

**RENAULT**



**Carlos TAVARES, COO**

# **01** AUTOMOTIVE MARKET: GROWTH & HEADWINDS

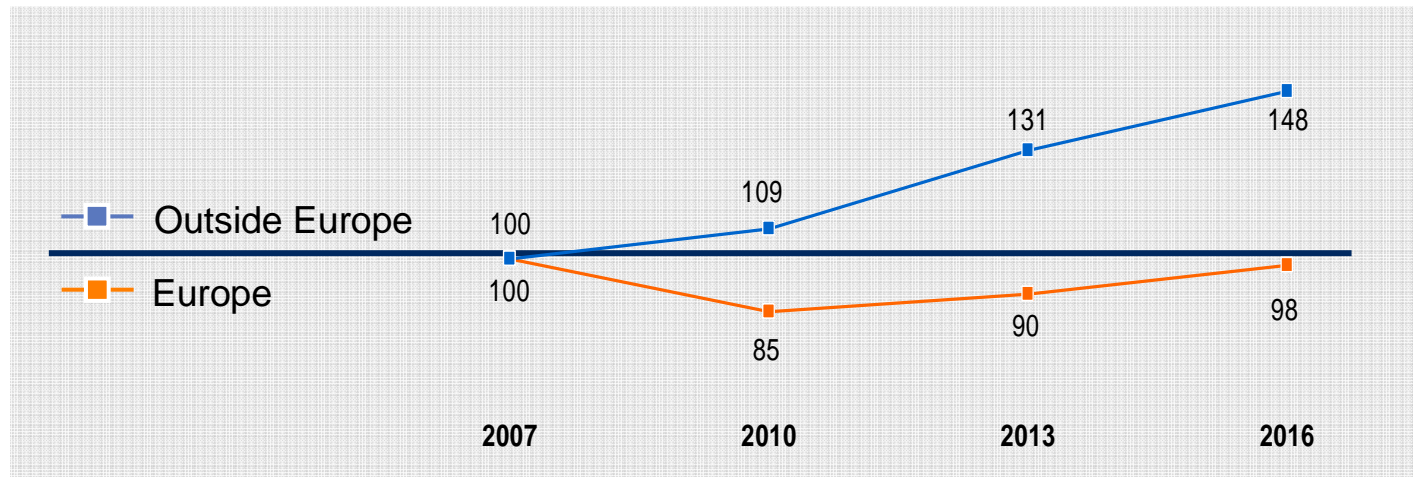
## **02** RENAULT'S MID TERM PLAN

## **03** COST REDUCTION LEVERS

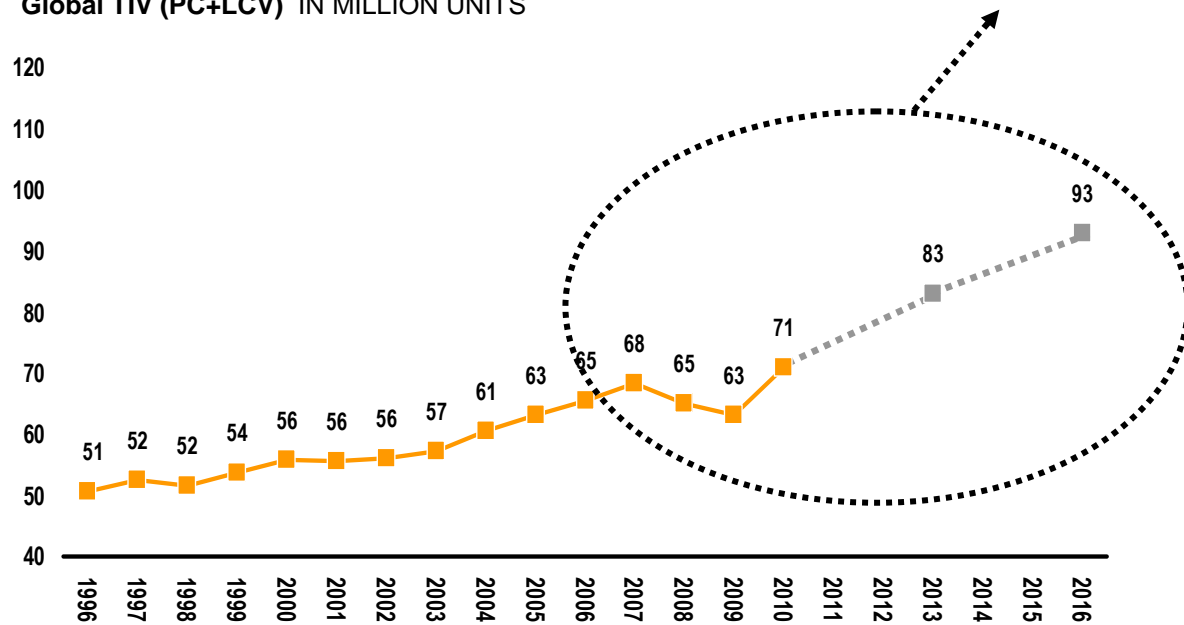
## **04** GROWTH LEVERS

## **05** FCF GENERATION

# 01 GROWING TIV, RECOVERING QUICKLY AFTER 2008/2009

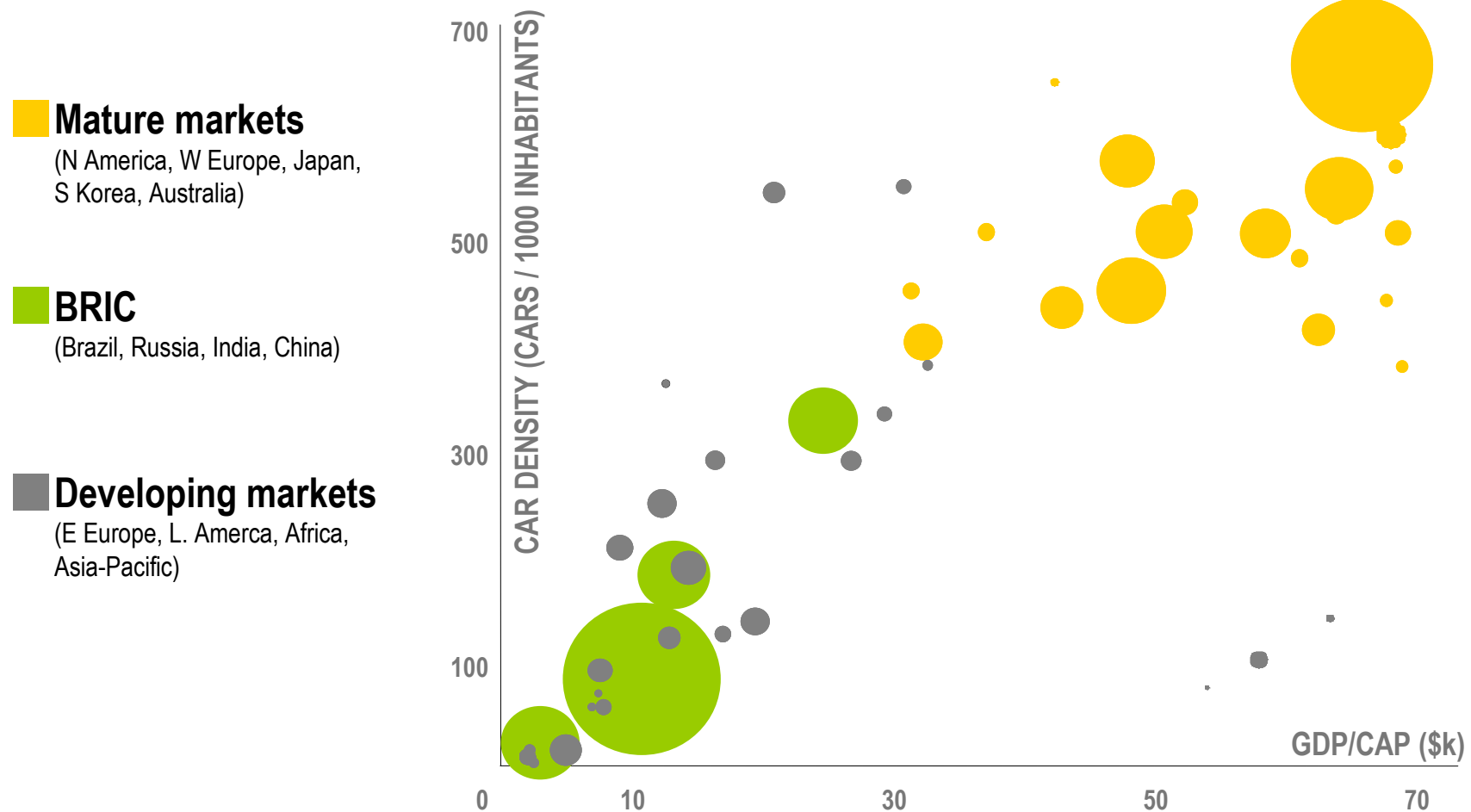


Global TIV (PC+LCV) IN MILLION UNITS



# 01 GLOBAL TIV : GROWTH PERSPECTIVES

(Global Insight forecast for Total Industry Volumes in 2020)



# 01 AUTOMOTIVE INDUSTRY HEADWINDS

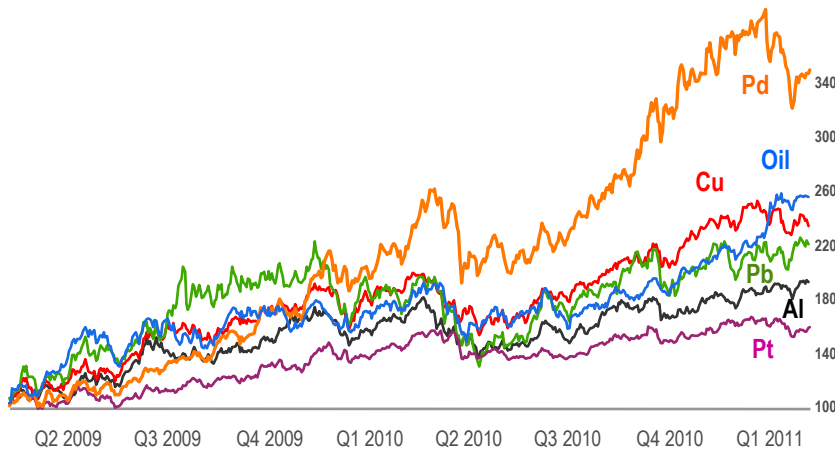
