

# KEY FIGURES

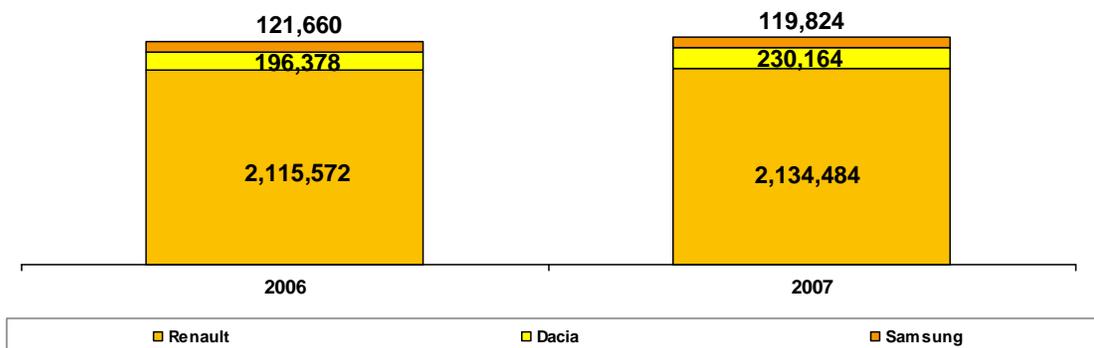
## 2007 FINANCIAL RESULTS

- 1** Renault sales worldwide
- 2** Revenues
- 3** Operating margin
- 4** Other operating income and expenses
- 5** Renault's share in net income of associated companies
- 6** Net income
- 7** Future-related costs
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# 1. RENAULT SALES WORLDWIDE

Worldwide sales by brand



- In 2007, Renault sales <sup>(1)</sup> totaled 2,484,472 units, up 2.1% on 2006.
- In Europe, with 1,593,243 units sold, the Renault Group holds an 8.8% combined market share for passenger cars and light commercial vehicles. On an automotive market characterized by weak growth of +1.5% and fierce competition, Renault sales decreased by 4.1%. The situation turned around in the second half and sales rose 4.6% in the last quarter.
- The Renault Group's product offensive began in 2007, with the launch of Logan Van, New Twingo, New Laguna Sedan and Estate, QM5 and Sandero. Logan's success has been confirmed: 367,745 units sold under the two brands Renault and Dacia, for a total increase in growth of 48%. Since New Twingo's launch in mid-june in France, Italy and Slovenia, and during the second half in ten other European countries, 56,000 units were sold. New Twingo is the segment leader in France with 32,408 units sold. New Laguna, a vehicle that embodies the quality commitment of Renault Commitment 2009, was launched over several days in 15 European countries since October. It was warmly welcomed. After two and a half months of commercialization, more than 22,700 Lagunas were sold, including more than 12,000 in France.
- Group sales in the Euromed, Americas and Asia-Africa Regions rose 16.3%, accounting for 35% of total worldwide sales, compared with 30% in 2006. Renault brand grew its sales by 0.9%, Dacia by 17.2% thanks to Logan, and Renault Samsung Motors slightly decreased (-1.5%).
  - In the Euromed Region, Group sales rose 11.5% to 424,431 passenger cars and light commercial vehicles thanks to the high performance of the Renault brand.
  - In the Americas Region, where it is represented mainly by the Renault brand, the Group grew sales (PC and LCV) by 32.2% amid dynamic market conditions. Growth was particularly strong in Argentina (39%), Brazil (42.4%) and Venezuela (126.8%), where sales grew faster than the market.
  - In Asia-Africa, Group sales increased 9.8% and Renault brand sales rose 35.9% to 71,372 units. In South Korea, sales of Renault Samsung Motors slightly decreased at 117,203 units (-1.5%). QM5, the Group's first crossover vehicle was launched mid-December 2007.

(1) The term "sales" includes registrations of new vehicles plus invoicing for certain geographical regions.

