



Renault Group

2022 H1

July 29, 2022

Financial Results

Agenda

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**Renault
Group**

01

2022 H1 Highlights

Luca de Meo
CEO Renault Group



2022 H1: a new step in Renault Group recovery

Operating
margin

4.7%
+2.6pts
vs 2021 H1*

Automotive operational
free cash flow

€956m
+€1,470m
vs 2021 H1*

Net debt
June 30, 2022

-€426m
€1,196m
improvement vs Dec. 21
o/w €522m due to Russia exit

... despite strong headwinds

EC crisis

Cost inflation
(incl. raw materials)

Russia

Thanks to our in-depth transformation

3 main levers



**Commercial
policy focused
on value**



**Line-up renewal
with 1st commercial
successes**



Competitiveness

Efficient value over volume policy

 **Renault E-TECH mix** (pc, Europe)

+10 pts to **36%**
vs 2021 H1 2022 H1

C & above segment

+3 pts to **39%**
vs 2021 H1 2022 H1

 **Retail channel mix**

 Renault* **+13 pts** to **53%**
vs 2021 H1 2022 H1

 **High trims mix**

≥70% for Arkana, Megane Electric, Spring

**Pricing
effect**

+7.4 pts
vs 2021 H1

All launches are a hit

Order book 4.1 months of sales



Renault **ARKANA**
> **40,000 orders** in H1
> 100,000 since launch
~**60% E-TECH**
~**60%** retail channel



Dacia **SPRING**
> **30,000 orders** in H1
€19.8 k*, the **most affordable** European EV
#2 EV & #1 EV Retail in France in H1



Renault **MEGANE ELECTRIC**
> **25,000 orders**
75% high trims & > **80%** large battery



Dacia **JOGGER**
> **50,000 orders** in H1
> **60%** high trims & LPG
€18.2 k for **7 seats**



Renault **AUSTRAL**
C-SUV, 2022 H2
E-TECH engine: 4.5l/100 km
102 g CO₂/km WLTP



Alpine **A110**
Orders 2 x in H1
vs 2021 H1

* Before bonus and incentives

Competitiveness

Continuous improvement & optimization

LEAN ORGANIZATION

Since July 2020: New strategic talents
Internal promotions **250**
53
Continuous improvement in span of control ⁽¹⁾
+14%

CASH FIXED COSTS OPTIMIZATION

-€100m

in 2022 H1 vs end 2021

mostly fixed marketing expenses & manufacturing costs

ENERGY CRISIS MANAGEMENT

Industry
-10%

Worldwide energy consumption performance vs 2021 for gas & electricity ⁽²⁾

INVENTORY MANAGEMENT

-185,000 vehicles **-35%**

in 2022 H1 vs 2020 H1

REAL ESTATE FOOTPRINT ⁽³⁾

-8% **-1 million m²**

vs 2019

(1) Since end of 2020

(2) 2022 H1 vs 2021 average

(3) Excluding Russia (300 km²)



