



RENAULT

RENAULT S.A.
Euro 2,000,000,000
Euro Medium Term Note Programme
Due from one month from the date of original issue

Under the Euro Medium Term Note Programme described in this Offering Circular (the “**Programme**”), Renault S.A. (the “**Issuer**” or “**Renault**”), subject to compliance with all relevant laws, regulations and directives, may from time to time issue Euro Medium Term Notes (the “**Notes**”). The aggregate nominal amount of Notes outstanding will not at any time exceed Euro 2,000,000,000 (or the equivalent in other currencies).

This Offering Circular shall, for the purposes of Notes listed on the Luxembourg Stock Exchange, be in force for a period of one year as of the date set out hereunder.

Application will be made in certain circumstances to list Notes on Euronext Paris S.A. (“**Euronext Paris**”) and/or on the Luxembourg Stock Exchange. However, unlisted Notes may be issued pursuant to the Programme. The relevant Pricing Supplement (a form of which is contained herein) in respect of the issue of any Notes will specify whether or not such Notes will be listed and, if so, the relevant stock exchange.

Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”) as more fully described herein.

Dematerialised Notes will at all times be in book entry form in compliance with Article L.211-4 of the French *Code monétaire et financier*. No physical documents of title will be issued in respect of the Dematerialised Notes.

Dematerialised Notes which are dealt in on a regulated market may, at the option of the Issuer, be in bearer dematerialised form (*au porteur*) inscribed as from the issue date in the books of Euroclear France (“**Euroclear France**”) which shall credit the accounts of Account Holders (as defined in “Terms and Conditions of the Notes – Form, Denomination, Title and Redenomination”) including Euroclear Bank S.A./N.V., as operator of the Euroclear System (“**Euroclear**”) and the depositary bank for Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder (as defined in Condition 1(c)(iv)), in either fully registered form (*nominatif pur*), in which case they will be inscribed either with the Issuer or with the registration agent (designated in the relevant Pricing Supplement) for the Issuer, or in administered registered form (*nominatif administré*) in which case they will be inscribed in the accounts of the Account Holders designated by the relevant Noteholders. Dematerialised Notes which are not dealt in on a regulated market will be in registered dematerialised form (*au nominatif*) only and, at the option of the relevant Noteholder, in either fully registered form or administered registered form inscribed as aforesaid.

Materialised Notes will be in bearer materialised form only and may only be issued outside France. A temporary global certificate in bearer form without interest coupons attached (a “**Temporary Global Certificate**”) will initially be issued in connection with Materialised Notes. Such Temporary Global Certificate will be exchanged for definitive Materialised Notes in bearer form with, where applicable, coupons for interest attached, on or after a date expected to be on or about the 40th day after the issue date of the Notes (subject to postponement as described in “Temporary Global Certificates issued in respect of Materialised Bearer Notes”) upon certification as to non U.S. beneficial ownership as more fully described herein.

Temporary Global Certificates will (a) in the case of a Tranche (as defined in “Summary of the Programme”) intended to be cleared through Euroclear and/or Clearstream, Luxembourg, be deposited on the issue date with a common depositary on behalf of Euroclear and/or Clearstream, Luxembourg and (b) in the case of a Tranche intended to be cleared through a clearing system other than or in addition to Euroclear and/or Clearstream, Luxembourg or delivered outside a clearing system, be deposited as agreed between the Issuer and the relevant Dealer (as defined below).

Notes issued under the Programme may be rated or unrated. Notes, whether Unsubordinated or Subordinated, will have such rating, if any, as is assigned to them by the relevant rating organisation as specified in the relevant Pricing Supplement. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating assigned under the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

Arranger

Deutsche Bank

Dealers

Barclays Capital
Deutsche Bank
Schroder Salomon Smith Barney

BNP PARIBAS
HSBC CCF
Tokyo-Mitsubishi International plc

The Issuer, having made all reasonable enquiries, confirms that this Offering Circular contains all information with respect to the Issuer, the Issuer and its subsidiaries consolidated on a full integration basis (*filiales consolidées par intégration globale*) taken as a whole (the “Group”) and the Notes that is material in the context of the issue and offering of the Notes.

