

INCOME STATEMENT

(€million)	2009	2008
Operating income		
Operating expenses	(25)	(26)
Increases to provisions	(5)	(5)
NET OPERATING EXPENSE	(30)	(31)
Investment income	334	875
Reversals from provisions		4
INVESTMENT INCOME AND EXPENSES (Note 2)	334	879
Foreign exchange gains		249
Foreign exchange losses	(869)	(400)
Increases to and reversals from provisions for exchange risks	827	(955)
FOREIGN EXCHANGE GAINS AND LOSSES (Note 3)	(42)	(1 106)
Interest and equivalent income	2	3
Interest and equivalent expenses	(365)	(341)
Reversals of provisions and transfers of charges	326	1
Net gains on sales of marketable securities	(6)	17
Depreciation and provisions	(11)	(462)
OTHER FINANCIAL INCOME AND EXPENSES (Note 4)	(54)	(782)
NET FINANCIAL INCOME	238	(1 009)
PRE-TAX INCOME BEFORE EXCEPTIONAL ITEMS	208	(1 040)
EXCEPTIONAL INCOME	112	
EXCEPTIONAL EXPENSES	(363)	
NET EXCEPTIONAL ITEMS (Note 5)	(251)	
INCOME TAX (Note 6)	92	177
NET INCOME	49	(863)

BALANCE SHEET

ASSETS (€million)	2009			2008
	Gross	Depreciation amortisation & provisions	Net	Net
Investments stated at equity (Note 7)	8 373		8 373	7 459
Investment in Nissan Motor (Note 7)	6 427	14	6 413	6 413
Other investments (Note 7)	0		0	66
Advances to subsidiaries and affiliates (Note 8)	11 908	14	11 894	11 787
FINANCIAL ASSETS	26 708	28	26 680	25 725
TOTAL FIXED ASSETS	26 708	28	26 680	25 725
RECEIVABLES	3		3	18
MARKETABLE SECURITIES (Note 9)	230	151	79	88
CASH AND CASH EQUIVALENTS	16		16	2
OTHER ASSETS (Note 10)	177		177	363
TOTAL ASSETS	27 134	179	26 955	26 196

BALANCE SHEET

SHAREHOLDERS' EQUITY AND LIABILITIES (€million)	2009	2008
Share capital	1 086	1 086
Share premium	4 425	4 424
Revaluation surplus	9	9
Equity valuation difference	2 557	3 798
Legal and tax basis reserves	108	108
Retained earnings	6 302	7 166
Net income	49	(863)
SHAREHOLDERS' EQUITY (Note 11)	14 536	15 728
REDEEMABLE SHARES (Note 12)	129	130
PROVISIONS FOR RISKS AND LIABILITIES (Note 13)	167	996
Bonds	4 131	4 761
Borrowings from credit institutions	1 258	1 463
Other loans and financial debts	6 660	3 040
FINANCIAL LOANS AND BORROWINGS (Note 14)	12 049	9 264
OTHER LIABILITIES (Note 15)	57	4
DEFERRED INCOME (Note 16)	17	74
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	26 955	26 196

STATEMENT OF CHANGES IN CASH

(€million)	2009	2008
Cash flow (Note 20)	(823)	554
Change in working capital requirements	73	(49)
Cash flow from operating activities	(750)	505
Increase in capital of Renault s.a.s.	(2 155)	
Net decrease (increase) in other investments		231
Net decrease (increase) in loans	(110)	(2 143)
Net decrease (increase) in marketable securities	127	(31)
Cash flow from investing activities	(2 138)	(1 943)
Bond issues	750	682
Bond redemptions	(1 261)	(435)
Net increase (decrease) in other interest-bearing borrowings	3 444	2 222
Dividends paid to shareholders		(1 049)
Bond redemption premiums	(8)	(19)
Cash flow from financing activities	2 925	1 401
Cash and cash equivalents: opening balance	(38)	(1)
Increase (decrease) in cash and cash equivalents	37	(37)
Cash and cash equivalents: closing balance	(1)	(38)

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Renault SA draws up its accounts in accordance with French law and accounting regulations governing individual companies' annual accounts.

The following methods were applied in valuing balance sheet and income statement items:

A - INVESTMENTS

As allowed by CNC (Conseil National de la Comptabilité) avis N°34 (July 1988), as an alternative to the standard valuation method for investments carried in the balance sheet, Renault SA has opted to state investments in wholly-controlled companies at equity:

- this method is applied to all fully consolidated companies,
- the shareholders' equity of these companies is determined under the accounting policies applied in the consolidated financial statements; as this is a valuation method, intercompany eliminations are not taken into account,
- in valuing a subsidiary, its holdings in companies wholly controlled by the Group are valued in the same way,
- the change during the year in the overall percentage of shareholders' equity corresponding to these interests is not an income or loss item; it is included in shareholders' equity under "equity valuation difference". This amount cannot be distributed or used to offset losses. When it is negative, a provision for general depreciation is established as a charge against income.

Investments in companies not wholly controlled by Renault SA are valued at acquisition cost, less related expenses, or at their book value if this is lower. Provisions are established when the book value of the investments is lower than the gross value. The book value takes account of profitability and commercial prospects, and the share of net assets.