## REGULATIONS & TECHNOLOGY COSTS



## MATURE MARKET INDUSTRIAL CAPACITY



## RAW MATERIALS



## EMERGING COMPETITORS



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**02** RENAULT'S MID TERM PLAN

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**05** FCF GENERATION

## 02 RENAULT'S MID TERM PLAN

**RENAULT**  
**2016**  
**DRIVE THE  
CHANGE**

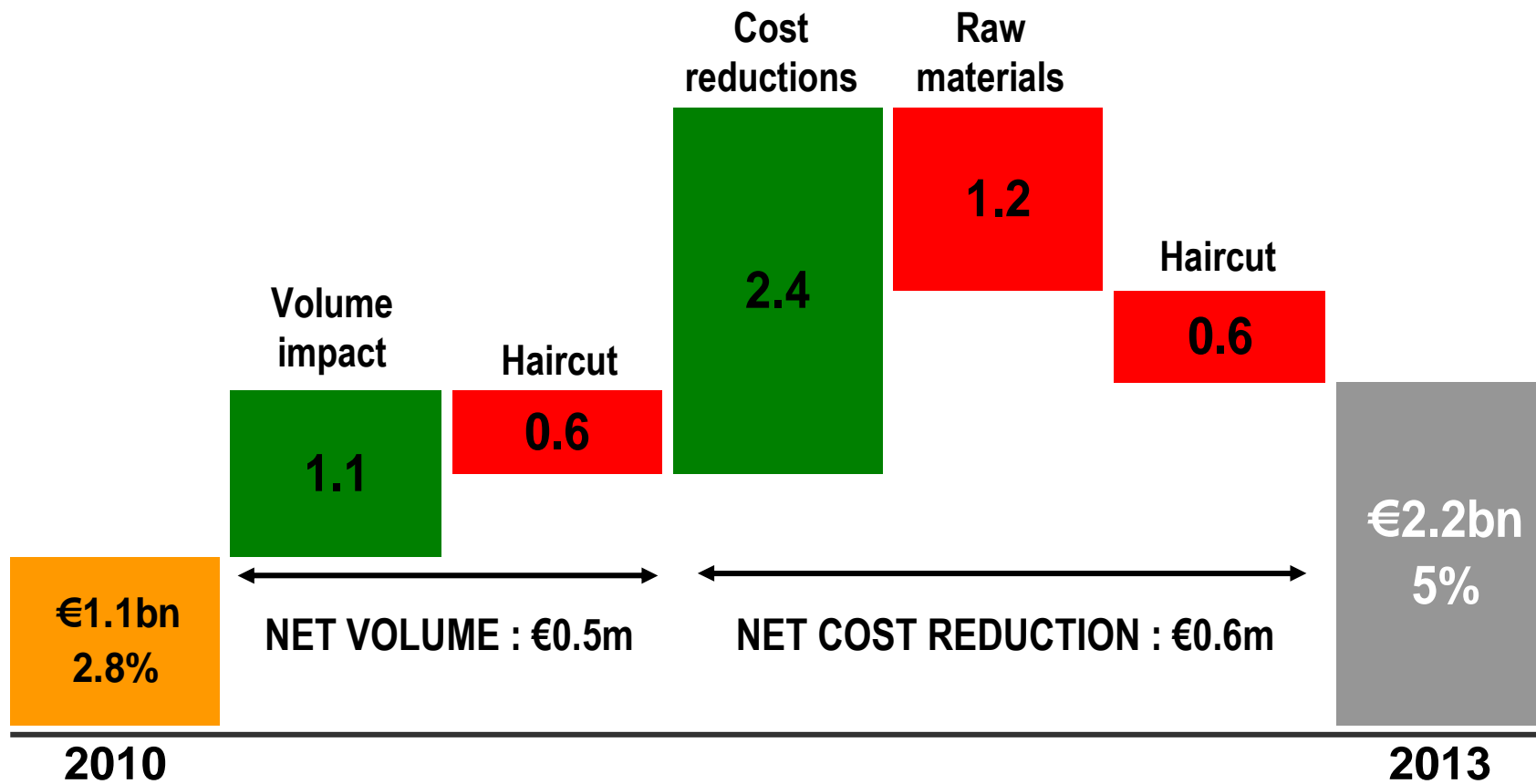
- 1. ENSURE THE GROUP'S GROWTH**
- 2. GENERATE FREE CASH FLOW ON A LASTING BASIS**



### 2013 OBJECTIVES

- **3 million vehicles** sold in 2013
- **2 billion euros cumulated operational free cash flow** 2011-2013