**Renault
Group**

02

2022 H1 Financial Results

Thierry Piéton
CFO Renault Group

Russia deconsolidation impact

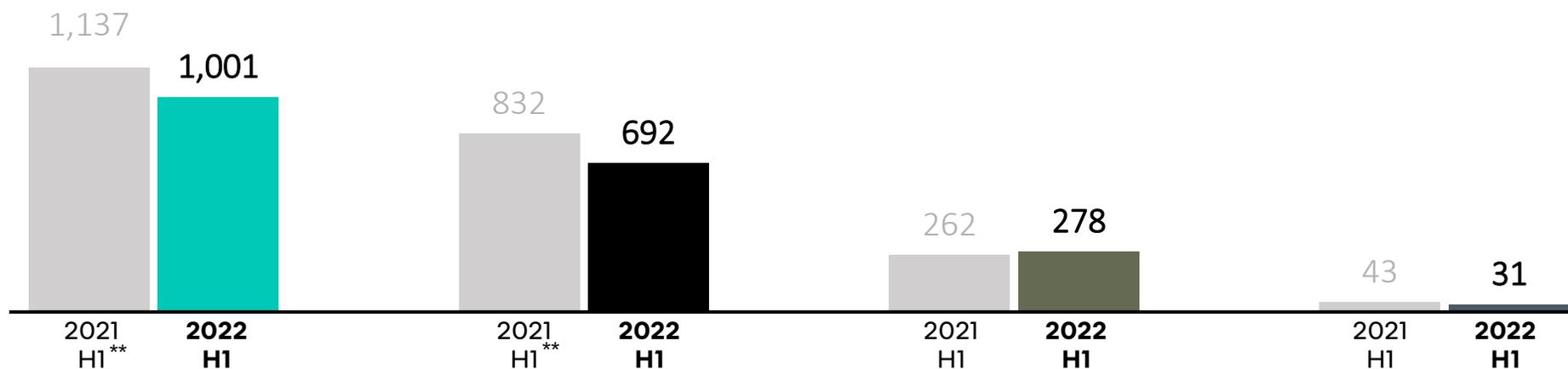
2021						
In million euros	2021 H1 Published	2021 H1 Adjusted	Change	2021 FY Published	2021 FY Adjusted	Change
Group revenue	23,357	21,057	-2,300	46,213	41,659	-4,554
Operating margin % of Group revenue	654 2.8%	432 2.1%	-222 -0.7 pt	1,663 3.6%	1,153 2.8%	-510 -0.8 pt
Net income	368	368	0	967	967	0
o/w continuing operations	368	199	-169	967	549	-418
o/w discontinued operations	-	169	+169	-	418	+418
Automotive operational free cash-flow	-70	-514	-444	1,272	889	-383
Automotive net financial position				-1,622 At Dec. 31, 2021	-1,100 At Dec. 31, 2021	+522

2022

- Russian Automotive activities deconsolidated in 2022 H1 and treated as discontinued operations with retroactive effect to January 1, 2022
- 2022 H1 impact: net income of discontinued operations -€2.3bn
- 2022 H1 financial aggregates of continuing activities no longer include Russian Automotive activities, and 2021 adjusted in line

2022 H1 Renault Group sales

Sales evolution by brand*



RG
RENAULT GROUP


RENAULT


DACIA

Others***

In %

$\Delta / 2021 H1$

-11.9

-16.8

+5.9

-27.6

* PC+LCV in thousand units

** 2021 volumes at proforma 2022 (excluding Renault Russia and AVTOVAZ)

*** Others = Alpine, Renault Korea Motors, Eveasy and Jinbei&Huasong

2022 H1 Group revenue

In million euros	2021 H1*	2022 H1	Change
Global unit sales (Kunits)	1,137	1,001	-11.9%
Group revenue	21,057	21,121	+0.3%
o/w Automotive	19,524	19,574	+0.3%
o/w Mobility Services	11	17	+54.5%
o/w Sales Financing (Mobilize Financial Services)	1,522	1,530	+0.5%

