

2005 first half results



RENAULT

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July 27th, 2005



Key highlights H1 2005



- Unit sales growth of 3.8%
- 3.8% increase in Group revenues
- A group operating margin of 4.4% under IFRS
- A free cash flow for the automobile division of €959 million
- A net income of €2.2 billion



Outlook confirmed for the full year

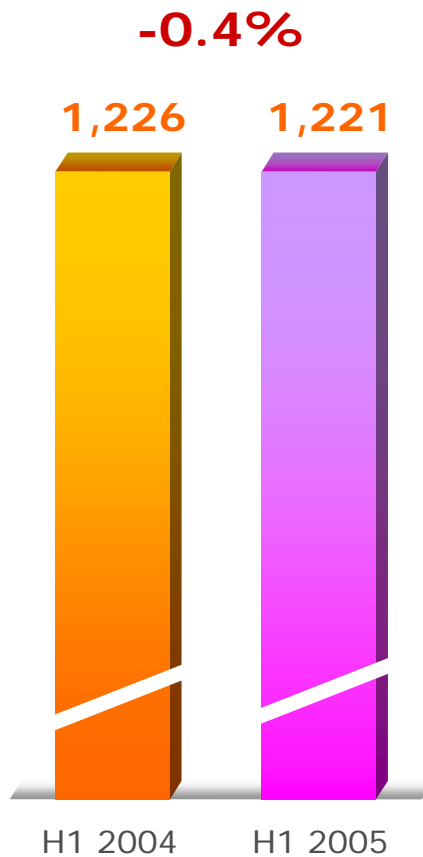


Group worldwide unit sales up 3.8% in H1 2005

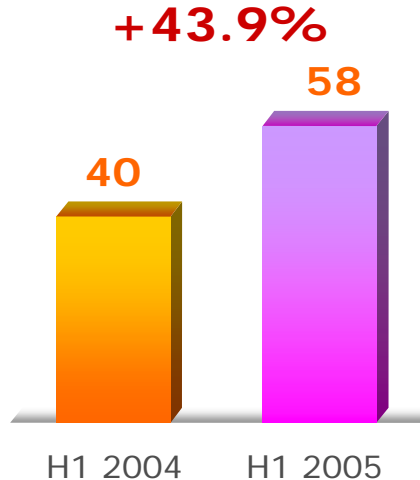


+ 50k units vs. H1 2004 to 1,359 k units

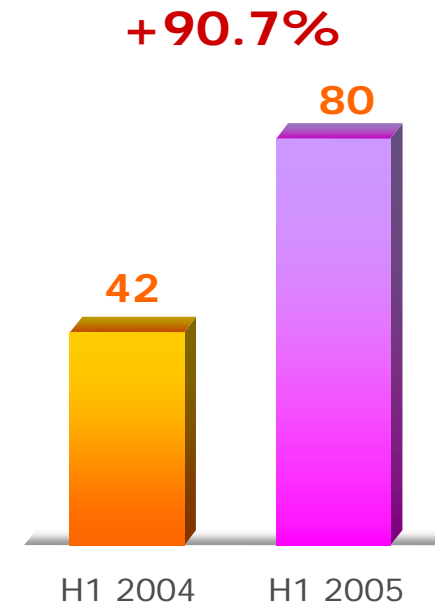
Passenger cars and light commercial vehicles
In thousands of units



Renault



**Renault
Samsung**



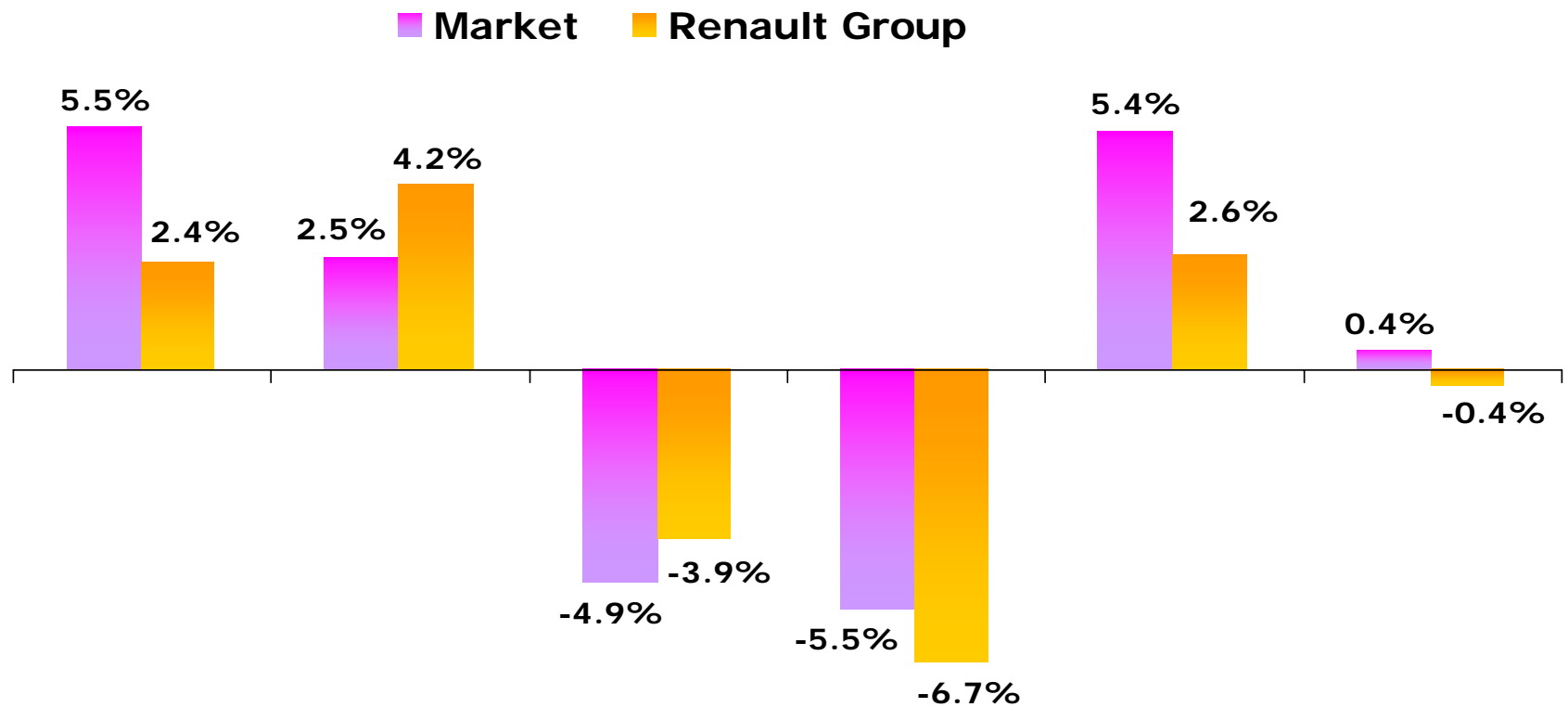
Dacia



Group registrations in Western Europe



% change of registrations H1 2005 vs. H1 2004
Passenger cars and light commercial vehicles



Mkt Share	France	Germany	UK	Italy	Spain	W Europe
H1 2005	28.1%	5.4%	7.5%	7.0%	12.5%	10.8%
H1 2004	29.0%	5.3%	7.4%	7.1%	12.8%	10.9%

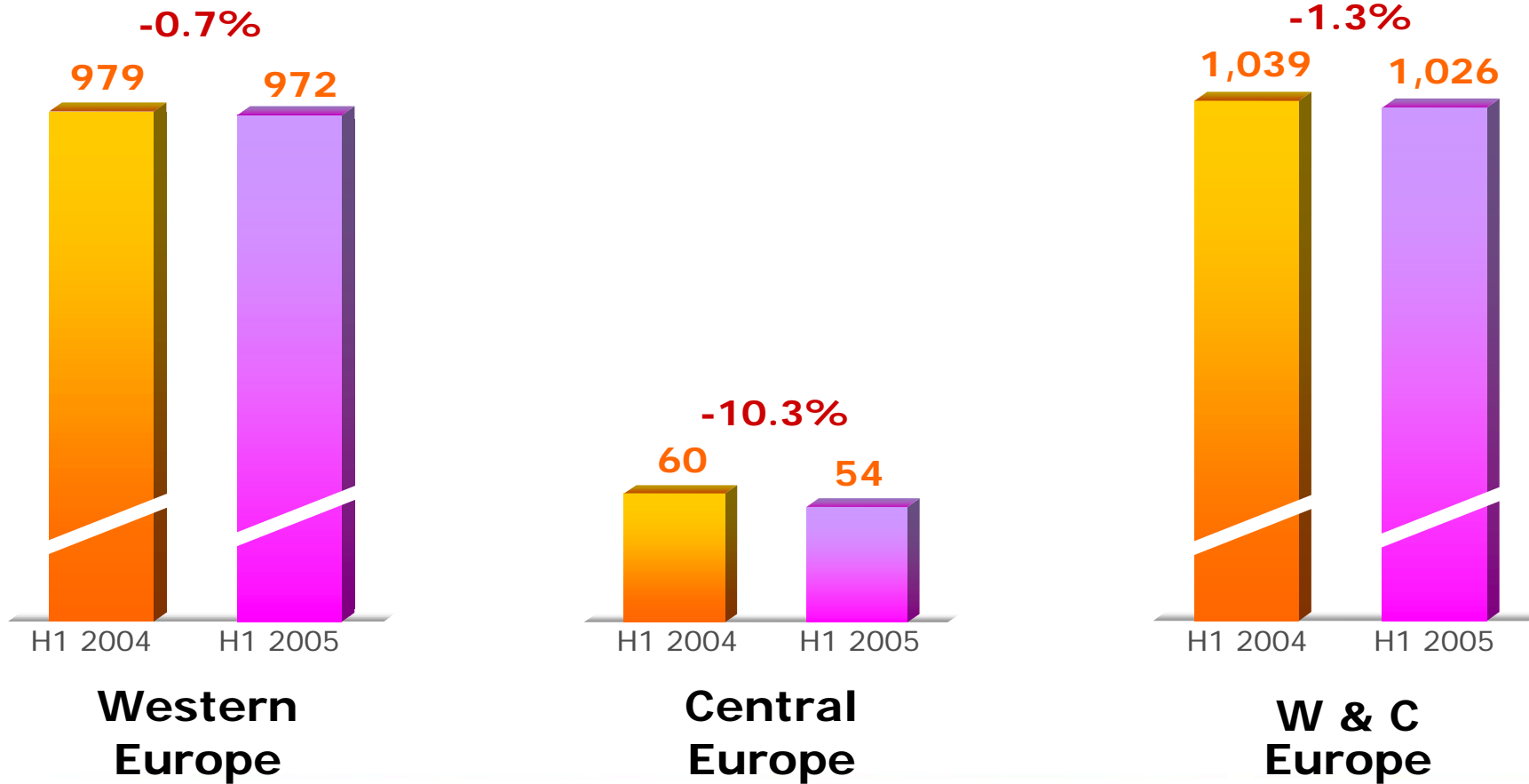


Group unit sales in Western and Central Europe



- 13,244 units vs. H1 2004

Passenger cars and light commercial vehicles
In thousands of units



Central Europe = Bosnia, Croatia, Estonia, Hungary, Latvia, Lithuania, Macedonia, Poland, Czech Republic, Slovakia, Slovenia, Yugoslavia

