

2008 FINANCIAL RESULTS



RENAULT

AGENDA

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2008 FINANCIAL RESULTS

Thierry MOULONGUET, CFO

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Patrick PÉLATA, COO

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Carlos GHOSN, President & CEO

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Carlos GHOSN, Patrick PÉLATA, Thierry MOULONGUET



2008 FINANCIAL RESULTS

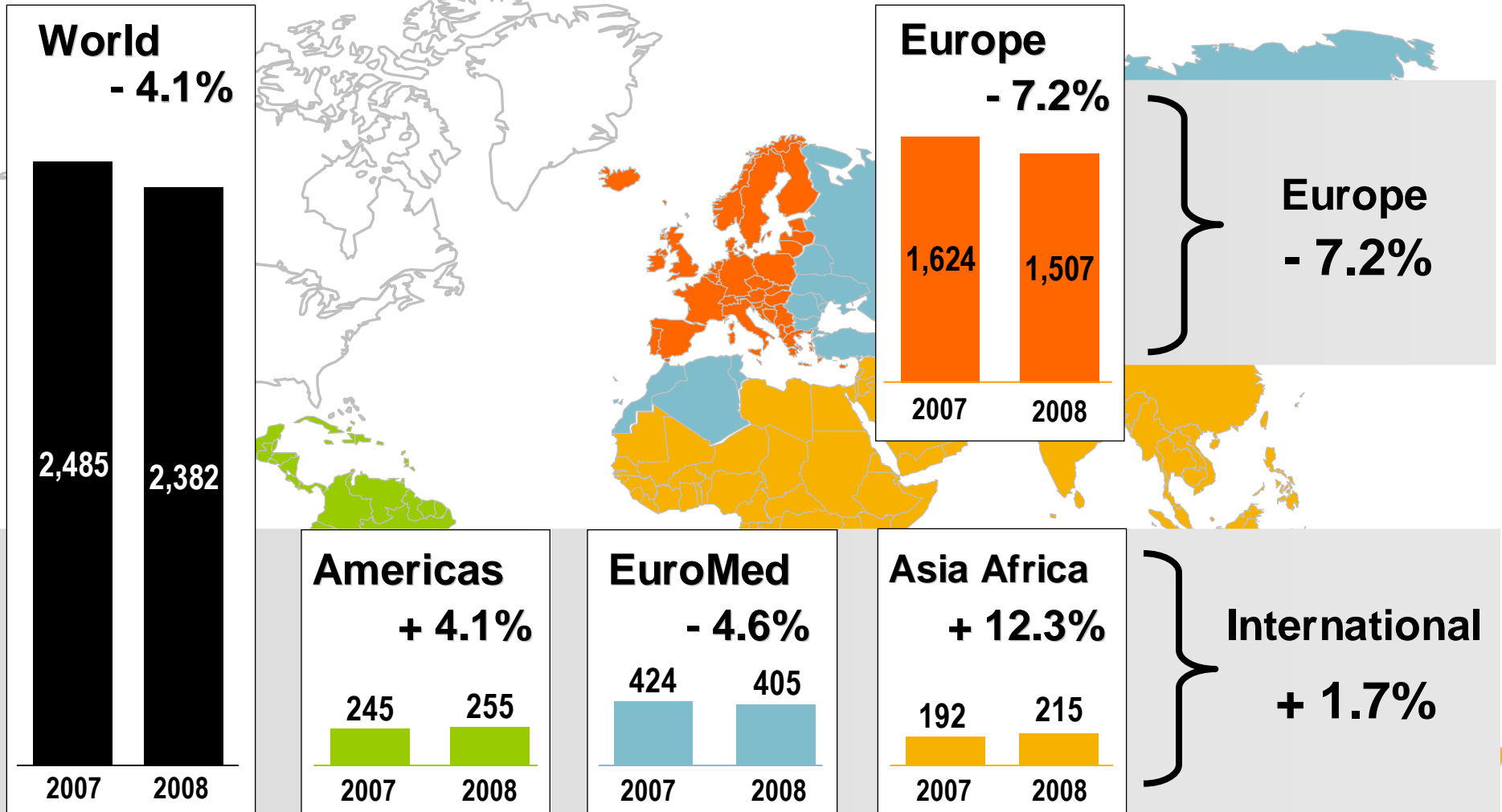
Thierry MOULONGUET
CFO



RENAULT

2008 COMMERCIAL RESULTS

RENAULT RESISTS IN A FAST DECREASING MARKET



Thousand units PC+LCV
YTD End 2008 (D+9 Data)



2008 FINANCIAL RESULTS

(million euros)

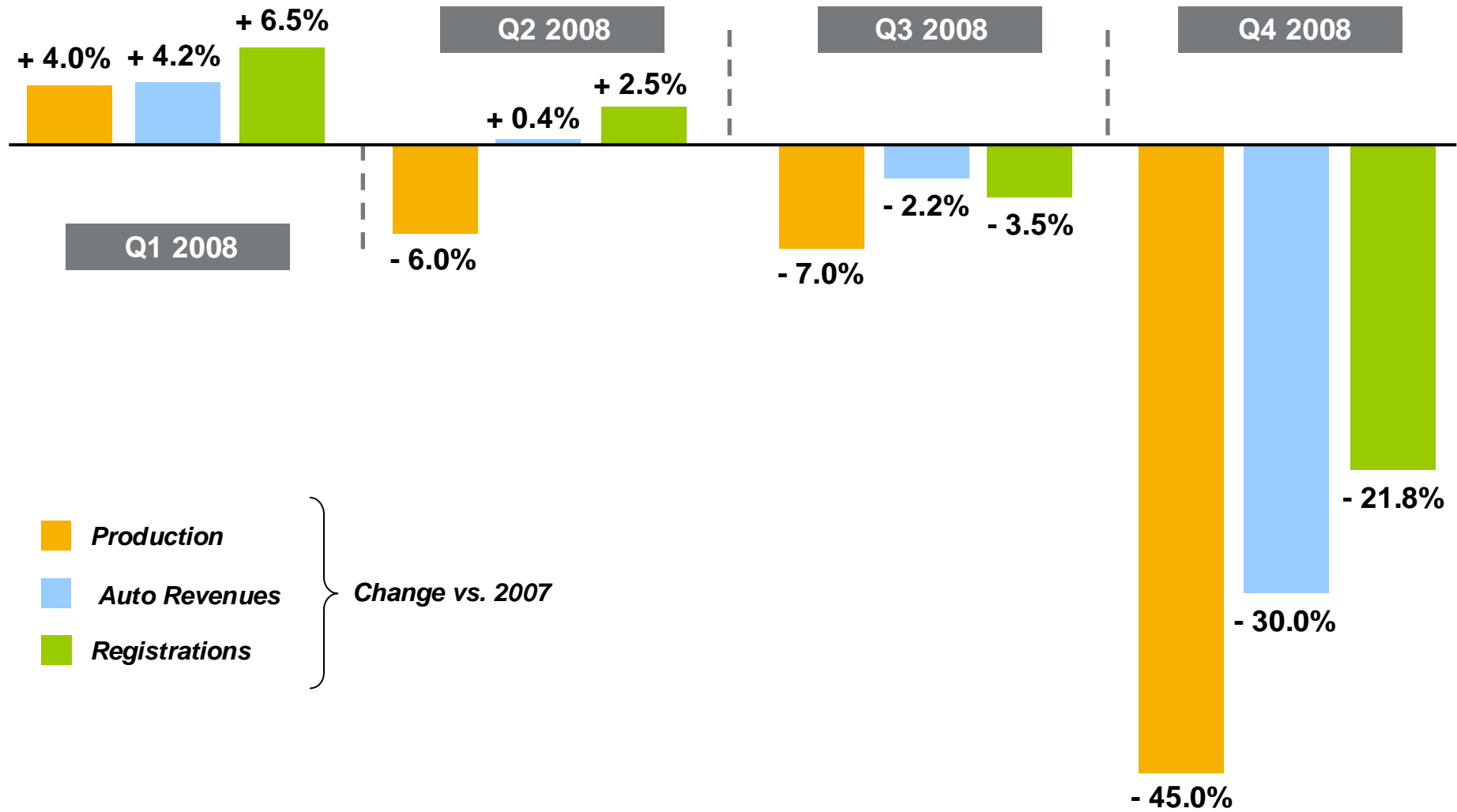
	2007	2008	Change
Revenues	40,682	37,791	- 7.0%⁽¹⁾
Operating margin	1,354	212	- 1,142
<i>in % of revenues</i>	3.3%	0.6%	- 2.7pt
Other operating income & expenses	- 116	- 329	- 213
Net financial income & expenses	76	441	+ 365
Associated companies	1,675	437	- 1,238
Current & deferred taxes	- 255	- 162	+ 93
Net income	2,734	599	- 2,135

⁽¹⁾ On a consistent basis, 2007 = €40,620m



Q4 2008

A RAPID & BRUTAL DOWNTURN



FY 2008 GROUP REVENUES DOWN 7.0%

(million euros)	2007 ⁽¹⁾	2008	Variation
Global sales (units)	2,485,041	2,382,230	- 4.1%
Revenues	40,620	37,791	- 7.0%
<i>of which Automobile</i>	38,608	35,757	- 7.4%
<i>Sales financing</i>	2,012	2,034	+ 1.1%

Change in Auto Revenues	- 7.4%
- Volume	- 4.6%
- Mix / Price	+ 0.7%
- Exchange rates	- 2.5%
- Others	- 1.0%