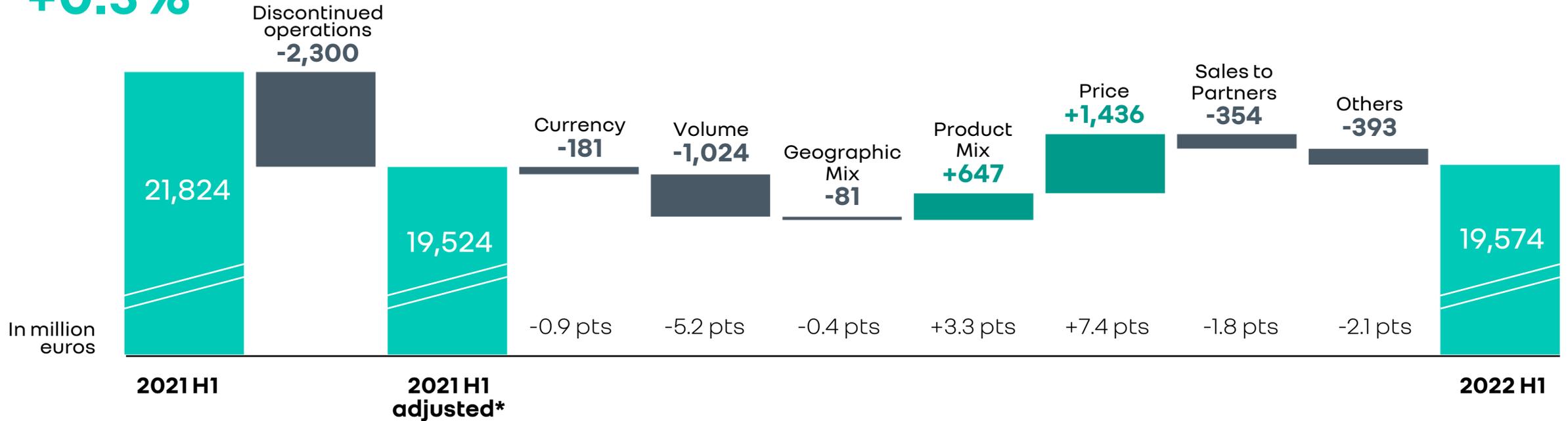
* Adjusted to reflect the exit from Russia