B - ADVANCES TO SUBSIDIARIES AND AFFILIATES

Loans to related companies and advances to subsidiaries and affiliates are recorded at historical cost. Impairment is recognised when there is a probability that these loans will not be recovered.

C - MARKETABLE SECURITIES

Marketable securities are valued at acquisition cost, excluding related expenses and accrued interest for bonds, or at market value if this is lower.

Treasury shares held for the purposes of free share plans and stock option plans are included in marketable securities. In compliance with CNC avis 2008-17 of November 6, 2008, they are stated at acquisition cost. No adjustment has been made to the value of shares acquired before the CNC issued this opinion.

D - LOAN COSTS AND ISSUANCE EXPENSES

Loan costs, including issuance expenses, and bond redemption premiums are amortised over the corresponding duration on a straight-line basis.

E - TRANSLATION OF FOREIGN CURRENCY RECEIVABLES AND LIABILITIES

Receivables and liabilities denominated in foreign currencies are translated as follows:

- all receivables and liabilities in foreign currencies are converted at the year-end exchange rate,
- exchange differences arising between the date of transactions and December 31 are recorded in Other assets and Deferred income (translation adjustment),
- a provision for risk equal to the unrealised exchange losses is established as follows:
 - a foreign exchange position is determined for each currency and term, based on balance sheet items stated in foreign currencies and derivatives entered into to hedge foreign exchange risks;
 - unrealised foreign exchange gains are netted against unrealised foreign exchange losses with a similar term in the same currency;
 - any residual unrealised foreign exchange losses by currency and term are recognised.

F - PROVISIONS FOR RISKS AND LIABILITIES

Provisions for risks and liabilities are established for obligations that are probable or definite at year-end. A contingent liability is an obligation that is neither probable nor definite at the date the financial statements are established, or a probable obligation which cannot be reliably estimated. Provisions are not established for contingent liabilities, but an off-balance sheet commitment is reported where relevant.

G - DERIVATIVES

Gains and losses on derivatives designated as hedges are recorded in the income statement in the same way as the revenues and expenses relating to the hedged item.

Derivatives not designated as hedges are adjusted to fair value at each closing date. Unrealised gains are not recognised in income.

The fair value of forward exchange contracts is based on market conditions. The fair value of currency swaps is determined by discounting future cash flows, using closing-date market rates (exchange and interest rates). The fair value of interest rate derivatives is the amount the Group would receive (or pay) to settle outstanding contracts at the closing date, taking year-end market conditions into consideration. The market value of derivatives is not recognised in the balance sheet in the individual company accounts.

H - NET EXCEPTIONAL ITEMS

Exceptional items are revenues and expenses resulting from events or transactions that are clearly distinct from the company's normal business operations, and are not expected to recur on a frequent or regular basis.

2. INVESTMENT INCOME AND EXPENSES

Details are as follows:

(€ million)	2009	2008
Dividends received from Nissan Motor Co Ltd		418
Other dividends received		5
Interest on loans	334	452
Increases/Reversals from provisions related to subsidiaries and affiliates		4
TOTAL	334	879

Interest on loans breaks down as follows:

(€ million)	2009	2008
<u>Interest on loans</u>		
RENAULT s.a.s.	231	209
SNC RENAULT DOUAI	13	17
SNC RENAULT CLEON	12	23
COGERA	9	23
SNC RENAULT SANDOUILLE	9	19
MAUBEUGE CONSTRUCTION AUTOMOBILE	9	16
PÔLES RRG	8	21
SNC RENAULT FLINS	7	14
RENAULT FINANCE	6	46
AUTO CHASSIS INTERNATIONAL	6	11
SOVAB	5	9
ACI VILLEURBANNE	3	5
RENAULT BRUSSEL	3	4
SIMCRA	1	3
SIRHA	1	2
SOCIETE DE TRANSMISSIONS AUTOMATIQUES	1	1
TEI	1	1
RENAULT Ireland	1	1
FONDERIE DE NORMANDIE	1	1
RRG SAAR	1	
RRG BERLIN	1	
COFAL		6
EMBOUTISSAGE TOLERIE GENNEVILLIERS		5
RDIC		3
SCI du Plateau de Guyancourt		2
SOCIETE NOUVELLE DE ROULEMENTS		1
RENAULT UK		1
RENAULT WIEN		1
RENAULT AMSTERDAM		1
RENAULT FORMULE 1		1
REAGROUP ESTATE POLSKA		1
RENAULT SPORT		1
SOCIETE CABLAGE DE L'OISE		1
OTHER COMPANIES	5	4
TOTAL	334	452

3 - FOREIGN EXCHANGE GAINS AND LOSSES

The net foreign exchange loss is chiefly attributable to operations in yen undertaken by Renault SA as part of the hedge of the net assets of Nissan. These operations are classified as hedges in the consolidated financial statements only. In the corporate financial statements, foreign exchange operations related to the Nissan hedge are recorded in the net financial income in the income statement.

