

# Presentation of the resolutions

**Twenty-one resolutions are being submitted to the Mixed General Meeting which will be convened on May 2, 2007.**

**The Board first of all proposes the adoption of ten resolutions by the Ordinary General Meeting:**

## ■ Approval of the annual accounts and appropriation of the results

The **first two resolutions** deal with the approval of the consolidated accounts and Renault's annual accounts for the 2006 financial year.

The presented accounts have been drawn up in accordance with regulations in force, using IFRS (International Financial Reporting Standards) for the consolidated accounts and in compliance with French statutory and regulatory provisions for the Company's own annual accounts.

The **third resolution** deals with the appropriation of the Company's results for the 2006 financial year and the payment of dividends.

It is proposed that the shareholders approve the distribution of a dividend of 3.10 euros, for payment in cash on May 15, 2007.

Following growth of more than 33% for the 2005 financial year, the dividend for the 2006 financial year will increase by more than 29%. Considering the number of shares in circulation, this distribution corresponds to a total amount of 883,305,065.80 euros.

This dividend complies with Renault's dividend distribution policy announced in the framework of the Renault Contract 2009 plan, which aims at a dividend of 4.50 euros in 2009.

## ■ Regulated agreements

In the context of the day-to-day operation of a company, and especially where the company is the essential element in a group of companies, agreements may arise directly or indirectly between it and another company having the same senior executives or directors, or between the company and its executives or directors, or between it and a shareholder holding more than 10% of its share capital. These agreements, termed "regulated agreements" or "regulated conventions", must receive the prior authorisation of the Board of directors.

The **fourth resolution** therefore proposes that the General Meeting, following the reading of the special report of the Statutory Auditors in accordance with Article L. 225-38 of the Commercial Code, approve the sole regulated agreement to have arisen in 2006.

The Board of directors, at its meeting of October 31, 2006, was called upon to clarify the top-up pension scheme for senior executives, regarding (i) the conditions for entitlement under the pensions system and (ii) the individual and collective nature of entering into this pension system.

Mr Ghosn and Mr Schweitzer, having a direct interest in this matter, did not take part in the vote.

A list of the agreements which were authorised over the 2006 financial year appears in the Statutory Auditors' special report.

## ■ Renewal of the term of office of a director

The **fifth resolution** asks you to renew the appointment of Mr Henri Martre as director. His term of office will thus be renewed for a period of four years and will come to an end at the close of the General Meeting which is to vote on the accounts of the financial year ending on December 31, 2010.

Mr Henri Martre, 79 years old, is Chairman of the International Strategy Committee.

## ■ Ratifications of the term of office of two directors

The **sixth resolution** asks you to ratify the appointment of Mrs Catherine Bréchnignac, designated by government order of December 21, 2006 as representative of the State, which was the subject of a decision of the Board of directors at its meeting of February 7, 2007. Mrs Catherine Bréchnignac has succeeded to Mr Bernard Larroutou for the remainder of the latter's term of office, i.e. until the General Meeting deciding on the accounts of the financial year ending December 31, 2007.

Mrs Catherine Bréchnignac, 60 years old, is Chairman of the CNRS and has been nominated as member of the International Strategy Committee.

The **seventh resolution** asks you to:

- ratify the appointment of Mr Rémy Rioux, designated by government order of February 27, 2007 as representative of the State, which was the subject of a decision of the Board of directors at its meeting of February 28, 2007. Mr Rémy Rioux has succeeded to Mr Jean-Louis Girodolle for the remainder of the latter's term of office, i.e. until the General Meeting deciding on the accounts of the financial year ending December 31, 2006;
- renew the term of office of Mr Rémy Rioux as director, for a term of four years, i.e. until the General Meeting deciding on the accounts of the financial year ending December 31, 2010.

Mr Rémy Rioux, 37 years old, is First class rapporteur at the Cour des comptes (Audit Office) and has been nominated as member of the Accounts and Audit Committee.

## ■ Appointment of a new director

The **eighth resolution** concerns the appointment of Mr Philippe Lagayette as director replacing Mr Studer whose term of office shall expire at the end of this General Meeting, for a term of four years, i.e. until the General Meeting deciding on the accounts of the financial year ending December 31, 2010.

Mr Philippe Lagayette, 64 years old, is Chairman of J.P. Morgan in France.