Revenue variance analysis

Change 2022 H1
vs 2021 H1*

+€64m

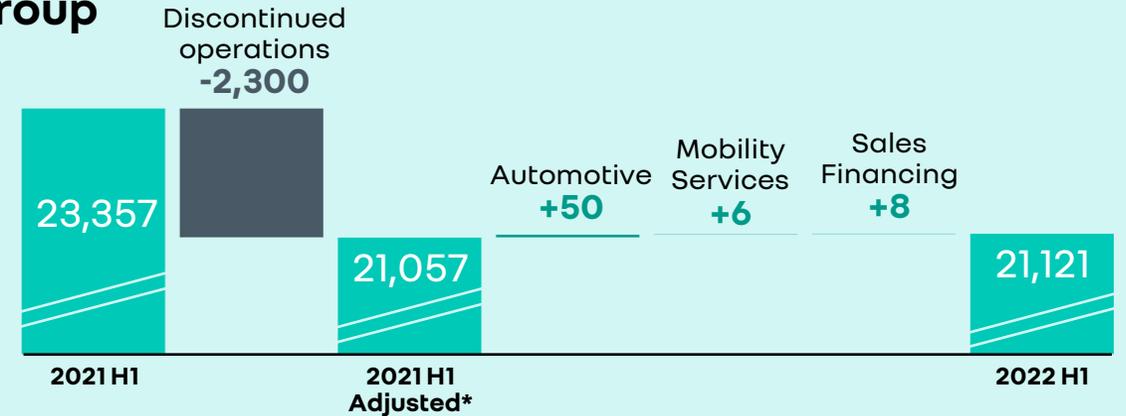
Revenue for
Automotive
+0.3%



Revenue for Renault Group

+0.3%

In million euros



* Adjusted to reflect the exit from Russia

2022 H1 operating margin by activity

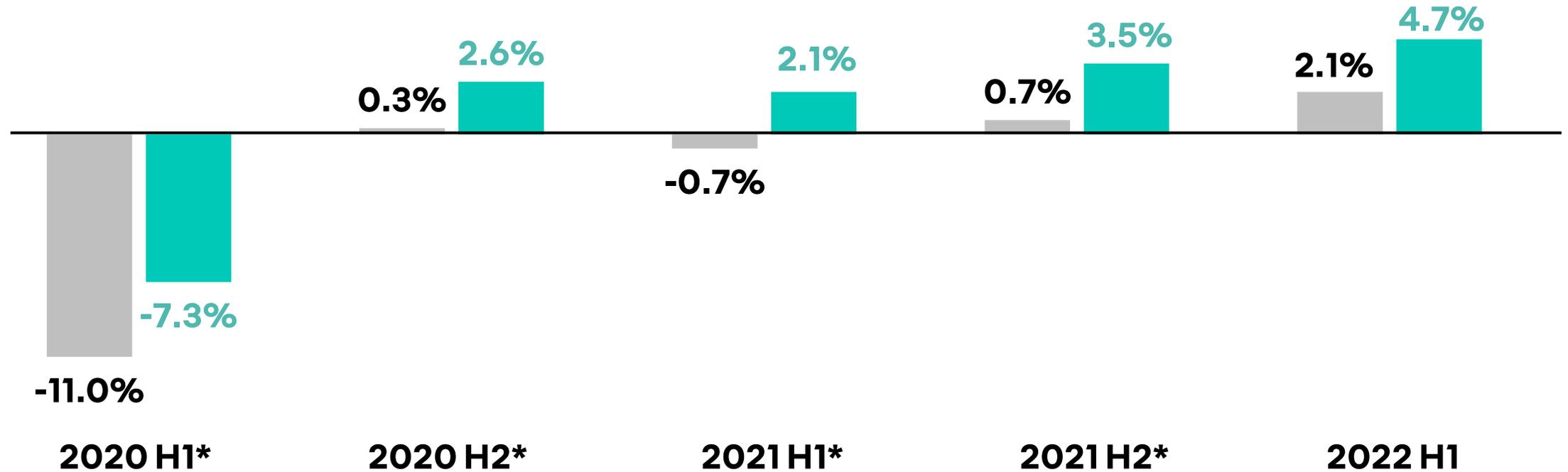
In million euros	2021 H1*	2022 H1	Change
Group operating margin % of Group revenue	432 2.1%	988 4.7%	+556 +2.6 pts
o/w Automotive % of segment revenue	-145 -0.7%	420 2.1%	+565 +2.8 pts
o/w Mobility Services	-16	-14	+2
o/w Sales Financing (Mobilize Financial Services)	593	582	-11

* Adjusted to reflect the exit from Russia

Operating margin evolution

Group margin

Auto margin



* Adjusted to reflect the exit from Russia

Group operating margin variance analysis

Change 2022 H1
vs 2021 H1*

+€556m



*Adjusted to reflect the exit from Russia

** o/w +€147m of amortization & R&D capitalization rate

Sales Financing: Mobilize Financial Services

	2021 H1	2022 H1	Change
New financings (€bn)	8.7	8.9	+2.3%
Average performing assets (€bn)	45.5	43.7	-3.9%
Net banking income	4.2%	4.7%	+0.5 pt
Cost of risk (customer & dealer)	-0.16%	-0.49%	-0.33 pt
Operating expenses	-1.3%	-1.5%	-0.2 pt
Pretax income	2.7%	2.1%	-0.6 pt
Operating profit (€m)	593	582	-11

(in percentage of average performing assets)

Other income & expenses

In million euros	2021 H1*	2022 H1	Change
Restructuring costs	-144	-134	+10
Impairment of PP&E**, intangible assets and goodwill	-30	-2	+28
Capital gain/loss on disposal of assets	126	56	-70
Others	-22	31	+53
Total other operating income & expenses	-70	-49	+21

* Adjusted to reflect the exit from Russia

** Property, Plant and Equipment

2022 H1 financial results

In million euros	2021 H1*	2022 H1	Change
Group revenue	21,057	21,121	+0.3%
Operating margin	432	988	+556
% of Group revenue	2.1%	4.7%	+2.6 pts
Other operating income & expenses	-70	-49	+21
EBIT	362	939	+577
Net financial income & expenses	-138	-236	-98
Associated companies	160	214	+54
Current & deferred taxes	-185	-260	-75
Net income	368	-1,666	-2,034
o/w continuing operations	199	657	+458
o/w discontinued operations	169	-2,323	-2,492