Foreign exchange gains and losses in 2009 comprise the following:

- A foreign exchange loss of €10 million on redemption of the bond issued on December 15, 2004 on the Japanese domestic market (nominal value 25 billion yen),
- A net foreign exchange loss of €358 million (losses of €927 million and gains of €69 million) on settlements of forward sale contracts during the year. This foreign exchange loss was covered by a provision in 2008 (see below),
- A provision of €129 million for unrealised foreign exchange losses booked in 2009 and an amount of €955 million reversed from provisions booked in 2008, including €709 million for outstanding forward purchases and sales in yen.

Foreign exchange gains and losses in 2008 included a net foreign exchange loss of €150 million, comprising:

- An exchange gain of €77 million following redemption of bonds for a total of €487 million,
- A net exchange loss of €227 million on settlement of forward sales (losses of €385 million and gains of €158 million) and a €955 million provision for foreign exchange losses.

Changes in the hedge of the net assets of Nissan are shown in note 18A.

4. OTHER FINANCIAL INCOME AND EXPENSES

Other financial income and expenses amounted to €54 million in 2009 (€782 million in 2008) and comprise net interest payments on Renault bonds after swaps (€365 million), and reversal of €310 million impairment booked in respect of treasury shares that were sold during the year. Impairment of €460 million was booked for treasury shares in 2008.

Sales of marketable securities generated a loss of €6 million.

Details of interest paid and other similar expenses are as follows:

(€ million)	2009	2008
Net accrued interest after swaps on bonds (*)	(105)	(180)
Net accrued interest after swaps on borrowings from credit institutions	(57)	(26)
Accrued interest on termination of borrowings from subsidiaries	(33)	(86)
Accrued interest on redeemable shares	(16)	(17)
Accrued interest on the loan from the French government	(124)	
Other (treasury notes and commitment commissions)	(30)	(32)
TOTAL	(365)	(341)

(*) The net interest on bonds comprises accrued and paid interest amounting to €217 million (€334 million in 2008), and accrued and received interest on swaps amounting to €112 million (€154 million in 2008).

In 2009, the €105 million of interest payable or paid, after swaps, mainly comprise:

- €26 million on the swapped bond issued on May 24, 2006,
- €22 million on the swapped bond issued on June 26, 2002,
- €15 million on the swapped bond issued on April 16, 2007,
- €10 million on the swapped bond issued on May 28, 2003.

The net interest receivable on the swapped portion of bonds and borrowings from credit institutions amounted to €62 million: €125 million on the paying leg and €63 million on the receiving leg.

In 2008, the €180 million of interest payable or paid, after swaps, included €73 million on the swapped bond issued on June 26, 2002.

5. NET EXCEPTIONAL ITEMS

The net exceptional loss of €251 million comprises the loss on sale of 3,754,650 treasury shares sold during the year. In respect of these treasury shares, a reversal of €297 million impairment out of the €310 million notified in note 4 "Other Financial Income and Expenses" have been booked.

6. INCOME TAX

As Renault SA elected to determine French income taxes under the domestic tax consolidation regime when it was formed, this regime has applied to the group in which Renault SA is taxed in France since January 1, 2004. French subsidiaries that are more than 95% owned by Renault SA pay their income taxes directly to Renault SA under this regime. Each entity included in the domestic tax consolidation records its theoretical taxes as if it was taxed separately. The tax saving generated by this system is treated as income for the company heading the group of entities concerned. When subsidiaries return to profit, the parent company records additional tax due to the fact that the subsidiaries' past tax losses have already been utilised. The parent company is not obliged to reimburse the subsidiaries for the tax savings resulting from utilisation of their tax losses when the subsidiaries return to profit or leave the tax consolidated group.

The income generated by income taxes for 2009 was €92 million, resulting from the domestic tax consolidation. The loss reported under the Group's tax consolidation amounts to €7,235 million, a €1,808 million increase over the previous year.

Details of the tax income for the year are as follows:

(€ million)	Income before tax	Taxes		Tax credit	Net tax due	Net income	
		Theoretical	Netting			Theoretical	As booked
Current income subject to normal rate	(43)	36		26	62	(105)	(105)
Tax consolidation					(154)		154
TOTAL	(43)	36	0	26	(92)	(105)	49

Details of Renault SA's future tax position are as follows:

(€ million)	2009		2008		Variations	
	Assets (1)	Liabilities (2)	Assets (1)	Liabilities (2)	Assets	Liabilities
Temporarily non-deductible expenses						
Provisions for risks and liabilities		57	342			(285)
Expenses deducted (or taxable income) not yet recognized for accounting purposes	56	45	24	349	32	(304)
TOTAL	113	45	366	349	(253)	(304)

(1) i.e. future tax credit

(2) i.e. future tax charge

7. INVESTMENTS

Changes during the year were as follows:

(€ million)	At start of year	Change over the year	At year-end
Investments stated at equity	7 459	914	8 373
Investment in Nissan Motor Co. Ltd.	6 413		6 413
Other investments	363	(363)	
Provisions on other investments	(297)	297	
TOTAL	13 938	848	14 786

- The €1,241 million change during the year in investments stated at equity is taken to shareholders' equity (see note 11). No new investments or disposals took place in 2009.
- The gross value of Renault s.a.s. shares recorded by Renault SA rose by €2,155 million, leading to an increase in Renault sas' shareholders' equity.
- Renault SA sold 3,754,650 treasury shares for €363 million. An amount of €297 million was reversed from the corresponding impairment.

