PRESS RELEASE

July 30, 2009

FIRST-HALF 2009 RESULTS

- **Net loss of €2,712 million**
- **Positive free cash flow of €848 million**
- **Group global market share stable at 3.7%**

"We anticipated the crisis from July 2008 and made the first decisions necessary to weather it. Today, Renault is showing resilience, as illustrated by our significantly positive free cash flow. We are already preparing Renault for the post-crisis period with the mass marketing of zero-emission vehicles from 2011, the expansion of the Entry-level range, consolidation of our presence in emerging markets and a drive to accelerate and expand synergies with Nissan," said Carlos Ghosn, Chairman and CEO of Renault.

RESULTS AFFECTED BY FALLING MARKETS

With markets worldwide in free fall, including in emerging countries, **Group revenues stood at €15,991 million in first-half 2009, down 23.7%** (21.5% excluding currency effects) on the same period in 2008.

Automobile's revenue contribution was €15,101 million on a consistent basis, down 24.2% on the first half of 2008. This figure masks a significant shift between the first and second quarters (-30.8% and -16.9% respectively). The general decline was caused by a sharp slowdown on virtually all Group markets, which resulted in a negative volume effect across all Regions.

- <u>Europe</u> contributed to half of the revenue decline (-11.6 points), despite scrappage schemes in a number of countries. The product mix has been pulled downwards despite the good start made by the New Mégane and New Scenic. Several currencies, including sterling and the Polish zloty, also adversely affected revenues for Europe.
- <u>International operations</u> were responsible for 6.8 points of the decline in revenue. Unfavorable currency effects, particularly on the Korean won, the Brazilian real, the Russian rouble and the Romanian lei, exacerbated the negative volume effect.
- <u>Sales of sub-systems and complete vehicles to partners</u> made a negative contribution of 5.8 points. Sub-system sales were affected by the industry-wide reduction in inventories. Sales of light commercial vehicles were hit by the downturn in the European LCV market.

Corporate Communications
1967, rue du Vieux Pont de Sèvres – 92109 Boulogne Billancourt Cedex
Tel.: + 33 (0)1 76 84 64 69 – Fax: + 33 (0)1 76 89 08 56
Sites: www.renault.com & www.media.renault.com

The revenue contribution from **Sales Financing** (RCI Banque) fell by 14.7% on the first half of 2008 to €890 million.

The Group's **operating margin** was a negative €620 million in the first half of 2009, or -3.98% of revenues, compared with a positive €865 million, or 4.1% of revenues, in the first half of 2008.

- <u>Automobile's</u> operating margin fell to a negative €869 million, or -5.8% of revenue in first-half 2009, down by €1,467 million on first-half 2008. This fall can be attributed to a negative exchange rate effect of €155 million, a €978 million fall in volumes that was directly linked to the slowdown on automotive markets, a negative mix/price and incentives impact of €385 million and a €176 million increase in the cost of raw materials.
  However, the company-wide cost-cutting policy began to take effect: purchasing costs fell €90 million excluding raw materials, and G&A declined by €106 million. At the same time, warranty-related costs continued to fall, dropping by €110 million over the first half, reflecting continuous progress in product and service quality. Like revenue, operating margin showed a significant improvement between the first and second quarters.

- <u>RCI Banque</u> demonstrated its resilience with an operating margin of €249 million, equal to 28% of revenues. This performance can be attributed to good risk management and to real commercial momentum despite a 13% contraction in average performing loans outstanding.

The Group posted an **operating loss** of €946 million in the first half of 2009, compared with income of €845 million in the first half of 2008. Other operating income and expenses[1] showed a net charge of €326 million, made up primarily of a €297 million impairment charge linked to the fact that expected volumes in the range have been revised downwards.

The **net financial result** showed a net charge of €181 million, compared with net income of €315 million in the first half of 2008, including a positive impact of €343 million arising on the revaluation of redeemable shares. Excluding this item, the deterioration in the net financial result is the direct consequence of the increase in Group debt and the rise in interest expense.