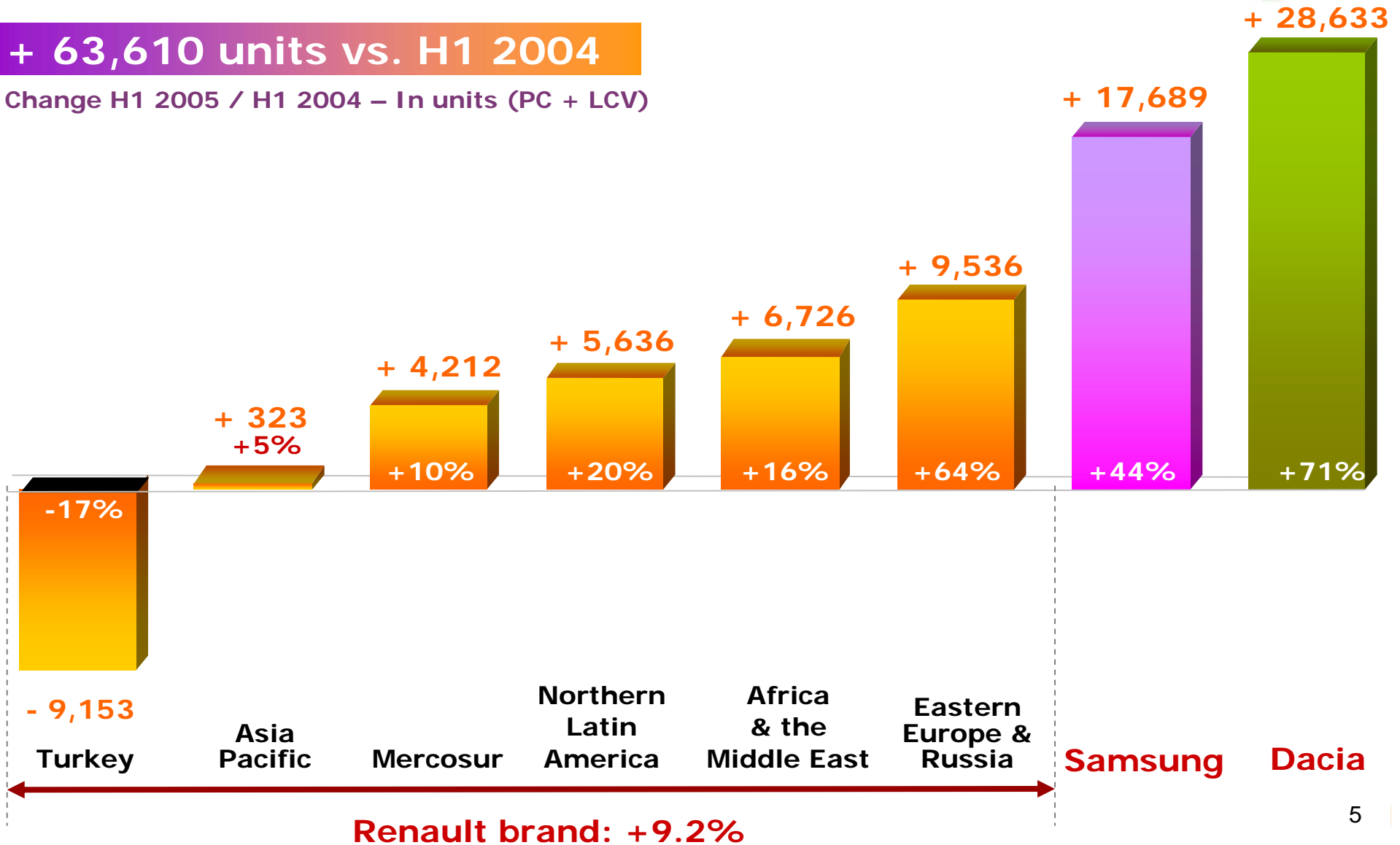


Group unit sales outside W&C Europe up 23.6% vs. H1 2004



+ 63,610 units vs. H1 2004

Change H1 2005 / H1 2004 – In units (PC + LCV)