On the basis of the criteria adopted to assist the Board in assessing the independence of its members, the consequence is that if the renewals, ratifications and appointment of these directors is approved by the General Meeting, Renault's Board of directors will comprise seven independent directors out of 18 members.

Additional information about the positions held by the directors is presented on pages 20-21 of this document and taken up in Chapter 4, Section 4.1.1.1 of the 2006 Reference Document.

## ■ Statutory Auditors' report on equity loans

The **ninth resolution** proposes that the General Meeting take formal note of the Statutory Auditors' report on elements used to determine the remuneration of equity loans, including in particular its variable part tied to the development of Renault's consolidated turnover in 2006 as determined by constant methods with reference to a constant structure.

The coupon which will be paid to bearers of Renault equity loans on October 24, 2007 will amount to 20.77 euros, comprising a fixed part of 10.29 euros and a variable part of 10.48 euros.

## ■ Authorisation for the Board to purchase the Company's own shares

Over 2006, your Company did not acquire any of its own shares pursuant to the authorisation granted by the General Meeting of May 4, 2006. At December 31, 2006 there were 7,681,580 shares held in portfolio; this corresponds to a 2.7% holding in the Company's own share capital. Holdings of the Company's own shares are not entitled to dividends or voting rights.

In the **tenth resolution**, we propose that you authorise the Board of directors to put a programme into place for the acquisition of the Company's own shares under those conditions laid down by law. This authorisation is given for a maximum period of eighteen months as of this General Meeting, and will substitute itself for the authorisation given at the last General Meeting. This resolution is very similar to the one adopted last year. However, considering the price that the Renault share has attained (historic high in 2006 of 97.85 euros), this resolution has been revised in order to increase the maximum purchase price at 150 euros per share (compared to 100 euros last year).

The maximum number of shares that may be acquired is limited to 10% of the share capital and the maximum amount of funds which may be invested in purchasing these shares is 2,849.4 million euros.

A document entitled "programme description", describing the terms of these purchases can be consulted on the [www.renault.com](http://www.renault.com) website under the Finance tab. Moreover, in accordance with the Transparency Directive which entered into force on January 20,

2007, this information is published in the "Regulated Information" section on said website.

An overview of these operations will be presented in the special report to be presented to the General Meeting called to decide on the accounts for the 2007 financial year.

**Next, ten resolutions are within the powers of the Extraordinary General Meeting:**

## ■ Authorisation to reduce the share capital by cancelling shares

In the **eleventh resolution**, it is proposed that the General Meeting authorise the Board, for a period of 18 months, to reduce the registered capital by cancelling shares acquired in the programme for purchase of the Company's own shares. The terms for these acquisitions are those defined in the tenth resolution.

Cancelling shares causes a change in the amount of the registered capital, and consequently a change in the terms of the Articles of Association, which can only be authorised by the Extraordinary General Meeting. The purpose of this resolution is therefore to delegate such powers to the Board.

This authorisation will cause any prior authorisation of the same nature to lapse, with respect to any unused amounts thereunder.

## ■ Capital increase

The **twelfth, thirteenth, fourteenth, fifteenth and sixteenth resolutions** are intended to provide the Board of your Company with a bundle of authorisations allowing it, where necessary, to proceed with various financial operations causing a capital increase for the Company, with or without a preferential subscription right being retained for current shareholders, by decision of the Board alone.

It may be recalled that the preferential subscription right is the right for every shareholder to subscribe to a number of new shares in proportion to his holding in the share capital, *by preference* over subscribers who have no shareholdings at the time of the capital increase. However, although the Company acknowledges the legitimacy of this right, it is no less the case that it has to be able to provide for the possibility, in its financial resolutions, to proceed with capital increases while excluding the preferential right. Indeed, this is the only possible mechanism when the Company calls on the international market. The diversity of financial instruments and rapid changes in the markets mean that it is necessary to have the greatest degree of flexibility at hand, in order to choose the terms of issue which are most favourable for the Company and its shareholders, and to complete transactions rapidly according to the opportunities which arise. Indeed, the Company's development strategy may in particular lead it to call on the financial market to obtain the necessary capital.

That said, the shareholders' attention is drawn to the fact that the inconveniences that would arise from a possible capital increase which excludes their preferential right is compensated by the possibility for the Board to grant the shareholders a priority subscription period.

