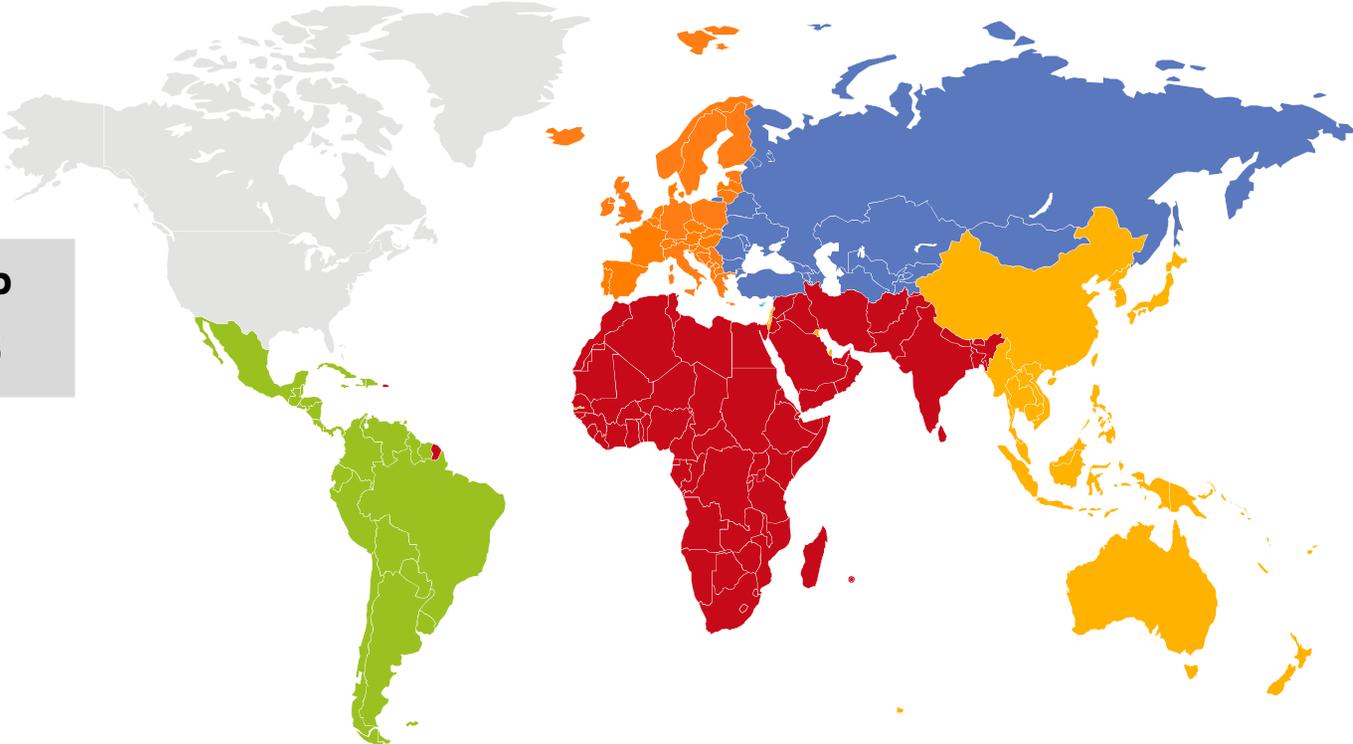
<b>GLOBAL</b>	
TIV	+ 3.5%
<b>EURASIA</b>	
TIV	- 11.5%
<b>AFRICA-ME-INDIA</b>	
TIV	+ 7.8%
<b>AMERICAS</b>	
TIV	- 7.5%
<b>ASIA-PACIFIC</b>	
TIV	+ 4.6%