8. ADVANCES TO SUBSIDIARIES AND AFFILIATES

Changes during the year were as follows:

(€ million)	At start of year	Increases	Decreases	At year-end
Capitalisable advances	5			5
Dividends receivable	3		(3)	0
Loans	11 793	2 575	(2 465)	11 903
Total before provisions (1)	11 801	2 575	(2 468)	11 908
Provisions	(14)			(14)
TOTAL NET	11 787	2 575	(2 468)	11 894
(1) Current portion (less than one year)	11 706	2 575	(2 461)	11 820
Long-term portion (over 1 year)	95		(7)	88

Advances to subsidiaries and affiliates include:

- €2,655 million in short-term investments with Group finance companies as part of the Group's cash management programme (€238 million in 2008);
- €25 million in long-term loans to Renault s.a.s. (identical to 2008);
- €9,223 million in current accounts resulting from centralised cash management agreements with Group subsidiaries (€11,530 million in 2008).

The cash management policy was reorganised in 2008. Renault SA is now in charge of the centralised cash management policy, using cash pooling facilities with subsidiaries that are centralised at non-Group banks.

Details of the "loans" (€11,903 million) are as follows:

(€ million)	2009	2008	Variation + 2009 / 2008	Variation - 2009 / 2008
Renault s.a.s.	6 165	7 751		(1 586)
Renault Finance	2 655	238	2 417	
Cogéra	450	450		
SNC Renault Douai	433	432	1	
SNC Renault Cléon	404	481		(77)
Maubeuge Construction Automobile	288	364		(76)
SNC Renault Sandouville	280	364		(84)
SNC Renault Flins	231	303		(72)
SOVAB	221	201	20	
ACI Villeurbanne	126	115	11	
RRG France et ex Filiales Commerciales Françaises	95	265		(170)
Auto Chassis International	93	204		(111)
Renault Brussels	60	65		(5)
SIMCRA	55	64		(9)
RRG Allemagne	45	2	45	(2)
SIRHA	43	50		(7)
Fonderie de Normandie	31	23	8	
Renault Italia spa	31	6	25	
Renault s.a.s.	25	25		
Renault Industrie Belgique	23	7	16	
Renault Ireland	22	19	3	
TEI	18	22		(4)
Société de Transmissions Automatiques	11	27		(16)
Renault Sport	11	26		(15)
Renault Alpine	11	12		(1)
Emboutissage Tôlerie Gennevilliers	8	8		
IDVU	8	0	8	
Valin et GIE TA 96	7	8		(1)
SRAC (China) usd	7	7		
RRG Warszawa	7		7	
IDVE	7		7	
Française de Mécanique	6	6		
SAGA	6	5	1	
Reagroup Estate Deutschland	4	4		
Renault Wien	3	18		(15)
RNBV	3		3	
SCI Parc industriel Le Mans	1	3		(2)
Société Câblage de l'Oise	1	1		
COFAL		131		(131)
Renault Nissan Deutsche AG		31		(31)
Renault Amsterdam		12		(12)
Immo Réa Polska		10		(10)
Renault Mexico		10		(10)
Car life		8		(8)
Renault Luxembourg		7		(7)
Somac		2		(2)
Auto Veeneman		1		(1)
Other companies	8	4	4	
TOTAL	11 903	11 793	2 575	(2 465)

9. MARKETABLE SECURITIES

Marketable securities include €230 million for Renault SA's treasury shares, against which impairment of €151 million has been booked.

Renault SA sold 485,323 treasury shares for €21 million. An amount of €12 million was reversed from the corresponding impairment.

In 2008, marketable securities consisted entirely of Renault SA's treasury shares for a total of €251 million, against which impairment of €163 million was booked.

Changes in treasury shares were as follows:

	At start of year	Options exercised	Shares sold	At year-end
Number of shares	5 019 048	10 000	485 323	4 523 725
Value (€ million)	251		(21)	230
Impairment	(163)		12	(151)
TOTAL	88		(9)	79

10. OTHER ASSETS

The major components of Other Assets are:

- the €21 million payment (€24 million at December 31, 2008). For the purposes of the 1%-rate housing loan financing operation introduced in 2004, Renault contracted a loan with nominal value of €112 million, bearing interest at the floating rate of 6-month Euribor + 0.67%, terminating on December 31, 2019. An interest rate swap was undertaken to convert this to a fixed rate of approximately 0.13%, and Renault SA also paid a sum of €33 million corresponding to the discounted interest differential recorded over the duration of the operation. This payment is amortised over the duration of the loan (15 years) at the same rate as the interest paid on the debt.
- issuance expenses of €7 million, including €4 million for the 5-year bond issued on October 13, 2009 with nominal value of €750 million.
- redemption premiums amounting to €16 million, comprising €12 million for the 5-year bond issued on April 16, 2008 with nominal value of €300 million and €4 million for the 5-year bond issued on October 13, 2009 with nominal value of €750 million.
- €132 million of translation adjustments resulting from unrealised foreign exchange losses on bonds issued in or swapped to yen as a partial hedge of the investment in Nissan. A provision for unrealised foreign exchange losses has been booked.