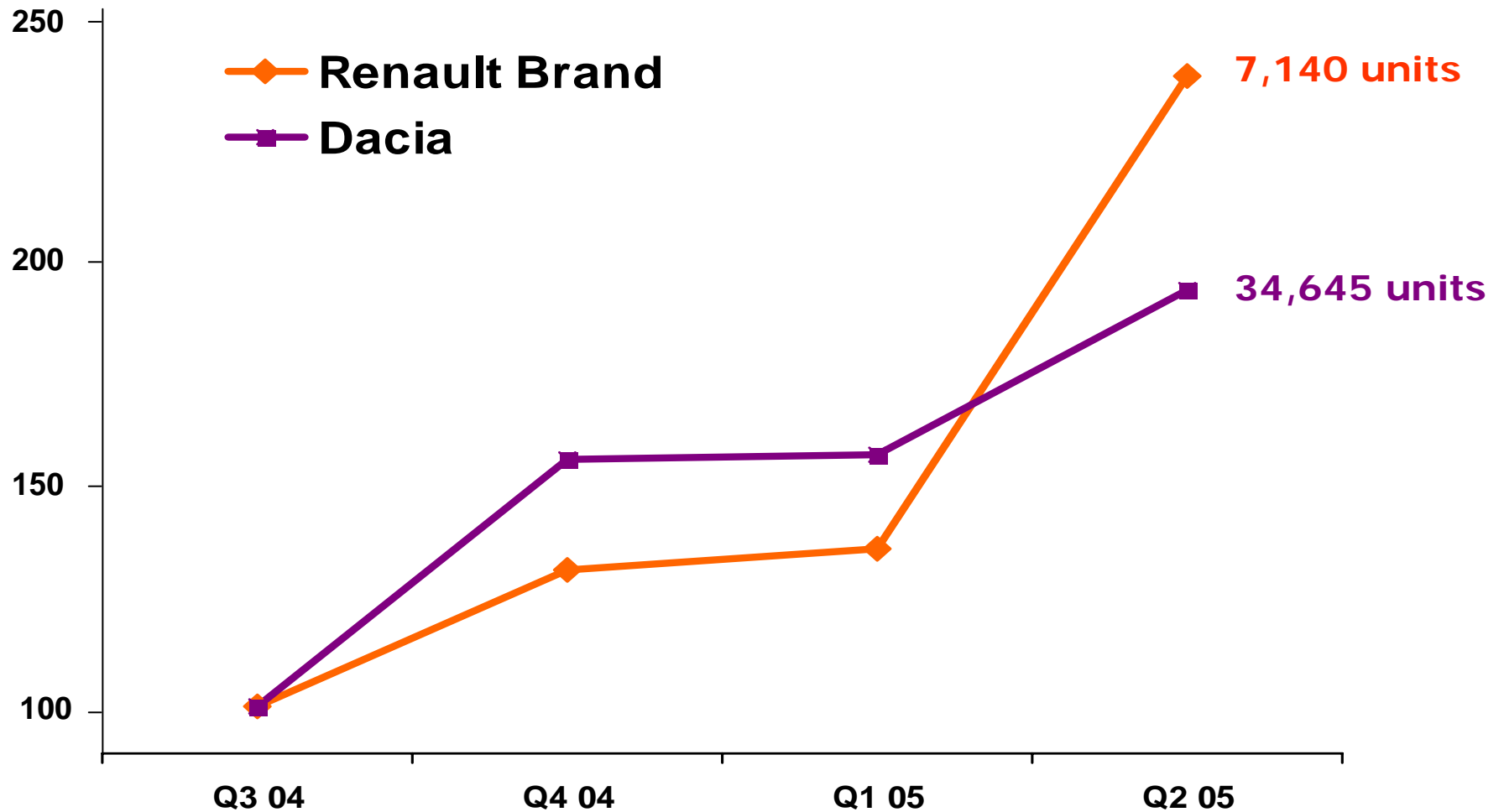




Group unit sales in Romania



PC+LCV volumes by quarter in base 100 = Q3 04

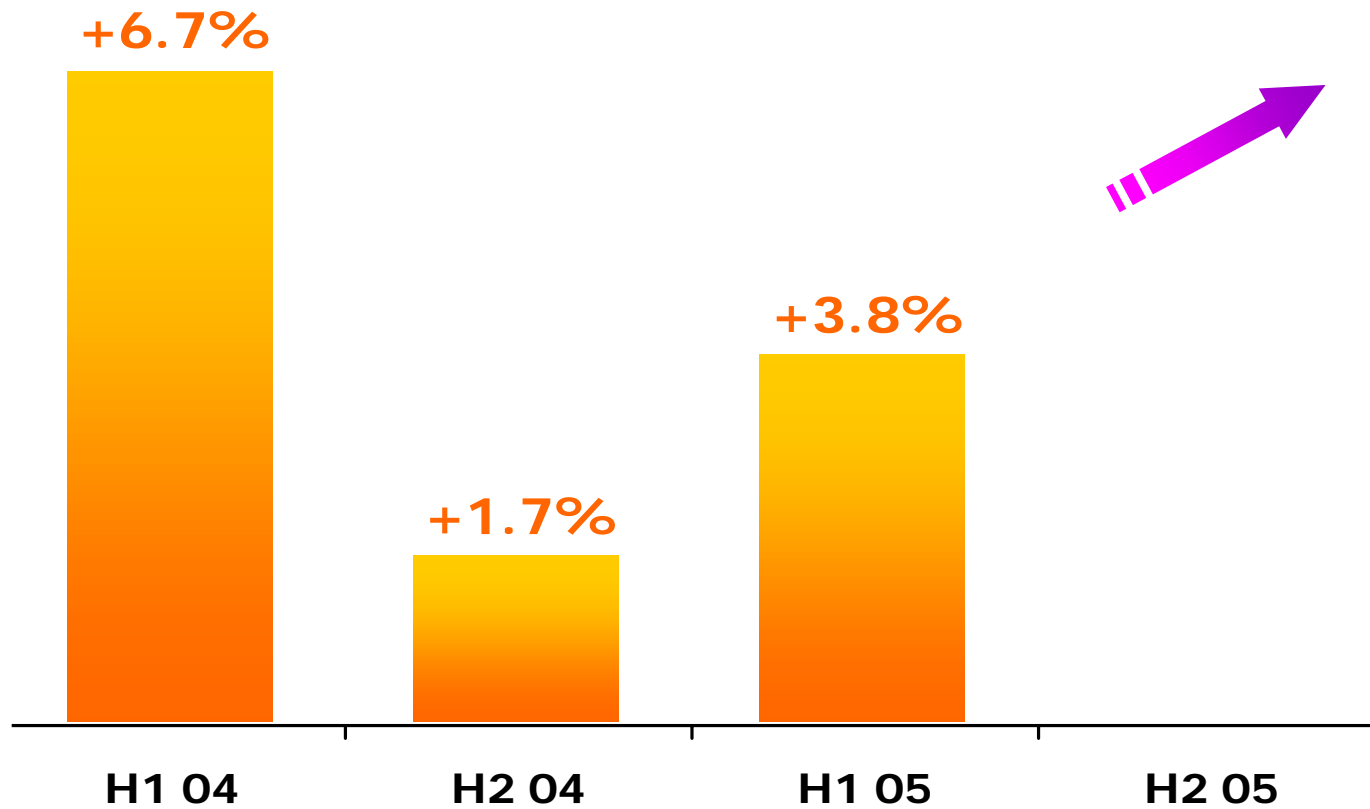




Group worldwide sales growth



Evolution by semester





Accounting standards



- Renault published the full transition statements from French Gaap to IFRS on its 2004 accounts at the end of February
- Renault H1 2005 financial results are the first results released under full IFRS, with pro-forma results for H1 2004



Renault Group – Revenues by division



In millions of euros

	H1 2004 IFRS	H1 2004 Pro-forma*	H1 2005	Change (%)
Automobile	19,534	19,585	20,374	+4.0%
Sales financing	960	965	950	-1.6%
TOTAL	20,494	20,550	21,324	+3.8%