* Adjusted to reflect the exit from Russia

Associated companies

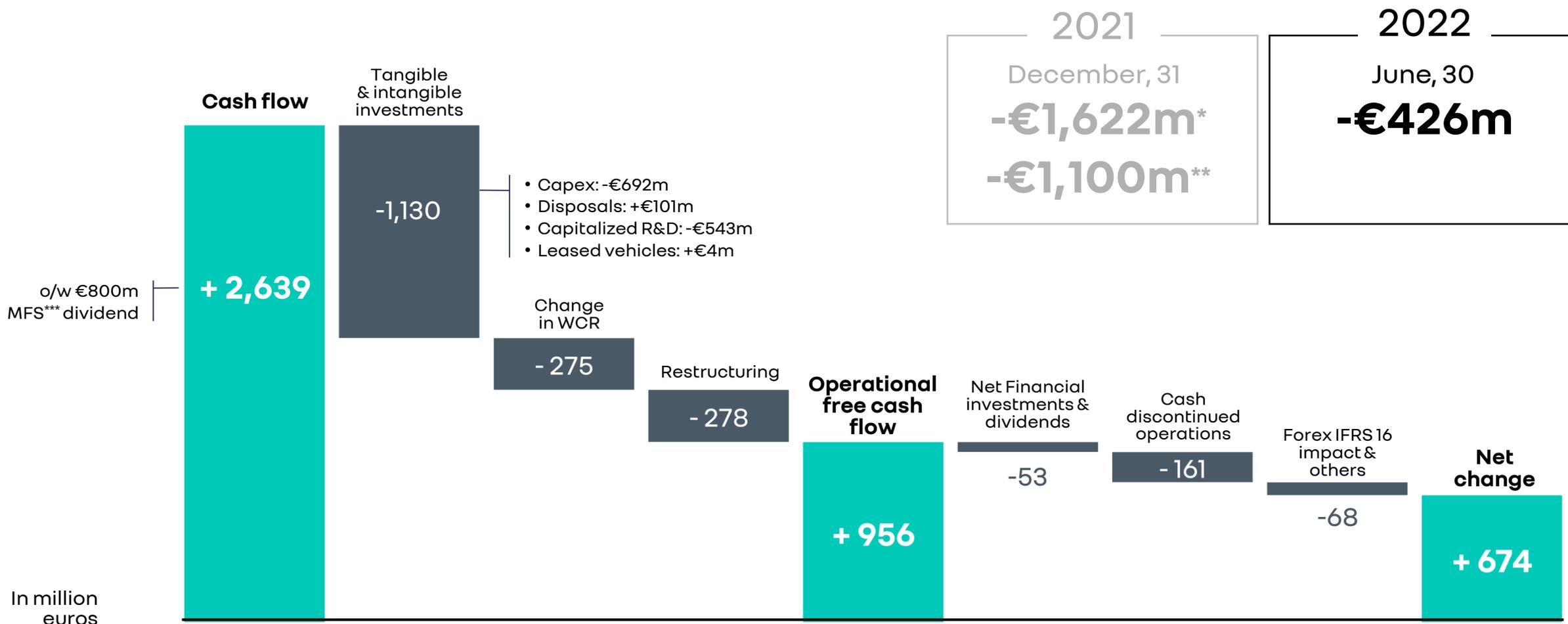
In million euros	2021 H1	2022 H1	Change
Nissan	100	325	+225
Others	60	-111	-171
Total associated companies	160	214	+54

Current & deferred taxes and net income

In million euros	2021 H1 *	2022 H1	Change
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Automotive net financial position