## 02 GROUP OPERATING MARGIN WALKDOWN: 2010-2013





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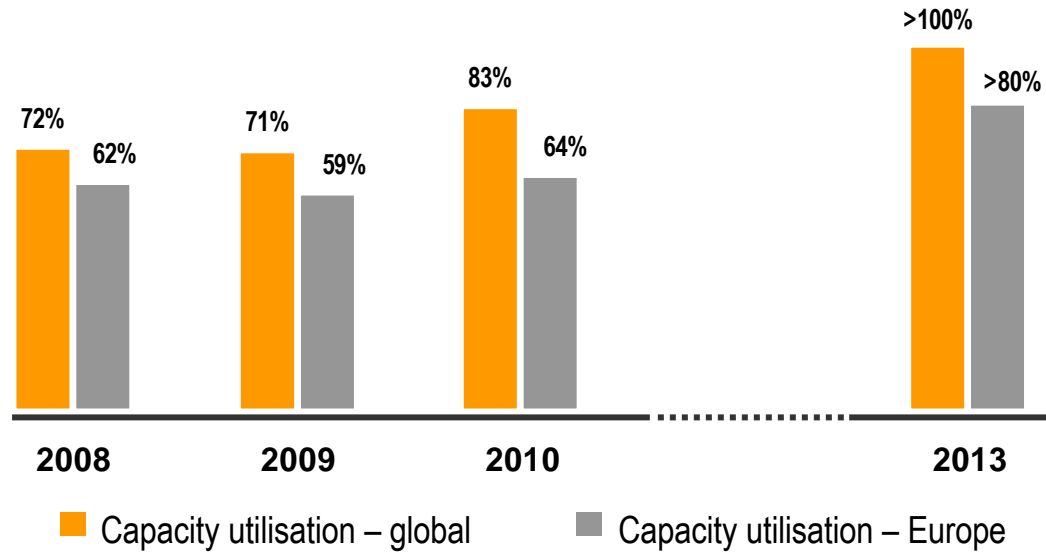
**03** COST REDUCTION LEVERS

**04** GROWTH LEVERS

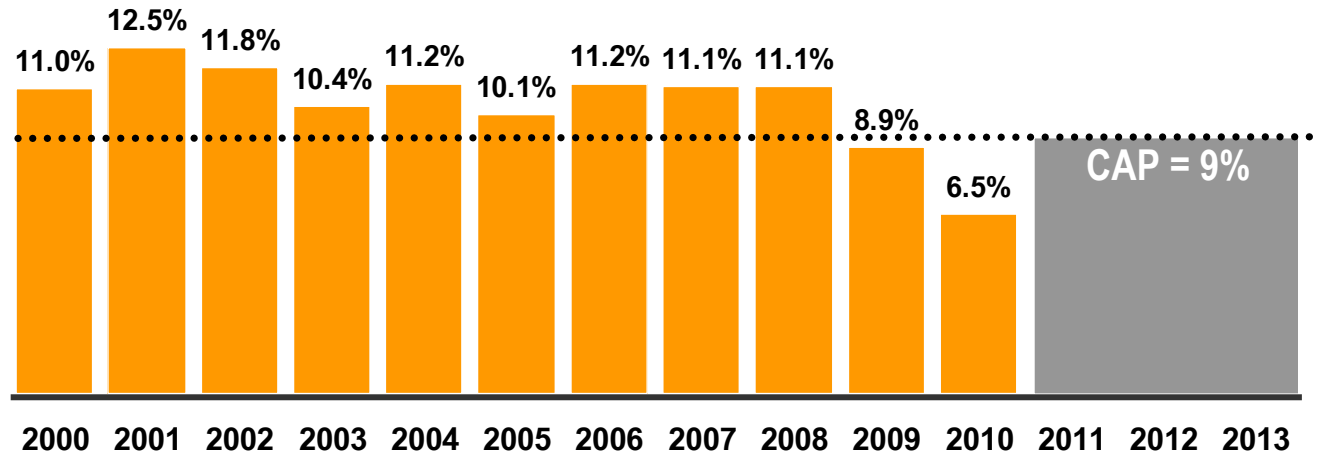
**05** FCF GENERATION

### 03 OPTIMIZING FIXED COSTS

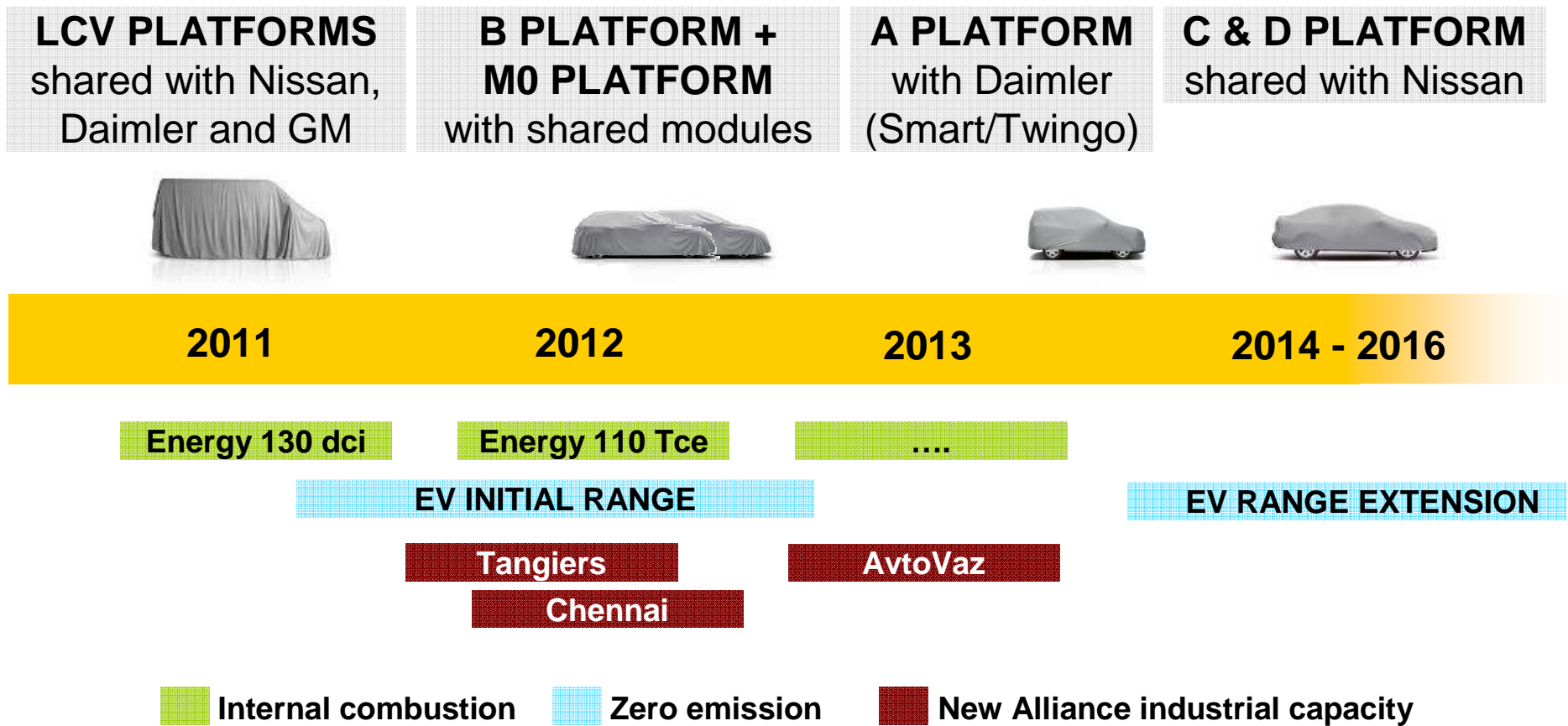
#### INDUSTRIAL CAPACITY UTILISATION (3760 hours per year)