* 2004 data has been restated on a consistent basis

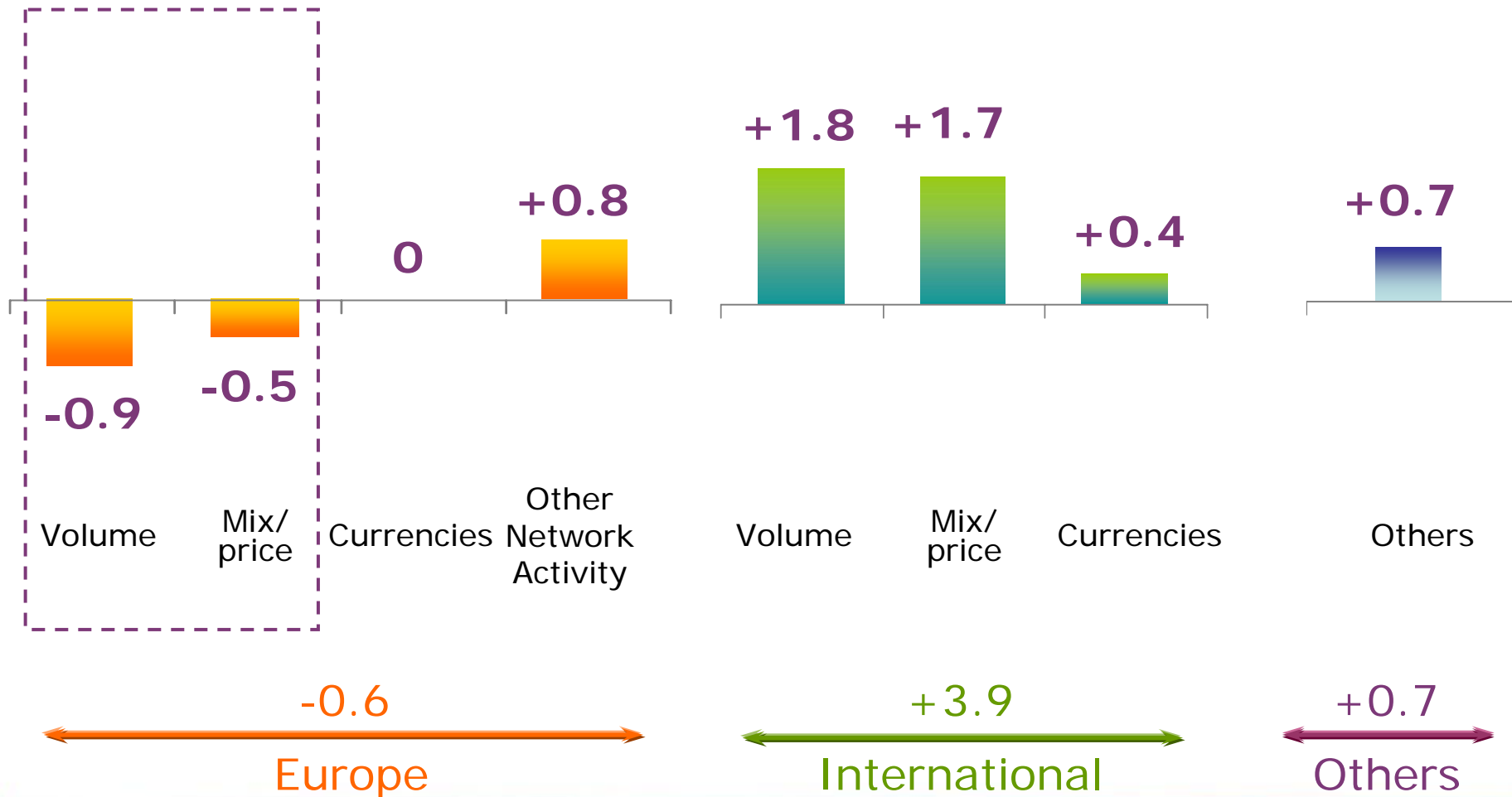


Automobile division - Evolution of revenues H1 2005 vs. H1 2004



Contribution to the change in revenues

Change : +4.0%



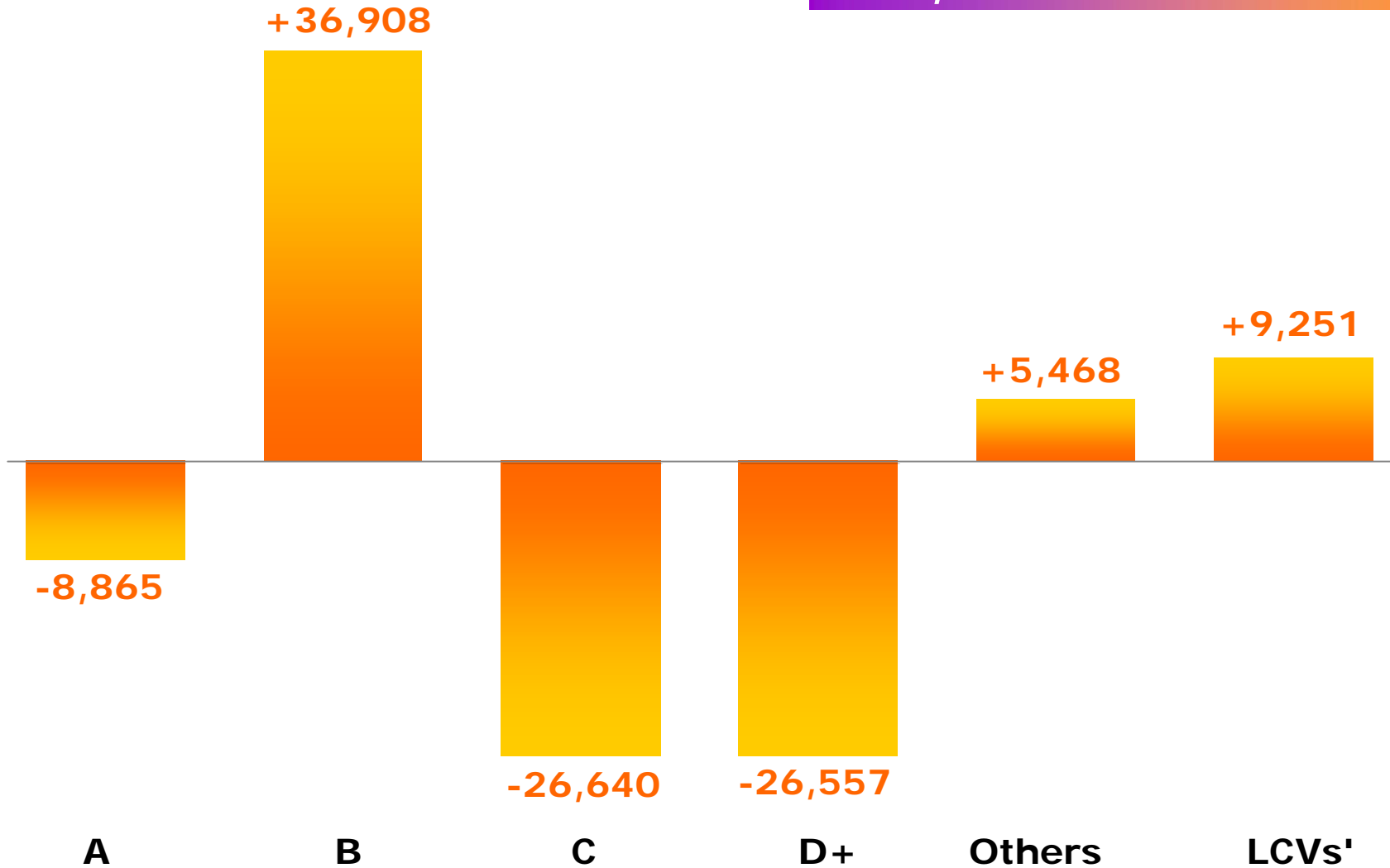


Group registrations by segment in W&C Europe



In units

- 10,435 units vs. H1 2004

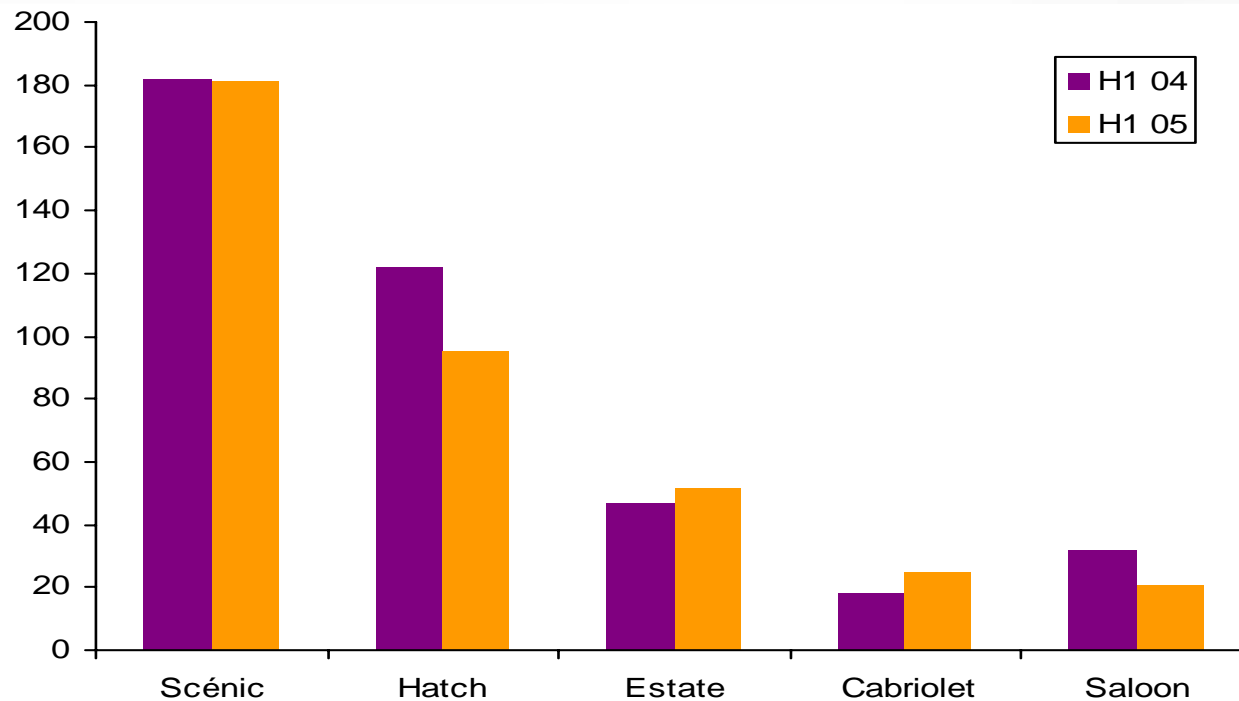




Strong performance of Mégane range (C segment)



PC registrations in W&C Europe in K units



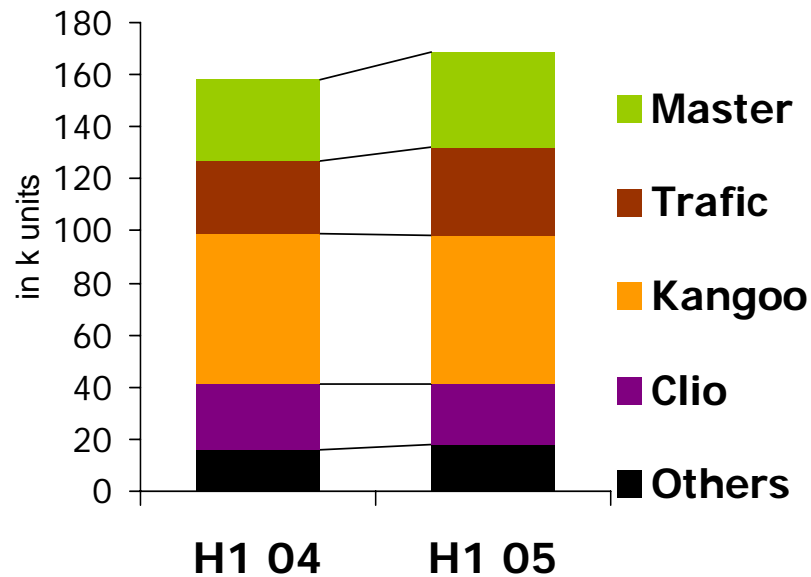


LCV registrations up 5.8% in W&C Europe



168k units in H1 2005

GROUP LCV SALES IN W&C EUROPE



Trafic

- Sales outside W&C Europe up 21% as international mix increases by 2 points to 19% in H1 2005



Master



Renault Group – Operating margin by division



In millions of euros

	H1 2004 IFRS	H1 2005
Automobile	884	677
<i>In % of revenues</i>	4.5%	3.3%
Sales financing	222	266
<i>In % of revenues</i>	23.1%	28.0%
TOTAL	1,106	943
<i>In % of revenues</i>	5.4%	4.4%

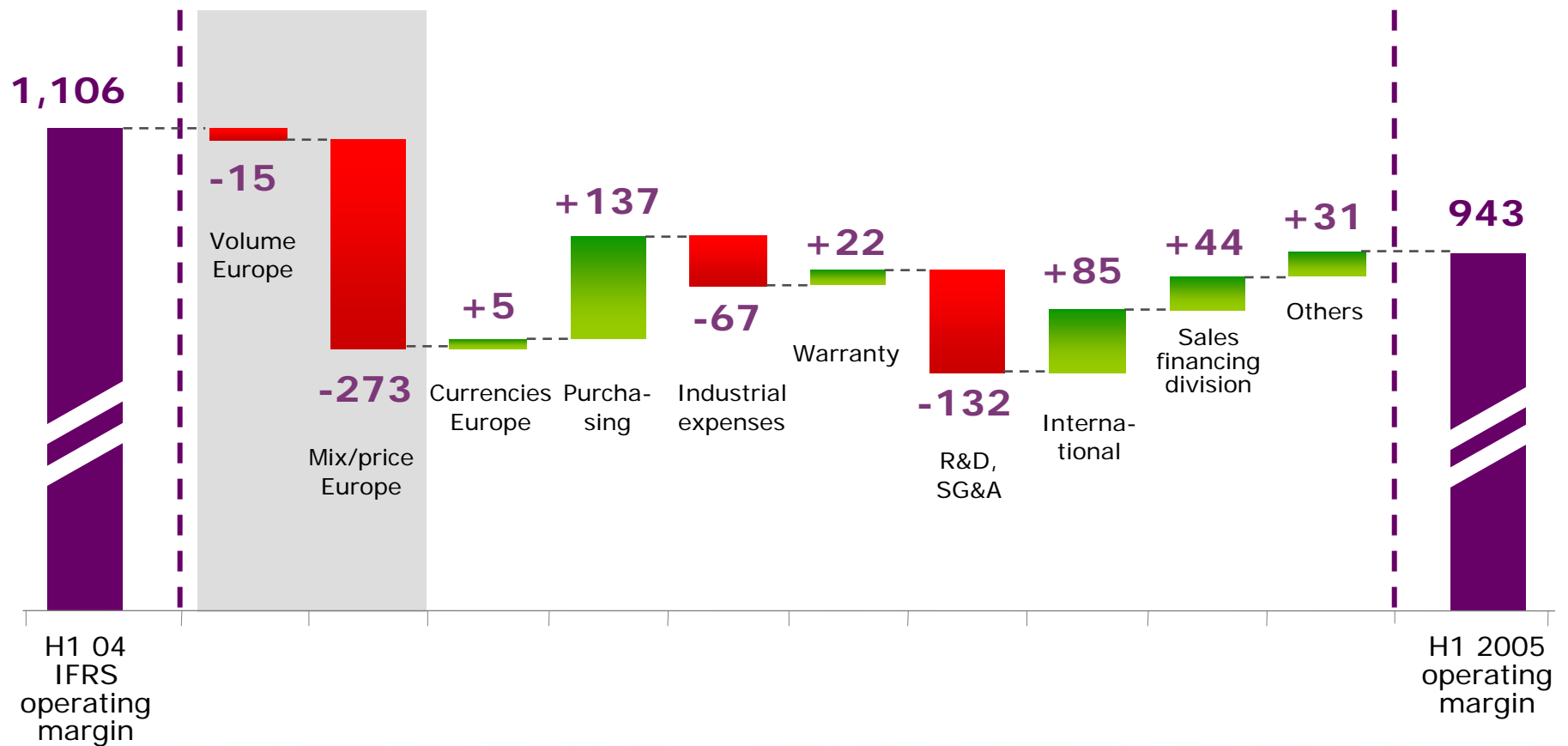


Renault Group – Evolution of operating margin (IFRS)



Contribution to the change
in operating margin
In millions of euros

Change H1 2005 / H1 2004 : - €163 million





EURO IV – Diesel engines



Standards

	CO	Nox	HC + Nox	Particulates
Euro 3	0.64	0.5	0.56	0.05
Euro 4	0.5	0.25	0.30	0.025
Reduction	-22%	-50%	-46%	-50%

