

2015 FINANCIAL RESULTS

5% operating margin achieved as early as 2015

- **Group revenues up 10.4% to €45,327 million**
- **New registrations up 3.3% to 2.8 million units**
- **Group operating profit at €2,320 million (+44.2%), representing 5.1% of revenues versus 3.9% in 2014**
- **Automotive operating profit increased by 74.4% at €1,496 million (3.5% of automotive revenues versus 2.2% in 2014)**
- **Group operating income at €2,121 million (+91.9%)**
- **Associated companies' contribution amounted to €1,371 million (versus €1,362 million in 2014), including AvtoVAZ's negative contribution**
- **Net income at €2,960 million (+48.1%), compared to €1,998 million in 2014**
- **Positive Automotive operational free cash flow at €1,033 million**

“2015 results mark a decisive step towards the achievement of our plan “Drive the Change” targets. The involvement of all our staff and the success of our vehicles allowed us to reach our operating margin target sooner than planned. We must now achieve our revenue target while maintaining a margin in excess of 5%” said Carlos Ghosn, Chairman and Chief Executive Officer of Renault.

In 2015, **Group revenues** came to €45,327 million, up 10.4% from 2014. At constant exchange rates, revenues grew by 10.6%.

Automotive revenues amounted to €43,108 million, up 10.9% thanks to an increase in Group's brands volumes and sales to partners. The price effect was positive, primarily due to price increases in some emerging markets to offset currency devaluation.

The **Group's operating profit** amounted to €2,320 million (+44.2%), compared to €1,609 million in 2014, representing 5.1% of revenues (3.9% in 2014).

The **Automotive operating profit** was up €638 million (+74.4%) to €1,496 million, or 3.5% of revenues (versus 2.2% in 2014).

This performance is mainly attributable to volume growth (€480 million) and cost reduction (€527 million).

On the other hand, the mix/price/enrichment effect was negative by €379 million, mainly due to costs related to the life-cycle management of some ageing products, and to Euro 6 costs.

Finally, currency and raw materials impacts were slightly positive, respectively at €22 million and €61 million.

The contribution of **Sales Financing** to the Group's operating profit amounted to €824 million, compared to €751 million in 2014. This increase was due in particular to the rising contribution of services. The cost of risk improved to 0.33% of the average performing loans outstanding, compared to 0.43% in 2014.

Other Operating Income and Expenses/Items were negative at €199 million (-€504 million in 2014), mainly due to restructuring costs related to the ongoing implementation of the competitiveness agreement in France and restructuring costs in some other countries.

The Group's **operating income** came to €2,121 million, compared to €1,105 million in 2014. The increase in operating profit and significant reduction in other expenses led to this improvement.

The **contribution of associated companies** came to €1,371 million, compared to €1,362 million in 2014.

Nissan's contribution amounted to €1,976 million in 2015 versus €1,559 million in 2014.

Regarding AvtoVAZ's contribution, the exceptionally weak economic situation in Russia (35% contraction in the auto market, 33% decrease of the annual average Ruble exchange rate, and rising interest rates), worse than our initial expectations, led Renault to book a €620 million loss explained by:

- Renault's share in the net loss booked by AvtoVAZ for €395 million (of which €136 million from negative operating margin),
- An impairment loss on the value of the equity investment for €225 million, to adjust it to the stock- market value of AvtoVAZ shares. As of December 31, 2015, Renault's share in AvtoVAZ was valued at €91million.

The Renault group has entered into discussions with the other shareholders of the AvtoVAZ's controlling holding company, ARA BV, with an intention to recapitalize the company. This could lead to consolidation in Renault's accounts. As a result, the loan and receivables on AvtoVAZ would be capitalized and constitute part of the net equity investment on December 31, 2015.

Net income came to €2,960 million (+48.1%), and Group share totaled €2,823 million (€10.35 per share, compared to €6.92 per share in 2014, up 49.6%).

Automotive operational free cash flow was positive at €1,033 million, mainly due to the increase in profitability, as well as a positive change of €663 million in the working capital requirement.

A dividend of €2.40 per share, vs €1.90 last year, will be submitted for approval at the next Shareholder's Annual General Meeting.

OUTLOOK 2016

In 2016, the global market is expected to record growth of 1% to 2% compared with 2015. The European market is expected to increase by 2%, with a 2% increase also for France.

At the International level, the Brazilian and Russian markets are expected to decline further, by 6% and 12% respectively. On the contrary, China (+4% to +5%) and India (+8%) should pursue their momentum.

Within this context, the Renault group (at constant scope of consolidation) is aiming to:

- increase group revenues (at constant exchange rates),
- improve group operating margin,
- generate a positive Automotive operational free cash flow.

RENAULT CONSOLIDATED RESULTS

€ million	2015	2014	Change
Group revenues	45,327	41,055	+4,272
Operating profit	2,32	1,609	+711
revenues % of	5.1%	3.9%	+1.2pts
Other operating income and expenses items	-199	-504	+305
Operating income	2,121	1,105	+1,016
Net financial income	-221	-333	+112
Contribution from associated companies	1,371	1,362	+9
o/w : NISSAN	1,976	1,559	+417
AvtoVAZ	-620	-182	-438
Current and deferred taxes	-311	-136	-175
Net income	2,96	1,998	+962
Net income, group share	2,823	1,89	+933
Automotive operational free cash flow	1,033	1,083	-50

ADDITIONAL INFORMATION

The consolidated financial statements of the Renault group at December 31, 2015 were approved by the Board of Directors on February 11, 2016.

The Group's statutory auditors have conducted a limited review of these financial statements and their report will be issued shortly.

The earnings report, with a complete analysis of the financial results in 2015, is available at www.group.renault.com in the Finance section.

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