The statements contained in it relating to the Issuer, the Group and its affiliates consolidated on an equity or a proportional basis (*filiales et participations consolidées par intégration proportionnelle ou par mise en équivalence*) and the Notes are to the Issuer’s knowledge and only to the extent of the information set out in this Offering Circular, in every material respect true and accurate and not misleading.

The opinions and intentions expressed in this Offering Circular with regard to the Issuer and the Group are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions. There are no other facts, to the Issuer’s knowledge, in relation to the Issuer, the Group or the Notes the omission of which, would, in the context of the issue and offering of the Notes, make any statement in this Offering Circular misleading in any material respect and all reasonable enquiries have been made by the Issuer to ascertain such facts and to verify the accuracy of all such information and statements. The Issuer accepts responsibility accordingly.

No person has been authorised to give any information or to make any representation other than those contained in this Offering Circular in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or any of the Dealers or the Arranger (each as defined in “Summary of the Programme”). Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Group since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Group since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The distribution of this Offering Circular and the offering or sale of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Dealers and the Arranger to inform themselves about and to observe any such restriction. The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”) or with any security regulatory of any state or other jurisdiction of the United States and include Materialised Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to or for the account or benefit of U.S. persons. For a description of certain restrictions on offers and sales of Notes and on distribution of this Offering Circular, see “Subscription and Sale”.

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers or the Arranger to subscribe for, or purchase, any Notes.

The Arranger and the Dealers have not separately verified the information contained in this Offering Circular. None of the Dealers or the Arranger (except Deutsche Bank AG Paris Branch in its capacity as Paris Listing Agent, and then only to the extent set out under “Paris Listing Information”) makes any representation, express or implied, or accepts any responsibility, with respect to the accuracy or completeness of any of the information in this Offering Circular. Neither this Offering Circular nor any other financial statements are intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Issuer, the Arranger or the Dealers that any recipient of this Offering Circular or any other financial statements should purchase the Notes. Each potential purchaser of Notes should determine for itself the relevance of the information contained in this Offering Circular and its purchase of Notes should be based upon such investigation as it deems necessary. None of the Dealers or the Arranger undertakes to review the financial condition or affairs of the Issuer or the Group during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the Dealers or the Arranger.

In connection with any Tranche (as defined in “Summary of the Programme”), one of the Dealers may act as a stabilising agent (the “Stabilising Agent”). The identity of the Stabilising Agent will be disclosed in the

relevant Pricing Supplement. References in the next paragraph to “this issue” are to each Tranche in relation to which a Stabilisation Agent is appointed.

In connection with this issue, the Stabilising Agent or any person acting for him may over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period after the issue date. However, there may be no obligation on the Stabilising Agent or any agent of his to do this. Such stabilising, if commenced, may be discontinued at any time, and must be brought to an end after a limited period.

In this Offering Circular, unless otherwise specified or the context otherwise requires, references to “€”, “Euro”, “EUR” or “euro” are to the single currency of the participating member states of the European Economic and Monetary Union which was introduced on 1 January 1999, references to “FRF” or “FF” are to French francs which were the national non decimal sub unit of the euro in the Republic of France until and including 31 December 2001, references to “£”, “pounds sterling”, “GBP” and “Sterling” are to the lawful currency of the United Kingdom, references to “\$”, “USD” and “U.S. Dollars” are to the lawful currency of the United States of America, references to “¥”, “JPY”, “Japanese yen” and “Yen” are to the lawful currency of Japan and references to “Swiss francs” or “CHF” are to the lawful currency of the Helvetic Confederation.

In this Offering Circular, any discrepancies in any table between totals and the sums of the amounts listed in such table are due to rounding.

DOCUMENTS INCORPORATED BY REFERENCE

This Offering Circular should be read and construed in conjunction with any amendments or supplements to this Offering Circular, each relevant Pricing Supplement, the most recently published audited annual accounts, and any interim accounts (whether audited or unaudited) published subsequently to such annual accounts of the Issuer from time to time, each of which shall be deemed to be incorporated in, and to form part of, this Offering Circular and which shall be deemed to modify or supersede the contents of this Offering Circular to the extent that a statement contained in any such document is inconsistent with such contents. All documents incorporated by reference in this Offering Circular may be obtained, free of charge, at the offices of each Paying Agent set out at the end of this Offering Circular during normal business hours so long as any of the Notes are outstanding.