⁽¹⁾ 2007 restated for 2008 scope and methods



2008 FINANCIAL RESULTS

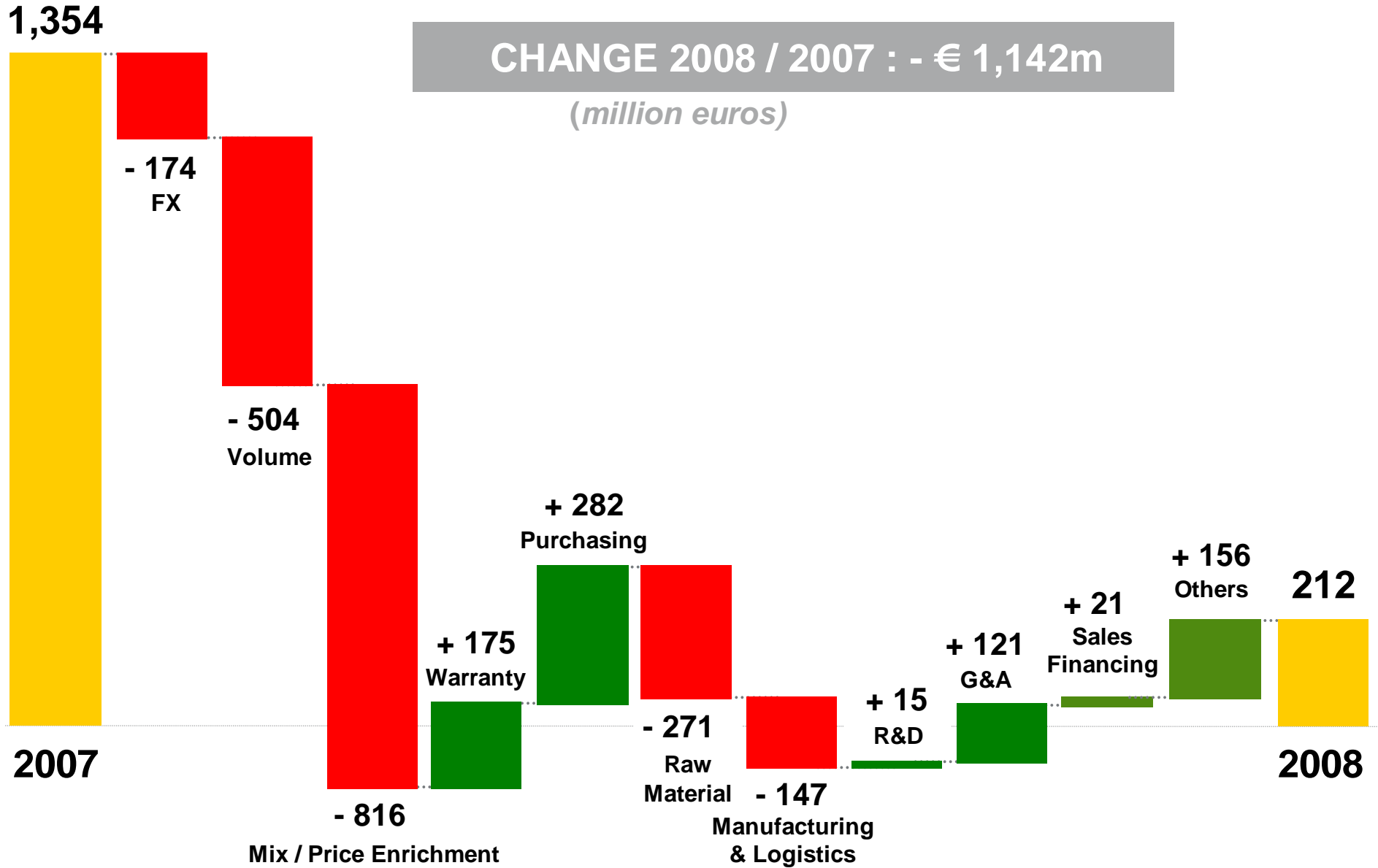
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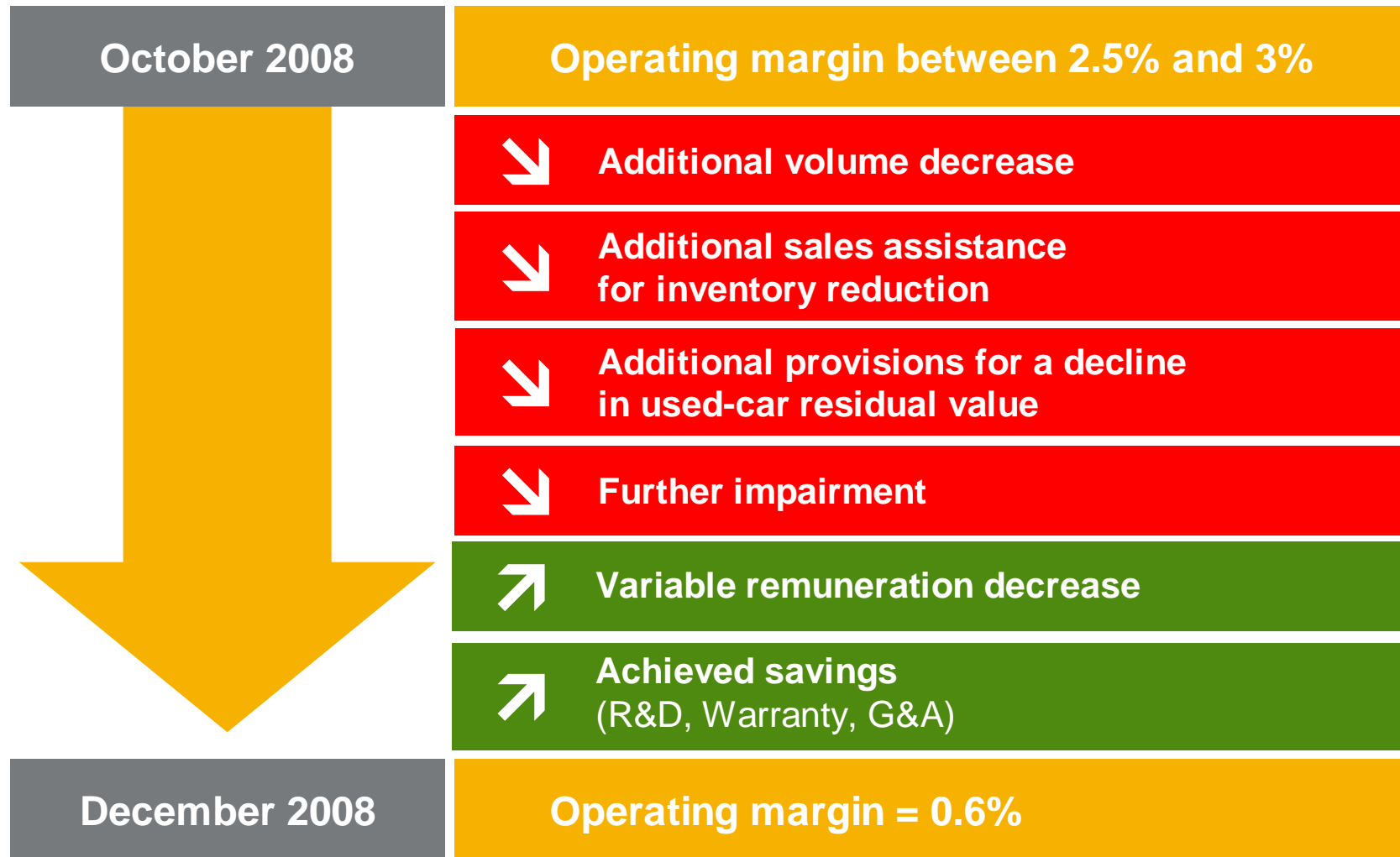
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OPERATING MARGIN VARIANCE ANALYSIS



OPERATING MARGIN VARIATION COMPARISON VS. OCTOBER 2008 GUIDANCE



A ROBUST PERFORMANCE FOR RCI BANQUE

<i>in % of average loans outstanding</i>	H1 2008	H2 2008	2008
AVERAGE LOANS OUTSTANDING (million euros)	23,145	22,258	22,701
NET BANKING INCOME	4.72%	4.44%	4.58%
COST OF RISK (customer & dealer)	- 0.77%	- 0.96%	- 0.87%
OPERATING EXPENSES	- 1.63%	- 1.52%	- 1.57%
OTHER NON OPER. EXPENSES	-	- 0.04%	- 0.02%
PRETAX INCOME	2.32%	1.92%	2.13%

2008 FINANCIAL RESULTS

(million euros)

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ASSOCIATED COMPANIES

(million euros)

	2007	H1 2008	H2 2008	2008
NISSAN	1,288	509	- 164	345
Other companies*	387	220	- 128	92
TOTAL	1,675	729	- 292	437

* incl. AB Volvo & AvtoVAZ

CURRENT AND DEFERRED TAXES

(million euros)

	2007	2008
Tax charge Excluding one off elements	- 255	- 66
Non recognition of deferred tax assets within the French fiscal scope	-	- 96
Tax charge	- 255	- 162
Effective tax rate	19%	20% *

* Excluding one off elements

2008 FINANCIAL RESULTS

(million euros)

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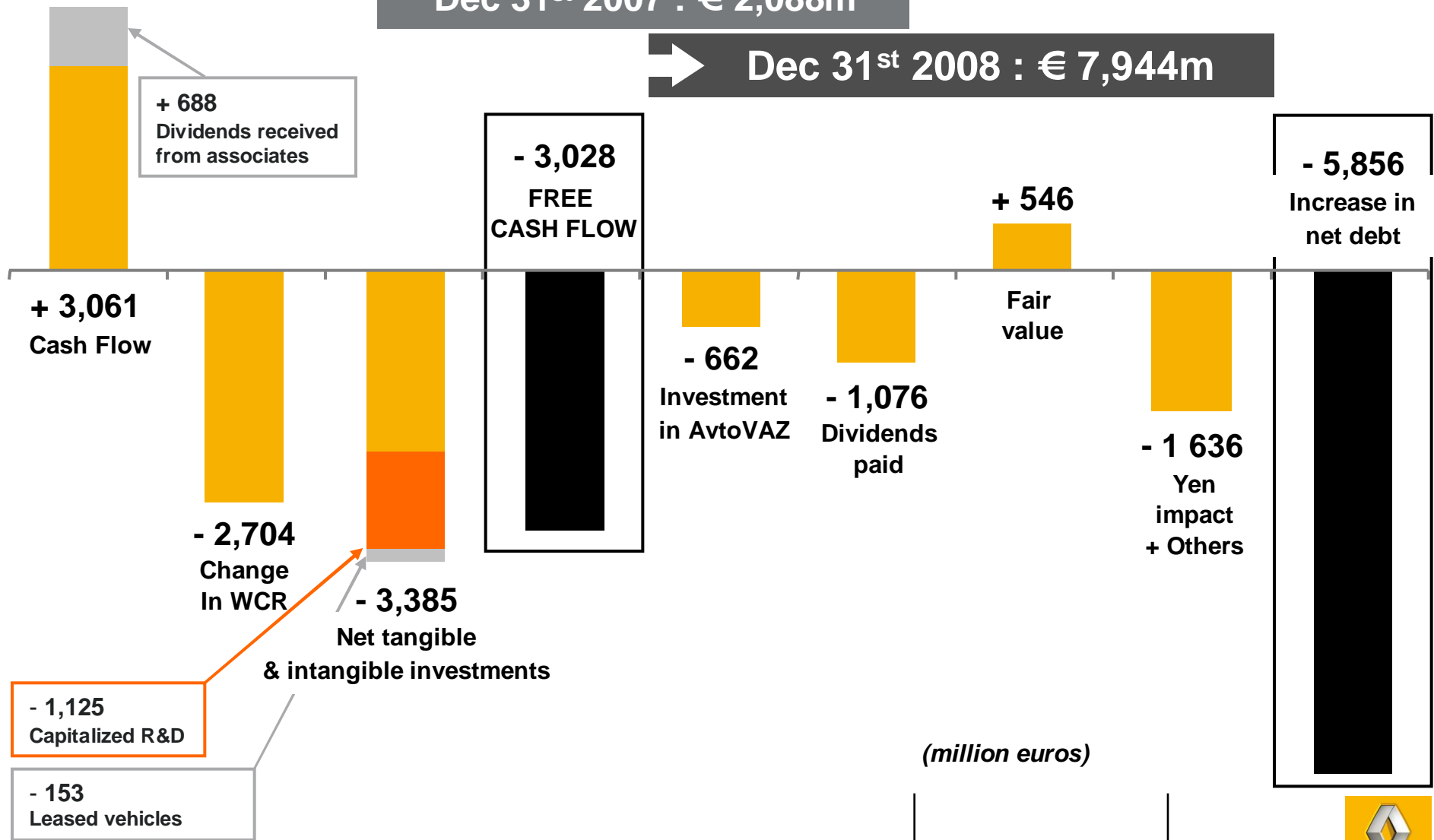
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CHANGE IN AUTOMOBILE FINANCIAL DEBT

