

# **GROUPE** RENAULT

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## **H1 2020** Financial Results

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# Agenda

**01** **CEO introduction**  
**Luca de Meo**  
Chief Executive Officer

**02** **H1 2020 Financial Results**  
**Clotilde Delbos**  
Deputy Chief Executive Officer  
Group Chief Financial Officer

**03** **Questions & Answers**

# 01

## CEO Introduction

**Luca de Meo**

Chief Executive Officer

# 02

## H1 2020 Financial Results

**Clotilde Delbos**

Deputy Chief Executive Officer  
Group Chief Financial Officer

# Key Take-Aways

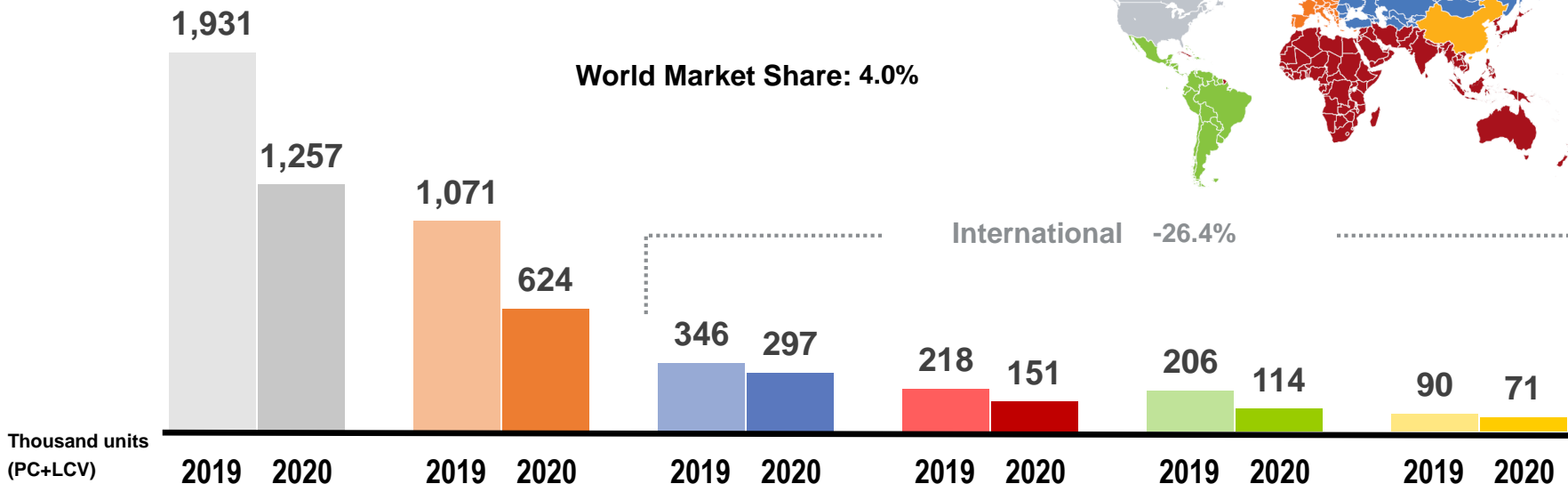
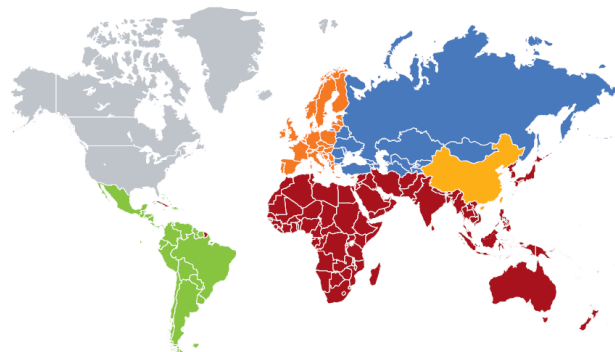
## H1 : An unprecedented situation

- **COVID-19 crisis impact**
- **Market slowdown even before the COVID-19 crisis**
- **Too high costs**
- **Adverse Forex & Raw materials**
- **Pricing discipline**
- **RCI resilience**

## Levers for recovery:

- **2022 plan project**
- **Electrified line-up**
- **RCI Bank & Services**
- **Liquidity reserves**

# Groupe Renault's Sales H1 2020 vs H1 2019



Thousand units (PC+LCV)