# 2014: A ROBUST MILESTONE FOR OUR MID-TERM PLAN

**RENAULT GROUP  
REGISTRATIONS**

**+ 3.2%**  
vs 2013



# 2014: A ROBUST MILESTONE FOR OUR MID-TERM PLAN

## STRONG SALES PERFORMANCE IN EUROPE



	2014 MS	vs 2013 (pts)
 FRANCE	26.6 %	+ 1.3 ↑
 GERMANY	5.3 %	+ 0.2 ↑
 ITALY	8.9 %	+ 1.6 ↑
 SPAIN	13.2 %	+ 1.0 ↑
 U.K.	3.9 %	+ 0.9 ↑

# 2014: A ROBUST MILESTONE FOR OUR MID-TERM PLAN

## RESILIENCE IN EMERGING MARKETS



	2014 MS	vs 2013 (pts)
 BRAZIL	7.1 %	+ 0.5 ↑
 RUSSIA	7.9 %	+ 0.3 ↑
 TURKEY	17.4 %	+ 0.4 ↑
 ALGERIA	26.9 %	+ 0.7 ↑
 ARGENTINA	12.9 %	- 2.5 ↓

# 2014: A ROBUST MILESTONE FOR OUR MID-TERM PLAN

## ACCELERATION OF SALES TO PARTNERS



NISSAN ROGUE shipment from South Korea to USA

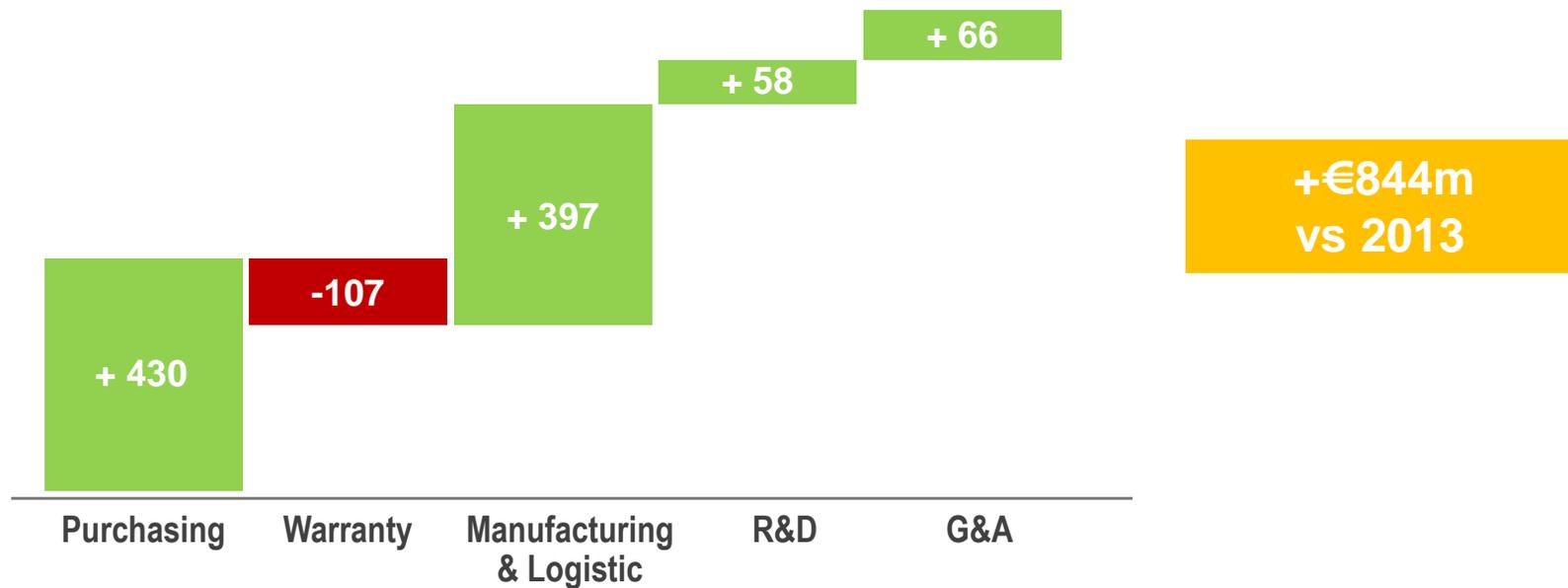
SALES TO PARTNERS CONTRIBUTION IN 2014

+€1.25bn vs 2013