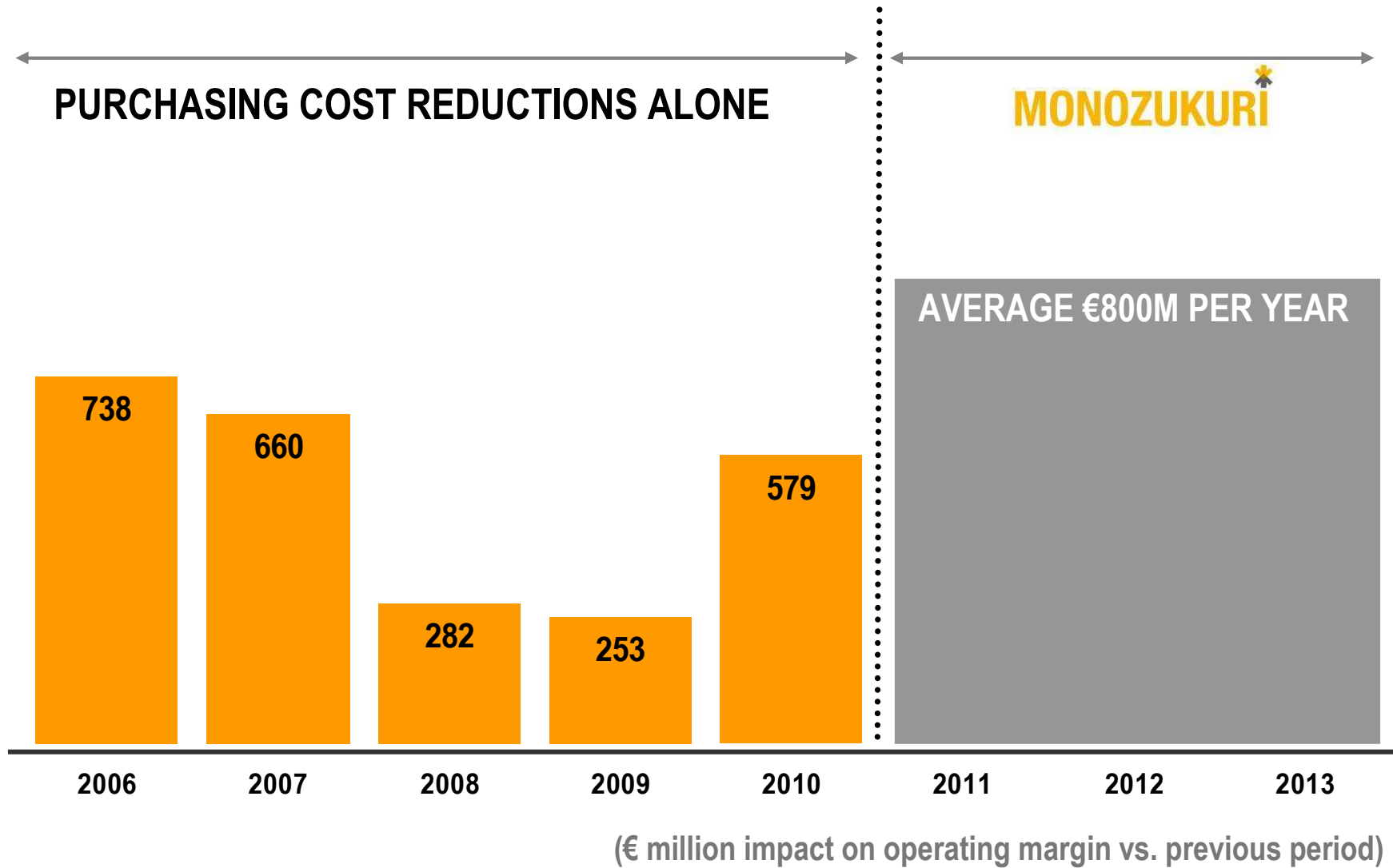
#### CAPEX + R&D Cash out in % of group revenues