	Global	Europe	Eurasia	Africa-ME-India-Pacific	Americas	China
TIV*	-28.3%	-38.9%	-14.1%	-29.9%	-37.7%	-20.7%
GROUP	-34.9%	-41.8%	-14.1%	-30.8%	-44.7%	-21.1%

\* PC+LCV including USA & Canada



# H1 2020 Financial Results

<i>In million euros</i>	H1 2019	H1 2020	Change
<b>Group Revenues</b>	<b>28,050</b>	<b>18,425</b>	<b>-34.3%</b>
<b>Operating profit</b>	<b>1,654</b>	<b>-1,203</b>	<b>-2,857</b>
% of Group revenues	5.9%	-6.5%	-12.4 pts
<b>Other operating income &amp; expenses</b>	<b>-133</b>	<b>-804</b>	<b>-671</b>
<b>EBIT</b>	<b>1,521</b>	<b>-2,007</b>	<b>-3,528</b>
<b>Net financial income &amp; expenses</b>	<b>-184</b>	<b>-214</b>	<b>-30</b>
<b>Associated companies</b>	<b>-35</b>	<b>-4,892</b>	<b>-4,857</b>
<b>Current &amp; deferred taxes</b>	<b>-254</b>	<b>-273</b>	<b>-19</b>
<b>Net income</b>	<b>1,048</b>	<b>-7,386</b>	<b>-8,434</b>

# H1 2020 Group Revenues

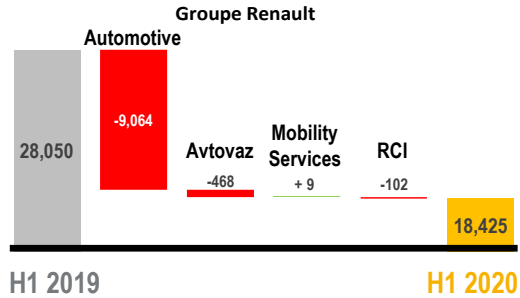
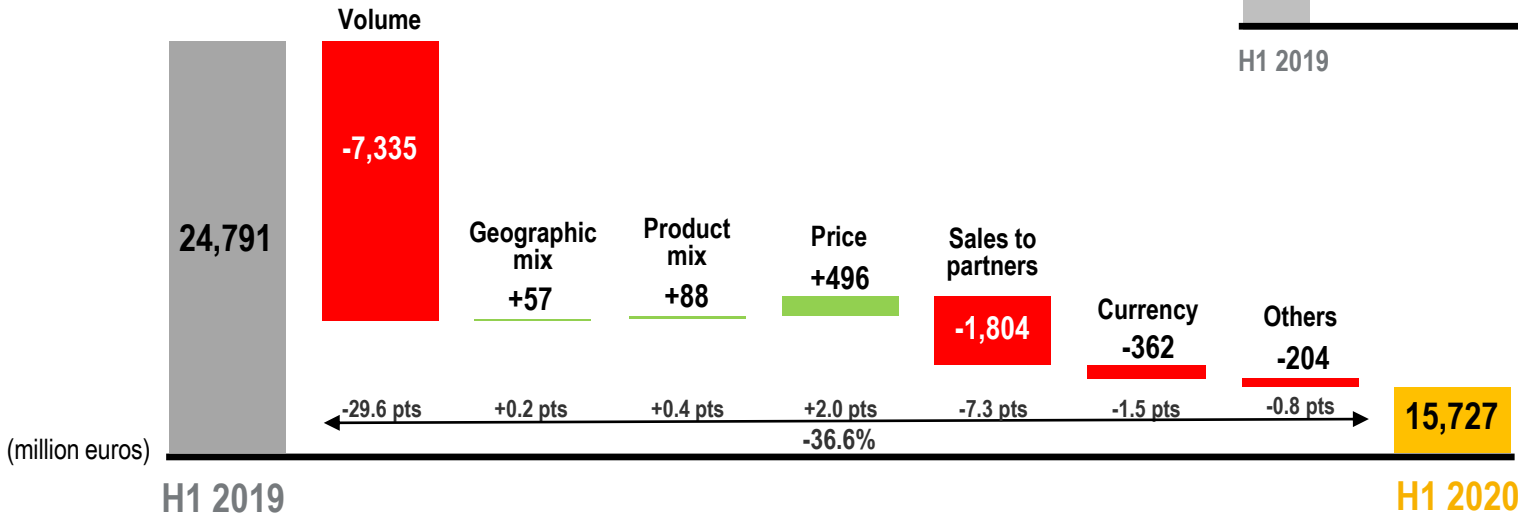
<i>In million euros</i>	H1 2019	H1 2020	Change
<b>Global unit sales (units)</b>	<b>1,931,052</b>	<b>1,256,658</b>	<b>-34.9%</b>
<b>Group revenues</b>	<b>28,050</b>	<b>18,425</b>	<b>-34.3%</b>
o/w Automotive excl. AVTOVAZ	24,791	15,727	[-36.6%]
o/w AVTOVAZ <sup>(1)</sup>	1,557	1,089	-30.1%
o/w Mobility Services <sup>(2)</sup>	-	9	-
o/w Sales Financing	1,702	1,600	-6.0%