Range

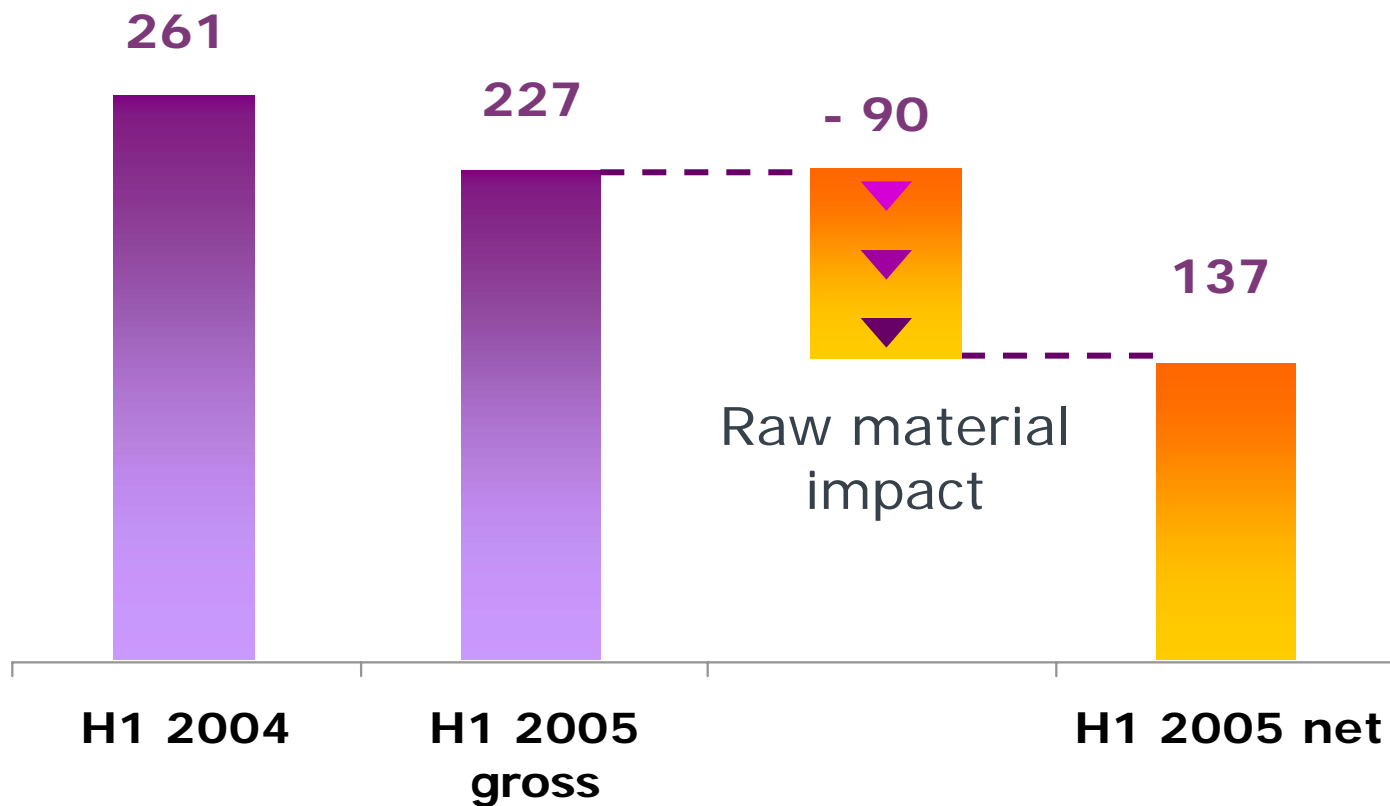
Segment	Model	Adjustment	Particle filter
Entry level	Modus Clio	H1/H2 H2	
Lower Mid	Mégane	H1/H2	X
Mid range	Laguna	H2	X
Top range	Vel Satis Espace	H1/H2 2006	X X



Purchasing savings



In millions of euros





Alliance Renault Nissan



Diesel engine 2.0 dCi



BVM 6 - gear manual gearbox

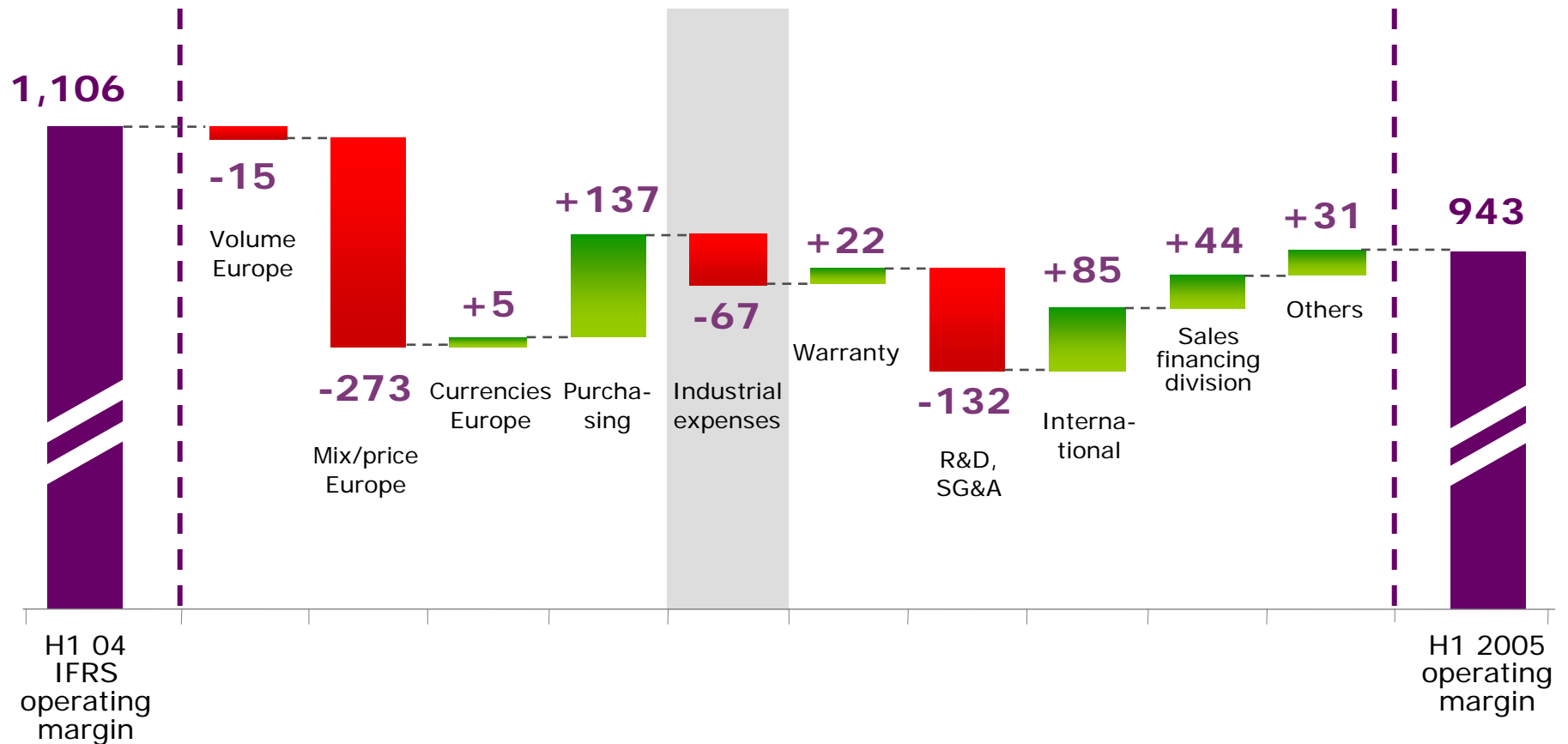


Renault Group – Evolution of operating margin (IFRS)



Contribution to the change
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In millions of euros

Change H1 2005 / H1 2004 : - €163 million



* Including a charge of €60 M related to the successor of Twingo following a project reassessment carried out to improve its economic equation. The vehicle is now scheduled for 2007. 19