Dec 31st 2007 : € 2,088m

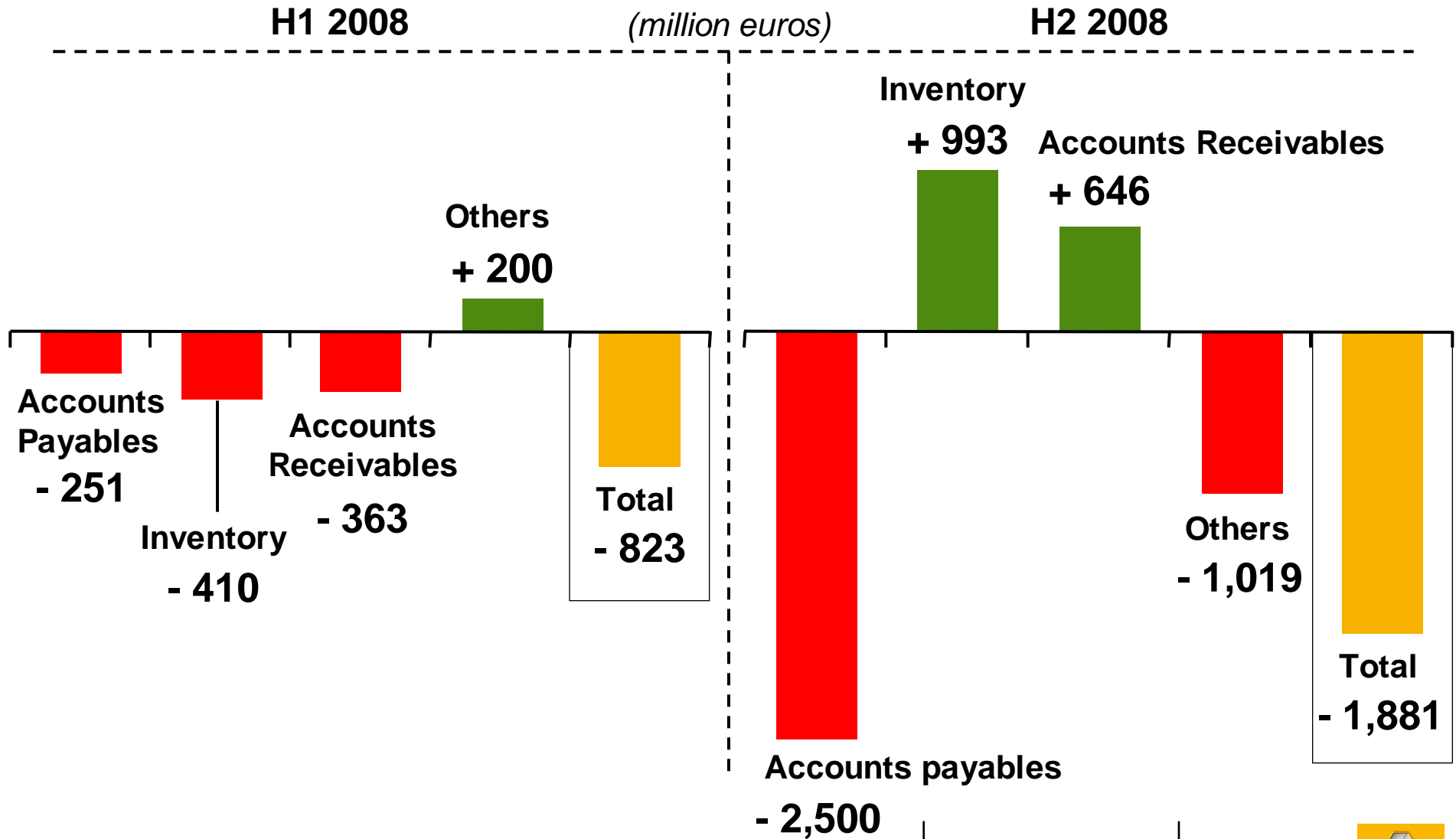
➔ Dec 31st 2008 : € 7,944m



(million euros)



WCR VARIATION (BY HALF YEAR)



2009 AUTOMOBILE DIVISION FUNDING SUMMARY

Funding

>= € 3 Bn

French State = € 3 Bn

EIB = € 0.4 Bn ?

Capital markets ?

Liquidity reserves

(at Dec 31st 2008)

Cash = € 1.1 Bn

Credit lines = € 4.2 Bn

(of which drawn = € 0.5 Bn)

TOTAL = € 4.8 Bn

Funding needs

€ 3.5 Bn

*Cap. Market funding renewal
= € 3 Bn*

*Credit line rebuild
= € 0.5 Bn*

2009 RCI BANQUE FUNDING SUMMARY

Funding

€ 3 Bn

of which...

SFEF funding = € 1 Bn

Additional securitization = € 1 Bn

Capital market / Bank funding?

Liquidity reserves

(at Dec 31st 2008)

Cash = € 0.5 Bn

ECB eligible = € 1.5 Bn

Credit lines = € 5.2 Bn

(of which drawn = € 0.75 Bn)

TOTAL = € 6.5 Bn

Funding needs

€ 3 Bn

2008 OPERATIONS UPDATE

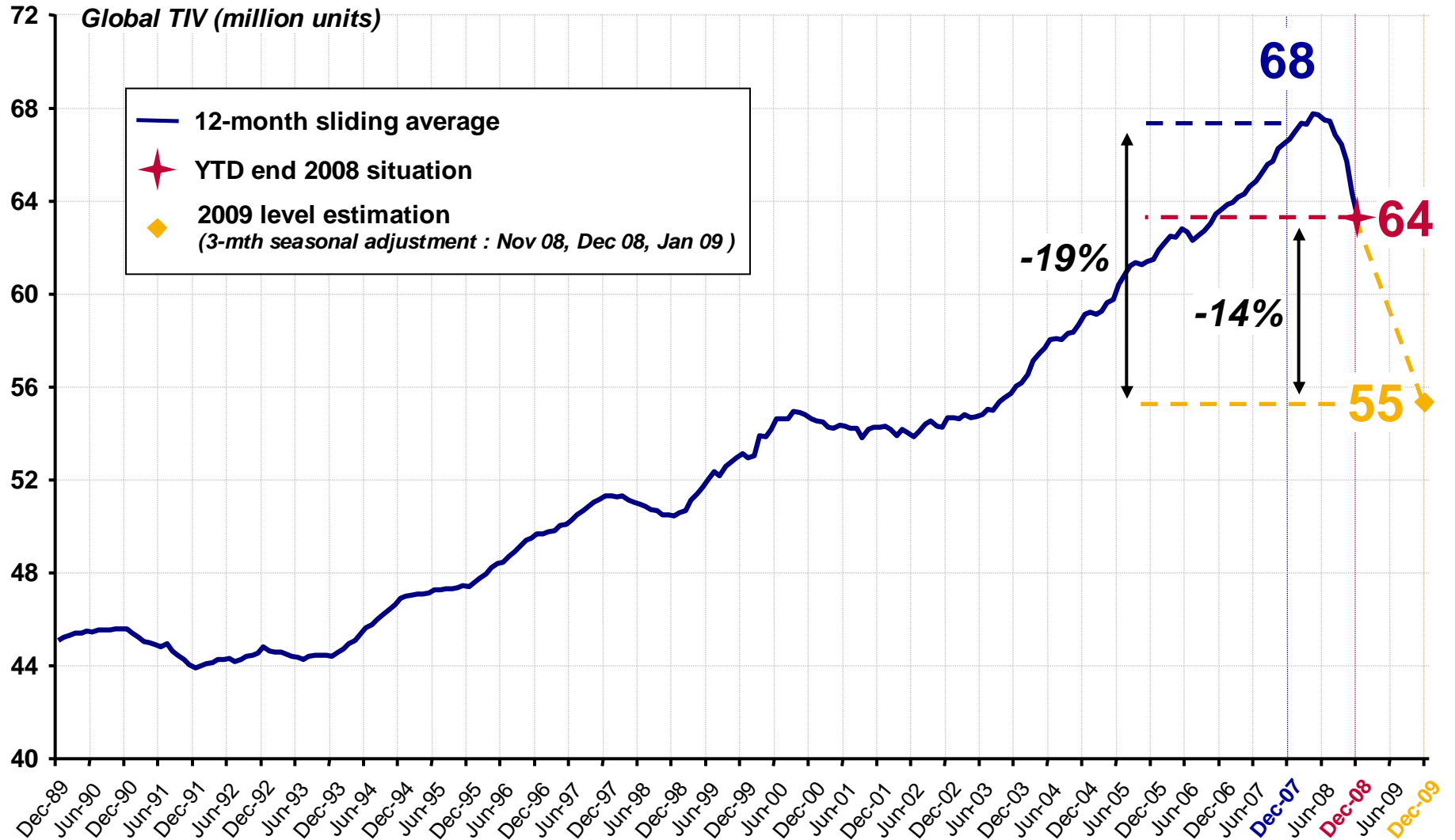
2009 ACTION PLAN

Patrick PÉLATA
COO



2009 OUTLOOK

A CONTINUING DECREASING TREND



PRIORITY FOR 2009

AIMING FOR A POSITIVE FREE CASH FLOW

Free Cash Flow



Liquidity reserves
(at Dec 31st 2008)

Cash	= € 1.1 Bn
Credit lines	= € 4.2 Bn
<i>(of which drawn = € 0.5 Bn)</i>	
TOTAL	= € 4.8 Bn

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Capital markets ?