Q1	Q2
-21.3%	-48.6%

- (1) AVTOVAZ net of eliminations  
 (2) New segment as of 01/01/2020

# Automotive Excluding AVTOVAZ Revenues Variance Analysis

Change H1 2020 vs H1 2019: -€9,064m



# H1 2020 Operating Profit by Activity

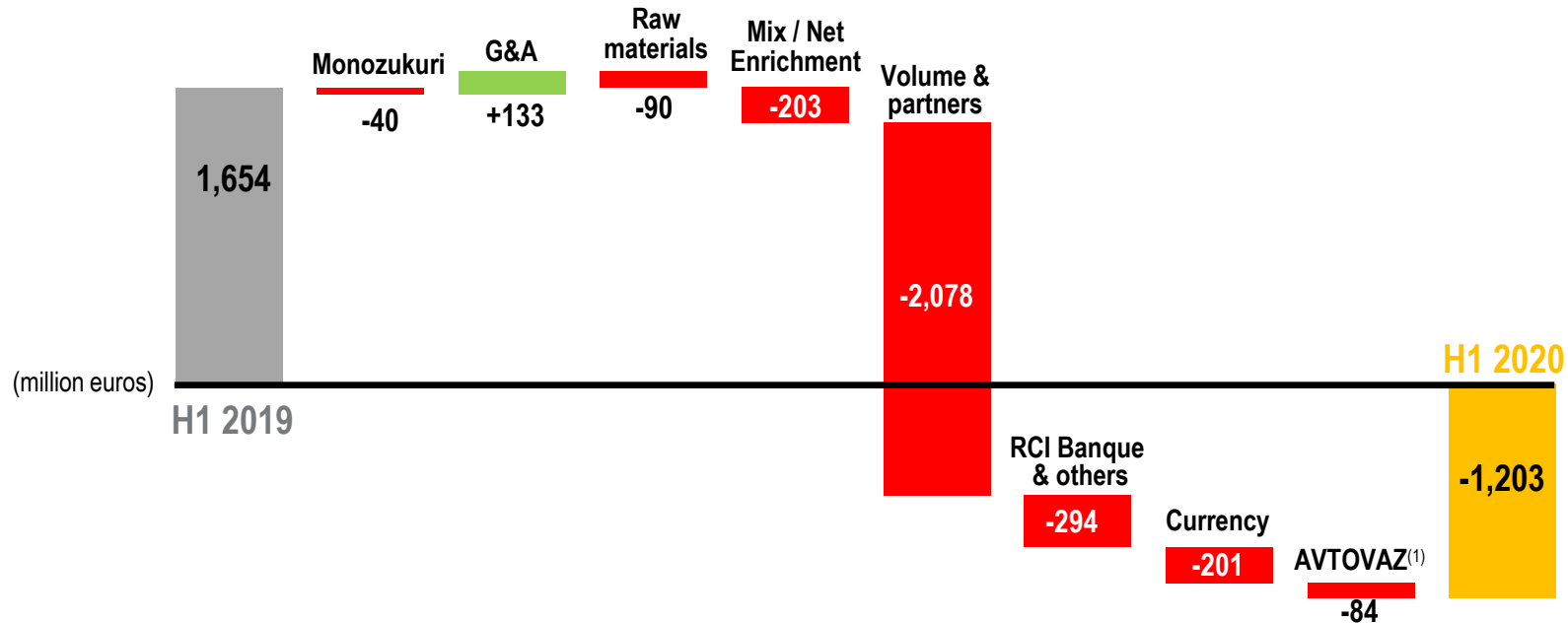
<i>In million euros</i>	H1 2019	H1 2020	Change
<b>Group operating profit</b>	<b>1,654</b>	<b>-1,203</b>	<b>-2,857</b>
% of Group revenues	5.9%	-6.5%	-12.4 pts
o/w <b>Automotive</b> excl. AVTOVAZ	<b>981</b>	<b>-1,648</b>	<b>-2,629</b>
% of segment revenues	4.0%	-10.5%	-14.5 pts
o/w <b>AVTOVAZ</b> <sup>(1)</sup>	<b>82</b>	<b>-2</b>	<b>-84</b>
o/w <b>Mobility Services</b> <sup>(2)</sup>	<b>-</b>	<b>-22</b>	<b>-22</b>
o/w <b>Sales Financing</b>	<b>591</b>	<b>469</b>	<b>-122</b>

