

# RENAULT

February 9, 2006

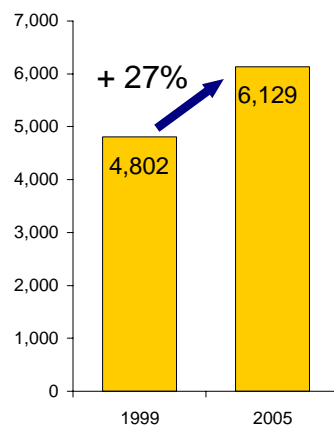


## ASSET 1 : THE ALLIANCE

RENAULT NISSAN

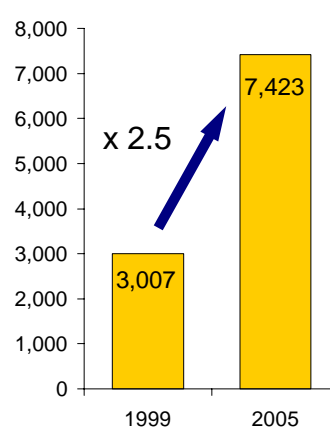
Sales

In thousand units



Operating margin

In million euros





## ASSET 2 : PROMISING PROJECTS GEOGRAPHIC



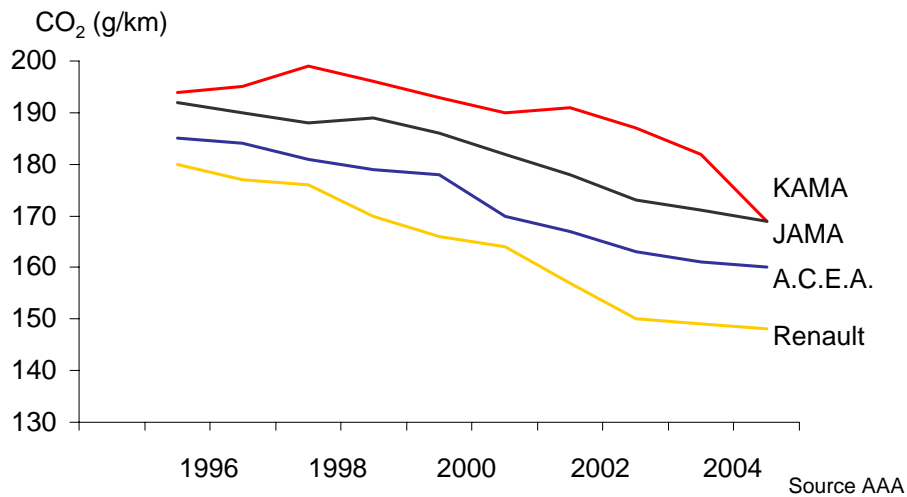
## ASSET 2 : PROMISING PROJECTS PRODUCTS





## ASSET 2 : PROMISING PROJECTS TECHNOLOGICAL

Efficient lineup in fuel economy and CO<sub>2</sub> emissions



## ASSET 3 : A SOUND BALANCE SHEET

- Equity 19.6 billion euros
- Net automotive debt 2.3 million euros, 11.5% of equity
- 44.3% Nissan (market capitalization\* = 41,873 M€)
- 20% Volvo (market capitalization\* = 16,992 M€)

\* 01/31/2006



## ASSET 4 : ABILITY TO REACT, REALIZE BREAKTHROUGHS

Double victory of Renault in F1



Only carmaker with 8 5-star models



Clio



Modus



Mégane



Mégane  
Coupé-cabriolet



Scénic



Laguna II



Vel Satis



Espace IV



## FIVE OPPORTUNITIES FOR PROGRESS

- Brand image
- Product range
- Costs of investments
- Management of international operations
- Focus on customers / drive for profit