(2) The term "Europe" includes Western Europe (France, Germany, Italy, UK, Spain, Netherlands, Belgium, Luxembourg, Portugal, Switzerland, Austria, Sweden, Finland, Norway, Denmark, Iceland, Ireland and Greece) and Central Europe (Bosnia, Croatia, Hungary, Macedonia, Baltic states, Poland, Czech Republic, Slovakia, Slovenia, Serbia, Montenegro).



## 2. REVENUES

€million	2007			2006	%
	H1	H2	Full year	2007(1) scope	
Automobile	19,567	19,112	38,679	38,058	+1.6 %
Sales Financing	995	1,008	2,003	1,911	+ 4.8 %
<b>Total</b>	<b>20,562</b>	<b>20, 120</b>	<b>40,682</b>	<b>39,969</b>	<b>+ 1.8 %</b>

- **Group revenues came to €40,682 million in 2007**, up 1.8% on a consistent basis compared with the same period in 2006.
- The contribution from **Automobile** was up 1.6% on a consistent basis to €38,679 million, as a result of two trends:
  - Revenue growth was shaped by two factors:
    - The revenue contribution from the France and Europe Regions fell 2.6%, in a highly competitive market. The situation turned around in the second half at an accelerated pace in the last quarter, with a lift from the launch of new products
    - The contribution from the other Regions - Euromed, Americas and Asia-Africa - was up 3.1%, chiefly on volume growth and a better product mix
  - Other factors included:
    - Sales of powertrains and built-up vehicles to partners made a positive contribution of 1.2 points.
- **Sales Financing** contributed €2,003 million to Group revenues, stable on 2006.

(1) To allow comparisons, 2006 data have been restated to conform to the 2007 presentation.



## 3. OPERATING MARGIN

### Contributions to Group operating margin

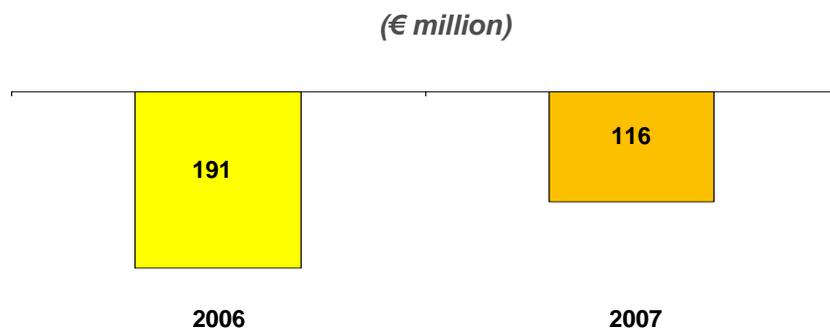
€million	2007	2006
<b>Automobile</b> % of revenues	<b>882</b> 2.3 %	<b>571</b> 1.5 %
<b>Sales Financing</b> % of revenues	<b>472</b> 23.6 %	<b>492</b> 25.6 %
<b>Total</b> % of revenues	<b>1,354</b> 3.3 %	<b>1,063</b> 2.6 %

- Group **operating margin** came to €1,354 million in 2007, or 3.3 % of revenues, compared with 2.6% in 2006.
- **Automobile** contributed €882 million (2.3 % of revenues), up 54.5 % versus €571 million (1.6% of revenues) in 2006.
  - With adverse economic conditions in 2007, the Automobile operating margin saw a negative currency impact of €154 million and raw material costs up by €270 million.
  - Despite these negative impacts, the operating margin increased owing chiefly to:
    - Improved profitability of international activities
    - The steady performance of the commercial vehicle line-up in Europe
    - Continued cost cutting efforts:
      - purchasing costs fell by €60 million, excluding the impact of raw materials
      - manufacturing and logistics costs improved by €137 millions
      - G&A declined 2%, by €44 million.
  - Special product-recall and warranty extension operations were carried out with a view to preserving the Group's brand image; these resulted in a €152 million increase in warranty-related costs.
- **Sales Financing** contributed €472 million to Group operating margin, or 23.6% of its revenues, versus €92 million in 2006. The slight contraction can be explained by a decline in sales financing business, due to the decrease in commercial activity in Automobile in 2006 and first-half 2007.
- **The operating margin target was surpassed**, in line with Renault Commitment 2009. This outcome was mainly attributable to cost-cutting efforts (purchasing costs were reduced not counting the impact of raw materials, administrative expenses were cut by 2%, and manufacturing and logistics costs improved) and to sales progress in regions outside Europe.