(1) AVTOVAZ net of eliminations

(2) New segment as of 01/01/2020

# Group Operating Profit Variance Analysis

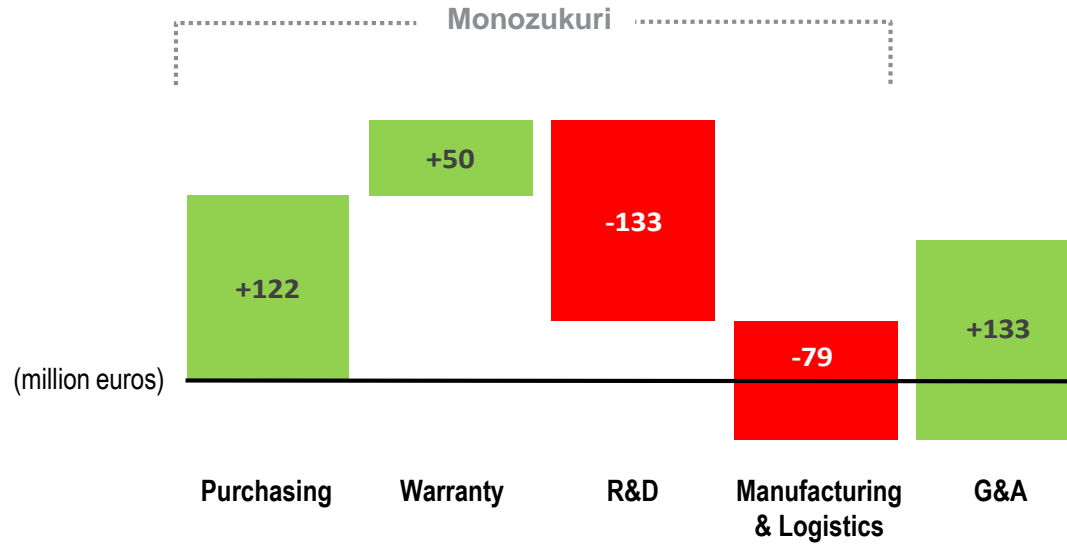
Change H1 2020 vs H1 2019 : -€2,857m



(1) AVTOVAZ net of eliminations

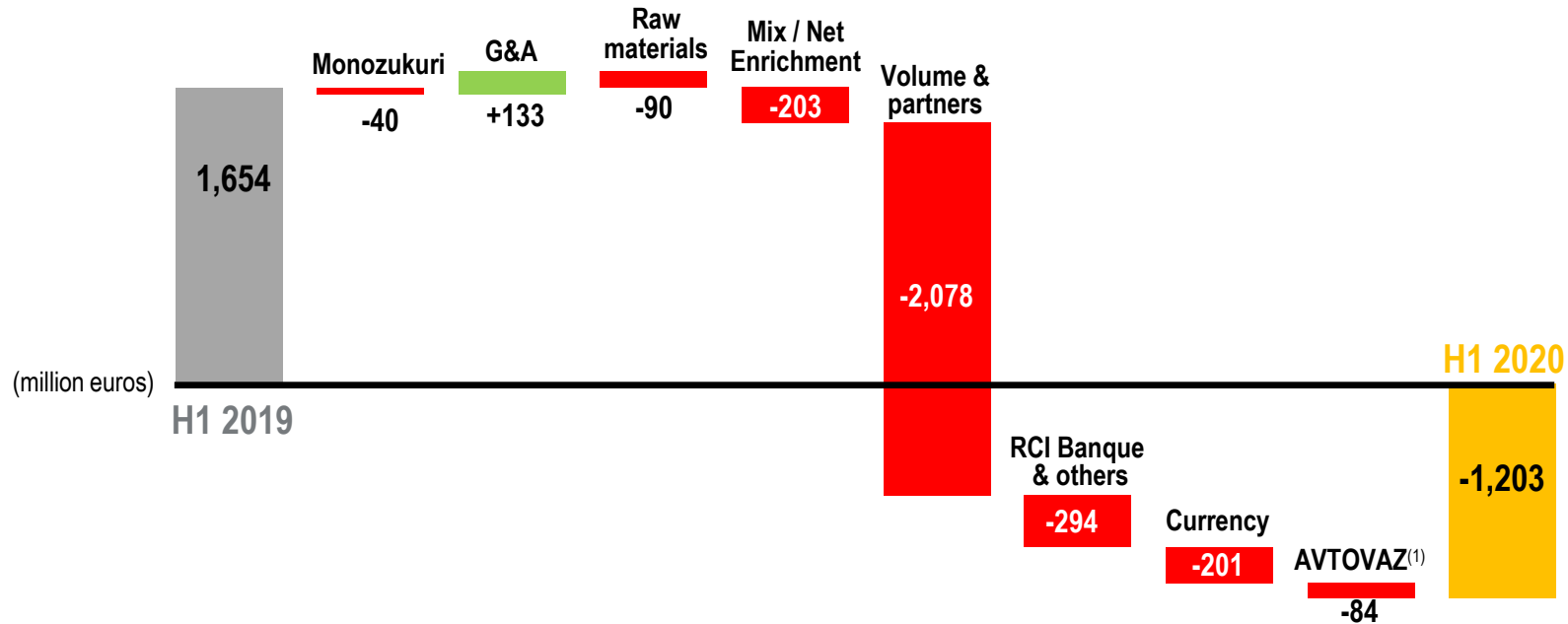
# Cost Reduction Analysis Excluding AVTOVAZ

Change H1 2020 vs H1 2019: +€93m



# Group Operating Profit Variance Analysis

Change H1 2020 vs H1 2019 : -€2,857m



(1) AVTOVAZ net of eliminations

# RCI Banque

	H1 2019	H1 2020
<b>New financings (€bn)</b>	<b>10.9</b>	<b>7.7</b>
<b>Average performing assets (€bn)</b>	<b>46.7</b>	<b>48.1</b>
<b>Net banking income</b>	<b>4.35%</b>	<b>4.22%</b>
<b>Cost of risk (customer &amp; dealer)</b>	<b>-0.40%</b>	<b>-0.99%</b>
<b>Operating expenses</b>	<b>-1.36%</b>	<b>-1.29%</b>
<b>Pretax income</b>	<b>2.62%</b>	<b>1.98%</b>
<b>Operating profit (€m)</b>	<b>591</b>	<b>469</b>

(in percentage of average performing assets)



# Other Operating Income & Expenses

*In million euros*

	H1 2019	H1 2020
<b>Restructuring costs</b>	<b>-117</b>	<b>-166</b>
<b>Impairment of PP&amp;E*, intangible assets and goodwill</b>	<b>-12</b>	<b>-445</b>
<b>Capital gain/loss on disposal of assets</b>	<b>+3</b>	<b>-153</b>
<b>Others</b>	<b>-7</b>	<b>-40</b>
<b>Total other operating income &amp; expenses</b>	<b>-133</b>	<b>-804</b>

\* Property, Plant and Equipment

# H1 2020 Financial Results

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# Associated Companies

<i>In million euros</i>	H1 2019	H1 2020	Change
<b>NISSAN</b>	-21	[ -4,817 ]	-4,796
<b>Others</b>	-14	-75	-61
<b>Total associated companies</b>	<b>-35</b>	<b>-4,892</b>	<b>-4,857</b>