For Euronext Paris listing purposes, the most recently published audited annual accounts of the Issuer and its interim accounts (whether audited or unaudited) as soon as they have been published must be contained in a document submitted to the clearance procedures of the *Commission des opérations de bourse* (“COB”) or, if not contained in such document at the date contemplated for the relevant Euronext Paris listing, shall be inserted in the relevant Pricing Supplement as soon as they have been published.

The *Document de Référence* in the French language relating to the Issuer, incorporating the audited consolidated and non-consolidated annual accounts of the Issuer for each of the periods ended 31 December 2000 and 2001, and filed with the COB on 7 March 2002 under No. D. 02-0100, is incorporated herein by reference. Copies of the *Document de Référence* are available without charge on request at the registered office of the Issuer.

SUPPLEMENTAL OFFERING CIRCULAR

The Issuer has given an undertaking to the Dealers and to the Luxembourg Stock Exchange that if at any time during the duration of the Programme there is a significant change affecting any matter contained in this Offering Circular (including the “Terms and Conditions of the Notes”) whose inclusion is required by applicable laws and regulations to be found in any amendment, supplement or replacement of this Offering Circular in connection with a new offering of Notes in order to allow investors and their personal advisors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer, the Group and the rights attaching to the Notes, the Issuer shall, but only in connection with such offering of Notes to be listed on the Luxembourg Stock Exchange, prepare and publish an amendment or supplement to this Offering Circular or a replacement Offering Circular for use in connection with such offering of Notes, submit such amendment or supplement to the Luxembourg Stock Exchange for approval and supply each Dealer and the Luxembourg Stock Exchange with such number of copies of such amendment or supplement as may reasonably be requested. All documents prepared in connection with the listing of the Programme will be available at the specified office of the Paying Agent in Luxembourg.

TABLE OF CONTENTS

	Page
SUMMARY OF THE PROGRAMME	6
TERMS AND CONDITIONS OF THE NOTES	12
TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALISED BEARER NOTES	35
USE OF PROCEEDS	36
DESCRIPTION OF RENAULT	37
CAPITALISATION OF RENAULT	48
CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2001	49
STATUTORY AUDITORS' REPORT	63
RECENT DEVELOPMENTS	64
SUBSCRIPTION AND SALE	67
FORM OF PRICING SUPPLEMENT	69
RÉSUMÉ EN FRANÇAIS	78
GENERAL INFORMATION	81
INFORMATIONS RELATIVES A L'ADMISSION A LA COTE D'EURONEXT PARIS S.A.	83

SUMMARY OF THE PROGRAMME

The following summary is qualified in its entirety by the remainder of this Offering Circular. The Notes will be issued on such terms as shall be agreed between the Issuer and the relevant Dealer(s) and, unless specified to the contrary in the relevant Pricing Supplement, will be subject to the Terms and Conditions set out on pages 12 to 34.