Funding needs
€ 3.5 Bn

Cap. Market funding renewal = € 3 Bn
Credit line rebuild = € 0.5 Bn



2009 ACTION PLAN

8 MEASURES & 2 LEVERS TO FACE THE CRISIS

▶ AIMING FOR A POSITIVE FREE CASH FLOW

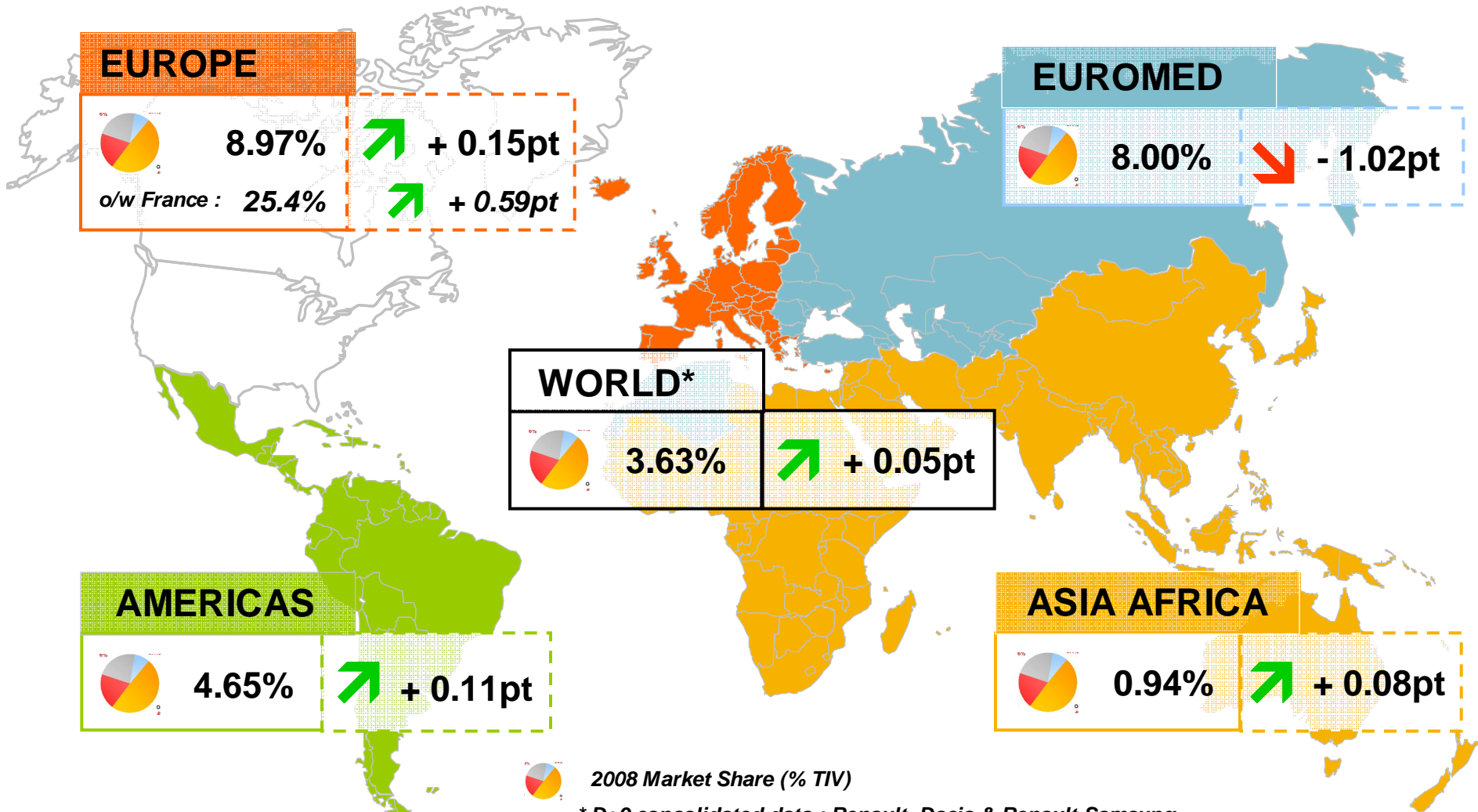
- ▶ Maximization of revenue sources
 1. Increase market shares
- ▶ Cost reduction
 2. Reduce R&D expenses
 3. Decrease G&A and overheads
- ▶ Free Cash Flow management
 4. Reduce inventories and reorganize the distribution system
 5. Adapt our production level
 6. Cut investments
 7. Cash in customer receivables
 8. Carry out real estate divestments

- LEVERS**
- Reinforce the Renault Nissan Alliance synergies
 - Work conjointly with governments in France & in Europe



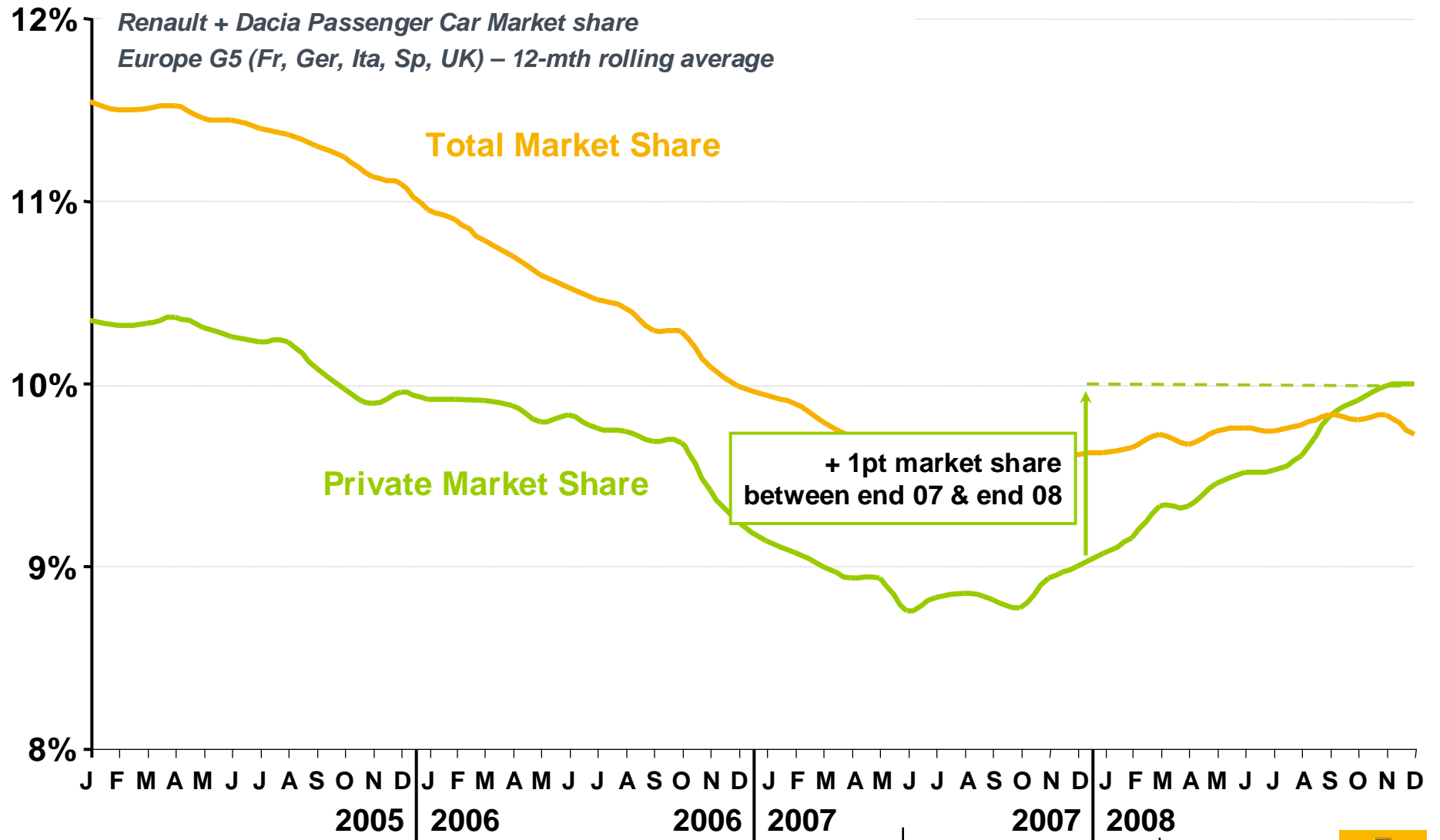
2008 OPERATIONS UPDATE

STABILIZED MARKET SHARES



2008 OPERATIONS UPDATE

PRIORITIZING THE MOST PROFITABLE CHANNELS



2009 ACTION PLAN PRODUCT LAUNCHES

2009

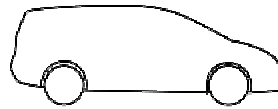
1st HALF



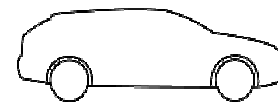
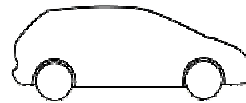
Megane
Coupé



Kangoo
Be Bop



Scenic
& Grand Scenic

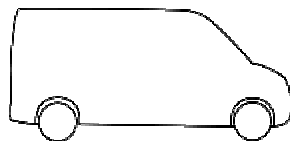


Megane
Estate



Clio III ph2

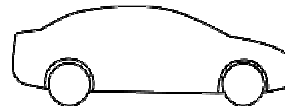
2nd HALF



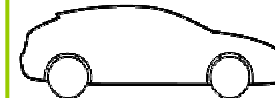
New Master



SM3



SM5



Megane
Renault Sport



Trafic ph3

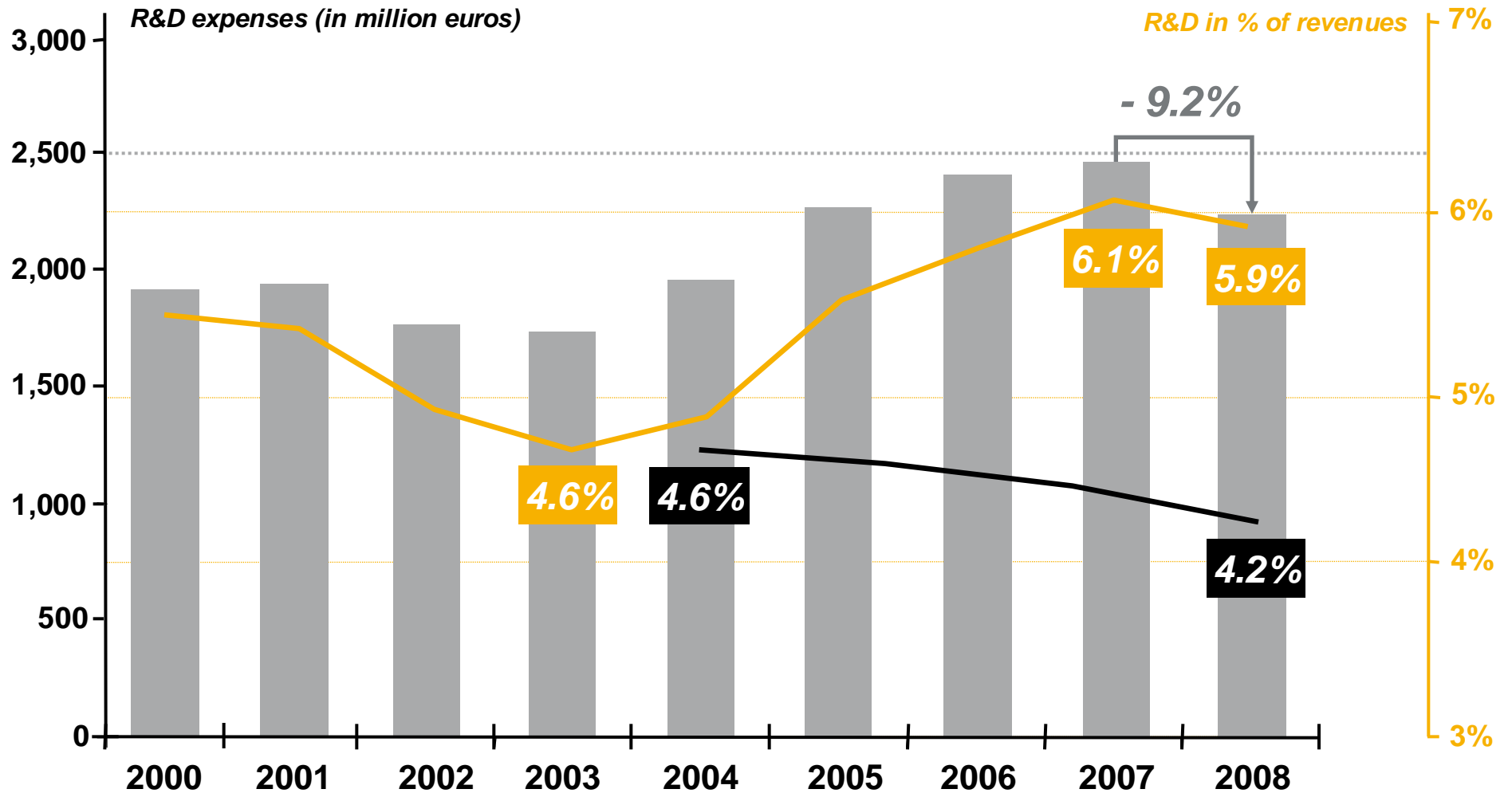
 Vehicles outside Renault Commitment
2009 product planning