# 2014: A ROBUST MILESTONE FOR OUR MID-TERM PLAN

## CONTINUING COST REDUCTION

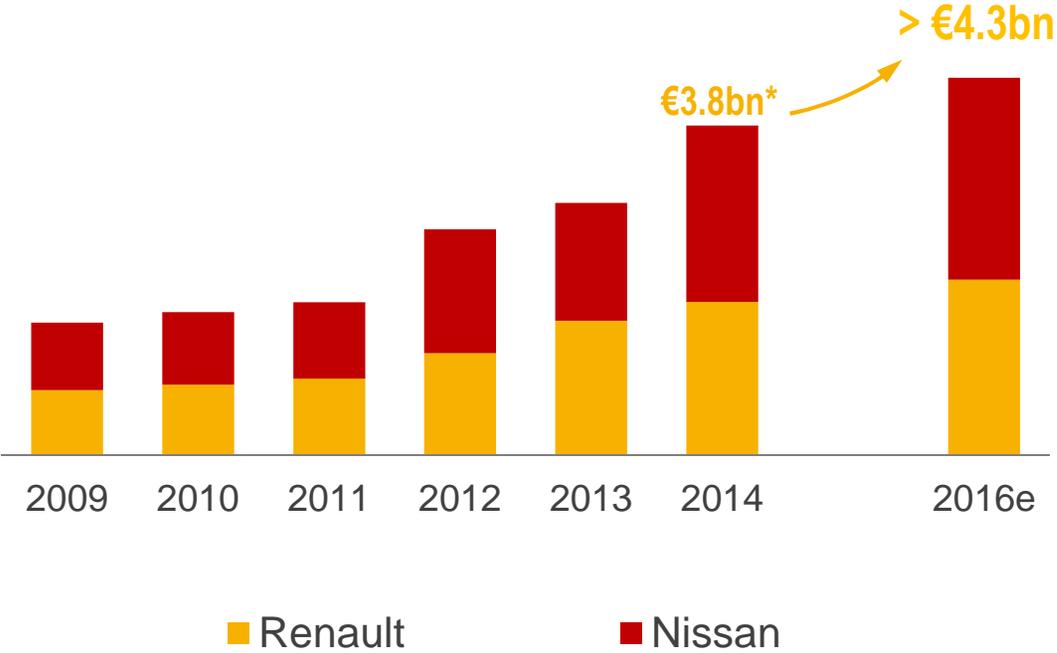
COST REDUCTION CONTRIBUTION TO OPERATING PROFIT IMPROVEMENT



# 2014: A ROBUST MILESTONE FOR OUR MID-TERM PLAN

## 4 KEY-FUNCTIONS CONVERGENCE

### ALLIANCE SYNERGIES



**RENAULT NISSAN**

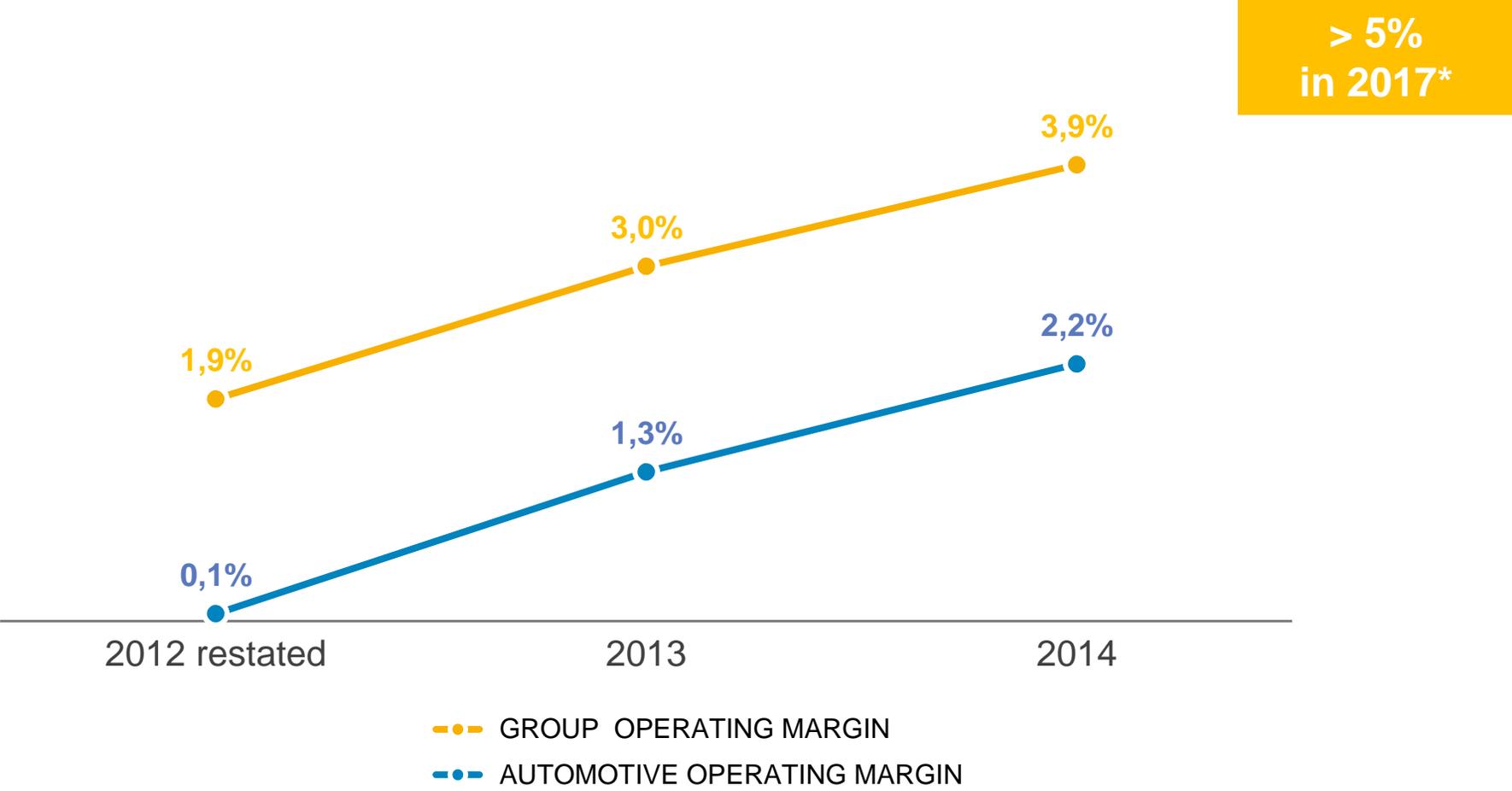
- PURCHASING
- UPSTREAM ENGINEERING
- MANUFACTURING & LOGISTICS
- HUMAN RESOURCES

