RENAULT

PRESS RELEASE

July 30, 2010

FINANCIAL RESULTS, FIRST-HALF 2010

Renault reports net income of €823 million, a Group operating margin of 4%, and a positive Automotive free cash flow of €1.4 billion.

- **Worldwide sales grew 21.7% and the Group's share of the global PC+LCV market reached 3.8% (+0.15 points).**
- **Group revenues totaled €19,668 million, up 23.1% on the first half of 2009, on a consistent basis.**
- **Group operating margin came to €780 million, or 4% of revenues, compared with a negative €620 million, or -3.9% of revenues, in the first half of 2009.**
- **Net income rose to €823 million, from a negative €2,712 million in the first half of 2009.**
- **Automotive generated positive free cash flow[1] of €1,420 million, as a result of higher operating income and lower expenses.**
- **Automotive net financial debt amounted to €4,663 million, €1,258 million lower than on December 31, 2009.**

Commenting on the results, Renault President and CEO Carlos Ghosn, said, "The actions we have undertaken are paying off. All Group brands and Regions increased market share. We also controlled our costs, benefiting from synergies within the Alliance. In an uncertain environment in the second half of 2010, the Group will continue to focus on its key target of generating positive free cash flow for the full year."

The Group posted a significant improvement in earnings. Group revenues totaled €19,668 million, up 23.1%. Driven by strong sales and increased market share, **Automotive** contributed €18,778 million to consolidated revenues, an increase of 24.4%[2]. This improvement on first-half 2009 was fueled chiefly by a positive volume effect.

The Group's consolidated **operating margin** in the first half 2010 reached €780 million, or 4% of revenues, compared with a negative €620 million, or -3.9% of revenues, in the first half of 2009.

Automotive operating margin increased by €1,279 million to €410 million, or 2.2% of revenues, mainly due to:

- a €774 million positive volume effect, driven by the strong sales of all three Renault group brands in all Regions;
- a positive €169 million exchange-rate impact;
- continued cost control, with a €330 million reduction in purchasing costs excluding the impact of raw materials, which contributed a further €112 million.

Sales Financing contributed €370 million to the Group's operating margin, an increase of €121 million attributable to higher margins and significantly lower cost of risk.

The contribution from associated companies improved substantially. In the first half, associates contributed a net gain of €531 million, mainly from Nissan and AB Volvo.

Net income came to €823 million, and the Group's share of net income was €780 million (€2.95 per share).

Automotive generated positive **free cash flow** of €1,420 million, ahead of plan at end June. This result can be attributed mainly to the improvement in operating performance and cost control.

[1] Free cash flow: cash flow minus tangible and intangible investments +/- changes in working capital requirements.
[2] On a consistent basis.

As a result, Automotive **net financial debt** fell by €1,258 million to €4,663 million at June 30, 2010 (compared to December 31, 2009). The net debt-to-equity ratio came to 23.2% at end-June 2010, down from 35.9% at end-December 2009.
The Automotive **liquidity** reserve increased to €10.4 billion (up from €9.5 billion at end-December), of which €6.3 billion in cash and cash equivalents.

OUTLOOK

The Group expects the global automotive market to grow by approximately 8% in 2010 compared to 2009, despite an estimated 7% to 9% decline in the European market.

The Group's first-half performance and results are ahead of plan. In an unusually uncertain environment in the second half, the Group will continue to focus on its action plans, while closely monitoring changes in the overall economic environment. The third quarter will be important in determining visibility for the full year and the start of 2011 in the automotive market.

Renault's objective for 2010 remains to generate positive free cash flow and increase market share in the Group's main markets.

Consolidated first-half results

€ million	*1st Half 2010*	*1st Half 2009*
Group revenues[3]	19,668	15,991
Operating margin	780	(620)
% of revenues	4.0%	*(3.9%)*
o/w:		
Automotive	410	(869)
% of division revenues	2.2%	*(5.8%)*
Sales Financing (RCI Banque)	370	249
% of division revenues	41.6%	*28.0%*
Operating income (loss)	718	(946)
Financial income (loss)	(246)	(181)
Contribution from associated companies	531	(1,584)
o/w:		
Nissan	460	(1,211)
Volvo	121	(196)
Current and deferred taxes	(180)	(1)
Net income	823	(2,712)
Net income, Group share	780	(2,732)

ADDITIONAL INFORMATION

The consolidated financial statements of the Renault group as of June 30, 2010 were approved by the Board of Directors on July 29, 2010.
The Group's statutory auditors have conducted a limited review of these half year financial statements and their report will be issued shortly.
The earnings report, with a complete analysis of the financial results for the first half of 2010 is available for download in the Finance section of www.renault.com.

Media Contact:
Renault Press: Gita Roux +33 (0)1 76 84 64 69
Websites: www.media.renault.com – www.renault.com

[3] On a consistent basis, H1 2009 = €15,977 million.