11. SHAREHOLDERS' EQUITY

Changes in shareholders' equity were as follows:

(€ million)	Balance at start of year	Allocation of 2008 net income	Dividends	2009 net income	Other	Balance at year-end
Share capital	1 086					1 086
Share premium	4 424				1	4 425
Revaluation surplus	9					9
Equity valuation difference	3 798				(1 241)	2 557
Legal and tax basis reserves	108					108
Retained earnings	7 166	(863)			(1)	6 302
Net income	(863)	863		49		49
TOTAL	15 728	0	0	49	(1 241)	14 536

Non-distributable reserves amounted to €2,675 million at December 31, 2009.

The 10,000 share subscription options exercised increased the share premium by €1 million and reduced retained earnings by €1 million.

A total of €230 million of reserves corresponds to the treasury share accounts.

Renault SA's shareholding structure was as follows at December 31, 2009:

	Ownership structure		Voting rights	
	Number of shares held	% of capital	Number	%
French state	42 759 571	15,01%	42 759 571	17,99%
Employees	9 529 250	3,34%	9 529 250	4,01%
Treasury shares	4 523 725	1,59%		
Nissan	42 740 568	15,00%		
Other	185 384 004	65,06%	185 384 004	78,00%
TOTAL	284 937 118	100%	237 672 825	100%

The par value of a Renault SA share is €3.81.

12. REDEEMABLE SHARES

These shares, issued in October 1983 and April 1984 by Renault SA, can be redeemed with a premium on the sole initiative of Renault SA. They earn a minimum annual return of 9% comprising a fixed portion (6.75%) and a variable portion that depends on consolidated revenues and is calculated based on identical structure and methods.

In March and April 2004, Renault made a cash tender offer to buy back its redeemable shares at €450 per share, representing a 21% premium over market price. This operation generated a loss of €343 million.

797,659 redeemable shares remained on the market at December 31, 2009, with an average weighted cost of €158.93 each or a total of €129 million including accrued interest. The market price for redeemable shares was €290 at December 31, 2009 (par value: €153).

The 2009 return on redeemable shares, amounting to €16 million (€17 million in 2008) is included in interest expenses.

13. PROVISIONS FOR RISKS AND LIABILITIES

Provisions for risks and liabilities break down as follows:

(€million)	2008	Increases	Reversals	2009
Sirha 1% housing loan	18		(2)	16
China SRAC SANJIANG	22			22
Foreign exchange losses	956	129	(956)	129
TOTAL	996	129	(958)	167
<i>Current (less than 1 year)</i>	<i>22</i>			<i>22</i>
<i>Long-term (over 1 year)</i>	<i>974</i>	<i>129</i>	<i>(958)</i>	<i>145</i>

All known litigation in which Renault SA is involved is examined at year-end. After seeking the opinion of legal and tax advisors, the provisions deemed necessary are, where appropriate, established to cover the estimated risk.

14. FINANCIAL LOANS AND BORROWINGS

A - BONDS

The principal changes in bonds over 2009 were as follows:

- issuance on October 13, 2009 of a 5-year bond with total nominal value of €750 million, at the fixed rate of 6%,
- redemption of the February 26, 2004 5-year bond issue totalling €10 million at the floating rate of 3-month Euribor +0.88% (swapped to a floating rate of 6-month Euribor +0.54%),
- redemption of the April 14, 2004 5-year bond issue totalling €10 million at the floating rate of 3-month Euribor +0.80% (swapped to a floating rate of 3-month Euribor +0.54%),
- redemption of the April 27, 2004 5-year bond issue totalling 1 billion yen at the fixed rate of 1.11%,
- redemption of the April 27, 2004 5-year bond issue totalling €50 million at the floating rate of 3-month Euribor +0.45%,
- redemption of the June 26, 2002 7-year bond issue totalling €1 billion at the fixed rate of 6,125% (swapped to yens in two €500 million tranches on June 18, 2004 at the respective floating rates of 3-month Euribor + 2.186% and 3-month Euribor + 2.3175%),
- redemption of the December 15, 2004 5-year bond issue totalling 25 billion yen at the fixed rate of 0.98%.

Breakdown by maturity

(€ million)	December 31, 2009						
	Total	- 1 yr	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs	+ 5 yrs
2003	813	772				41	
2004	50		50				
2005	263	188		75			
2006	903		375		500	28	
2007	599	15		522		52	10
2008	728		338		390		
2009	750					750	
Accrued interest	25	25					
TOTAL	4 131	1 000	763	597	890	871	10

(€ million)	December 31, 2008						
	Total	- 1 yr	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs	+ 5 yrs
2002	1 000	1 000					
2003	855		814				41
2004	326	276		50			
2005	277		198		79		
2006	924			396		500	28
2007	603		16		524		63
2008	752			357		395	
Accrued interest	24	24					
TOTAL	4 761	1 300	1 028	803	603	895	132

Breakdown by currency

(€ million)	December 31, 2009		December 31, 2008	
	before derivatives	after derivatives	before derivatives	after derivatives
Euro	3 001	2 248	3 362	2 567
Yen	1 130	1 883	1 399	2 194
TOTAL	4 131	4 131	4 761	4 761

Breakdown by interest rate

(€ million)	December 31, 2009		December 31, 2008	
	after derivatives	after derivatives	after derivatives	after derivatives
Fixed rate	2 865		2 409	
Floating rate	1 266		2 352	
TOTAL	4 131	4 131	4 761	4 761

B - BORROWINGS FROM CREDIT INSTITUTIONS

Borrowings from credit institutions stood at €1,258 million at December 31, 2009 (€1,463 million at December 31, 2008) and are mainly contracted on the market.