Issuer	Renault
Description	Euro Medium Term Note Programme for the continuous offer of Notes (the “ Programme ”)
Arranger	Deutsche Bank AG Paris Branch
Dealers	Barclays Bank Plc BNP Paribas CCF Deutsche Bank AG London Salomon Brothers International Limited Tokyo-Mitsubishi International plc
	<p>The Issuer may from time to time terminate the appointment of any dealer under the Programme or appoint additional dealers either in respect of one or more Tranches or in respect of the whole Programme. References in this Offering Circular to “Permanent Dealers” are to the persons listed above as Dealers and to such additional persons that are appointed as dealers in respect of the whole Programme (and whose appointment has not been terminated) and to “Dealers” are to all Permanent Dealers and all persons appointed as a dealer in respect of one or more Tranches.</p> <p>At the date of this Offering Circular, only credit institutions and investment firms incorporated in a member state of the European Union (“EU”) and which are authorised by the relevant authority of such member home state to lead-manage bond issues in such member state may, in the case of Notes to be listed on Euronext Paris, act (a) as Dealers with respect to non-syndicated issues of Notes denominated in euro and (b) as lead manager of issues of Notes denominated in euro issued on a syndicated basis.</p>
Programme Limit	Up to Euro 2,000,000,000 (or the equivalent in other currencies at the date of issue) aggregate nominal amount of Notes outstanding at any one time.
Fiscal Agent and Principal Paying Agent	BNP Paribas Securities Services, Luxembourg Branch
Paying Agents	BNP Paribas Securities Services (as Paris Paying Agent) and BNP Paribas Luxembourg (as Luxembourg Paying Agent)
Method of Issue	<p>The Notes will be issued on a syndicated or non-syndicated basis. The Notes will be issued in series (each a “Series”) having one or more issue dates and on terms otherwise identical (or identical other than in respect of the first payment of interest), the Notes of each Series being intended to be interchangeable with all other Notes of that Series. Each Series may be issued in tranches (each a “Tranche”) on the same or different issue dates. The specific terms of each Tranche (which will be supplemented, where necessary, with supplemental terms and conditions and, save in respect of the issue date, issue price, first payment of interest and nominal amount of the Tranche, will be identical to the terms of other Tranches of the same Series) will be set out in a pricing supplement to this Offering Circular (a “Pricing Supplement”).</p>
Maturities	Subject to compliance with all applicable relevant laws, regulations and directives, any maturity from one month from the date of original issue.
Currencies	Subject to compliance with all relevant laws, regulations and directives, Notes may be issued in Euro, U.S. Dollars, Japanese yen, Swiss francs,

Sterling and in any other currency agreed between the Issuer and the relevant Dealers.

The Arranger, each Dealer and the Issuer will, in relation to issues of Notes denominated in Euro and to be listed on Euronext Paris, comply with the Guidelines provided by the letter dated 1 October 1998 from the French Minister of the Economy, Finance and Industry to the *Président* of the *Association française des établissements de crédit et des entreprises d'investissement* (the “**Euro Guidelines**”).

Issues of Notes denominated in Swiss francs or carrying a Swiss franc related element with a maturity of more than one year (other than Notes privately placed with a single investor with no publicity) will be effected in compliance with the relevant applicable regulations of the Swiss National Bank based on Article 7 of the Federal Law on Banks and Savings Banks of 8 November 1934 (as amended) and Article 15 of the Federal Law on Stock Exchanges and Securities Trading of 24 March 1995 in connection with Article 2, paragraph 2 of the Ordinance of the Federal Banking Corporation on Stock Exchanges and Securities Trading of 2 December 1996. Under the said regulations, the relevant Dealer or, in the case of a syndicated issue, the lead manager (the “**Swiss Dealer**”), must be a bank domiciled in Switzerland (which includes branches or subsidiaries of a foreign bank located in Switzerland) or a securities dealer duly licensed by the Swiss Federal Banking Commission as per the Federal Law on Stock Exchanges and Securities Trading of 24 March 1995. The Swiss Dealer must report certain details of the relevant transaction to the Swiss National Bank no later than the relevant issue date for such a transaction.

Denomination(s)

Notes will be in such denomination(s) as may be specified in the relevant Pricing Supplement save that, unless otherwise permitted by then current applicable laws and regulations, Notes (including Notes denominated in Sterling) which must be redeemed before the first anniversary of their date of issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 will have a minimum denomination of £100,000 (or its equivalent in other currencies).

Dematerialised Notes will be issued in one denomination only

Status of the Unsubordinated Notes

Unsubordinated Notes (“**Unsubordinated Notes**”) will constitute direct, general, unconditional, unsecured and (subject to the provisions of Condition 4) unsubordinated obligations of the Issuer and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

Status of the Subordinated Notes

Subordinated Notes (“**Subordinated Notes**”) will be unsecured subordinated obligations of the Issuer and will rank *pari passu* and without any preference among themselves and *pari passu* with any other unsecured subordinated obligations of the Issuer with the exception of any *prêts participatifs* granted to the Issuer as set out in Condition 3(b) – see “Terms and Conditions of the Notes – Status”.