New common parts warehouse in Hungary



Renault Nissan distribution Center in Győr – Hungary

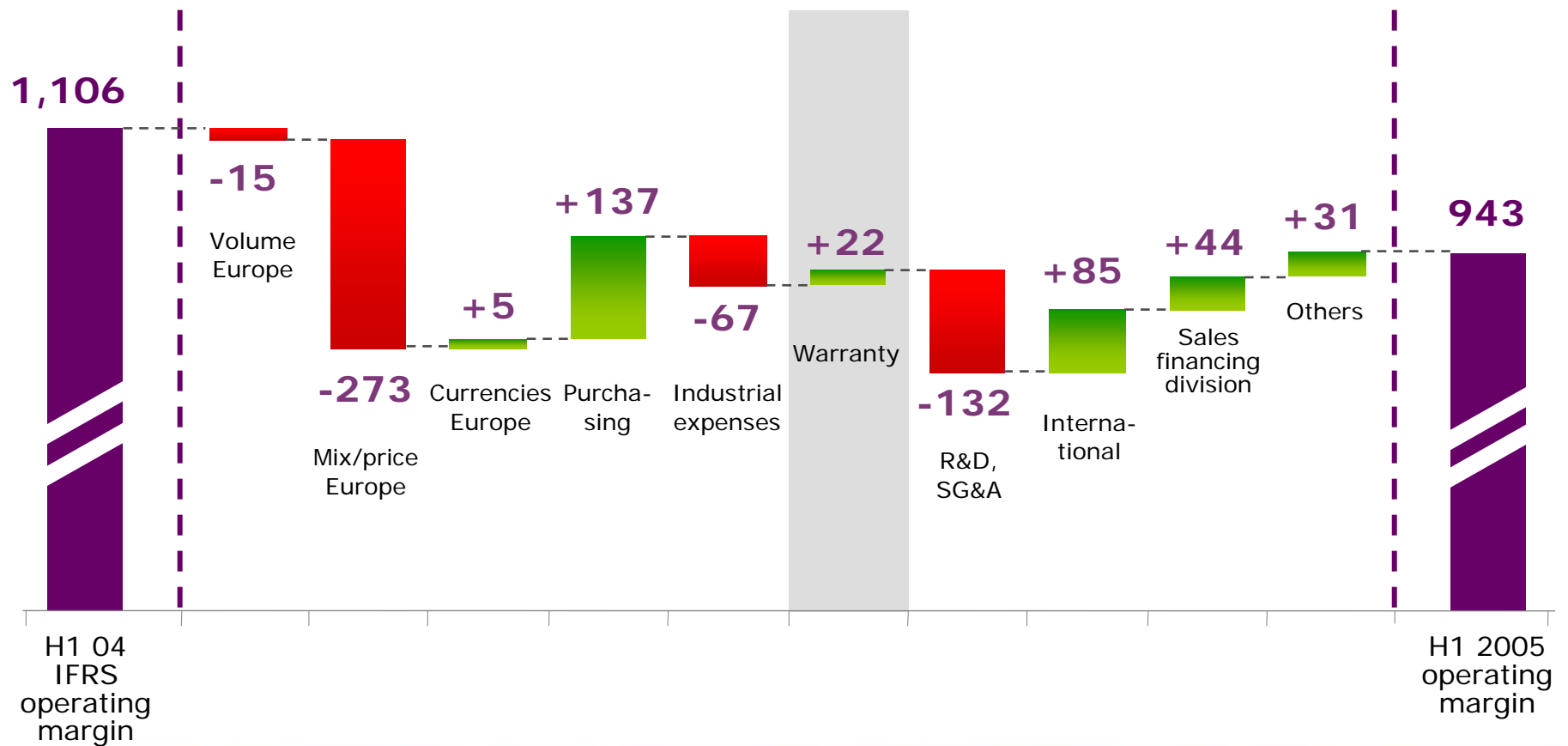


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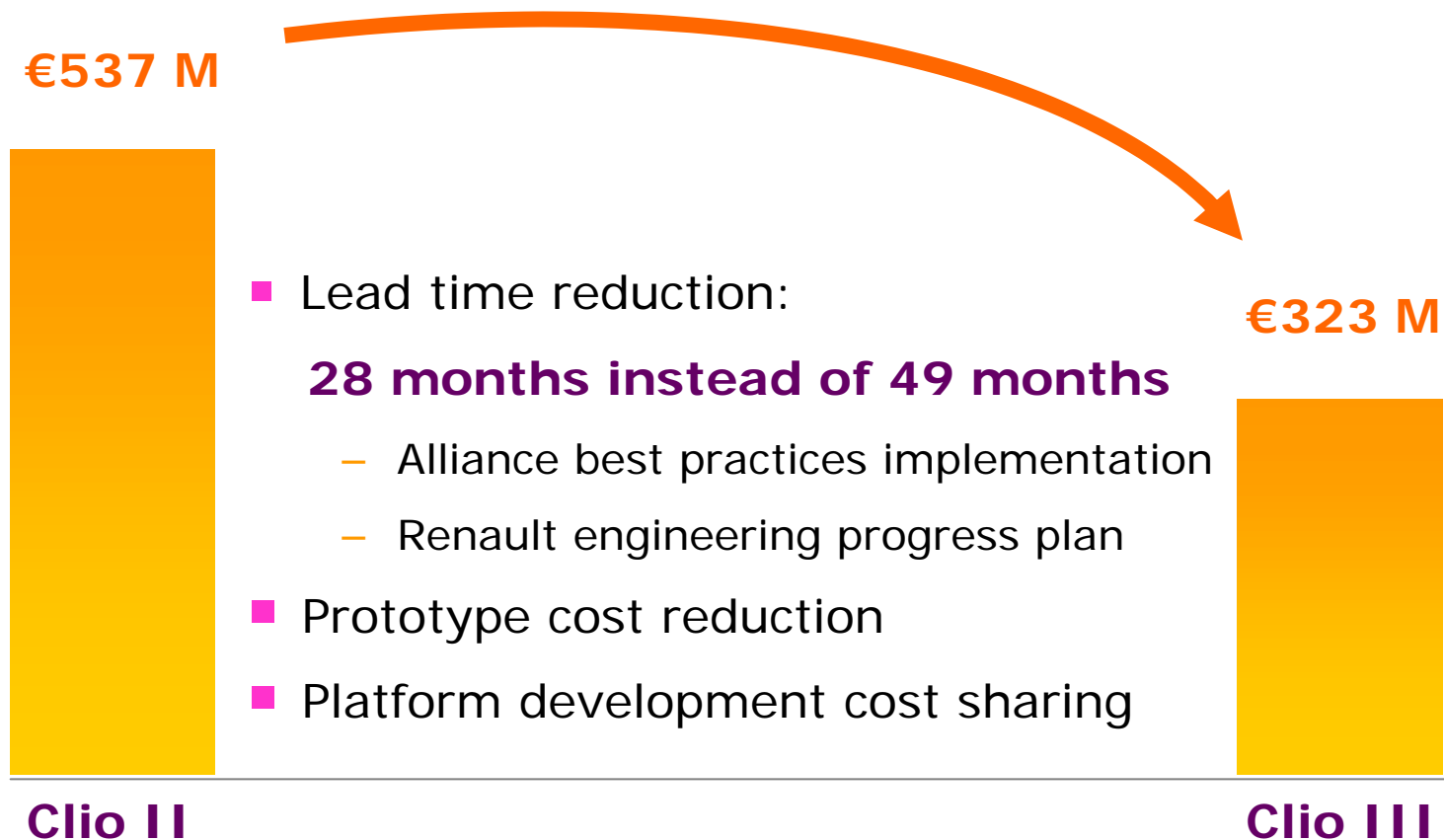




Research & Development expenses



New vehicle R&D cost reduction : Clio III vs Clio II





Research & Development expenses

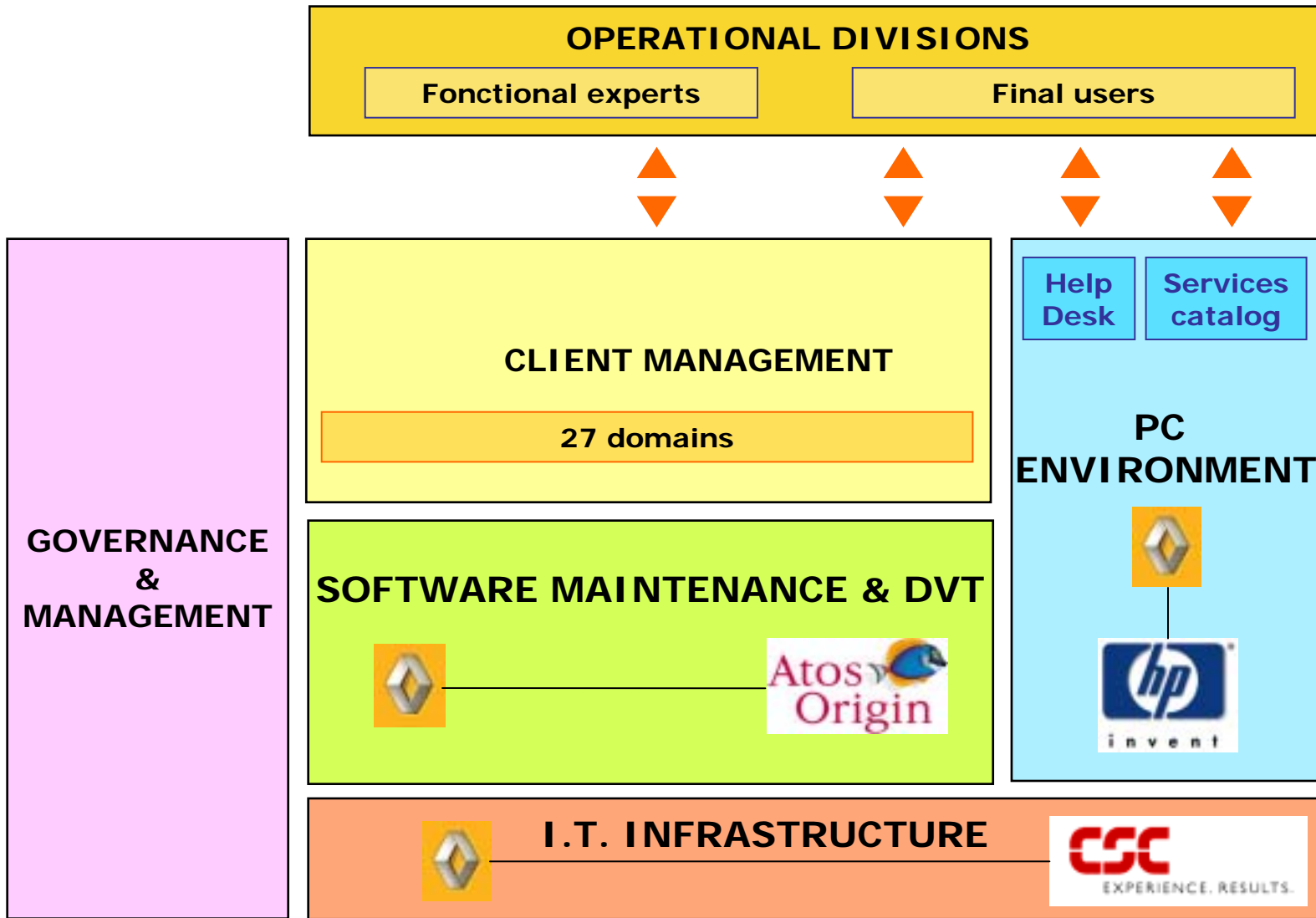


In millions of euros
Automobile division

	H1 2004 IFRS	H1 2005
R&D expenses (cash) <i>In % of revenues</i>	1,021 5.2%	1,160 5.7%
Capitalized development expenses <i>In % of R&D expenses</i>	- 353 34.6%	- 421 36.3%
Amortisation <i>of which since 2002</i>	230 71	320 169
R&D as stated in P&L <i>In % of revenues</i>	898 4.6%	1,059 5.2%