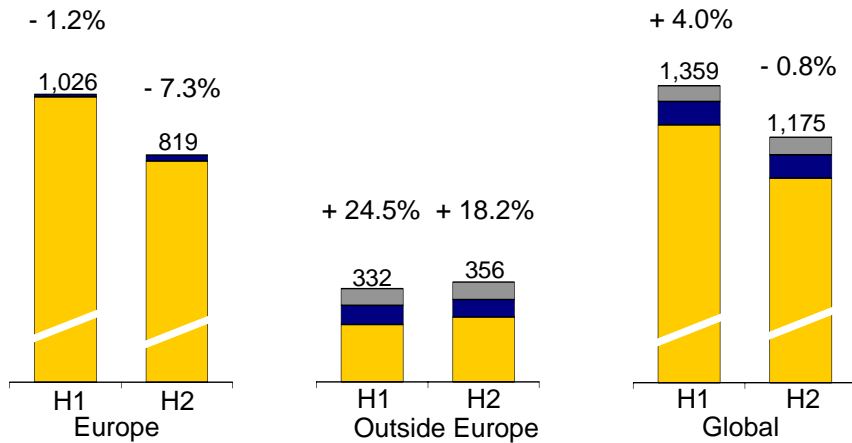


## GLOBAL SALES (PV+ LCV) IN 2005

2,533 k units, + 1.7% vs. 2004

In thousand units

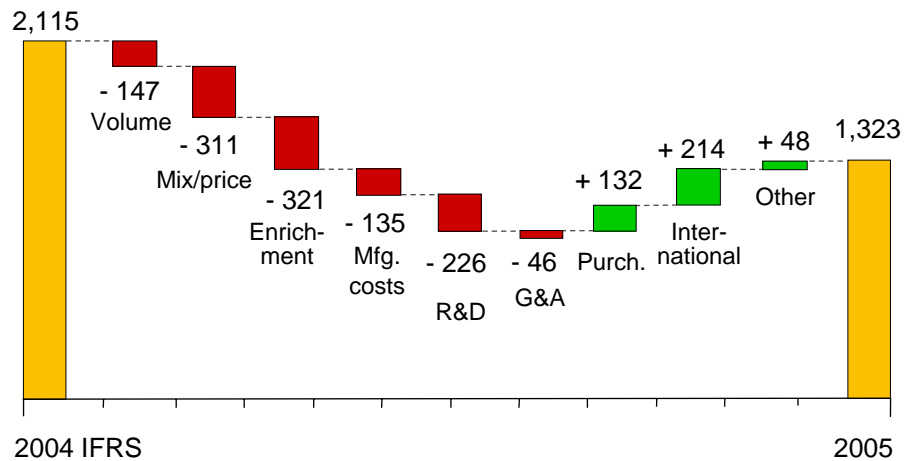
Renault Samsung Dacia



## OPERATING PROFIT VARIANCE ANALYSIS

In million euros

Variance 2005 / 2004: - 792 M€





## RESULTS SUMMARY

In million euros	2004	2005	Change
Global sales - K units	2,490	<b>2,533</b>	+ 1.7%
Revenues	40,292	<b>41,338</b>	+ 1.9%*
Operating profit	2,115	<b>1,323</b>	- 37.4%
Operating margin	5.2%	<b>3.2%</b>	- 2 pts
Associated companies	1,923	<b>2,597</b>	+ 35.0%
Net income, Renault share	2,836	<b>3,367</b>	+ 18.7%
Net financial debt	1,567	<b>2,252</b>	+ 685M€

\* On a consistent scope



## 2006 FORECAST

- Slightly lower TIV in Europe, higher volumes in other main markets where Renault is established
  - Full year of sales of new Clio
  - Face lifts: Megane, Scenic, Espace, Trafic, Master
  - Launch of Logan Estate and Logan LCV
- Operating margin 2.5% of revenues