If so specified in the relevant Pricing Supplement, the payment of interest in respect of Subordinated Notes without a specified maturity date (“**Undated Subordinated Notes**”) may be deferred in accordance with the provisions of Condition 5(h) – see “Terms and Conditions of Notes – Interest and Other Calculations”.

Negative Pledge	There will be a negative pledge in respect of Unsubordinated Notes as set out in Condition 4 – see “Terms and Conditions of the Notes – Negative Pledge”.
Events of Default (including cross default)	There will be events of default and a cross-default in respect of Unsubordinated Notes as set out in Condition 9(a) and limited events of default only in respect of Subordinated Notes as set out in Condition 9(b) – see “Terms and Conditions of the Notes – Events of Default”.
Redemption Amount	The relevant Pricing Supplement will specify the basis for calculating the redemption amounts payable. Unless permitted by then current laws and regulations, Notes (including Notes denominated in sterling) which must be redeemed before the first anniversary of their date of issue and in respect of which the issue proceeds are to be accepted by the Issuer in the United Kingdom or whose issue otherwise constitutes a contravention of section 19 of the Financial Services and Markets Act 2000 must have a minimum redemption amount of £100,000 (or its equivalent in other currencies).
Optional Redemption	The Pricing Supplement issued in respect of each issue of Notes will state whether such Notes may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders and if so the terms applicable to such redemption.
Redemption by Instalments	The Pricing Supplement issued in respect of each issue of Notes that are redeemable in two or more instalments will set out the dates on which, and the amounts in which, such Notes may be redeemed.
Early Redemption	Except as provided in “Optional Redemption” above, Notes will be redeemable at the option of the Issuer prior to maturity only for tax reasons. See Condition 6 “Terms and Conditions of the Notes – Redemption, Purchase and Options”.
Taxation	<p>Payments in respect of the Notes will be made without withholding or deduction for, or on account of, taxes imposed by or on behalf of the Republic of France as provided by Article 131 <i>quater</i> of the French General Tax Code, to the extent that the Notes are issued (or deemed to be issued) outside France.</p> <p>Notes constituting <i>obligations</i> under French law will be issued (or deemed to be issued) outside France (i) in the case of syndicated or non-syndicated issues of Notes, if such Notes are denominated in euro, (ii) in the case of syndicated issues of Notes denominated in currencies other than euro, if, <i>inter alia</i>, the Issuer and the relevant Dealers agree not to offer the Notes to the public in the Republic of France and such Notes are offered in the Republic of France only through an international syndicate to qualified investors (<i>investisseurs qualifiés</i>) as described in Article L.411-2 of the French <i>Code monétaire et financier</i> or (iii) in the case of non-syndicated issues of Notes denominated in currencies other than euro, if each of the subscribers of the Notes is domiciled or resident for tax purposes outside the Republic of France, in each case as more fully set out in the Circular of the <i>Direction Générale des Impôts</i> dated 30 September 1998. However, if so provided in the relevant Pricing Supplement, Notes constituting <i>obligations</i> denominated in currencies other than euro may be issued on a non-syndicated basis and placed with subscribers not all of whom are resident outside the Republic of France. In such cases, the Notes will not benefit from the exemption from deduction at source provided by Article 131 <i>quater</i> of the French General Tax Code and payments under such Notes made to a non-French resident will be exempt from withholding or deduction at source only if the beneficiary of the payment provides certification that he is not resident in the Republic of France, all in accordance with the provisions of Article 125 A III of the French General</p>

Tax Code, as more fully described in “Terms and Conditions of the Notes – Taxation”.

The tax regime applicable to Notes which do not constitute *obligations* will be set out in the relevant Pricing Supplement.

Interest Periods and Interest Rates

The length of the interest periods for the Notes and the applicable interest rate or its method of calculation may differ from time to time or be constant for any Series. Notes may have a maximum interest rate, a minimum interest rate, or both. The use of interest accrual periods permits the Notes to bear interest at different rates in the same interest period. All such information will be set out in the relevant Pricing Supplement.

Fixed Rate Notes

Fixed interest will be payable in arrears on the date or dates in each year specified in the relevant Pricing Supplement.