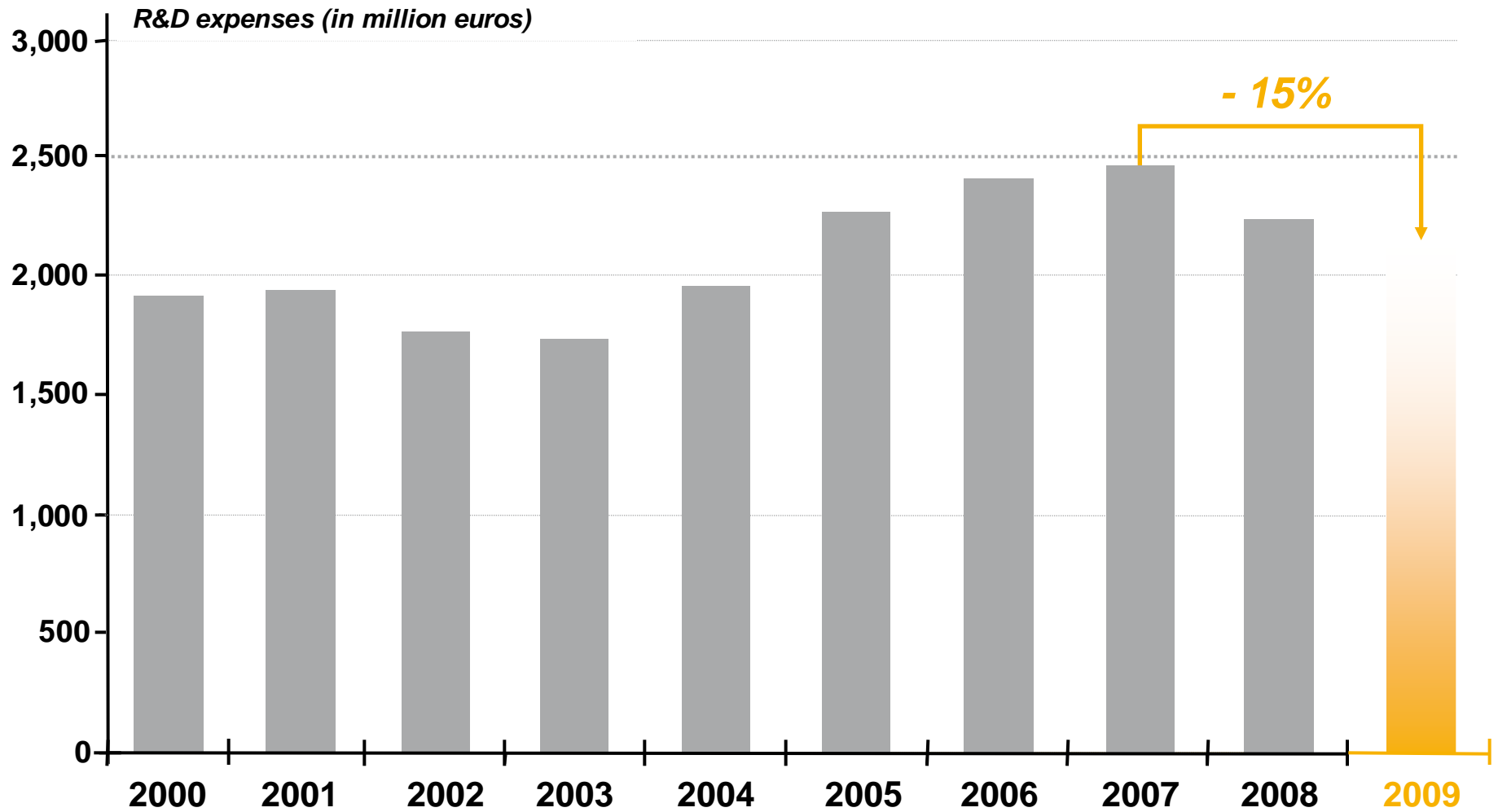
2008 OPERATIONS UPDATE

R&D EXPENSES REDUCED

— European manufacturer average R&D in % of revenues



2009 ACTION PLAN REDUCE R&D EXPENSES



2009 ACTION PLAN

8 MEASURES & 2 LEVERS TO FACE THE CRISIS

▶ AIMING FOR A POSITIVE FREE CASH FLOW

- ▶ Maximization of revenue sources
 1. Increase market shares
- ▶ Cost reduction
 2. Reduce R&D expenses
 3. **Decrease G&A and overheads**
- ▶ Free Cash Flow management
 4. Reduce inventories and reorganize the distribution system
 5. Adapt our production level
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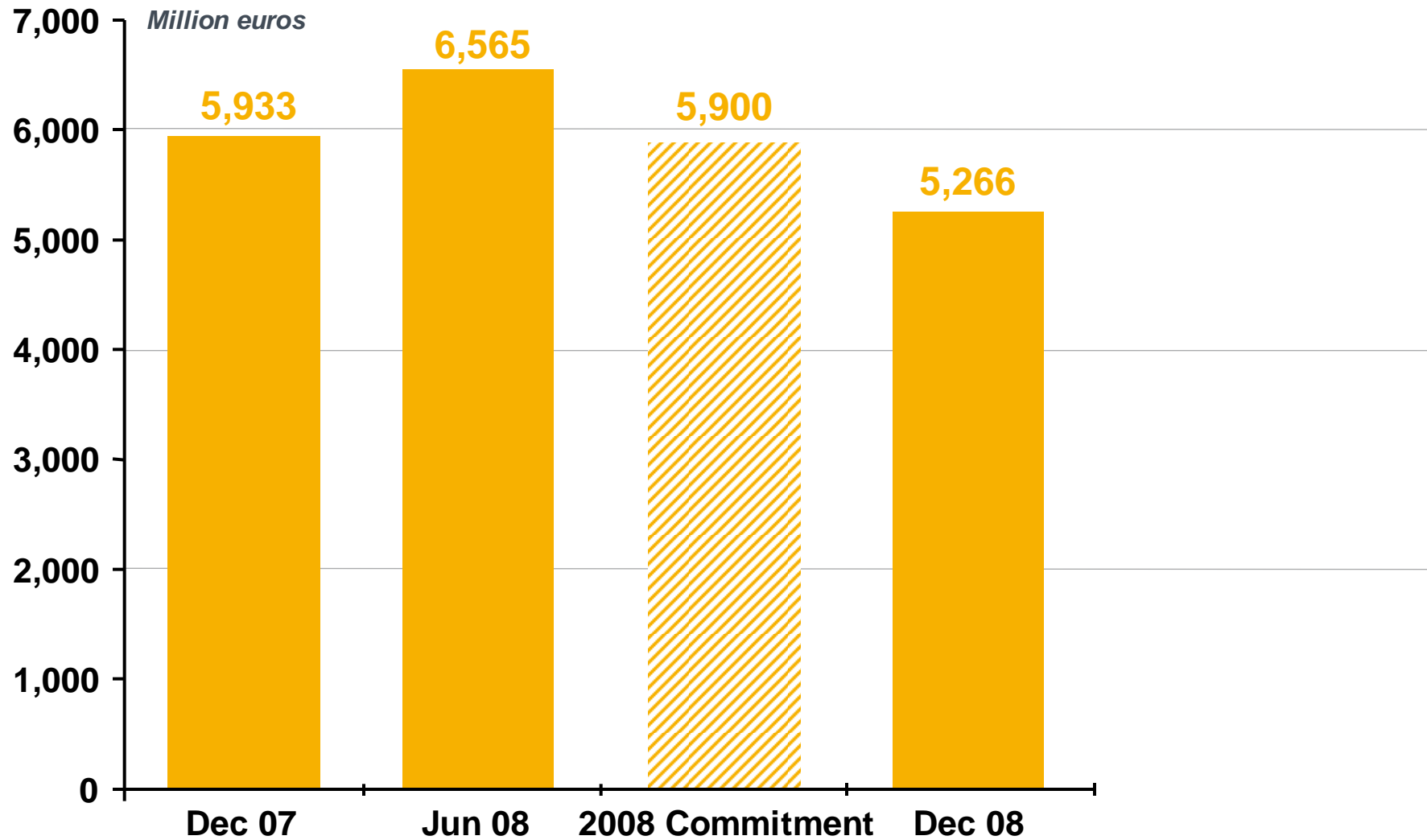
LEVERS

- Reinforce the Renault Nissan Alliance synergies
- Work conjointly with governments in France & in Europe