# RENAULT COMMITMENT *2009*

To make and sustain Renault as the most profitable  
European volume car company



## QUALITY COMMITMENT

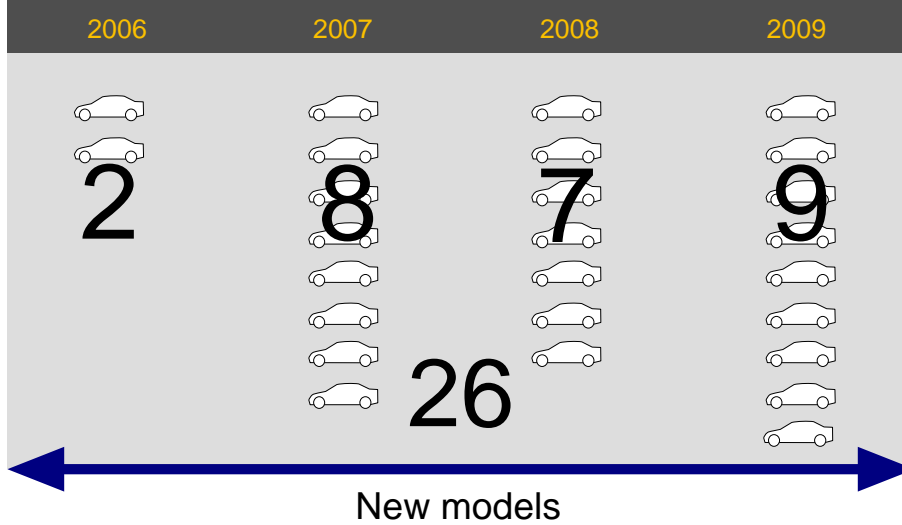
Next Laguna in the top 3

- in product quality
- in service quality

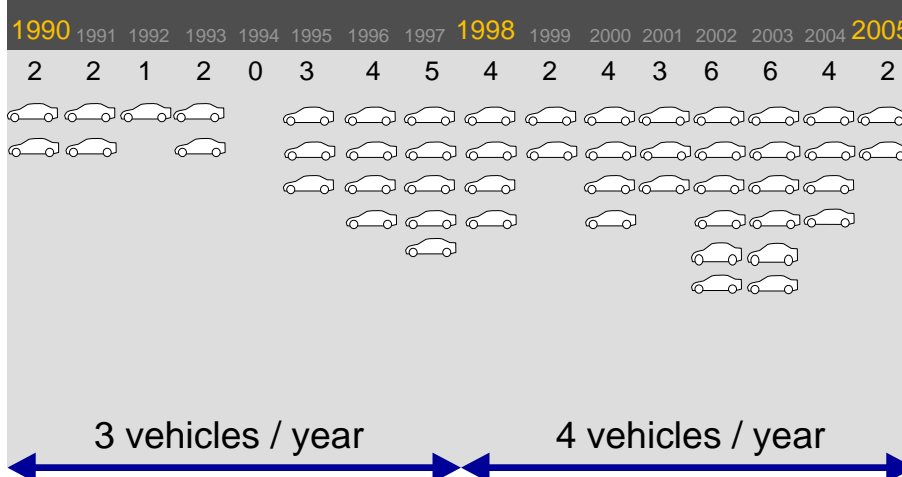


## REINFORCED AND ENLARGED PRODUCT PLAN

### RENAULT