# 04 PLATFORM, TECHNOLOGY & GLOBAL EXPANSION



### 03 VARIABLE COST REDUCTIONS



**01** AUTOMOTIVE MARKET: GROWTH & HEADWINDS

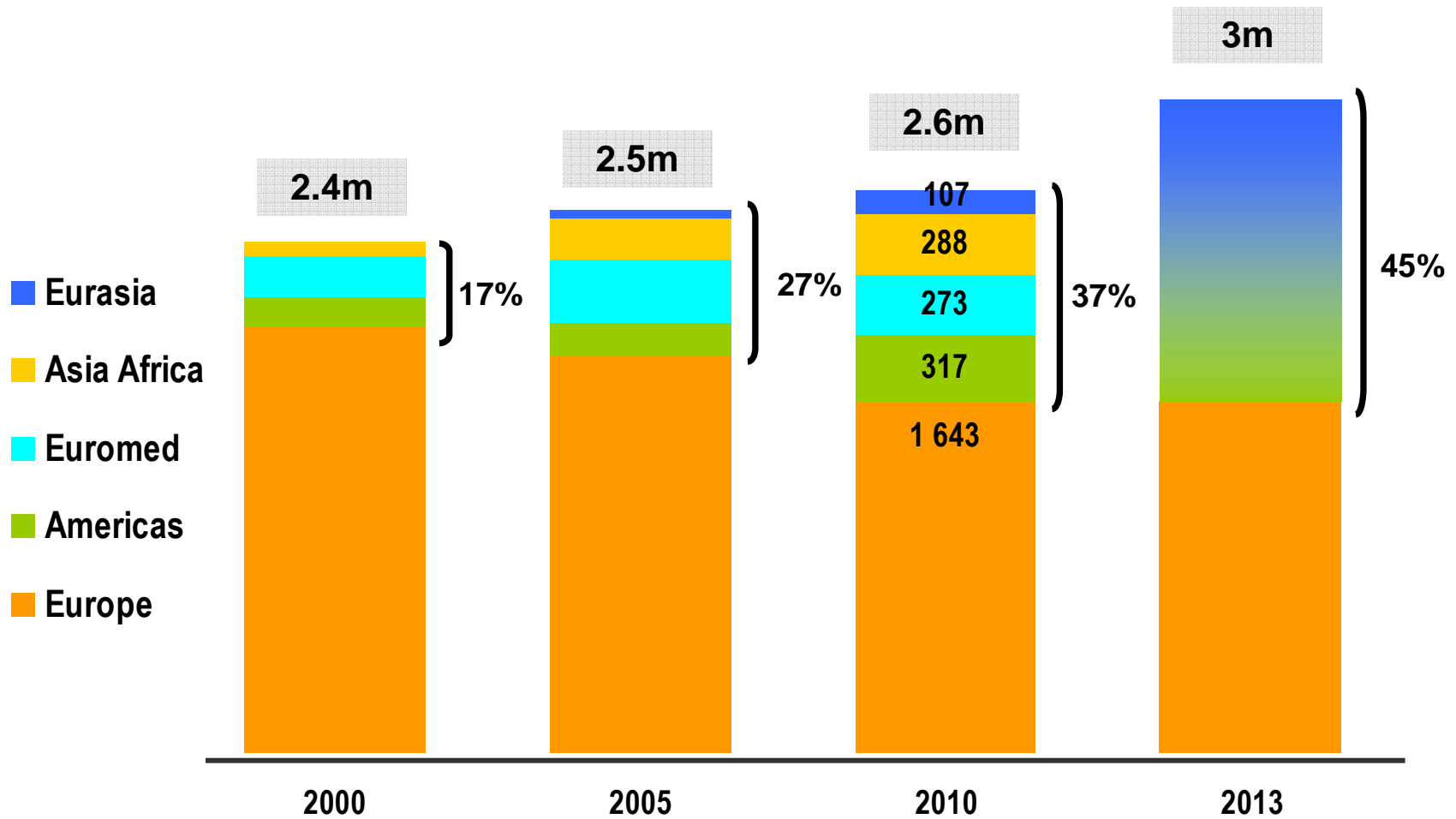
**02** RENAULT'S MID TERM PLAN

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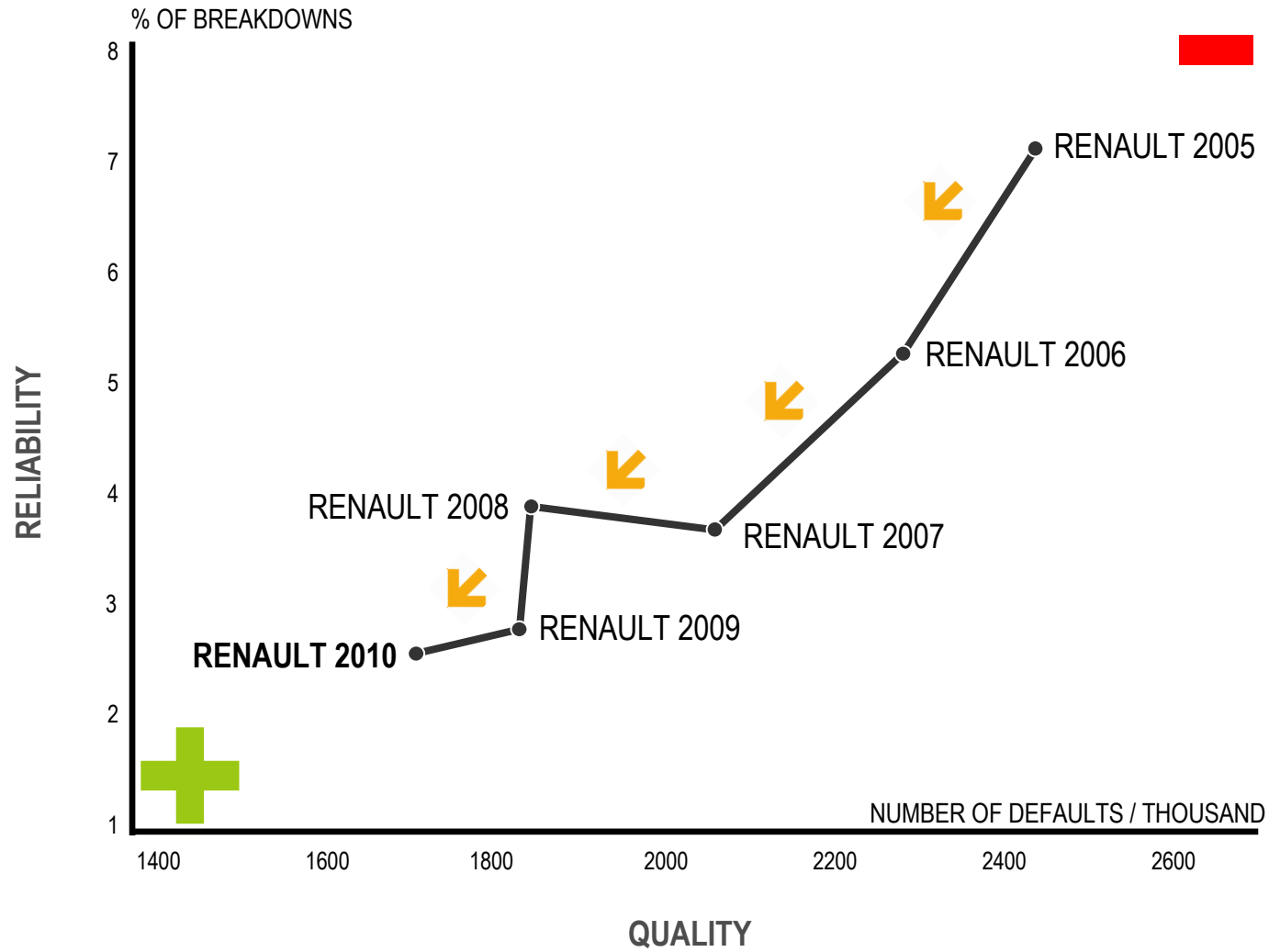
# 04 VOLUME GROWTH : 90% FROM OUTSIDE EUROPE



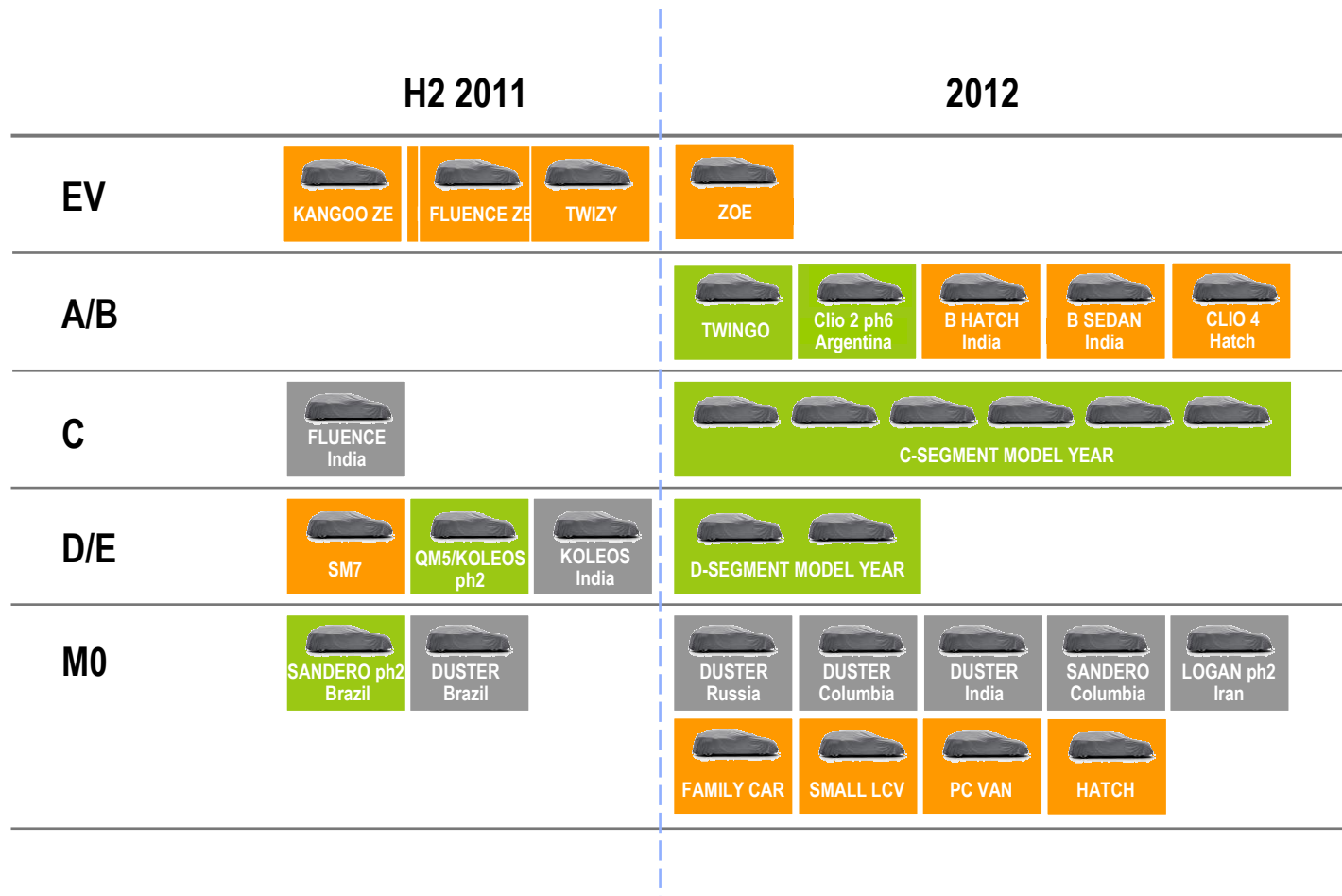
GROUP UNIT SALES : Renault, Dacia & Renault Samsung brands