	Q1	Q2
	-3,573	-1,244

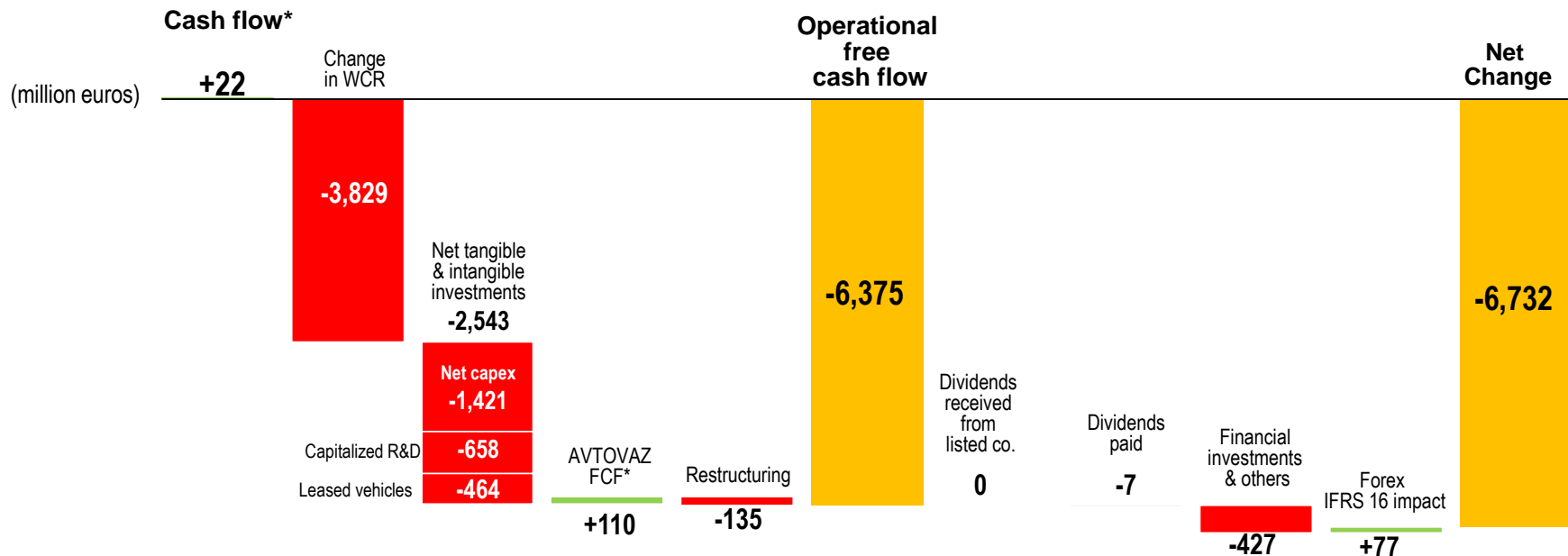
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# Automotive Net Financial Position

