RENAULT

Mixed General Meeting of Shareholders, April 30, 2004

Summary of presentations by Louis Schweitzer (Chairman and CEO, Renault) and Thierry Moulonguet (Chief Financial Officer, Renault)

Satisfactory results in 2003

► Renault's worldwide sales remained virtually stable in 2003 at 2.4 million vehicles.

- The group withstood gloomy market conditions in Western Europe, notably in France. It strengthened its position as the leading passenger car brand, largely as a result of Mégane II, voted Car of the Year 2003, and Espace IV, which sets the standard for high-end MPVs. Renault is the leading maker of passenger cars and light commercial vehicles (LCVs), with a 11.1% market share.
- Outside Western Europe, Renault's strategy of international expansion delivered gratifying results: sales grew by 9%, accounting for one-fourth of total sales under the group's three brands: Renault, Dacia and Renault Samsung.

► The group reported revenues of €37.5 billion, up 3.8% on a consistent basis. Operating margin rebounded strongly in the second half to 4.3% of revenues, compared with 3.2% in the first half, putting Renault on the right track for 2004. The two strategic shareholdings in Nissan and Volvo contributed a hefty €1,880 million to net income, setting a new record of €2,480 million, or €9.32 per share. Renault continued to pay down the debt of its Automotive Division, which now amounts to €1.7 billion, less than 13% of the group's shareholders' equity.

Sustained growth in first-quarter 2004

► In first-quarter 2004 the European automobile market grew by 3.3% overall, despite contracting in some countries, such as France (-1.6%). Renault held up well, thanks in particular to the success of the Mégane II range, and its share of the market for passenger cars remained almost stable at 10%, compared with 10.1% in first-quarter 2003. Outside Western Europe, sales grew by 21.4%. Overall, the Renault group increased its worldwide sales by 6.8%.
► Bearing these factors in mind, group revenues grew by 11.1% to nearly €10 billion. For the full year, Renault is confirming its 4.5% growth target for operating margin, and it expects a further improvement in net income (excluding exceptional items).

Renault pursues its profitable growth strategy, bolstered by the Alliance with Nissan

Renault and Nissan celebrated the fifth anniversary of their Alliance on March 27. The Alliance Board used the occasion to define and formalize its strategic outlook, dubbed "Vision – Destination".
► it recalled the principles of the Alliance: trust and mutual respect, a transparent organization that ensures clear decision-making in order to develop synergies through common platforms and components;
► it defined the objectives, namely to be recognized as one of the top three automakers:
> in the quality and value of its products and services in each region and market segment
> in key technologies
> in terms of operating margin via profitable growth
The momentum that the Alliance has given to both Renault and Nissan will make it possible to achieve these objectives.

This strategic vision of the Alliance was defined in accordance with Renault's strategy of profitable growth, which has five priorities:

- 1- *Build recognition for our brand identity*: Renault relies on solid fundamentals such as safety (we are the safest brand in the marketplace), engine efficiency, and a strong innovative range that sets us apart from the competition.

- 2- *Be the most competitive manufacturer on our markets in terms of quality, costs and delivery times*: these three inseparable components are key to greater competitiveness. The Alliance with Nissan has given Renault a major advantage, namely the ability to exchange best practices and to pool resources in order to generate economies of scale. We brought our second cost cutting plan to a successful end at end-December 2003, bringing the total savings realized between 1998 and 2003 to €6 billion.

- 3 -*Extend our international reach*: the aim of the international development drive is to find new sources of growth. To reach its target of selling 4 million vehicles in 2010, Renault is relying in particular on Nissan's facilities and on our two new brands, Dacia and Renault Samsung. The first car produced under Dacia's X90 program will reach the showrooms in Romania in fall 2004 and will later be shipped to many other countries, with a sales target of 700,000 vehicles by 2010. Renault Samsung, meanwhile, will manufacture Renault's next-generation four-wheel drive in 2007.

- 4- *Develop Renault's core values*: Renault's insistence on expanding in a socially responsible manner is reflected in a fundamental principle: respecting people and the environment. Ninety-five per cent of our employees say they are proud to work for us – a sure sign of success. Renault pursues a policy of sustainable development, taking all necessary steps to protect the environment. To avoid negative public attitudes, the automotive industry must take the environmental dimension into account.

- 5- *Translate success into financial performance*: This goal is the culmination of the other four, since sustainable development is impossible without profitability. There are three quantified financial targets: operating margin of 4% on average over a business cycle, return on equity of at least 11%, and zero automotive debt at cycle peak.

Renault forges lasting ties with its shareholders

► The French State reduced its stake in Renault in July 2003, 61.2% of the share capital, and nearly 73% of voting rights are now in public hands.

► Three principles underpin Renault's relationship with its shareholders:

- Strict enforcement of corporate governance rules. Governance-related activities are described in detail in Renault's 2003 annual report which, in accordance with the 2003 Financial Security Act, also contains reports from the Chairman of the Board of Directors on the preparation and organization of the Board's work and on internal control procedures. Renault is taking the necessary measures to gradually increase the proportion of independent directors – a concept defined by the Bouton Report on Corporate Governance and adopted in its entirety by Renault's Board. With the appointment of two new Board members, François Pinault and Charles de Croisset, eight independent directors will sit on Renault's board.

- A transparent and open communication policy centered on the work of the Shareholder Consultative Committee. In addition, an increasing number of get-togethers are being organized all over France for individual shareholders.

- Attractive dividends, based on a policy of regularly increasing the payout. The dividend paid on May 17, 2004 will be €1.40, plus a tax credit of €0.70 for individual investors. This represents an increase of more than 20% relative to 2002 and 52% over the past two years. Based on the share price at end December 2003, total dividend yield is 3.8%.

Conclusion

Thanks to a strong performance in adverse conditions, 2003 was a satisfactory year. Regarding 2004, there is still considerable uncertainty, not just about economic expansion but also about demand conditions in the automobile market. That said, Renault has many key strengths, including its product plan, the momentum generated by the Alliance with Nissan, and the potential for international growth. We are therefore confident that revenues and income will grow once again this year.