Commitment 2009



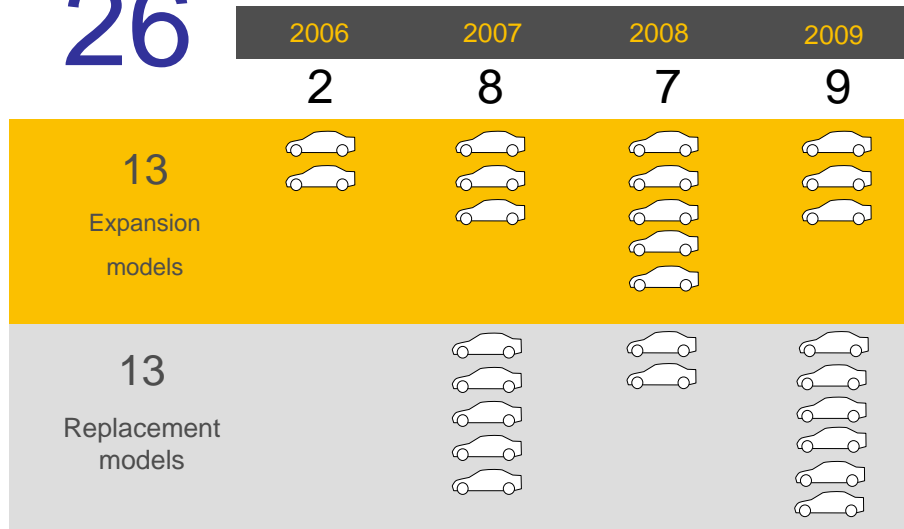
## PRODUCT LAUNCH HISTORY





## PRODUCT PLAN

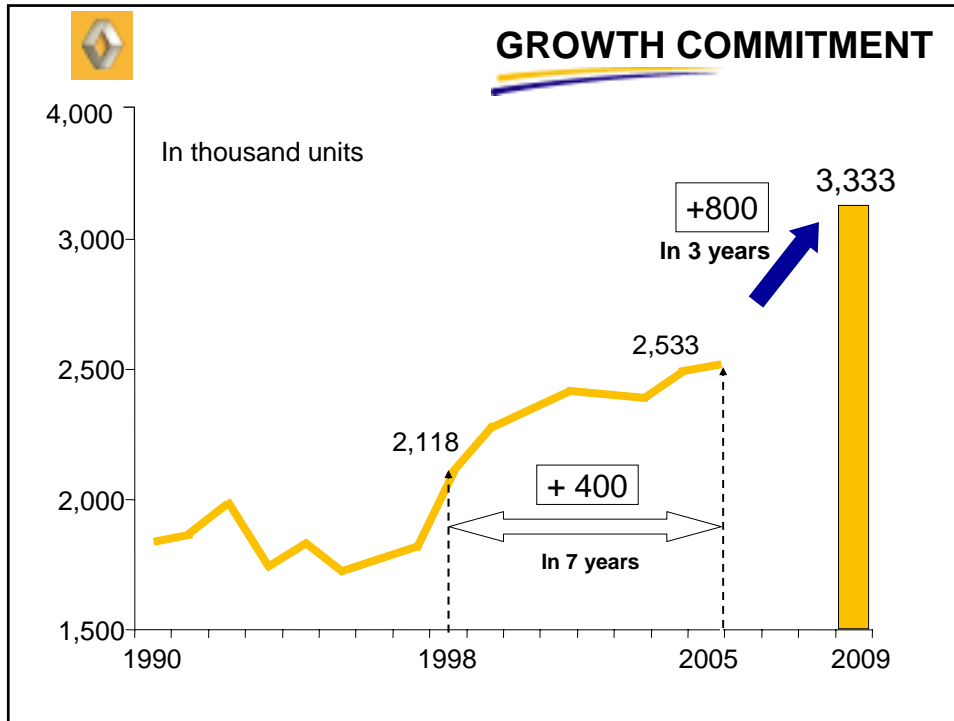
# 26



## TO BE AMONG THE TOP 3 IN CO<sub>2</sub> EMISSIONS REDUCTION

By 2008

- Sell 1 million vehicles below 140 g/km of CO<sub>2</sub>
- Of this, one-third below 120 g/km of CO<sub>2</sub>