These authorisations are therefore designed to give your Board the greatest latitude to act to the best of your Company's interests, but within the limits, however, of the powers granted by your General Meeting.

Last year, your General Meeting adopted amendments to the Articles of Association giving your Company the possibility of delegating competencies in a manner which conforms better to current market practices. The authorisations granted under the **twelfth, thirteenth, fourteenth, fifteenth and sixteenth resolutions** adopt this mechanism. With this reserve, the resolutions were adopted by your General Meeting on April 29, 2005, with their amounts remaining the same. They are valid until the General Meeting called to decide on the accounts of the 2008 financial year.

Such issues may either:

- maintain the shareholders' preferential subscription rights (**twelfth resolution**);
- exclude the shareholders' preferential subscription rights (**thirteenth and fourteenth resolutions**).

The **thirteenth resolution** specifically deals with share issues which exclude the preferential subscription right. In this respect, it is recalled that the exclusion of the preferential subscription right does not have the effect of depriving the "old shareholder" of his right to subscribe to the capital increase; however, it does remove his right to subscribe *by preference* to the capital increase, so that the "old shareholder" will be at the same level as all of the subscribers, whether already shareholders or not. We would like to specify, however, that the Board of directors may, under the resolution, grant priority to shareholders for subscription.

**The fourteenth resolution** will allow your Board to adapt the amount of the capital increase, within certain limits, to the reality of the demand.

In this respect, the Board grants powers to increase the number of shares to be issued, under conditions laid down by law, if it observes surplus demand. Pursuant to Article 155-4 of the decree of 1967 on commercial companies, the maximum number of shares which may be issued, in the event of surplus demand, within a period of thirty days following the close of subscriptions and at the same price as for the initial issue, currently represents 15% of the initial issue.

**By the fifteenth resolution**, the General Meeting authorises the Board of directors to proceed with the issue of shares up to a limit of 10% of the share capital in order to remunerate contributions in kind made to the Company, where statutory provisions concerning contributions in kind by way of public exchange offerings do not apply.

**By the sixteenth resolution**, the Board may also, by its decision alone, increase the capital by way of incorporating reserves, profits, share issue premiums or contribution issue premiums. Such a capital increase, for a maximum par value of one billion euros, may be undertaken by the creation and gratuitous allotment of shares or by the increase of the par value of shares or by the joint use of both of these processes.

**The seventeenth resolution** specifies that the global maximum par value of all capital increases whether immediate and/or at a future date, arising in the use of the authorisations granted in the aforementioned **twelfth, thirteenth, fourteenth and fifteenth**

resolutions, may not exceed five hundred million euros. The maximum par value of loan securities liable to be issued pursuant to the aforementioned authorisations may not exceed three billion euros.

## ■ Capital increase by issue of shares reserved to employees

The authorisation given by the Mixed General Meeting on April 29, 2005 to proceed with capital increases reserved to employees, within a limit of 4% of the share capital, has not been used.

As this Extraordinary General Meeting is being called upon to decide on the grant of powers to increase the Company's share capital, then in accordance with Article L. 225-129-6 of the Commercial Code we are submitting a resolution concerning a capital increase reserved to employees in the framework of Articles L. 443-1 and L. 443-5 of the Employment Code on employee shareholding, and Articles L. 225-138 and L. 225-138-1 of the Commercial Code. Consequently, in **the eighteenth resolution** we ask you to grant your Board powers to proceed, on one or more occasions, with a capital increase reserved to employees who are members of a company savings scheme, by issuing new shares and, where applicable, the gratuitous allotments of shares, within a limit of 4% of the amount of shares making up the registered capital.

## ■ Amendments to the Articles of Association

**In the nineteenth and twentieth resolutions**, you are asked to approve amendments to the Articles of Association, in order to make them compliant with:

- law No. 2006-1770 of December 30, 2006 for the development of employee profit-sharing and employee shareholding: the proposal is to insert, in Article 11 of the Articles of Association, the conditions and methods for appointing the director representing the employee shareholders;
- decree No. 2006-1566 of December 11, 2006: the proposal is to amend Article 21 of the Articles of Association in order to replace the practice of non-transferability certificates by a "record date" mechanism, fixed at 3 days before the General Meeting.

**Finally, the Board proposes the adoption of one resolution by the Ordinary General Meeting:**

## ■ Formalities

**The twenty-first resolution** is a standard resolution granting powers necessary to proceed with publication and other formalities.