December 31, 2019: +€1,734m  
June 30, 2020: -€4,998m

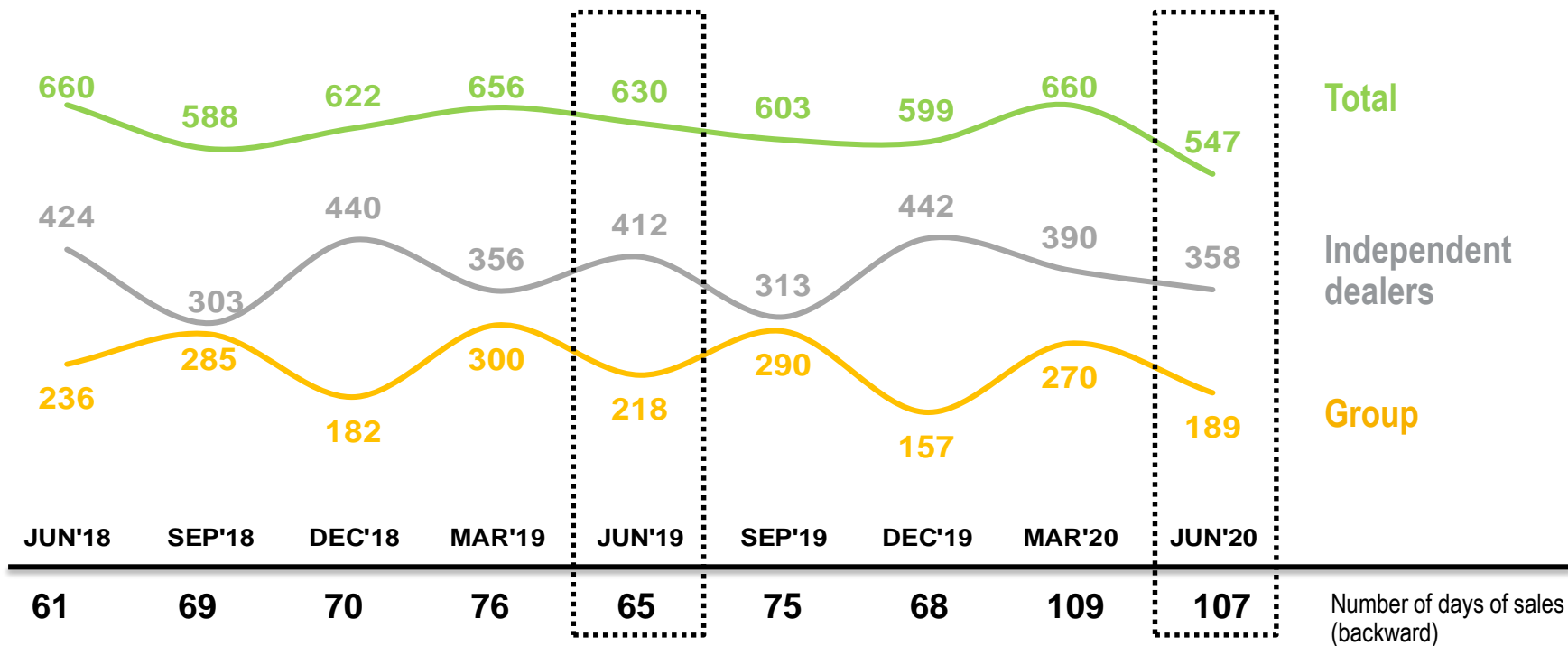
Excl. AVTOVAZ



\* w/o restructuring

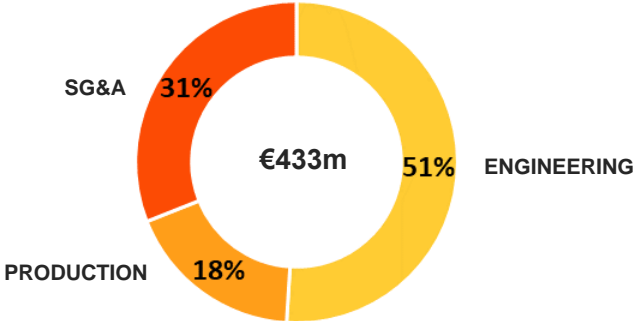
# New Vehicle Distribution Stock Excluding Avtovaz

(In thousand units)

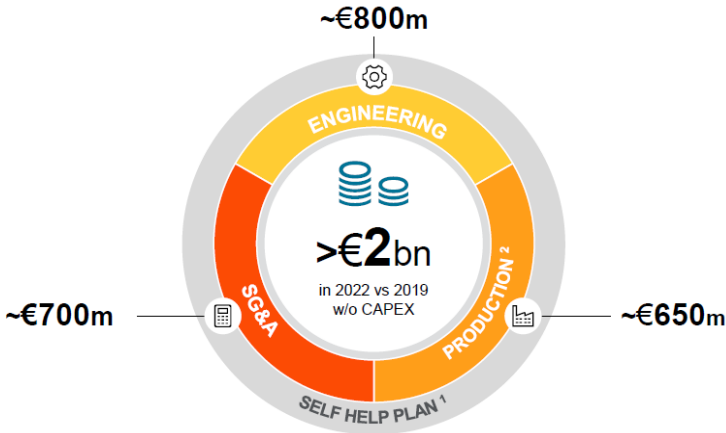


# 2022 Cost Reduction Project on Track

H1 2020



✓ 2020 perspective in line with cost reduction objective for the year (30%)



1- Execution of the €2bn reduction plan does not rely on new Alliance projects or external factors like market growth  
 2- Includes production labor cost savings

# H2 2020 Risks & Opportunities



## Risks

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- **Pace of market recovery**
- **Content costs**
- **Covid-19 evolution**



## Opportunities

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- **E-TECH**
- **Pricing management**
- **Government incentives impact**



# 03

## Questions & Answers

# **GROUPE** RENAULT

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## **H1 2020** Financial Results