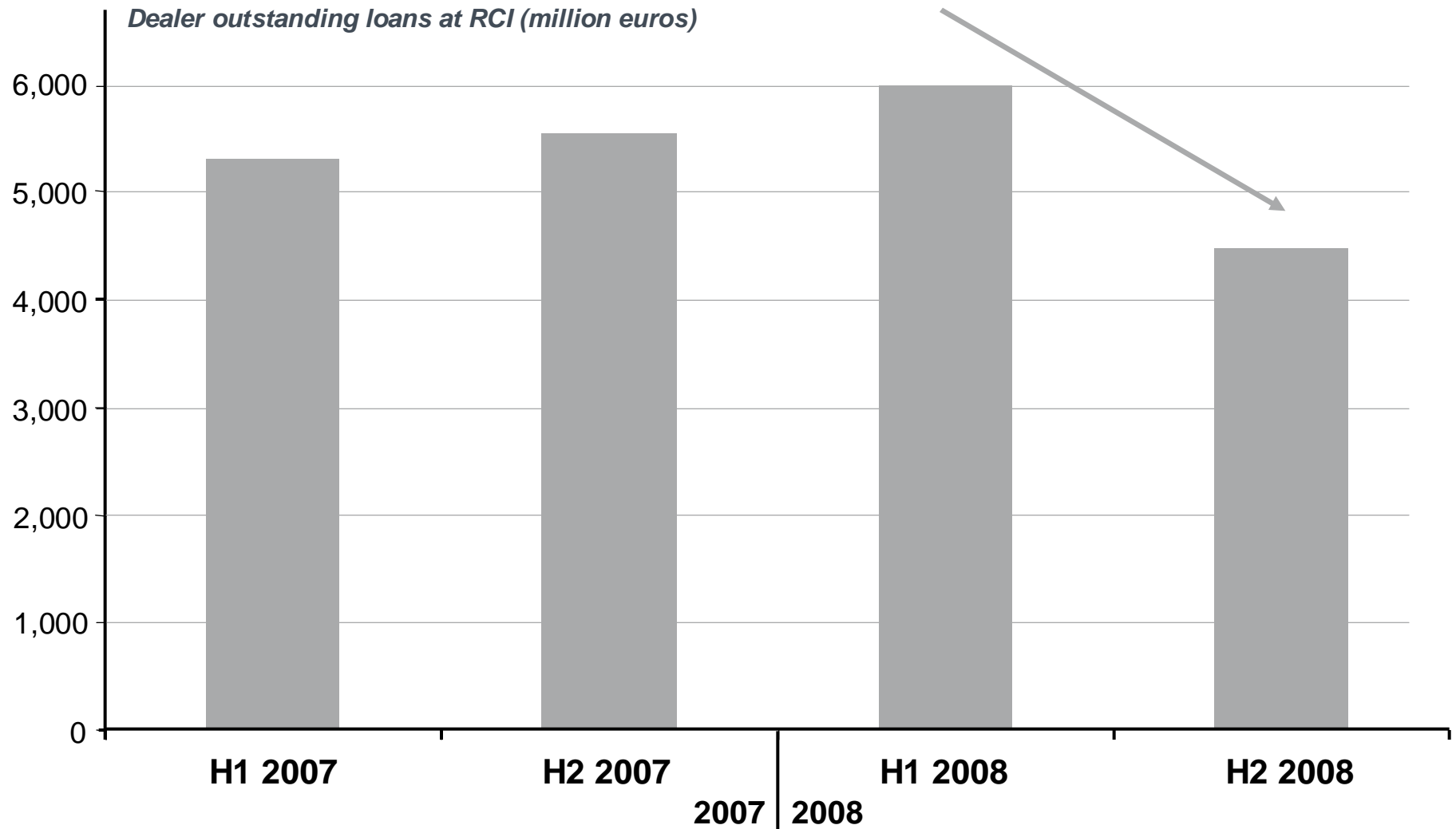
2008 OPERATIONS UPDATE

INVENTORY COMMITMENT EXCEEDED

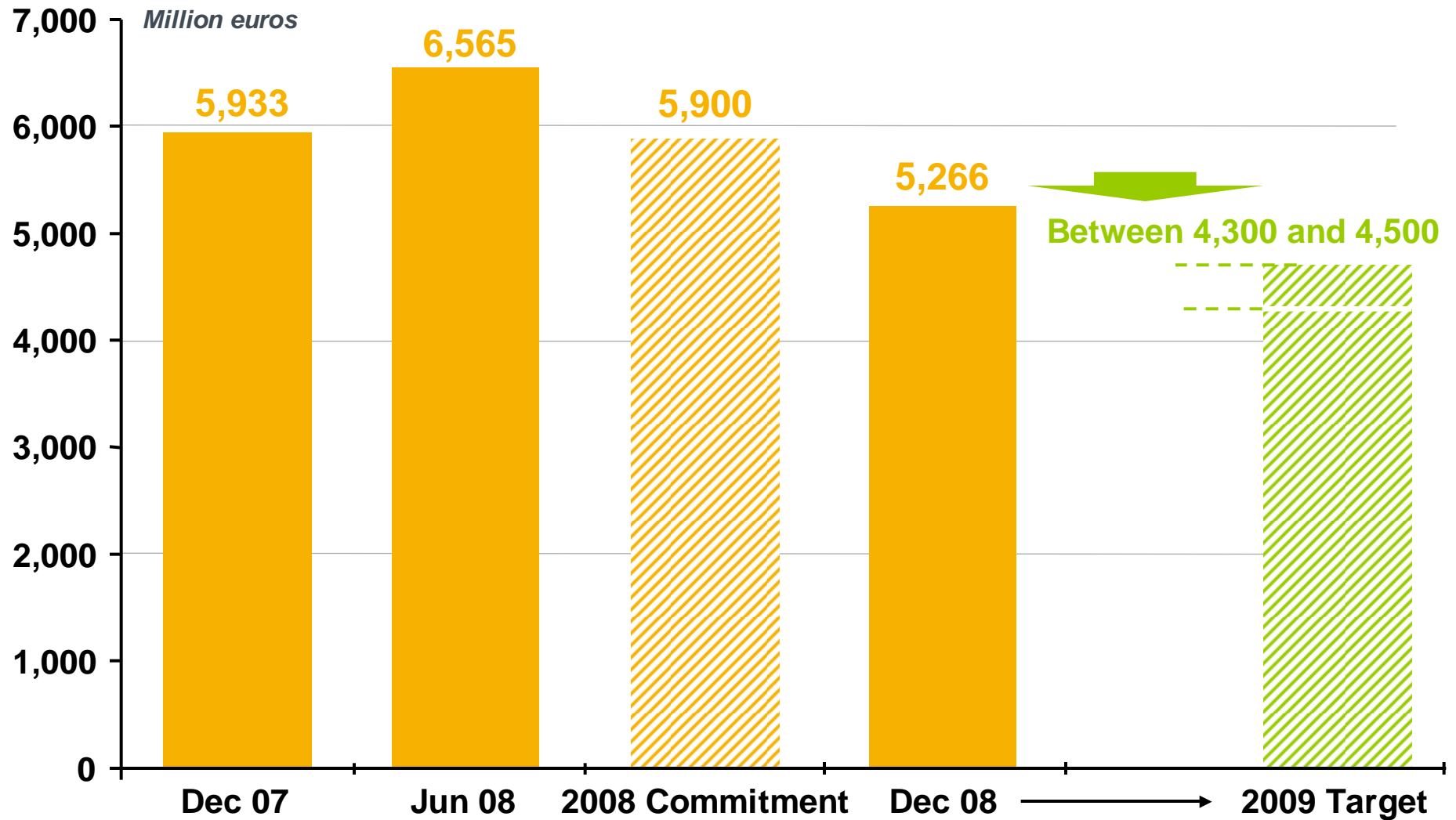


2008 OPERATIONS UPDATE

LEVEL OF RCI DEALER FINANCING REDUCED

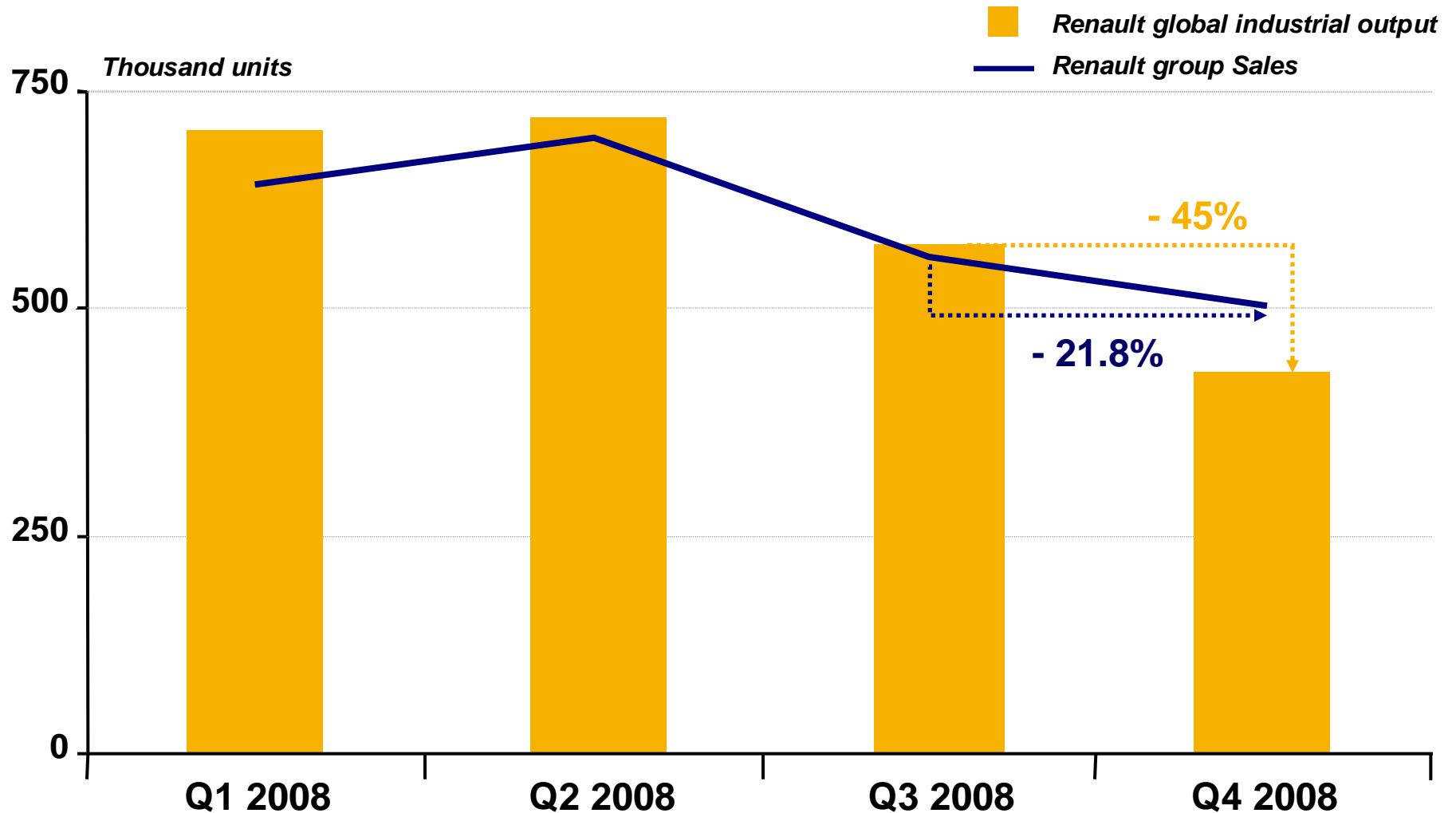


2009 ACTION PLAN CONTINUE INVENTORY REDUCTION



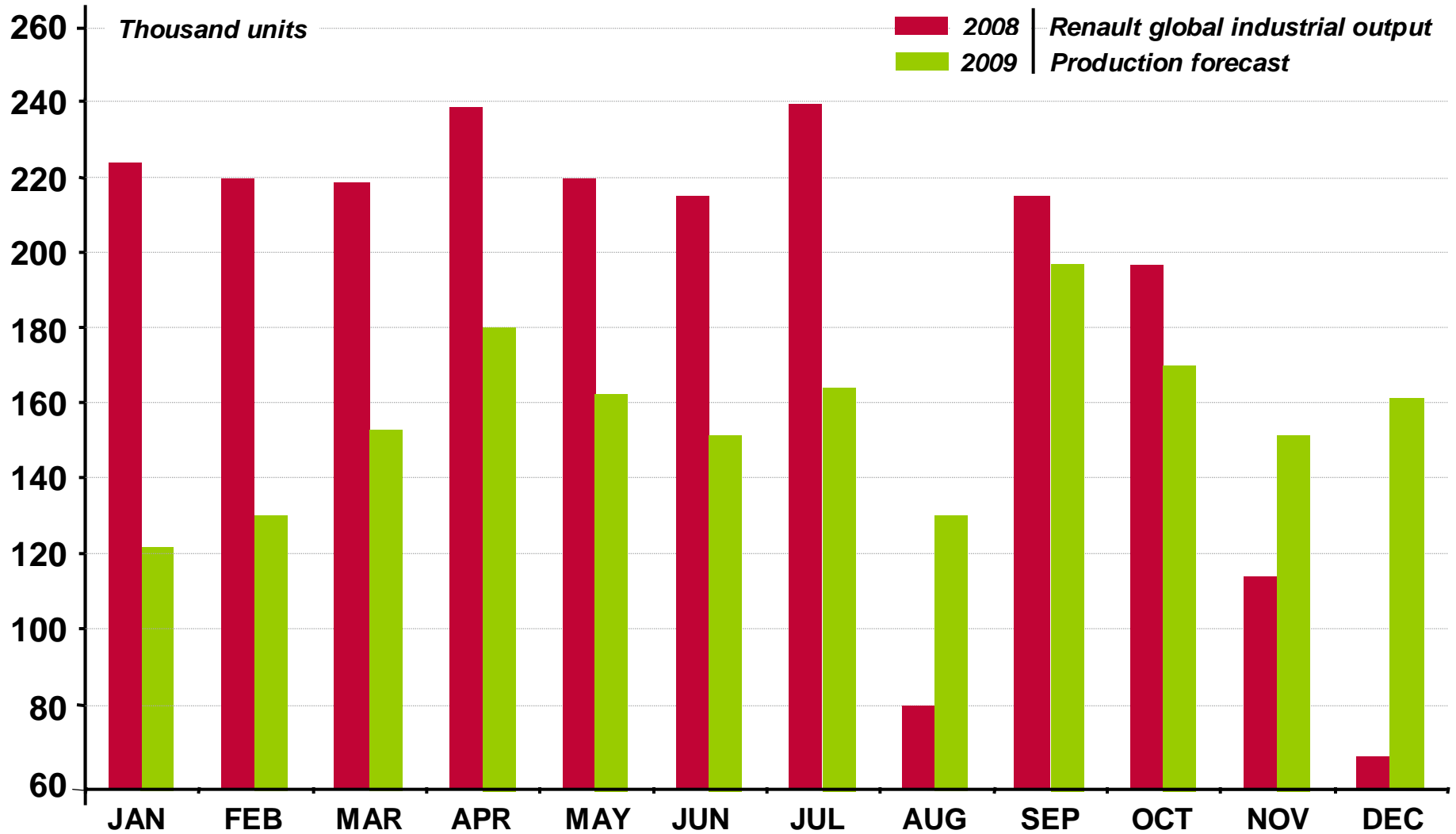
2008 OPERATIONS UPDATE

PRODUCTION LEVEL ADAPTED

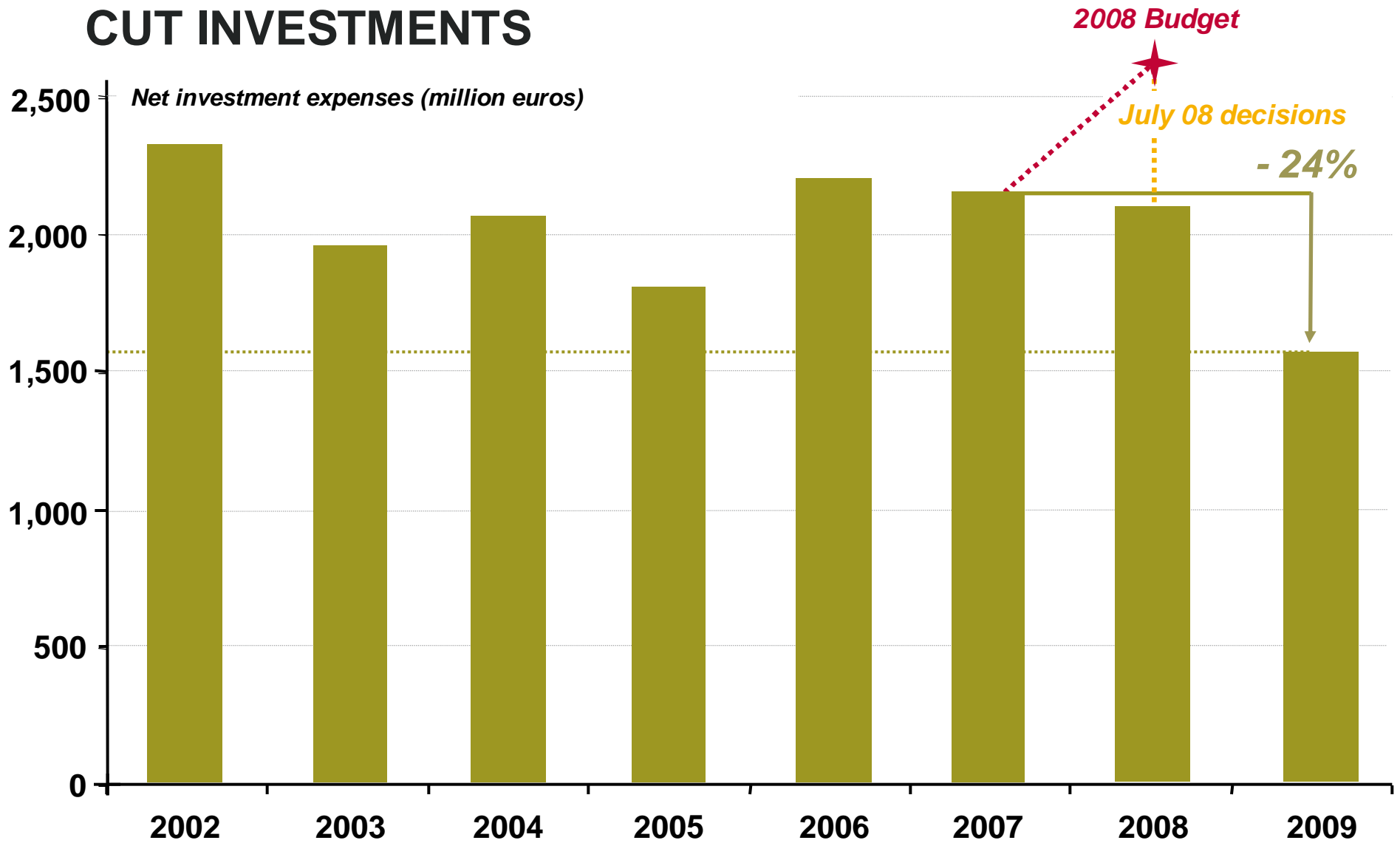


2009 ACTION PLAN

ADAPT OUR PRODUCTION LEVEL



2009 ACTION PLAN CUT INVESTMENTS



2009 ACTION PLAN

8 MEASURES & 2 LEVERS TO FACE THE CRISIS