Floating Rate Notes

Floating Rate Notes will bear interest determined separately for each Series as follows:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency pursuant to the 2001 FBF Master Agreement relating to transactions on forward financial instruments (formerly 1994 FBF Master Agreement for Foreign Exchange and Derivatives Transactions as supplemented by the Technical Schedules published by the *Fédération Bancaire Française* or the FBF), or
- (ii) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2000 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc.; or
- (iii) by reference to LIBOR, LIBID, LIMEAN or EURIBOR (or such other benchmark as may be specified in the relevant Pricing Supplement), in each case as adjusted for any applicable margin.

Interest periods will be specified in the relevant Pricing Supplement.

Zero Coupon Notes

Zero Coupon Notes may be issued at their nominal amount or at a discount to it and will not bear interest.

Dual Currency Notes

Payments (whether in respect of principal or interest and whether at maturity or otherwise) in respect of Dual Currency Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the relevant Pricing Supplement.

Index Linked Notes

Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the relevant Pricing Supplement. Each issue of Index Linked Notes to be listed on Euronext Paris must be made in compliance with the *Principes Généraux* published from time to time by the COB and the *Conseil des Marchés Financiers*.

Structured Note Risks

The following paragraph does not describe all the risks of an investment in the Notes. Prospective investors should consult their own financial and legal advisers about risks associated with investment in a particular series of Notes and the suitability of investing in the Notes in light of their particular circumstances.

An investment in Notes the premium and/or the interest on or principal of which is determined by reference to one or more values of currencies, commodities, interest rates or other indices or formulae, either directly or inversely, may entail significant risks not associated with similar investments in a conventional debt security, including the risks that the

resulting interest rate will be less than that payable on a conventional debt security at the same time and/or that an investor could lose all or a substantial portion of the principal of its Note.

Neither the current nor the historical value of the relevant currencies, commodities, interest rates or other indices or formulae should be taken as an indication of future performance of such currencies, commodities, interest rates or other indices or formulae during the term of any Note.

Other Notes

Terms applicable to high interest Notes, low interest Notes, step-up Notes, step-down Notes, reverse dual currency Notes, optional dual currency Notes, partly paid Notes and any other type of Notes that the Issuer and any Dealer or Dealers may agree to issue under the Programme will be set out in the relevant Pricing Supplement.

Redenomination

Notes issued in the currency of any Member State of the EU which will participate in the single currency of the European Economic and Monetary Union may be redenominated into Euro, all as more fully provided in “Terms and Conditions of the Notes – Form, Denomination, Title and Redenomination” below.

Consolidation

Notes of one Series may be consolidated with Notes of another Series as more fully provided in “Terms and Conditions of the Notes – Further Issues and Consolidation”.

Form of Notes

Notes may be issued in either dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”).

Dematerialised Notes which are dealt in on a regulated market may, at the option of the Issuer, be issued in bearer dematerialised form (*au porteur*) or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder, in either *au nominatif pur* or *au nominatif administré* form. No physical documents of title will be issued in respect of Dematerialised Notes. Dematerialised Notes which are not dealt in on a regulated market will be issued in registered dematerialised form only and, at the option of the relevant Noteholder, in either *au nominatif pur* or *au nominatif administré* form. See Condition 1 “Terms and Conditions of the Notes – Form, Denomination, Title and Redenomination”.

Materialised Notes will be in bearer materialised form (“**Materialised Bearer Notes**”) only. A Temporary Global Certificate will be issued initially in respect of each Tranche of Materialised Bearer Notes. Materialised Notes may only be issued outside France.

Governing Law

French.

Clearing Systems

Euroclear France as central depositary in relation to Dematerialised Notes and Clearstream, Luxembourg and Euroclear or any other clearing system that may be agreed between the Issuer, the Fiscal Agent and the relevant Dealer in relation to Materialised Notes.

Notes which are listed on Euronext Paris will be cleared through Euroclear France.

Initial Delivery of Dematerialised Notes

One Paris business day before the issue date of each Tranche of Dematerialised Notes, the *lettre comptable* relating to such Tranche shall be deposited with Euroclear France as central depositary.