# 04 TOP LEVEL QUALITY



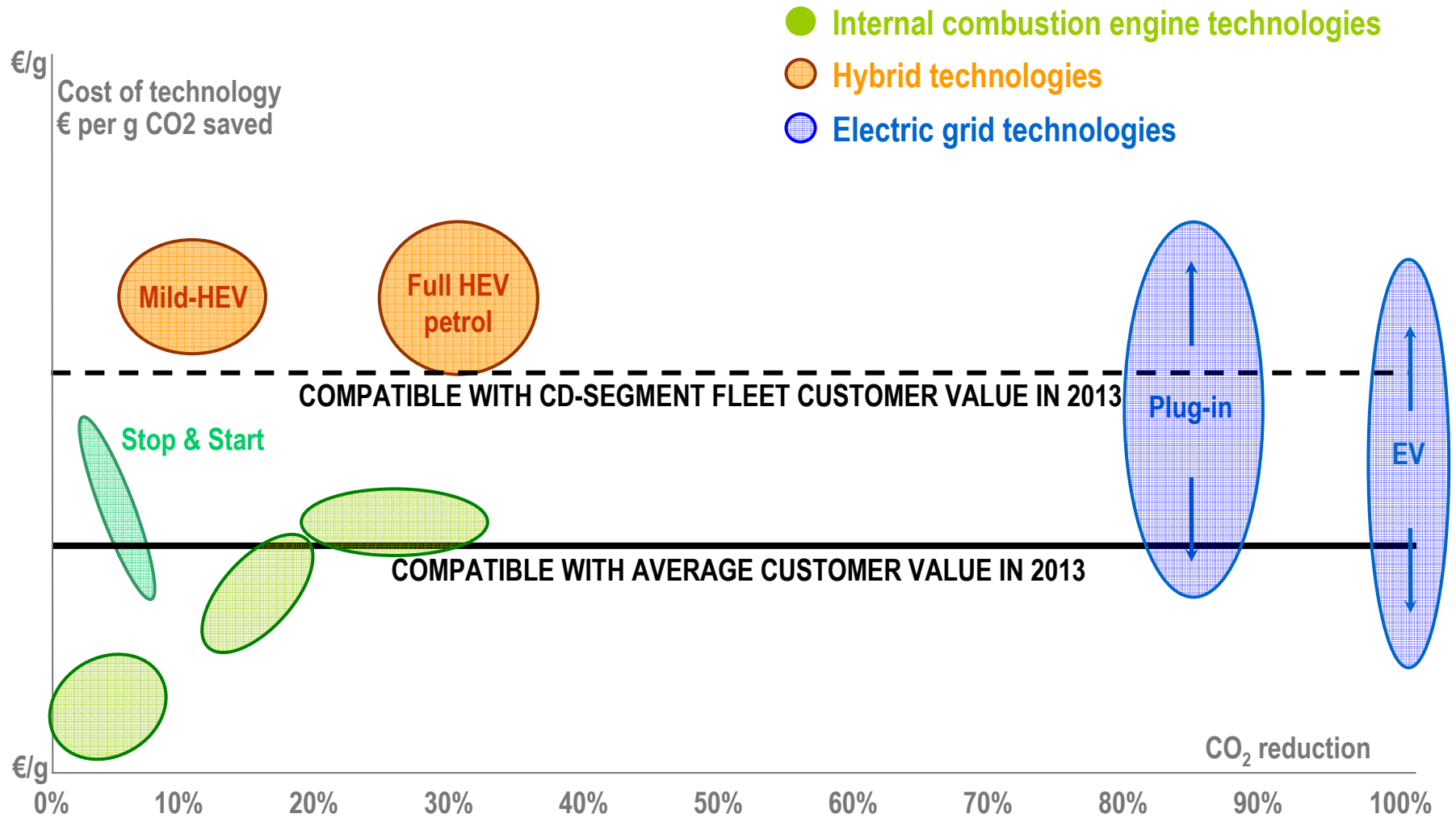
# 04 ROBUST PRODUCT PLAN



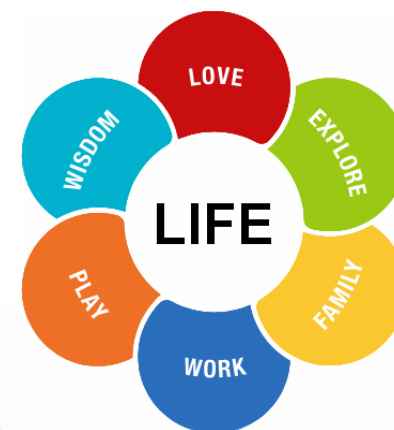
 NEW MODEL     
  REGIONAL INDUSTRIALIZATION     
  FACELIFT



# 04 AFFORDABLE TECHNOLOGY



## 04 NEW WARM AND SENSUAL DESIGN



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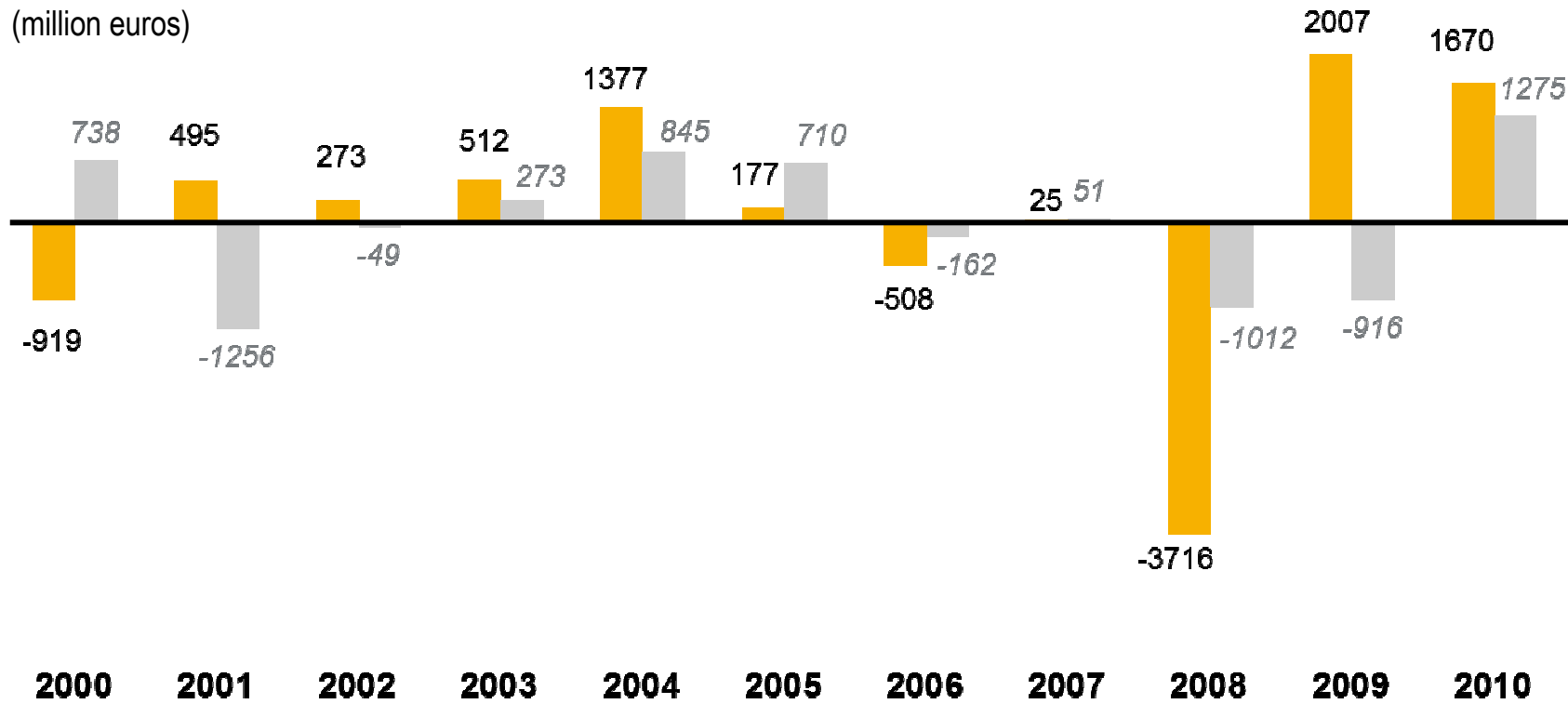
**03** COST REDUCTION LEVERS