The principal changes in bonds over 2009 were as follows:

- issuance on March 31, 2009 of a 4-year bond through a European investment bank with total nominal value of €400 million at the fixed rate of 4.397%,
- redemption of the 5-year Schuldschein bond of March 26, 2004 totalling 80 million Australian dollars, at the floating rate of 6-months AUD-BBR-BBSW +0.34% (swapped to a floating rate of 6-month Euribor +0.54%),
- redemption of the 5½-year Schuldschein bond of April 19, 2004 totalling €50 million at the floating rate of 6-month Euribor +0.51%.

In 2009 the European Investment Bank approved a 4-year loan of €400 million to help the Group in the transition to cleaner technologies with lower fuel consumption.

Short-term drawings on long-term credit lines (due after one year) were repaid in April 2009. They amounted to €475 million at December 31, 2008.

Breakdown by maturity

(€million)	Total	December 31, 2009					
		- 1 yr	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs	+ 5 yrs
2004	69	5	8	10	4	5	37
2005							
2006							
2008	766	196	75	50	178	225	42
2009	400					400	
Accrued interest	23	23					
TOTAL	1 258	224	83	60	182	630	79

(€million)	Total	December 31, 2008					
		- 1 yr	1 to 2 yrs	2 to 3 yrs	3 to 4 yrs	4 to 5 yrs	+ 5 yrs
2004	173	105	5	8	10	4	41
2005							
2006							
2007							
2008	1 244	475	199	75	50	178	267
Accrued interest	46	46					
TOTAL	1 463	626	204	83	60	182	308

Breakdown by currency

(€ million)	December 31, 2009		December 31, 2008	
	before derivatives	after derivatives	before derivatives	after derivatives
Euro	1212	1212	1365	1413
Yen	46	46	49	49
Other currencies			49	1
TOTAL	1 258	1 258	1 463	1 463

Breakdown by interest rate

(€ million)	December 31, 2009		December 31, 2008	
	after derivatives		after derivatives	
Fixed rate	570		649	
Floating rate	688		814	
TOTAL	1 258		1 463	

C - OTHER LOANS AND FINANCIAL DEBTS

Other loans and financial debts amounted to €6,660 million at December 31, 2009 (€3,040 million in 2008), and principally comprise:

- borrowings from Group subsidiaries with surplus cash,
- treasury notes amounting to €697 million,
- a €3 billion loan from the French government.

During 2009 Renault received a loan of €3 billion from the French government. This loan is repayable at the end of its 5-year term in 2014, although early repayment in part or in full is authorised from 2011.

The interest rate applicable comprises a fixed portion of 6% and a variable portion indexed on the Group's operating margin rate, between a lower and upper limit set respectively at 6% and 9%.

The French government loan agreement stipulates that the interest rate will be raised if Renault fails to honour its contractual commitments regarding development of clean vehicle systems and technologies in France, introduction of partnership arrangements with suppliers and using profits to reinforce shareholders' equity and make investments. The loan agreement includes standard accelerated payment clauses (in the event of default on repayments, inaccurate declarations, failure to comply with contractual obligations, insolvency proceedings ...) and entitles the lender to demand full repayment within 3 months if direct or indirect control over more than 50% of the capital or voting rights is transferred without prior approval.

(€ million)	2009	2008	Variation 2009/2008
Renault Espana sa	1 108	297	811
SI Epone	566	488	78
Renault Finance	285	140	145
RDIC	222	238	(16)
Renault Deutschland AG	136		136
SCIA (ex SIAM)	131	145	(14)
Renault Belgique Luxembourg	113	62	51
Renault Nederland	69	62	7
SIRHA	45	44	1
SCI Plateau de Guyancourt	15	88	(73)
SICOFRAM	13	181	(168)
FM		155	(155)
Other borrowings from subsidiaries	136	122	14
Treasury notes	697	1 018	(321)
Loan from the French government	3 124		3 124
TOTAL	6 660	3 040	3 620

No loans or financial debts are secured.

D. LIQUIDITY RISK

The Group's Automobile division needs sufficient financial resources to finance its day-to-day business and the investments necessary for future growth. It therefore regularly borrows on the banking and capital markets, and this exposes it to a liquidity risk in the event of market closure or tensions over credit availability. As part of its centralised cash management policy, Renault SA handles most refinancing for the Automobile division through long-term resources via the capital markets (bond issues, private placements), short-term financing such as treasury notes, or bank financing.

Short-term financing is secured by confirmed credit agreements (see Note 19). The contractual documentation for these confirmed credit lines contains no clause that could affect the continued supply of credit in the event of any change in Renault's credit rating or financial ratio compliance.