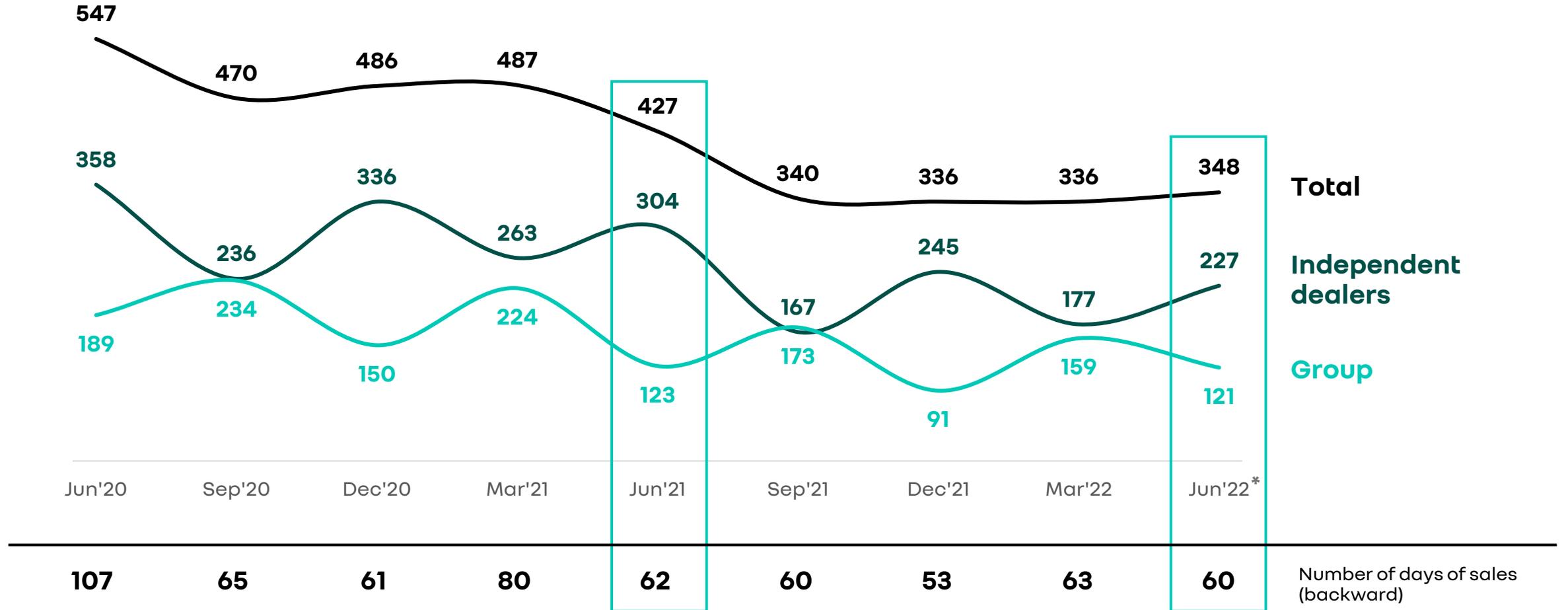
* Published

** Adjusted to reflect the exit from Russia

*** MFS: Mobilize Financial Services

New vehicles distribution inventories

(In thousand units)



* Renault Russia activities excluded only for June 2022
Russian inventories represented ~15 Kunits in average

Debt and liquidity

Loan with French State guarantee "PGE"

2022 H1: €1bn early repayment

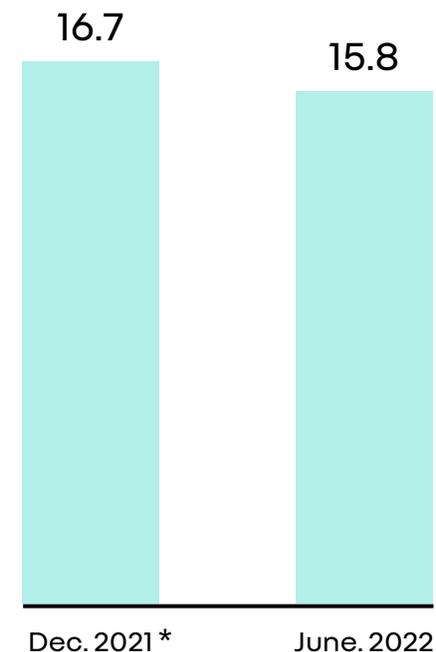
2022 H2: €1bn annual repayment

Fully reimbursed by the end of **2023** at the latest

3-year maturity Samurai Bond for ¥80.7bn
(received on July 1, 2022)

Auto division liquidity reserves

(in €bn)



* Adjusted to reflect the exit from Russia



**Renault
Group**

03

Outlook & Strategy

Luca de Meo

CEO Renault Group

2022 H2

Risks



EC shortage



Cost inflation (o/w raw mat)



Energy crisis



Customer demand

Opportunities



EC availability



Cost reduction



Product cycle

(Arkana, Jogger, Megane Electric, Austral...)