▶ AIMING FOR A POSITIVE FREE CASH FLOW

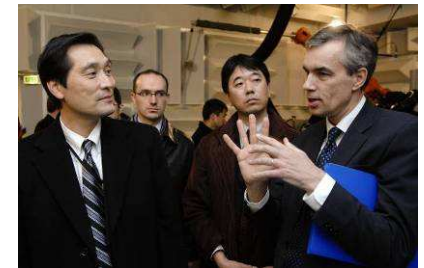
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- ### LEVERS
- Reinforce the Renault Nissan Alliance synergies
 - Work conjointly with governments in France & in Europe



REINFORCE ALLIANCE SYNERGIES

RENAULT NISSAN

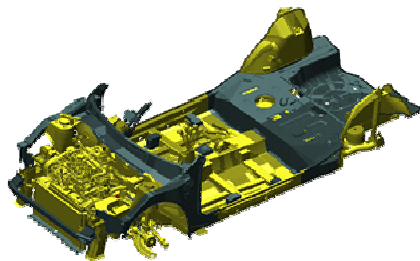


1.5 billion euros of Alliance synergies

For Renault

750 million euros of positive impact
on 2009 Free Cash Flow

(of which **€ 500m** already identified)



WORK CONJOINTLY WITH GOVERNMENTS

In France...