Given the available cash reserves and confirmed credit lines unused at the year-end, the prospects for renewal of short-term financing, and the French government's €3 billion 5-year preferential loan to the Automobile segment, Renault SA has sufficient financial resources to cover its commitments over a 12-month horizon.

15. OTHER LIABILITIES

Changes in other liabilities were as follows:

(€ million)	2009	2008	Variation 2009 / 2008
Tax liabilities	57	4	53
TOTAL	57	4	53

The €53 million increase in other liabilities results from a €11 million increase in tax liabilities and a €42 million increase in the liability for taxes payable to subsidiaries under the French domestic tax consolidation system.

16. DEFERRED INCOME

Deferred income mainly comprises unrealised foreign exchange gains on borrowings issued in yen or swapped to yen, totalling €12 million. These borrowings were subscribed as part of the hedge of the net assets of Nissan.

17. INFORMATION CONCERNING RELATED COMPANIES

“Related companies” are all entities fully consolidated in the Group’s consolidated financial statements.

Income statement

(€ million)	2009		2008	
	Total	Related companies	Total	Related companies
Interest on loans	334	332	452	443
Interest and equivalent expenses	(365)	(39)	(341)	(100)
Reversals of provisions and transfers of charges	1 282		13	

Balance sheet

(€ million)	2009		2008	
	Total	Related companies	Total	Related companies
Loans	11 903	11 858	11 793	11 709
Receivables	3		18	
Cash and cash equivalents	16		2	
Loans and financial debts	6 660	2 791	3 040	2 971
Other liabilities	57		4	

18. FINANCIAL INSTRUMENTS

A - MANAGEMENT OF EXCHANGE AND INTEREST RATE RISK

The corresponding commitments, expressed in terms of notional amount where appropriate, are shown below:

At December 31 (€million)	2009	2008
<hr/>		
<i>Foreign exchange risks</i>		
Currency swaps		
Purchases	752	1 159
<i>with Renault Finance</i>		365
Sales	750	1 107
<i>with Renault Finance</i>		357
Other forward exchange contracts and options		
Purchases	283	4 522
<i>with Renault Finance</i>	283	4 522
Sales	284	5 225
<i>with Renault Finance</i>	284	5 225
<hr/>		
<i>Interest rate risks</i>		
Interest rate swaps	1 401	2 428
<i>with Renault Finance</i>	1 292	2 312
<hr/>		

Transactions undertaken to manage exchange rate exposure principally comprise currency swaps and forward sales of yen, with respective total nominal value of €1,925 million (256 billion yen) at December 31, 2009 and €3,990 million (503 billion yen) at December 31, 2008. These operations form a partial hedge of Renault's investment in Nissan's net assets in yen.

They comprise 156 billion yen (€1,173 million) of bonds issued directly in yen, and 100 billion yen (€752 million) for a bond issued in euros and swapped to yen.

Renault SA also carries out forward sales to hedge loans to subsidiaries denominated in foreign currencies, without any significant impact on the financial statements.

Renault SA carries most of the Group's indebtedness. Its interest rate risk management policy applies two basic principles: long-term investments use fixed-rate financing, and investments for liquidity reserves use variable-rate financing. The financing in yen undertaken as part of the hedge of Nissan equity is fixed-rate, over terms varying from 1 month to 7 years.

Renault SA uses derivatives to implement the above interest rate and exchange risk management policies. Most of its operations on the forward markets are with Renault Finance, a wholly-owned Group subsidiary.

B - FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts on the balance sheet and the estimated fair values of Renault SA's financial instruments are as follows:

At December 31 (€ million)	2009		2008	
	Balance sheet value	Fair value	Balance sheet value	Fair value
ASSETS				
Other financial assets, gross (1)			363	70
Marketable securities, gross (1)	230	164	252	93
Loans	11 903	11 912	11 793	11 795
Cash and cash equivalents	16	16	2	2
LIABILITIES				
Redeemable shares	129	231	130	188
Bonds	4 131	4 258	4 761	4 537
Other interest-bearing borrowings (2)	7 918	8 133	4 503	4 363

(1) including treasury shares
(2) excluding redeemable shares

C - ESTIMATED FAIR VALUE OF OFF-BALANCE SHEET FINANCIAL INSTRUMENTS

At December 31 (€ million)	2009		2008	
	Assets	Liabilities	Assets	Liabilities
Forward exchange contracts <i>with Renault Finance</i>	324 324	(326) (326)	4 548 4 548	5 252 5 252
Currency swaps <i>with Renault Finance</i>	783	(761)	833	850
Interest rate swaps <i>with Renault Finance</i>	103 88	(3)	99 99	9 6

Assumptions and methods adopted :

Estimated fair values are based on information available on the markets and arrived at using valuation methods appropriate to the types of instrument in question.

The methods and assumptions used are by nature theoretical, and judgment plays a major role in interpreting market data.

Fair values have been determined on the basis of information available at the end of the year and do not therefore take account of subsequent movements.

In general, when the financial instrument is listed on an active and liquid market, the last listed price is used to calculate the market value. For unlisted instruments, market value is determined based on recognised valuation models that refer to observable market parameters. If Renault SA has no valuation tools, particularly for complex products, valuation is carried out by quality financial institutions.