2022 outlook upgraded

H2 market
outlook



Europe



Eurasia
excluding Russia



Latam

Group operating margin **>5%** vs ~3% previously

Automotive operational free cash-flow **>€1.5bn** vs positive previously

The Group confirms an impact of the semiconductor crisis estimated at 300,000 vehicles in 2022

Ambitious product line-up

to fuel sustainable & profitable growth

Global PC+ LCV

25
Launches



>**50%** on C & above segment for PC

~**50%** BEV

80% electrified vehicles

Key partnerships

in 2022 H1 to secure the EV value chain

Battery raw materials



Low-carbon cobalt

Produced in Morocco with traceability of supply chain

5,000t/y from 2025 for **7 years** representing an annual battery production capacity of up to 15 GWh

Battery casings



JV creation for battery casings in ElectriCity in France

Capacity of **300,000** battery casings/year by 2025, for electric vehicles

e-Motor



200kW new generation rare-earth free electric motor

Start of production from **2027**

Power electronics



for EV and hybrid powertrains in "One box"

All components* in one housing with start of production from **2026**

* DC-DC converter + on-board charger OBC + inverter

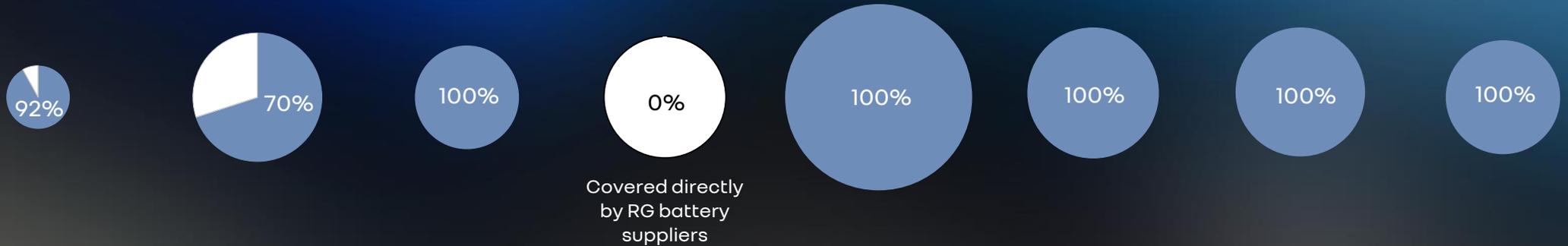
Covered EV Value chain

from 10% in 2020 to 30% in 2022
80% by 2030

Step of the value chain



2030 target coverage



Partnerships



Level of coverage: ■ Covered ■ Not covered

Accelerate the transformation to become more

Competitive



3DEXPERIENCE platform for the development of products and mobility services
First-of-a-kind deployment of this scale



ID@scale, solution for manufacturing data management, developed by Renault Group: **€200m** savings / year by 2023