**04** GROWTH LEVERS

**05** FCF GENERATION

# 05 FCF EVOLUTION

(million euros)



■ Operational Free Cash Flow

■ Operational Free Cash Flow excluding WCR evolution



## 05 DIVIDEND POLICY : RENAULT 2016

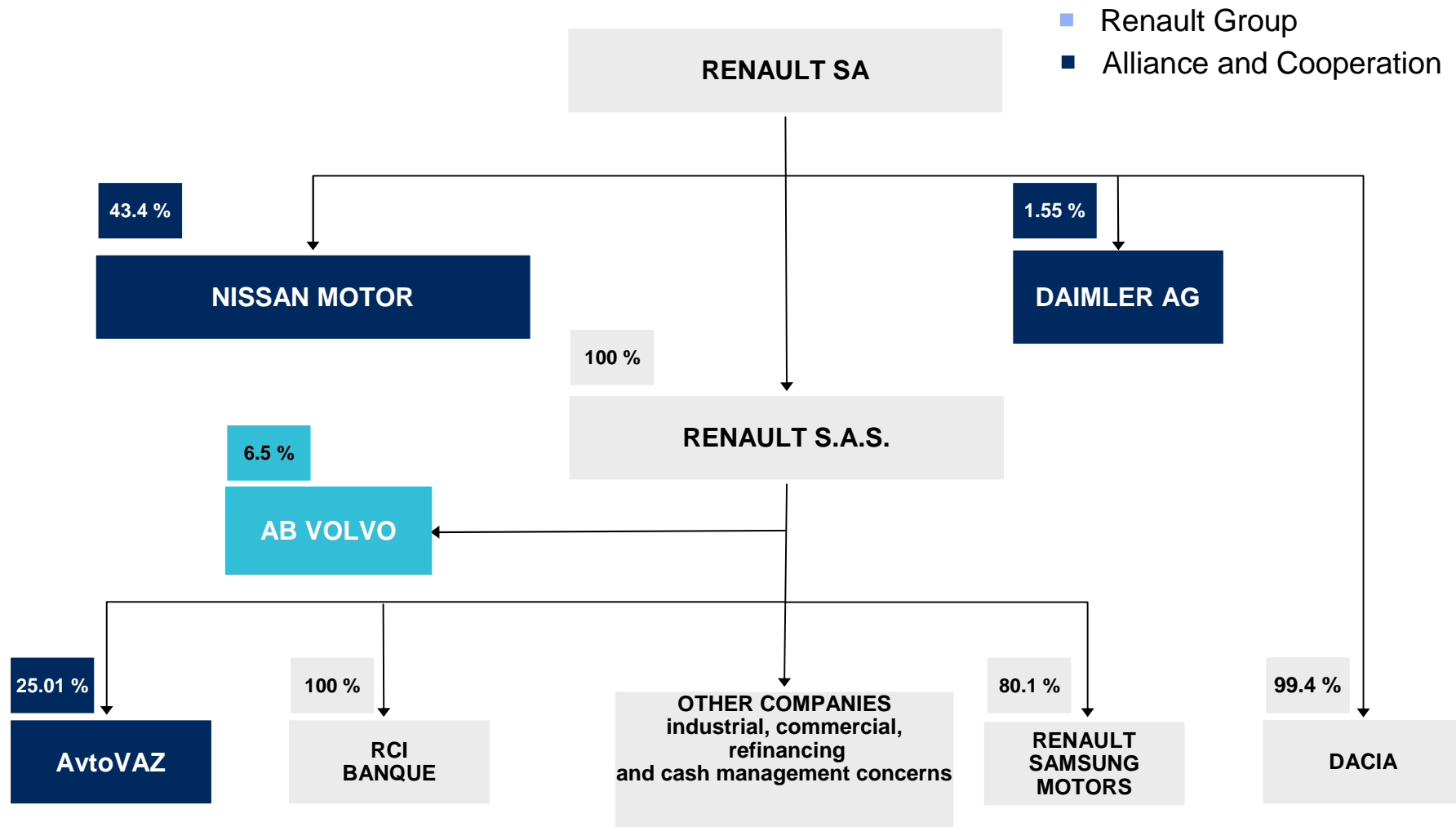
- A two level policy:
  1. **Pass through of dividends received from associates to Renault's shareholders**  
What is received in year 1 will be paid in year 2
  2. **When the financial environment & Renault's balance sheet permits it:**  
A percentage of operational FCF from the Renault core business