The main assumptions and valuation methods are as follows:

- **Financial assets:**

Marketable securities: the fair value of securities is determined mainly by reference to market prices.

Loans and advances to subsidiaries and affiliates: for loans with original maturity of less than three months, floating-rate loans and advances to subsidiaries and affiliates, the value recorded in the balance sheet is considered to be the fair value. Other fixed-rate loans have been measured by discounting future cash flows using the rates offered to Renault SA at December 31, 2009 and December 31, 2008 for loans with similar conditions and maturities.

- **Liabilities:** the fair value of financial liabilities is determined by discounting future cash flows at the rates offered to Renault SA at December 31, 2009 and December 31, 2008 for borrowings with similar conditions and maturities. The fair value of redeemable shares is based on their year-end stock market value.

- **Off-balance sheet foreign exchange instruments:** the fair value of forward contracts is estimated on the basis of prevailing market conditions. The fair value of currency swaps is determined by discounting cash flows using exchange rates and interest rates prevailing at December 31, 2009 and December 31, 2008 for the contracts' residual terms.

- **Off-balance sheet interest rate instruments:** the fair value of interest rate swaps represents the amount Renault would receive (or pay) if it settled outstanding contracts at the end of the year. Unrealised capital gains or losses, determined on the basis of prevailing interest rates and the quality of the counterparty to each contract, are taken into account at December 31, 2009 and December 31, 2008.

19. OTHER COMMITMENTS AND CONTINGENCIES

Off-balance-sheet commitments are as follows:

(€ million)	2009		2008	
	Total	Concerning related companies	Total	Concerning related companies
<u>Commitments received</u>				
Unused credit lines	4 250	180	3 904	202
TOTAL	4 250	180	3 904	202
<u>Commitments given</u>				
Guarantees and deposits	465	450	451	450
Unused credit lines	100	100	119	119
TOTAL	565	550	570	569
<u>Financial commitments</u>				
Forward currency sales	284	284	5 225	5 225
Forward currency purchases	283	283	4 522	4 522
Currency swaps: loan	750		1 107	357
Currency swaps: borrowing	752		1 159	365
Interest rate swaps	1 401	1 291	2 428	2 312

As part of the management of RCI Banque's major risk ratio, Renault SA has provided Cogera (a fully-owned RCI Banque subsidiary) with a €450 million credit line since December 2004. For purposes of compliance with French Banking Commission requirements, Renault SA will only be reimbursed by Cogera to the extent of the amounts Cogera recovers from Renault Retail Group in repayment of its financing for inventories. Furthermore, to guarantee payment by Renault Retail Group to Cogera of the receivables resulting from this financing arrangement, Renault SA's receivable related to the credit line is pledged in favour of Cogera. The value of this pledge at December 31, 2009 was €450 million.

There are no restrictive clauses on credit lines opened but unused.

The forward sales and swaps undertaken by Renault SA are described above (note 18.A - Management of exchange and interest rate risk).

20. CASH FLOW

Cash flow is determined as follows:

(€ million)	2009	2008
Net income	49	(863)
Increases to provisions and deferred charges	9	8
Net increase to provisions for risks and liabilities	(829)	942
Net increases to impairment	(310)	467
Asset disposal loss on treasury shares	258	
TOTAL	(823)	554

21. WORKFORCE

Renault SA has no employees.

22. FEES PAID TO DIRECTORS AND EXECUTIVE MANAGERS

Directors' fees amounted to €571,336 in 2009 (€557,475 in 2008), of which €38,795 were for the Chairmen's functions (€56,000 in 2008).

23. SUBSEQUENT EVENTS

No significant event has occurred subsequent to the year-end.

OTHER INFORMATION – SUBSIDIARIES AND AFFILIATES (€ million)

Companies	Share capital	Reserves and retained earnings	% of capital held	Book value of shares owned
INVESTMENTS				
Renault s.a.s.	534	3 289	100,00	7 609
Dacia (2)	600	97	99,31	758
Nissan Motor Co Ltd (1)	4 550	19 713	44,33	
Sofasa (2)	1	92	23,71	6
TOTAL INVESTMENTS				8 373

(1) Converted at the rate of 133.16 yen for 1 euro. (Consolidated equity under Japanese GAAP)

(2) The exchange rates used for Dacia and Sofia are 4.2363 Romanian lei = 1 euro and 2,942 Colombian peso = 1 euro respectively.

OTHER INFORMATION – SUBSIDIARIES AND AFFILIATES (€ million)

Companies	Outstanding loans and advances from Renault SA	Sales revenues, prior year	Net income (loss), prior year	Dividends received by Renault SA in 2009
INVESTMENTS				
Renault s.a.s.	6 190	27 073	(1 551)	
Dacia (3)		2 170	54	
Nissan Motor Co Ltd (4)		55 087	(1 818)	
Sofasa (3)		271	(19)	

(3) The exchange rates used for Dacia and Sofia are 4.2396 Romanian lei = 1 euro and 2,988 Colombian peso = 1 euro respectively.

(4) Converted at the rate of 130.23 yen for 1 euro.

ACQUISITION OF INVESTMENTS IN OTHER COMPANIES

No investments were acquired during 2009.