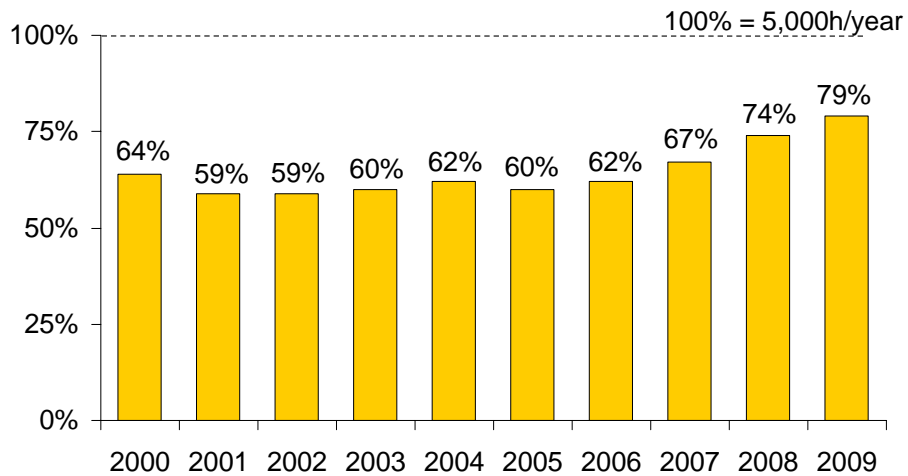


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- RESOURCES PROVIDED TO EXECUTE THE PLAN**
- Purchasing: -14% in 3 years
  - Manufacturing: -12% in 4 years



## CAPACITY UTILIZATION RATE

Renault plants

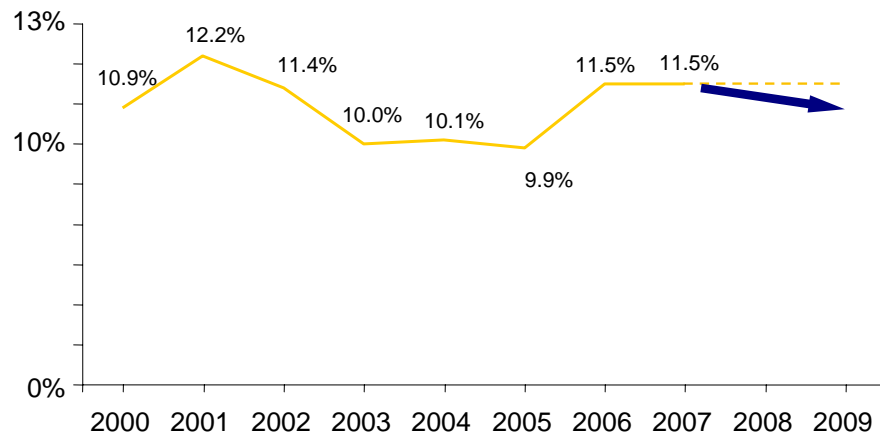


## RESOURCES PROVIDED TO EXECUTE THE PLAN

- Purchasing: -14% in 3 years
- Manufacturing: -12% in 4 years
- Logistics: - 9% in 4 years
- G&A: < 4% of revenues by 2009
- Distribution costs per unit in Europe: - 8 %
- Optimized cost of investment: target - 50%