New IT - IS Organization



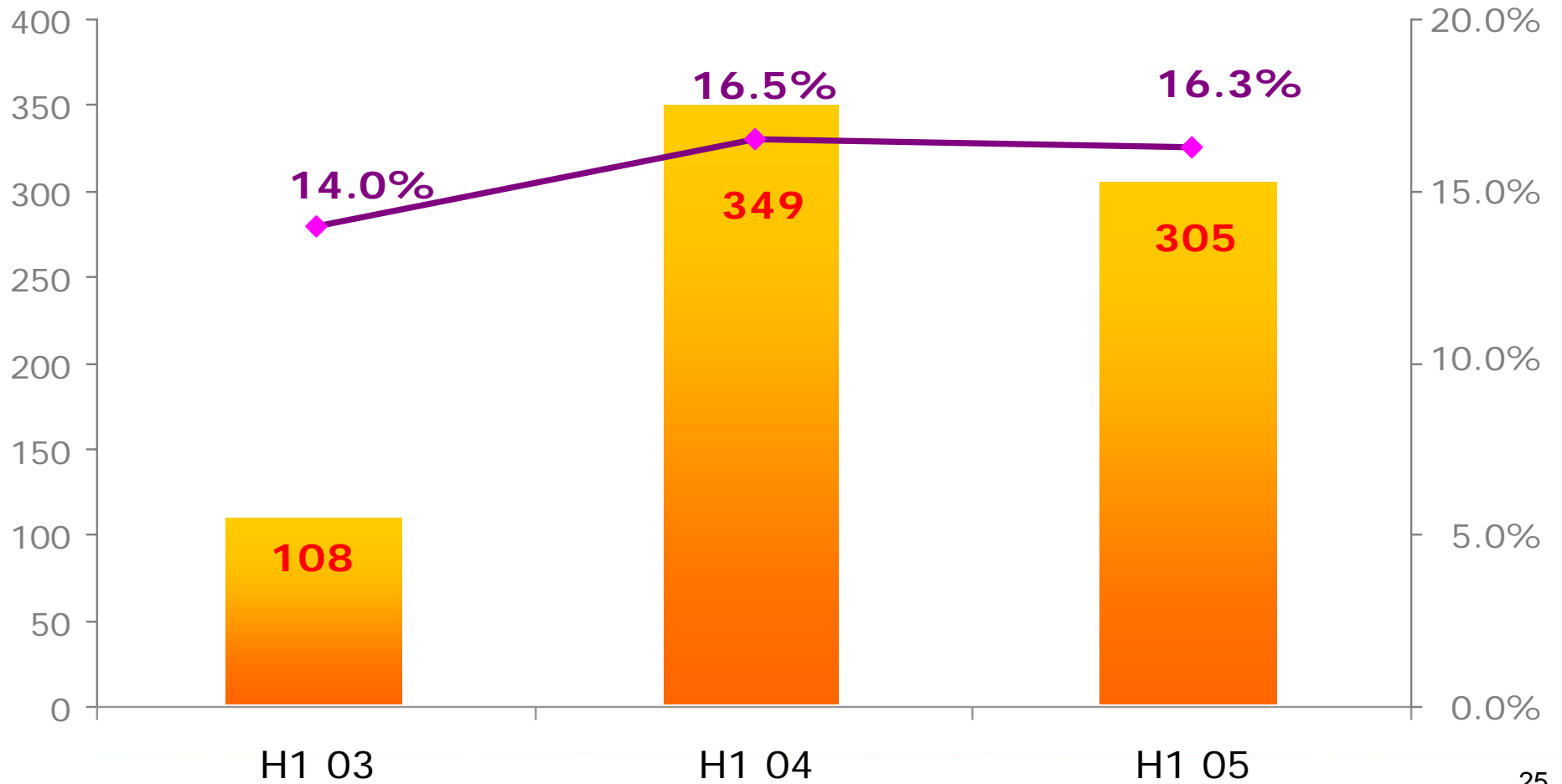


Turkey



Market in thousands of units (PC+LCV)

Renault group Market share in %





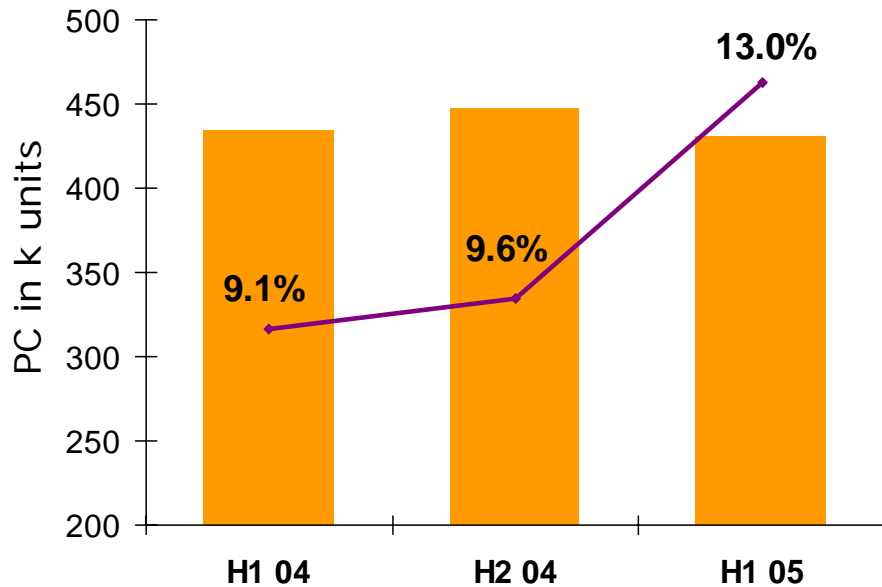
Renault Samsung Motors



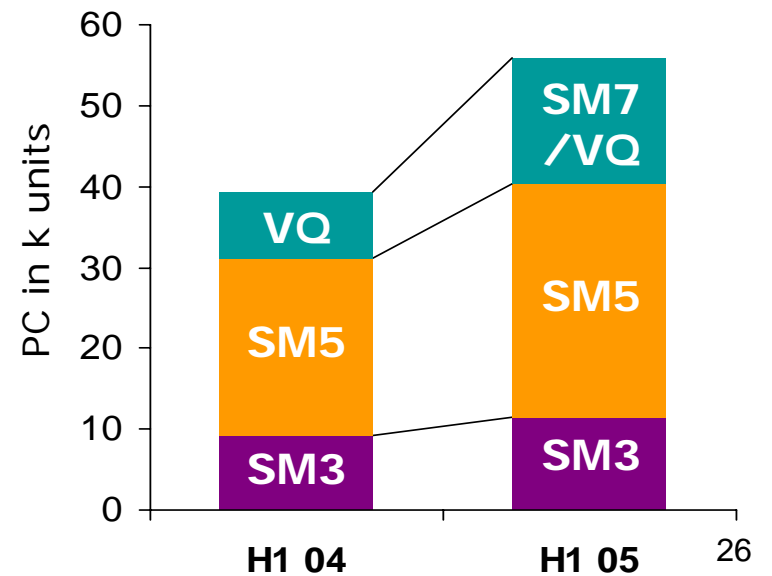
- RSM sales in South Korea up 42.1% in market down 0.8%
- Export sales more than double



South Korean market & Samsung market share



Samsung Unit Sales (in k units)

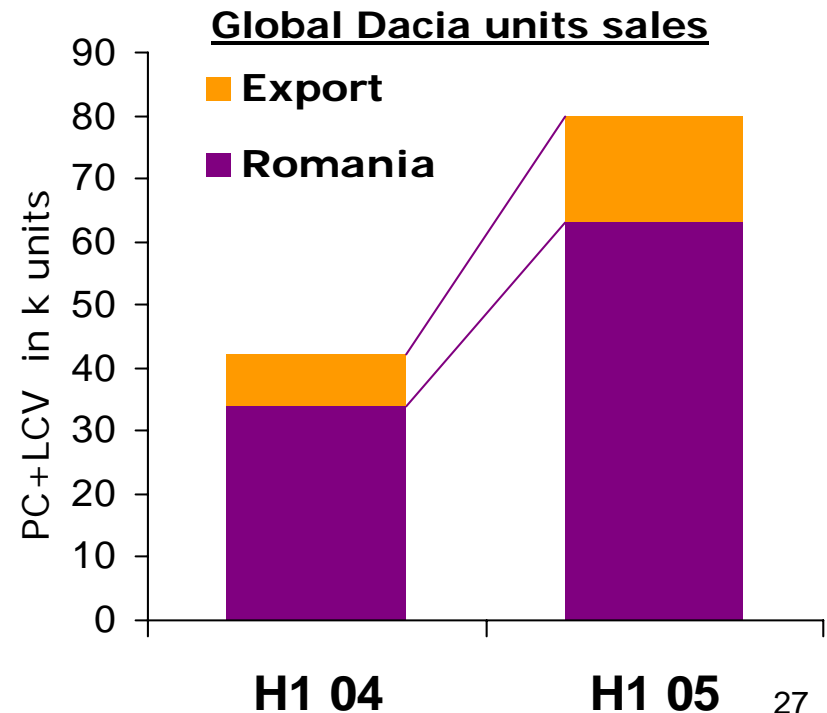




Dacia and Logan



- Profitability achieved in H1 2005, 6 months ahead of plan
- High demand for the Logan (100k orders taken at end June 2005)
 - Logan production ramp-up in Russia and Morocco under way
 - Production start-up in Columbia in H2 2005