Tech

Strategy 2030 revealed & ambition of **20%** of 2030 Group's revenue

RCI becomes 

Already **5** startups incubated

4 projects finalized

Extended collaboration leveraging Snapdragon® Digital Chassis™

Renault Tech, which customizes and transforms vehicles, becomes Qstomize

Enlarged product range & **7** new countries

A new ambition for sustainability
Scenic Vision concept-car

change**NO**W

Safety

-70% accidents
No-stress tech

Climate

Zero CO₂ in
production & in use

Inclusion

Easy access

Hydrogen

Range extender



95% Recyclable,
incl. the battery

Ressources

70% Recycled

Reloaded Alliance



RENAULT NISSAN MITSUBISHI



Largest EV offer worldwide

35 full EV in 2030
90% common Alliance platforms

Electrification:
€10bn already invested
€23bn for 2022-26



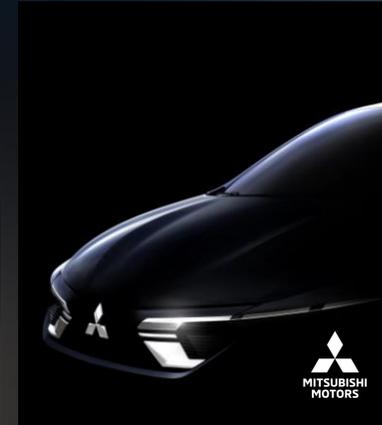
Common Platforms

~80% Alliance vehicles in 2026 vs 60% in 2021

H1 announcements



New ASX in RG
Valladolid plant 2023



New Colt in RG plant 2023



Successor of Micra in RG ElectriCity plant

Capital Market Day in the fall 2022

To update **mid-term
financial targets**
& reveal the new
chapter of
Renaulution strategy



**Renault
Group**

04 Questions & Answers



**Renault
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**Competitive,
tech &
sustainable
company**

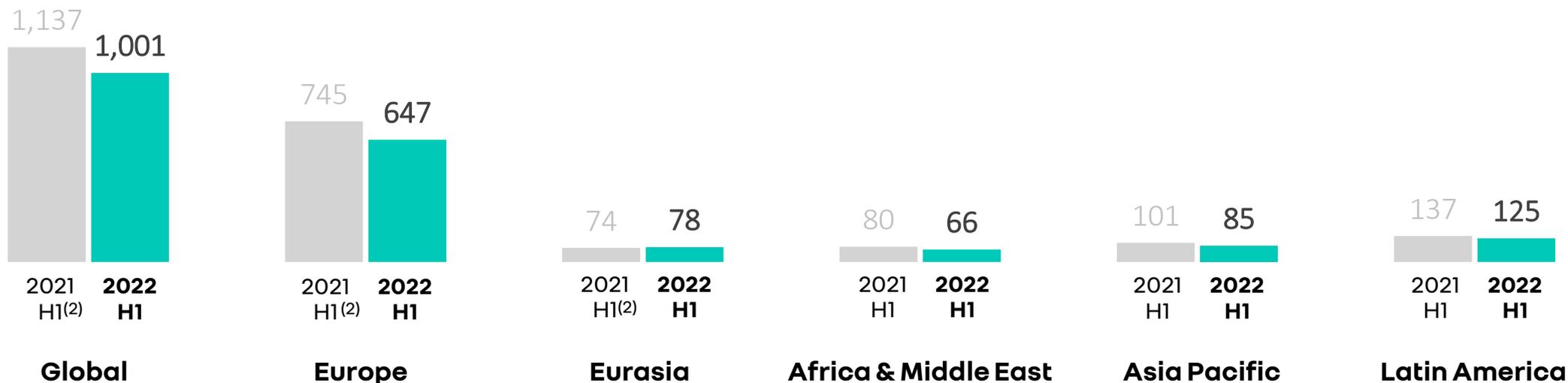


**Renault
Group**

05 Appendix

H1 2022 Renault Group Sales

Market and sales evolution by region⁽¹⁾



In %

Δ/ 2021 H1	Car Market (3)	Europe	Eurasia	Africa & Middle East	Asia Pacific	Latin America
	-15.1	-11.7 ⁽⁴⁾	-1.3	-3.1	-2.6	
Renault Group	-13.1	+4.3	-17.1	-15.9	-8.3	

(1) PC+LCV in thousand units

(2) 2021 volumes at proforma 2022 (excluding Renault Russia and AVTOVAZ)

(3) PC+LCV excluding Iran

(4) Excluding Russia

Disclaimer

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Renault Group

2022 H1

July 29, 2022

Financial Results