(\* ) estimated



# 2014: A ROBUST MILESTONE FOR OUR MID-TERM PLAN

## MARGIN IMPROVEMENT

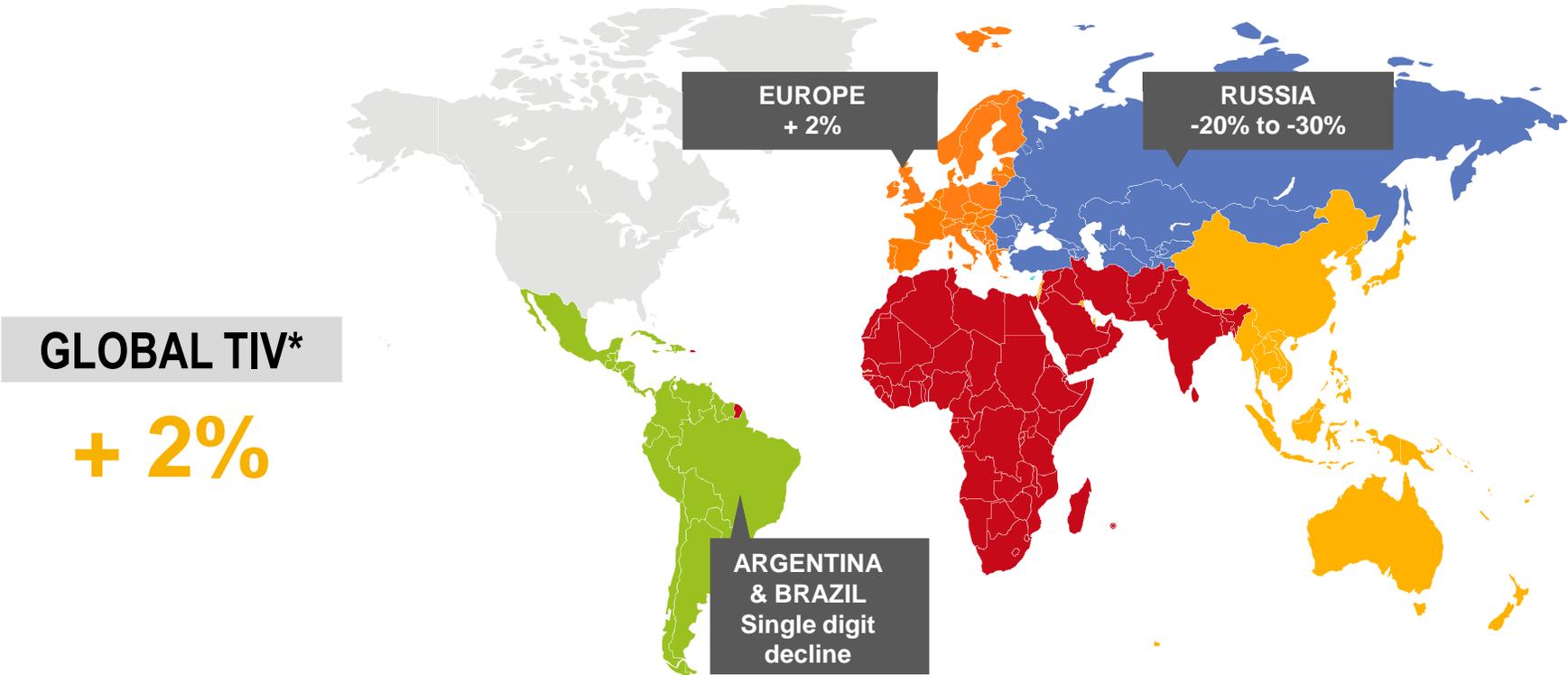


\* target



# 2015 TIV OUTLOOK

## UNCERTAINTIES IN EMERGING MARKETS



\* PC+LCV INCLUDING USA & CANADA



# 2015: A NEW STEP TOWARDS OUR MID-TERM PLAN TARGETS

## OUR MAIN REVENUES OPPORTUNITIES

A-entry vehicles for emerging countries



New Twingo for Europe



C & D complete renewal



Full cross-over line up for all our markets



LCV international roll out