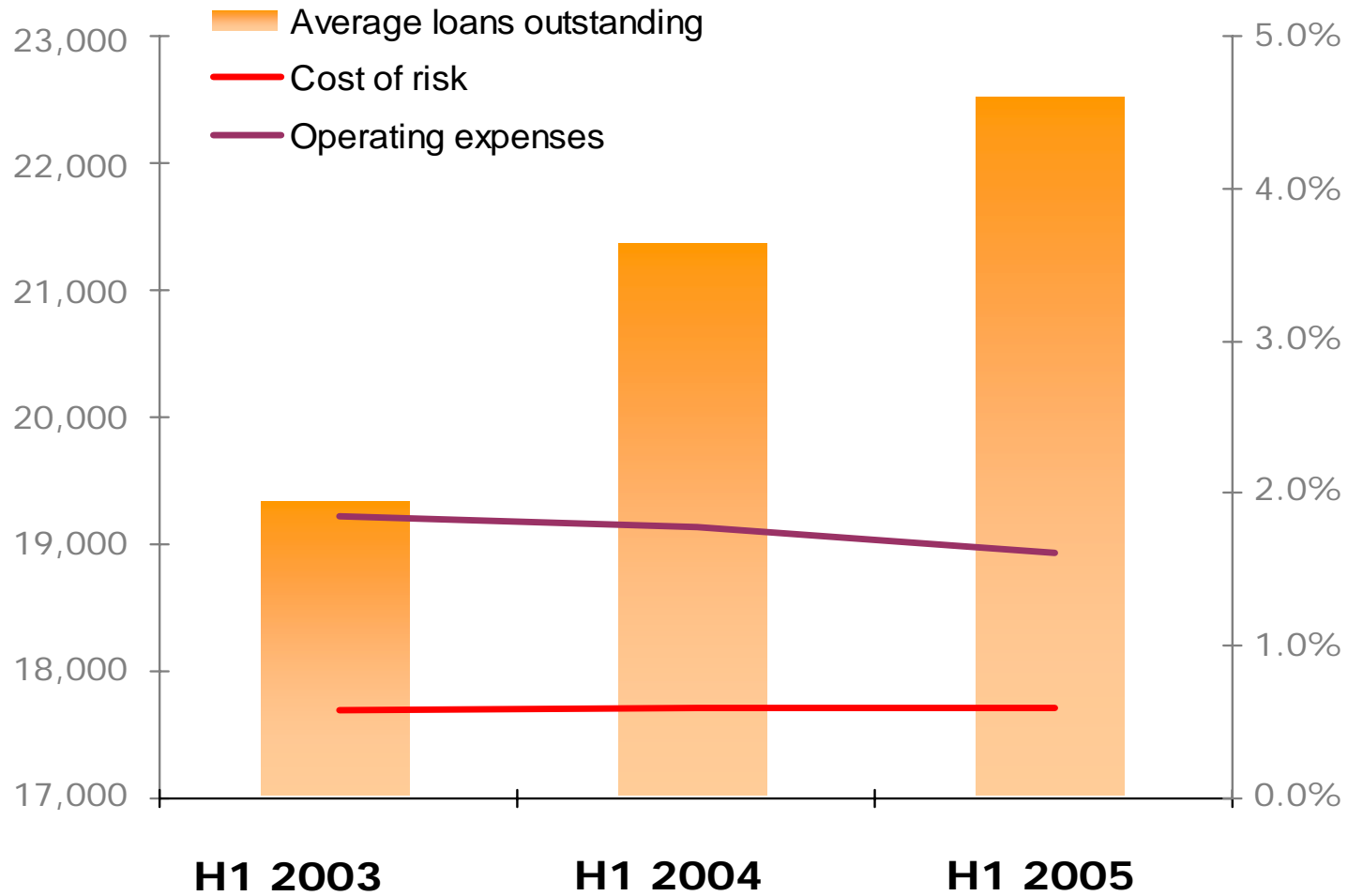


RCI Banque



In millions of euros

In %





Renault Group – Other operating income and expenses



In millions of euros

	H1 2004 IFRS	H1 2005
Restructuring charges	- 92	- 44
<i>o/w extension & update of CASA scheme in France</i>	- 66	- 7
Capital gain (loss) on disposal of real estate	33	155
<i>o/w disposal of properties in Madrid</i>		160
Capital gain on Nissan Diesel disposal	-	150
Others	9	3
TOTAL Other operating income & expenses	-50	264



Renault Group – Consolidated income statement



In millions of euros

	H1 2004 IFRS*	H1 2005
Revenues	20,494	21,324
Operating margin	1,106	943
Other operating inc.& exp.	- 50	264
Net financial income	- 221	- 186
<i>Of which redeemable shares</i>	<i>- 210</i>	<i>- 174</i>
Associated net income	1,028	1,536
Pre-tax income	1,863	2,557
Current and deffered tax	- 410	- 346
Net income	1,453	2,211

* After restatements of Nissan contribution



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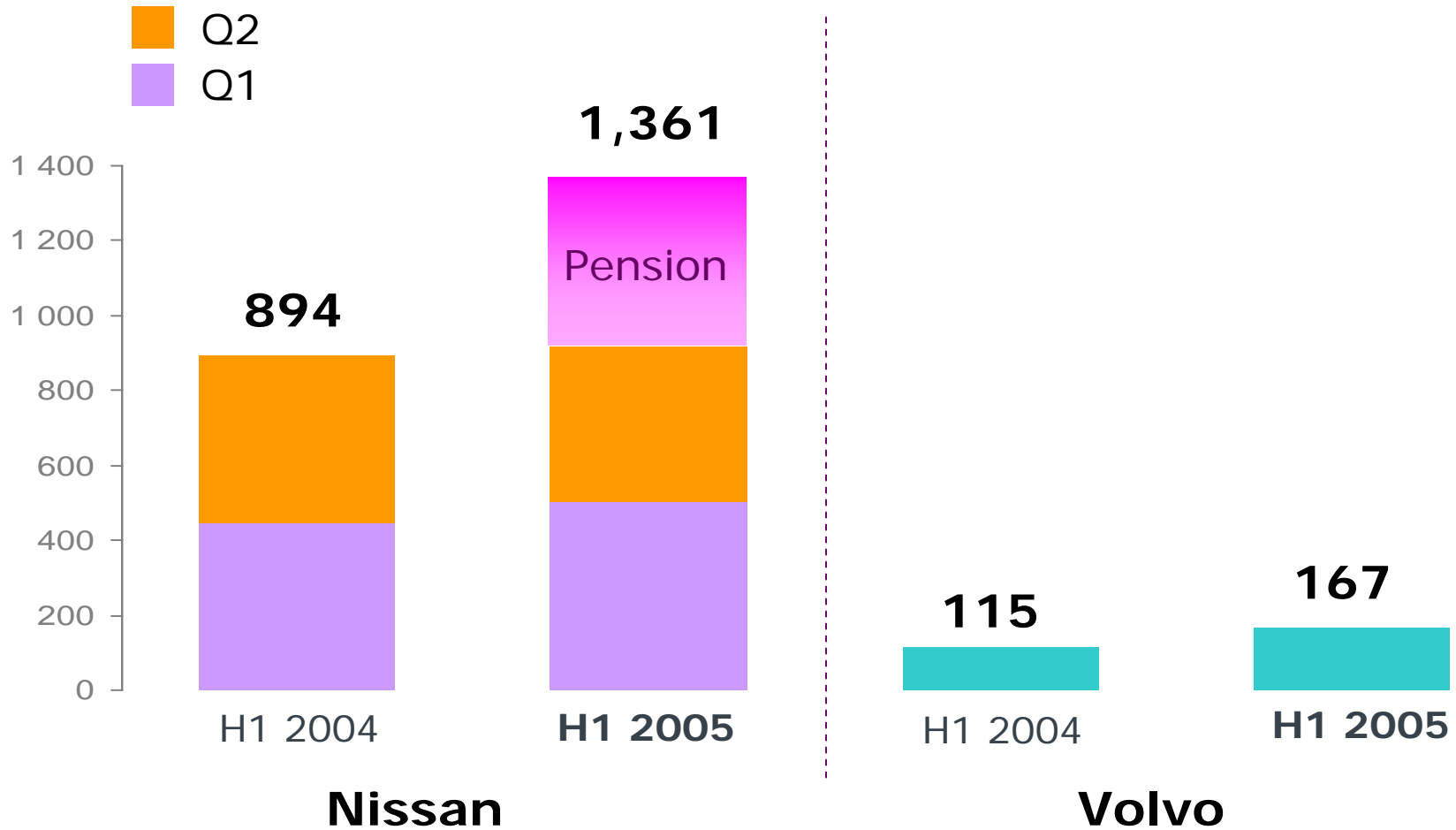
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Renault Group – Associated net income



In millions of euros





Renault Group – Consolidated income statement



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Standard evolution on net financial indebttness



Automobile division - In million of euros

Standard evolution on net financial indebttness

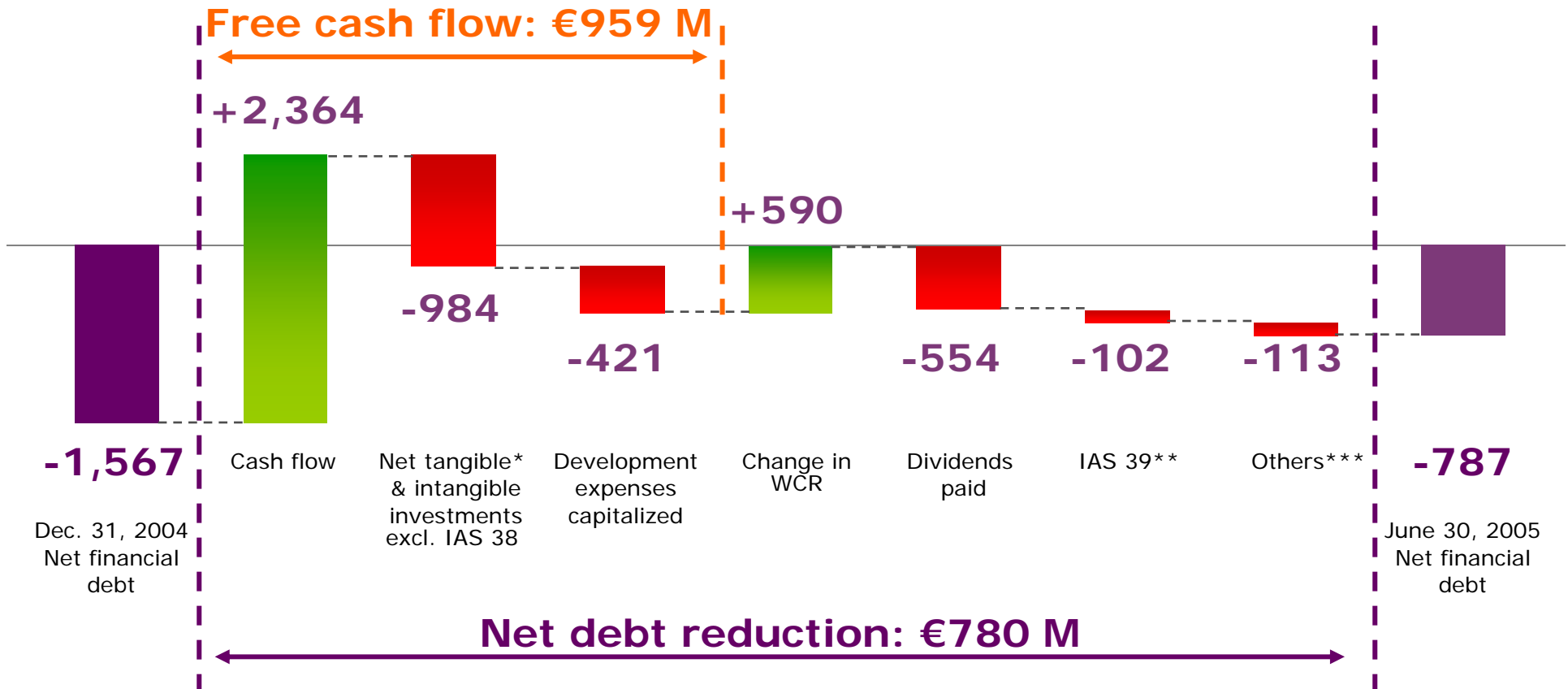
	H1 2004 IFRS
Net financial indebttness at Dec. 31, 2004 before IFRS	541
Redeemable shares	318
Treasury shares	509
Other IAS 39 (o/w swap in yen)	- 116
Change in scope	315
TOTAL impacts	1,026
Net financial indebttness at Dec. 31, 2004 under IFRS	1,567



Net financial debt evolution in H1 2005



Automobile division - In millions of euros



* of which sales on property in Madrid: + €174 M

** of which Redeemable share: - €174 M

*** of which Yen impact: - €134 M



2005 outlook



- Clio launch
- Growth of global sales
- Achieving operating margin above 4%