## R&D AND CAPEX



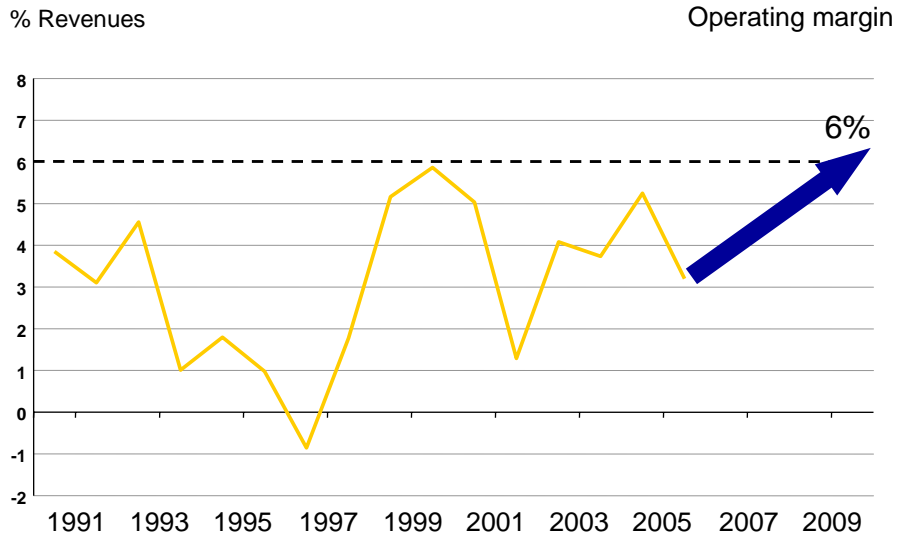
## MANAGEMENT

Management will be cross-functional,  
focused on customer satisfaction and driven by profit

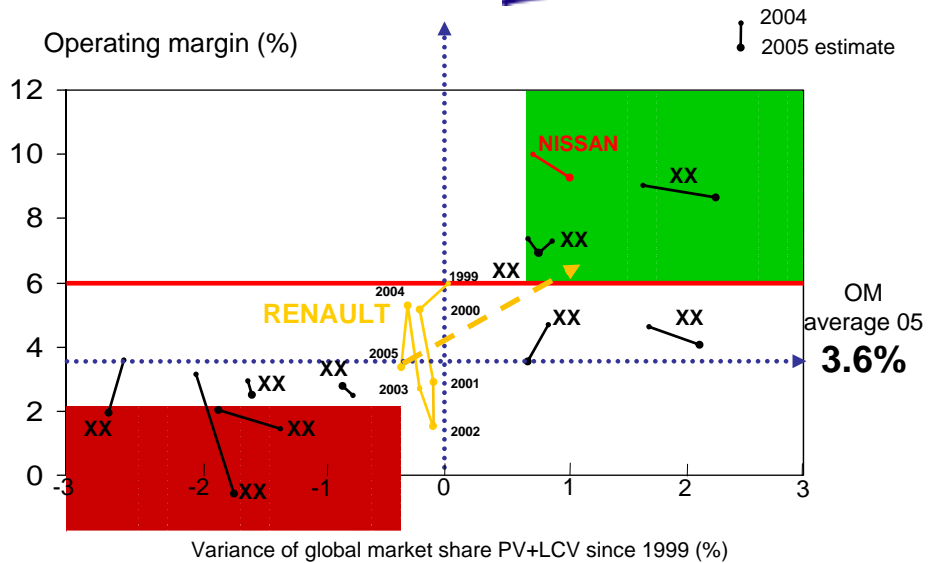
- Regional management
- Globalized functions
- Program management
- 11 Cross-Functional Teams
  - 500 people involved
  - Potential improvement: 1 billion euros



## PROFITABILITY COMMITMENT



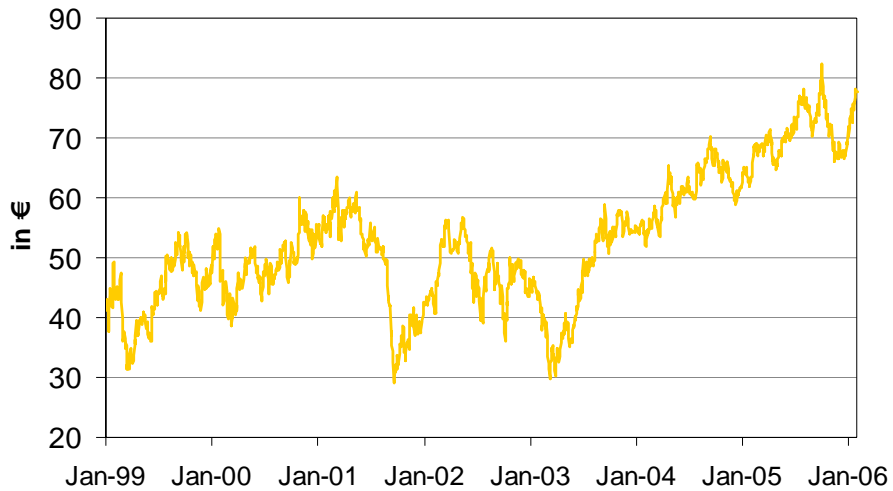
## OPERATING MARGIN AND GLOBAL MARKET SHARE 99-05