# ANNEXES

# RENAULT GROUP STRUCTURE





# GROUP P&L

PUBLISHED	BEFORE IFRS					IFRS					
	2000*	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<i>in K units</i>											
<b>Sales</b>	2 289	2 409	2 404	2 389	2 489	2 533	2 433	2 484	2 382	2 309	2 626
<b>production</b>	2 348	2 375	2 344	2 385	2 472	2 516	2 385	2 659	2 421	2 199	2 599
<i>in€ m</i>											
<b>Revenues</b>	40 175	36 351	36 336	37 525	40 715	41 338	41 528	40 682	37 791	33 712	38 971
<i>o/w Automotive</i>	31 486	33 841	34 456	35 535	38 645	39 458	39 605	38 679	35 757	31 951	37 172
<i>o/w sales financing</i>	1 656	1 828	1 880	1 990	2 070	1 880	1 923	2 003	2 034	1 761	1 799
<b>Cost of goods and services sold</b>	<b>-30 214</b>	<b>-28 240</b>	<b>-28 178</b>	<b>-29 273</b>	<b>-31 162</b>	<b>-32 137</b>	<b>-32 499</b>	<b>-31 408</b>	<b>-29 659</b>	<b>-26 978</b>	<b>-30 620</b>
<i>o/w Research and development expenses</i>	-2 048	-1 935	-1 143	-1 243	-1 383	-2 034	-1 963	-1 850	-1 858	-1 795	-1 834
<i>o/w SG&amp;A</i>	-4 838	-4 538	-4 363	-4 452	-4 581	-4 918	-5 018	-4 949	-4 770	-4 382	-4 605
<b>Operating margin</b>	<b>2 022</b>	<b>473</b>	<b>1 483</b>	<b>1 402</b>	<b>2 418</b>	<b>1 323</b>	<b>1 063</b>	<b>1 354</b>	<b>212</b>	<b>-396</b>	<b>1 099</b>
<i>o/w Automotive</i>	1 574	216	1 189	1 035	1 974	858	571	882	-275	-902	396
<i>o/w sales financing</i>	253	252	294	367	444	465	492	472	487	506	703
Other operating income and expenses	-319	231	-266	-168	-270	191	-186	-116	-329	-559	-464
<b>Operating income</b>	<b>1 703</b>	<b>704</b>	<b>1 217</b>	<b>1 234</b>	<b>2 148</b>	<b>1 514</b>	<b>877</b>	<b>1 238</b>	<b>-117</b>	<b>-955</b>	<b>635</b>
<b>Financial expense</b>	<b>-69</b>	<b>-64</b>	<b>-91</b>	<b>-71</b>	<b>-348</b>	<b>-327</b>	<b>61</b>	<b>76</b>	<b>441</b>	<b>-404</b>	<b>-376</b>
<b>Capital gain on sale of B shares in Volvo AB</b>											<b>2 000</b>
<b>Share in net income of companies accounted for by the equity method</b>	<b>89</b>	<b>380</b>	<b>1 331</b>	<b>1 860</b>	<b>2 020</b>	<b>2 597</b>	<b>2 260</b>	<b>1 675</b>	<b>437</b>	<b>-1 561</b>	<b>1 289</b>
<i>o/w Nissan</i>	56	497	1 335	1 705	1 767	2 275	1 871	1 288	345	-902	1 084
<i>o/w Volvo</i>		-26	71	175	240	308	384	352	226	-301	214
<i>o/w AvtoVAZ</i>										-370	-21
Current and deferred taxes	-649	-67	-447	-510	-634	-331	-255	-255	-162	-148	-58
<b>Group net income</b>	<b>1 074</b>	<b>953</b>	<b>2 010</b>	<b>2 513</b>	<b>3 186</b>	<b>3 453</b>	<b>2 943</b>	<b>2 734</b>	<b>599</b>	<b>-3 068</b>	<b>3 490</b>
Renault net income	1 080	1 051	1 956	2 480	3 119	3 367	2 869	2 669	571	-3 125	3 420
<b>EPS</b>	<b>4,5</b>	<b>4,4</b>	<b>7,5</b>	<b>9,3</b>	<b>11,7</b>	<b>13,2</b>	<b>11,2</b>	<b>10,3</b>	<b>2,2</b>	<b>-12,1</b>	<b>12,7</b>
<b>Number of shares for EPS calculation</b>	<b>239 798</b>	<b>239 998</b>	<b>259 560</b>	<b>265 960</b>	<b>265 960</b>	<b>255 177</b>	<b>256 994</b>	<b>258 621</b>	<b>256 532</b>	<b>257 514</b>	<b>269 292</b>
<b>workforce</b>	<b>166 114</b>	<b>140 417</b>	<b>132 351</b>	<b>130 740</b>	<b>130 573</b>	<b>126 584</b>	<b>128 893</b>	<b>130 179</b>	<b>129 069</b>	<b>121 422</b>	<b>122 615</b>
<i>o/w Europe</i>	NA	NA	NA	NA	NA	107 519	93 580	87 080	83 712	76 633	74 431

\* with Renault VI

# AUTOMOTIVE DIVISION CASH FLOW

PUBLISHED <i>in € m</i>	BEFORE IFRS					IFRS					
	2000*	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
<b>AUTO EBIT</b>	1 467	458	928	858	1 710	1 058	303	767	-608	-1 457	-78
Depreciation & amortization	1 817	1 683	1 938	2 117	2 133	2 658	2 817	2 815	2 892	3 124	3 045
<b>AUTOMOTIVE EBITDA</b>	<b>3 284</b>	<b>2 141</b>	<b>2 866</b>	<b>2 975</b>	<b>3 843</b>	<b>3 716</b>	<b>3 120</b>	<b>3 582</b>	<b>2 284</b>	<b>1 667</b>	<b>2 967</b>
<b>Cash flow</b>	3 027	1 290	2 919	2 806	3 798	3 589	3 288	3 616	2 373	1 386	3 074
<b>Change in WC</b>	-1 657	1 751	322	239	401	-533	-346	-26	-2 704	2 923	395
<b>Capex and R&amp;D cost</b>	-2 289	-2 546	-2 968	-2 533	-2 823	-2 879	-3 585	-3 565	-3 385	-2 054	-1 644
<i>CAPEX</i>	-2 253	-2 497	-2 284	-1 927	-2 035	-2 046	-2 494	-2 278	-2 260	-1 465	-978
<i>CAPITALIZED R&amp;D</i>	-36	-49	-684	-606	-788	-833	-1 091	-1 287	-1 125	-589	-666
Others							135			-248	-155
<b>OPERATIONAL FCF</b>	<b>-919</b>	<b>495</b>	<b>273</b>	<b>512</b>	<b>1 376</b>	<b>177</b>	<b>-508</b>	<b>25</b>	<b>-3 716</b>	<b>2 007</b>	<b>1 670</b>
Dividends received from Nissan		99	183	267	345	383	431	456	418	0	88
Dividends received from Volvo		0	77	77	208	120	158	477	258	81	0
Dividends received from others excl; RCI	7	6				13	13	3	12	0	0
<b>FCF</b>	<b>-912</b>	<b>600</b>	<b>533</b>	<b>856</b>	<b>1 929</b>	<b>693</b>	<b>94</b>	<b>961</b>	<b>-3 028</b>	<b>2 088</b>	<b>1 758</b>
<b>DIVIDEND PAID</b>	<b>183</b>	<b>219</b>	<b>258</b>	<b>316</b>	<b>383</b>	<b>493</b>	<b>684</b>	<b>883</b>	<b>1 054</b>	<b>0</b>	<b>0</b>

# RCI BANQUE KEY FIGURES

% of average performing loans outstanding	2000	2001	2002	2003	2004 IFRS	2005 IFRS	2006 IFRS	2007 IFRS	2008 IFRS	2009 IFRS	2010 IFRS
Gross financial margin	4,40%	4,22%	4,22%	4,48%	4,41%	4,52%	4,46%	4,38%	4,35%	4,91%	5,16%
Services and other products	0,72%	0,91%	1,30%	1,12%	1,12%	0,98%	1,13%	1,30%	1,39%	1,48%	1,52%
Intermediation fee	1,02%	-1,08%	-1,07%	-1,24%	-1,09%	-1,13%	-1,18%	-1,18%	-1,16%	-1,21%	-1,28%
Net banking income	4,10%	4,05%	4,45%	4,36%	4,44%	4,38%	4,41%	4,50%	4,58%	5,17%	5,40%
Cost of risk	-0,48%	-0,52%	-0,78%	-0,68%	-0,54%	-0,72%	-0,61%	-0,68%	-0,87%	-0,99%	-0,40%
Operating expenses	-2,05%	-2,08%	-1,95%	-1,91%	-1,76%	-1,63%	-1,68%	-1,78%	-1,57%	-1,71%	-1,64%
Pre-tax income (with NRE)	1,68%	1,45%	1,61%	1,87%	2,04%	2,00%	2,12%	2,01%	2,13%	2,41%	3,35%

# RENAULT INVESTORS RELATION CONTACT

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