The Group's share in **associated companies** generated a loss of €1,584 million, of which €1,211 million for Nissan, €196 million for AB Volvo and €182 million for AvtoVAZ. The negative contribution of Nissan fell considerably in the second quarter to €60 million, compared with €1,151 million in the first quarter.

The Group recorded a **net loss** of €2,712 million for the first half of 2009, compared with net income of €1,581 million in the first half of 2008.
Group **shareholders' equity** stood at €16,548 million at June 30, 2009.

[1] In 2009, impairment for loss of value on fixed assets was recognized in other operating income and expenses.

ACTION PLAN ON TRACK WITH POSITIVE FREE CASH FLOW AND A REDUCTION IN NET FINANCIAL DEBT

The action plan put in place by Renault in July 2008 to weather the crisis is bringing results. The improvement in free cash flow gathered pace in the second quarter.

Automobile generated **positive free cash flow** of €848 million in the first half of 2009, in advance on the action plan. This performance is attributable to cost-cutting, lower investment and a lower working capital requirement – particularly in terms of inventory. R&D spend fell by 25% on first-half 2007, well ahead of the 15% reduction target initially set for the period 2007-2009. In light of this performance, the objective has been revised to a 20% reduction. Net tangible investments were down 10% on the first half of 2007. Vehicle inventory was cut by €891 million compared with end-2008. The Group will also benefit from the **successful launches of the Mégane family**.

Automobile net financial debt declined by €708 million to €7,236 million at June 30, 2009, i.e. 43.7% of shareholders' equity (compared with 40.9% of shareholders' equity at December 31, 2008).

As at June 30, 2009, Automobile had improved its **cash position** relative to December 31, 2008 and had €3.4 billion in cash and cash equivalents and €4.2 billion in undrawn confirmed credit lines.

RCI Banque had available gross liquidity of €5.4 billion, covering more than twice all outstanding commercial paper and certificates of deposit (€2.2 billion).

2009: MARKET

The implementation of tax incentives already had favorable effects on automotive markets and the Group in first-half 2009. The Group has revised its 2009 world market forecasts upward to more than 57 million units, or a decrease of 12% on 2008 compared with the initial forecast of 15% decrease. After a 13.7% decline in the first half, the European market is expected to improve in the second half-year to finish at -8% for the full year.

The Group will fully benefit in second-half 2009 from the launches in the first half of the year, notably the New Mégane, the two versions of New Scenic and Clio III phase 2. The product offensive will continue with the renewal of the SM3 and SM5 in South Korea.

2009: OUTLOOK

In this context, the Group is confirming the 2009 objectives announced at the start of the year, namely a positive free cash flow and an increase in market share.

These objectives will be achieved by pursuing the action plans on further inventory reduction, managing receivables, limiting investments, reducing costs and by improving operational performance, compared with the first half-year.

PRESS RELEASE

Renault consolidated revenues[1] by division and by half-year

€ million	*H1 2009*	*H1 2008 on a consistent basis*	*% change 2009/2008*
Automobile	15,101	19,918	-24.2%
Sales Financing (RCI Banque)	890	1,043	-14.7%
Total	**15,991**	**20,961**	**-23.7%**

Renault consolidated income by half-year

€ million	*H1 2009*	*H1 2008*
Operating margin	-620	865
Operating income	-946	845
Net financial income	-181	+315
Share in associated companies	-1,584	729
Current and deferred taxes	-1	-308
Net result	-2,712	1,581

Divisional contribution to Renault operating margin by half-year

€ million	*H1 2009*	*H1 2008*	*Change*
Automobile *as a % of revenues*	-869 *-5.8%*	598 *3.0%*	-1,467
Sales Financing (RCI Banque) *as a % of revenues*	249 *28.0%*	267 *25.3%*	-18
Total *as a % of revenues*	**-620** ***-3.9%***	**865** ***4.1%***	-1,485

[1] On a consistent basis

Corporate Communications
1967, rue du Vieux Pont de Sèvres – 92109 Boulogne Billancourt Cedex
Tel.: + 33 (0)1 76 84 64 69 – Fax: + 33 (0)1 76 89 08 56
Sites: www.renault.com & www.media.renault.com