## 4. KEY FIGURES

### Other operating income and expenses

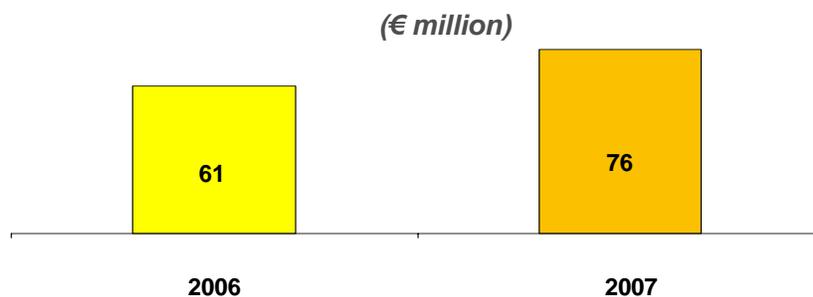


- **Other operating income and expenses** showed a **net charge of €116 million**, compared with a net charge of €191 million in 2006.

This item essentially comprised :

- €143 million in restructuring and workforce adjustment costs and provisions (compared with €241 million in 2006).
  - Capital gains amounting to €86 million, versus €109 million in 2006, on the sale of land in France and Spain.
- After recognizing this item, Group **operating income came out at €1,238 million**, versus €877 million in 2006.

### Financial result



- **Net financial income was €76 million**, €15 million higher than in 2006. Excluding the exceptional €135 million profit on the sale of Scania securities in 2006, financial income improved by €150 million. That increase can be attributed chiefly to:
  - The lower cost of borrowing in Automobile. Through sound management of its financial assets and liabilities, Automobile continues to optimize the cast of its debt, despite a slight increase in average borrowings over the period.
  - A positive impact of €53 million related to the fair value change in Renault SA redeemable shares at closing market price compared with a charge of €31 million in 2006.



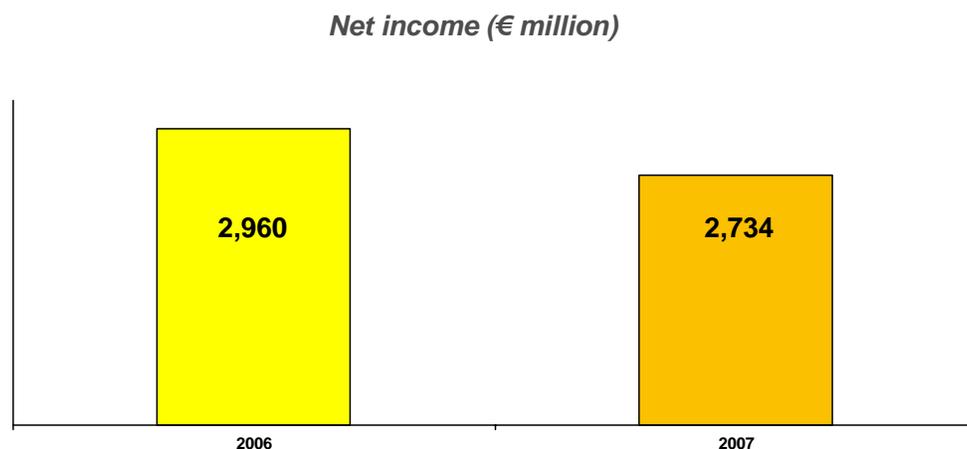
## 5. RENAULT'S SHARE IN NET INCOME OF ASSOCIATED COMPANIES

€million	2007	2006
Nissan	1,288	1,888
Other associated companies	387	389
Total	1,675	2,277

- In 2007 Renault booked a profit of €1,675 million from its share in the **net income of associated companies**.
  - **Nissan's** contribution to Renault's earnings in 2007 was €1,288 million compared with €1,789 million in 2006 (excluding non-recurring income of €99 million).
  - **AB Volvo** contributed €352 million in 2007, compared with €384 million in 2006.