# 2015: A NEW STEP TOWARDS OUR MID-TERM PLAN TARGETS

## OUR MAIN COST EFFICIENCY LEVERS

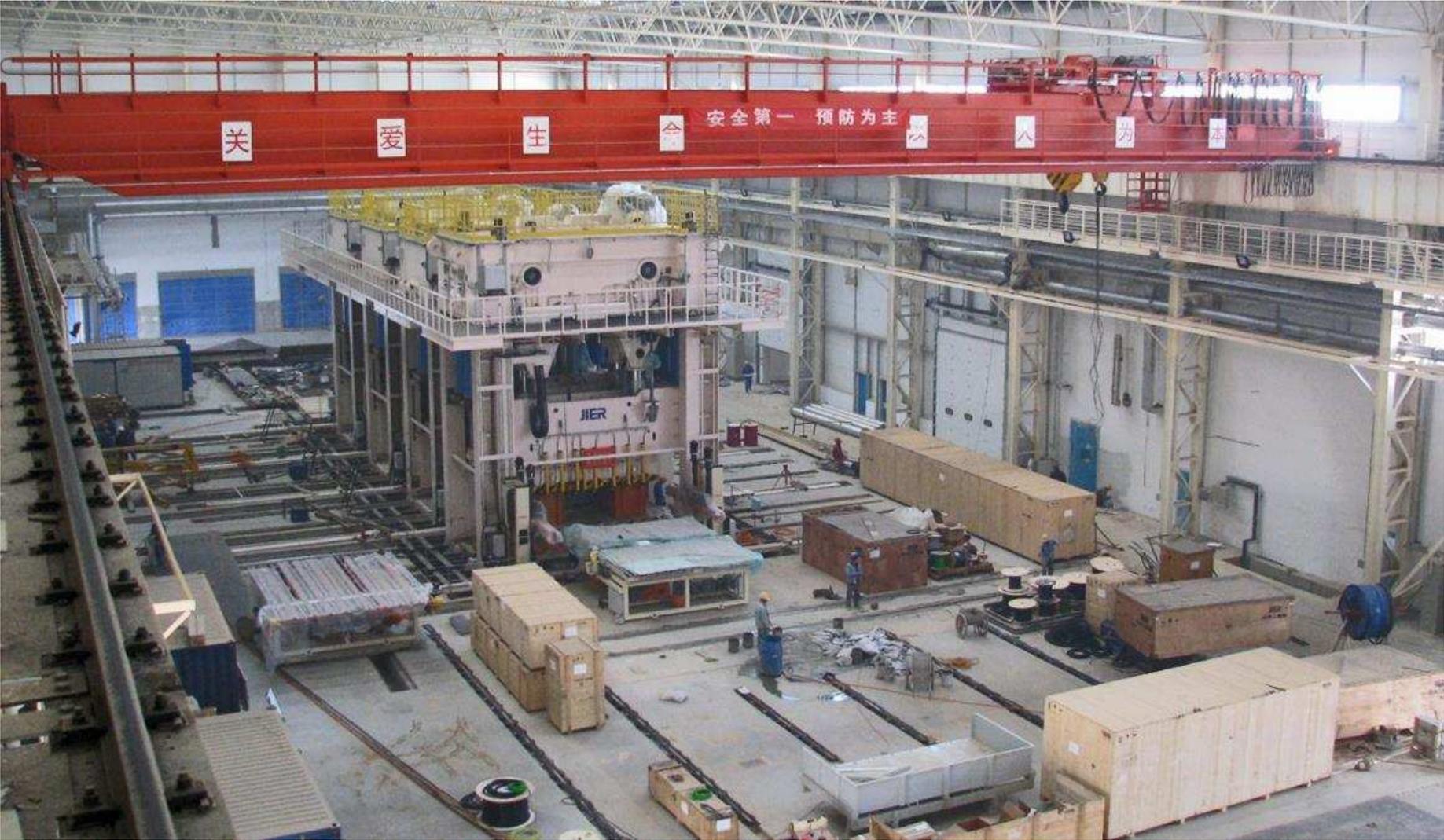
COMPETITIVENESS  
AGREEMENT BENEFITS

LEVERAGING  
CMF PLATFORMS



# PREPARING FOR THE FUTURE

## USINE DE WUHAN



# PREPARING FOR THE FUTURE



# OUTLOOK 2015

## THE GROUP IS AIMING TO

- Increase further its registrations and revenues\*
- Continue to improve the group's operating margin and that of the Automotive division
- Generate positive Automotive operational free cash flow

→ RENAULT IN TRAJECTORY TO ACHIEVE MID-TERM PLAN TARGETS

\* At constant exchange rates