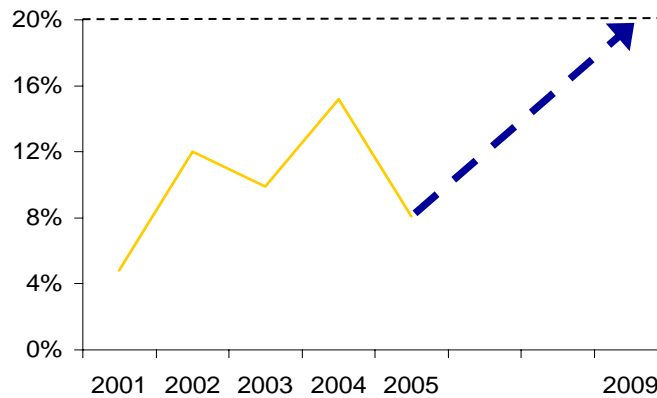


## RENAULT SHARE PRICE

### Performance since Jan. 4, 1999



## RETURN ON INVESTED CAPITAL



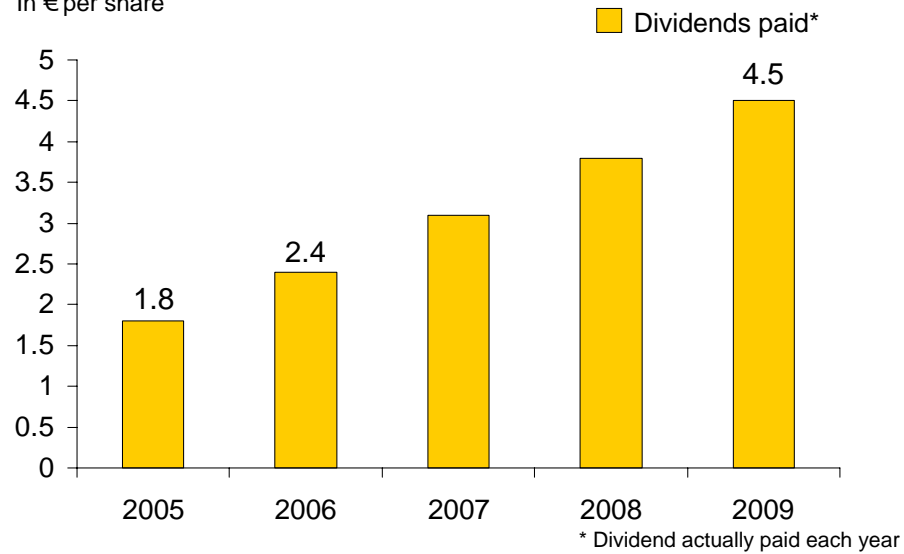
$$\rightarrow \text{ROIC} = \frac{\text{Consolidated Operating Margin (after tax)}}{\text{Tangibles \& intangibles + RCI shareholders' equity + WCR*}}$$

\* Working Capital Requirement includes other receivables and other current liabilities.



## DIVIDEND PROPOSAL

In € per share



## THE 3 COMMITMENTS

- Quality: Position next Laguna in the top three models of its category in quality
- Profitability: 6% operating margin in 2009
- Growth: + 800,000 vehicles, the strongest period of growth in the history of Renault



**RENAULT**  
**COMMITMENT** *2009*

**Everyone in RENAULT  
commits**



**RENAULT**  
**COMMITMENT** *2009*