## 6. NET INCOME



- Current and deferred taxes in 2007 amounted to a net charge of €255 million, (equivalent to 2006). The effective tax rate (before the impact of income from associated companies) was 19% in 2007, compared with 27% in 2006, in particular thanks to the continued improvement in the profit outlook in Mercosur, which made it possible to recognize some of the deferred tax assets arising on loss carryforwards in those countries.
- **Net income was €2,734 million, compared with €2,960 million in 2006.**
- After neutralizing Renault shares held by Nissan and treasury stock, earnings per share came to €10.23, compared with €11.23 in 2006.



## 7. FUTURE-RELATED COSTS

### Renault Group – Future-related costs

€ million	2007	2006*
Capital expenditure, net of disposals	3,558	3,492
Capitalized development expenses	- 1,287	- 1,091
Rental vehicles (net of disposals)	- 95	- 181
Net capital expenditure excluding capitalized development expenses and rental vehicles (1)	2,176	2,220
% of revenues	5.3%	5.5%
R&D expenses (2)	2,462	2,400
% of revenues	6.1%	6.0%
Future-related costs (1)+(2)	4,638	4,620
% of revenues	11.4%	11.5%

\*restated revenues taken into account.

- **Future-related costs**, i.e. R&D expenses plus net investment (excluding capitalized development expenses and rental vehicles), were equivalent to 11.4% of Group revenues, up €18 million compared to 2006 (€4,620 million).
- **Net capital expenditure** by Automobile came to €3,565 million in 2007 (including €1,287 million in capitalized R&D expenses), compared with €3,585 million in 2006 (including €1,091 million in capitalized R&D expenses).
- In 2007 **Automobile capital expenditure** was directed primarily at renewing products and components and upgrading facilities.
  - In Europe, range-related investment accounted for 69% of total gross outlays. Funds were allocated chiefly to the New Laguna, New Kangoo and the next Mégane.
  - Outside Europe, investments accounted for 33% of the total gross spend and were allocated primarily to Romania, Korea, Turkey and Mercosur to extend the range and increase production capacity.
- **The main non product-related investments were in quality, working conditions and environmental projects, as in the former years.**
- **Research and Development expenses amounted to €2,462 million in 2007**, €62 million higher than in 2006 and equivalent to 6.1% of revenues, versus 6.0% in 2006. This increase is linked to development of the future product line-up under Renault Commitment 2009.



## 8. CHANGE IN NET AUTOMOBILE DEBT

- **In 2007, net Automobile debt** decreased by €326 million reaching €2,088 million at December 31, 2007. The following items contributed to this outcome:
  - cash flow of €4,552 million, an increase of €1,289 million on a consistent basis compared with 2006. That improvement was attributable to an increase in operating margin and dividends from associated companies, of which:
    - €456 million from Nissan
    - €477 million from AB Volvo.
  - Sound management of net capital expenditure, which remained stable in 2007, at €3,565 million (after €3,585 million in 2006).
  - Virtual stability of the working capital at December 31, 2007.
  
- **Consequently, Automobile generated €961 million in free cash flow.**
  
- The dividend payout was €913 million (compared with €681 million in 2006), including €863 million paid by Renault SA.
  
- Automobile's net financial debt also improved as a result of translation gains, including €233 million in connection with yen-denominated debt.
  
- The net financial debt of Automobile was equivalent to 9.5% of shareholders' equity, compared with 11.5% at December 31, 2006.