- **Secure access to credit**

- Provide financing for operations
- Secure access to customer credit

➔ **€ 3Bn loan**

➔ **Additional € 500m loan from SFEF to RCI**

- **Maintain Renault's competitiveness in France**

➔ **Removal of business tax in 2010**

- **Share partial lay-off costs**

➔ **Government partial lay-off financial aid increase**

- **Support the whole chain of the auto industry**

➔ **Financial assistance to suppliers through a support fund**

PRIORITY FOR 2009

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STRATEGIC OUTLOOK

Carlos GHOSN
President & CEO



RENAULT

OUR STRATEGY

RENAULT
COMMITMENT *2009*

MAKE & SUSTAIN RENAULT AS THE MOST PROFITABLE
AND COMPETITIVE EUROPEAN VOLUME CAR COMPANY



- **QUALITY**
Laguna in Top 3 of its category



- **PROFITABILITY**
6% operating margin in 2009



- **GROWTH**
+ 800 000 vehicles between 2005 and 2009

MAJOR ACHIEVEMENTS QUALITY

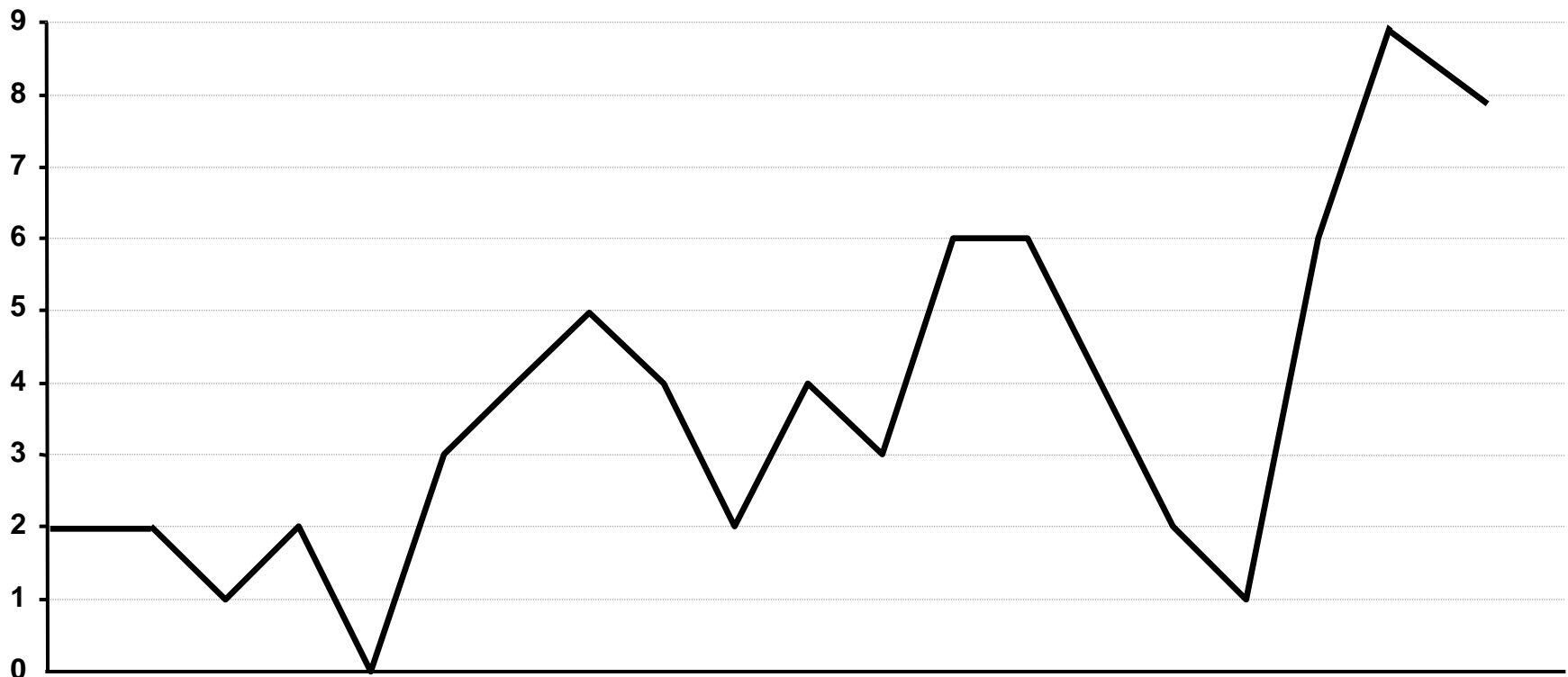


MAJOR ACHIEVEMENTS

PRODUCT LAUNCH ACCELERATION

1990 91 92 93 94 95 96 97 1998 99 00 01 02 03 04 2005 06 07 08 09

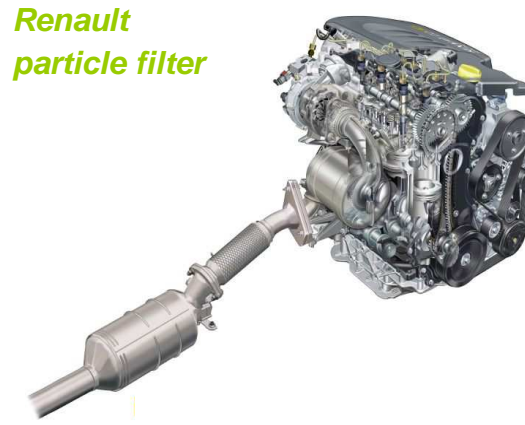
2 2 1 2 0 3 4 5 4 2 4 3 6 6 4 2 1 6 9 8



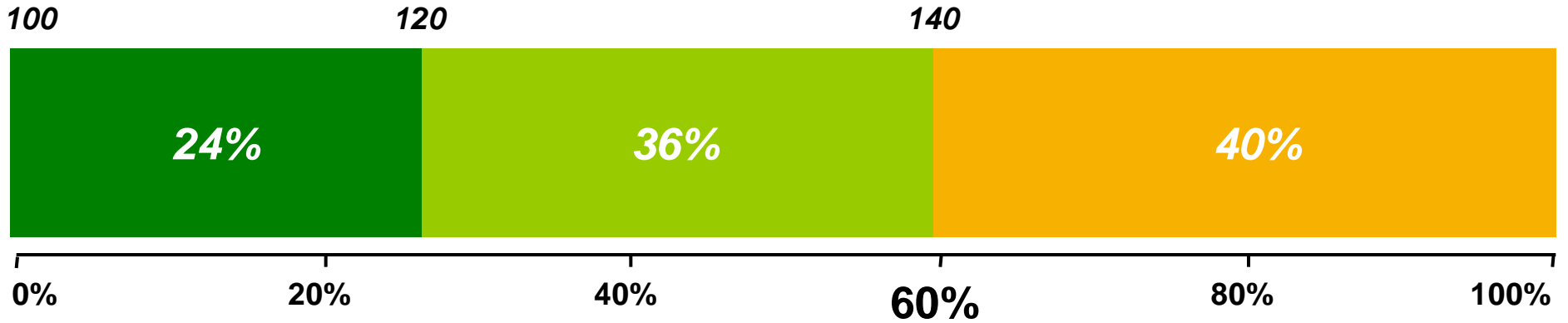
Annual product launches



60% OF OUR 2008 SALES BELOW 140 g/km CO₂

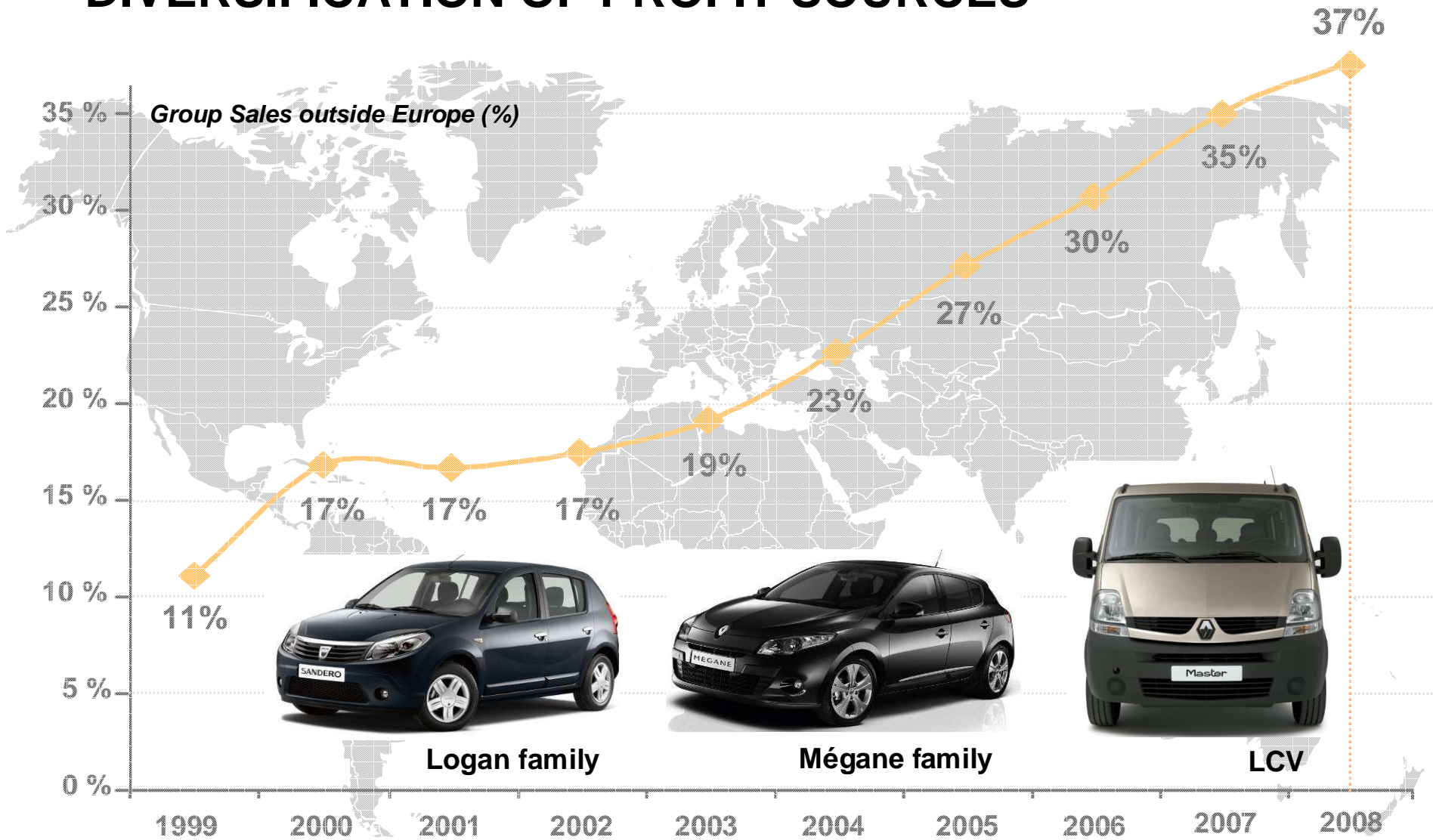


Emission level (g/km CO₂)



Share of total sales in the European Union (%)

DIVERSIFICATION OF PROFIT SOURCES



WHAT IS AT STAKE

IN THE SHORT TERM
SURVIVING THE CRISIS



IN THE MID - LONG TERM
ADAPTING TO NEW
MARKET CONDITIONS



MID & LONG TERM ADAPTING TO NEW MARKET CONDITIONS

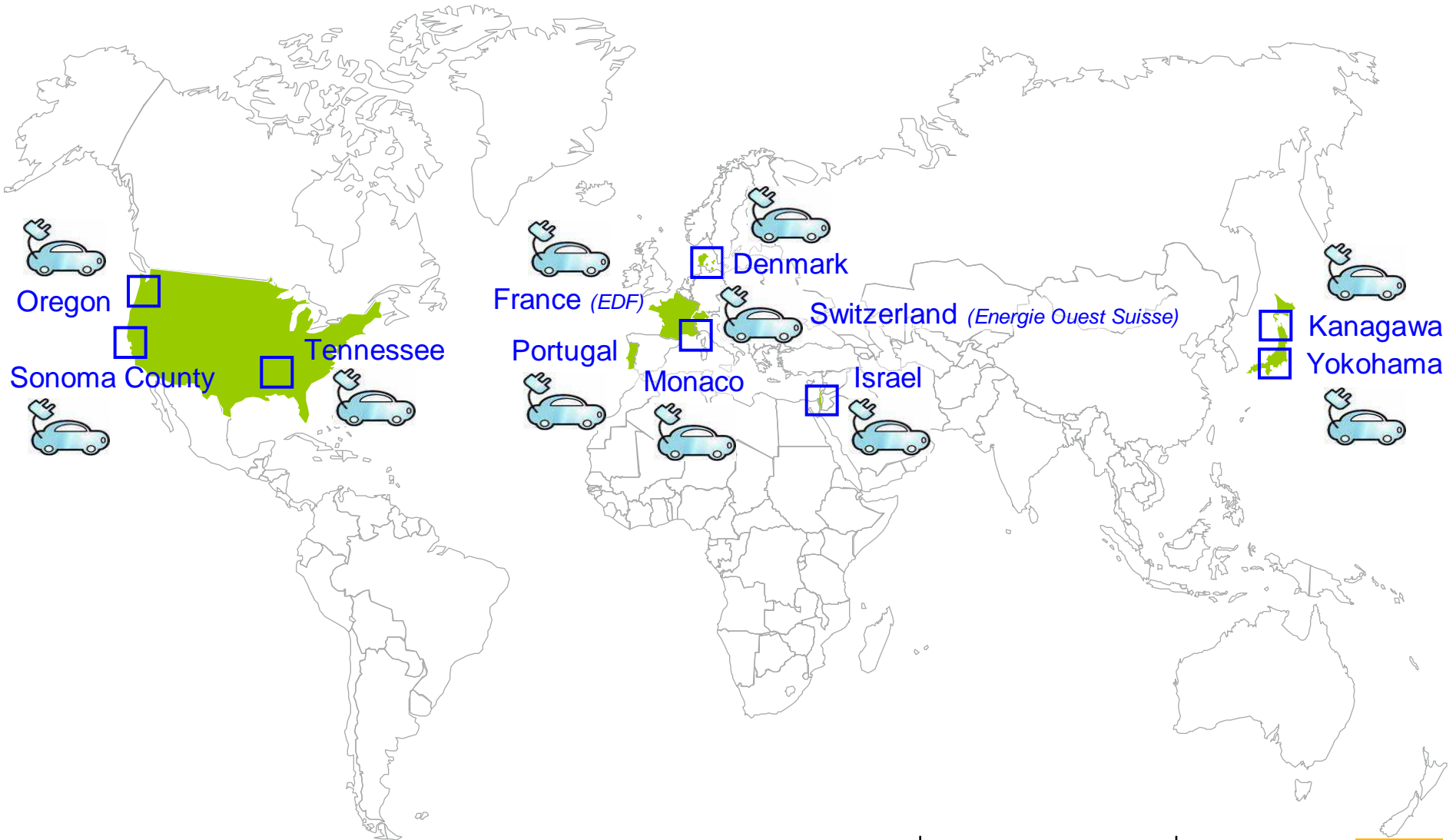
- Lasting high oil price
- Growing environmental concern



RENAULT NISSAN



ZERO EMISSION 11 PARTNERSHIP AGREEMENTS SIGNED



MID & LONG TERM ADAPTING TO NEW MARKET CONDITIONS

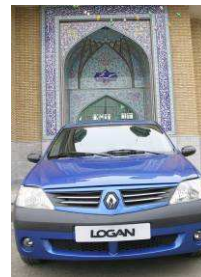
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RENAULT NISSAN



- Emerging markets catching up



2008 FINANCIAL RESULTS

Q&A



RENAULT