Initial Delivery of Materialised Notes

On or before the issue date for each Tranche of Materialised Bearer Notes, the Temporary Global Certificate issued in respect of such Tranche shall be deposited with a common depositary for Euroclear and Clearstream, Luxembourg or with any other clearing system or may be delivered outside any clearing system provided that the method of such delivery has been agreed in advance by the Issuer, the Fiscal Agent and the relevant Dealer.

Issue Price	Notes may be issued at their nominal amount or at a discount or premium to their nominal amount. Partly Paid Notes may be issued, the issue price of which will be payable in two or more instalments.
Listing	<p>Euronext Paris and/or the Luxembourg Stock Exchange or as otherwise specified in the relevant Pricing Supplement. As specified in the relevant Pricing Supplement, a Series of Notes may be unlisted.</p> <p>However, the Euro Guidelines strongly recommend the listing of publicly offered notes and bonds (<i>obligations</i>) denominated in euro on Euronext Paris. Each Series of Notes listed on Euronext Paris must be issued in compliance with the <i>Principes Généraux</i> of the COB and the <i>Conseil des Marchés Financiers</i> from time to time.</p>
Selling Restrictions	<p>There are restrictions on the sale of Notes and the distribution of offering material in various jurisdictions. See “Subscription and Sale”. In connection with the offering and sale of a particular Tranche, additional selling restrictions may be imposed which will be set out in the relevant Pricing Supplement.</p> <p>The Issuer is Category 2 for the purposes of Regulation S under the United States Securities Act of 1933, as amended</p> <p>Materialised Notes will be issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(I)(D) (the “D Rules”) unless (i) the relevant Pricing Supplement states that such Materialised Notes are issued in compliance with U.S. Treas. Reg. §1.163-5(c)(2)(i)(C) (the “C Rules”) or (ii) such Materialised Notes are issued other than in compliance with the D Rules or the C Rules but in circumstances in which the Notes will not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”), which circumstances will be referred to in the relevant Pricing Supplement as a transaction to which TEFRA is not applicable.</p> <p>The TEFRA rules do not apply to any Dematerialised Notes</p>
Rating	The Programme has been rated BBB by Standard & Poor’s Rating Services and Fitch Ratings and Baa2 by Moody’s Investors Services, Inc. Notes issued under the Programme may be rated or unrated. Notes, whether Unsubordinated or Subordinated, will have such rating, if any, as is assigned to them by the relevant rating organisation as specified in the relevant Pricing Supplement. Where an issue of Notes is rated, its rating will not necessarily be the same as the rating assigned under the Programme. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions that, subject to completion and amendment and as supplemented or varied in accordance with the provisions of the relevant Pricing Supplement, shall be applicable to the Notes. In the case of Dematerialised Notes, the text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text as completed, amended or varied by the relevant Pricing Supplement. In the case of Materialised Notes, either (i) the full text of these terms and conditions together with the relevant provisions of the Pricing Supplement or (ii) these terms and conditions as so completed, amended, supplemented or varied (and subject to simplification by the deletion of non-applicable provisions), shall be endorsed on Definitive Materialised Bearer Notes. All capitalised terms that are not defined in these Conditions will have the meanings given to them in the relevant Pricing Supplement. References in the Conditions to “Notes” are to the Notes of one Series only, not to all Notes that may be issued under the Programme.

The Notes are issued by Renault (the “**Issuer**” or “**Renault**”) with the benefit of an agency agreement dated 20 June 2002 between the Issuer, BNP Paribas Securities Services, Luxembourg Branch as fiscal agent and the other agents named in it (as amended or supplemented as at the Issue Date, the “**Agency Agreement**”). The fiscal agent, the paying agents, the redenomination agent, the consolidation agent and the calculation agent(s) for the time being (if any) are referred to below respectively as the “**Fiscal Agent**”, the “**Paying Agents**” (which expression shall include the Fiscal Agent), the “**Redenomination Agent**”, the “**Consolidation Agent**” and the “**Calculation Agent(s)**”. The holders of Dematerialised Notes and Materialised Notes, the holders of the interest coupons (the “**Coupons**”) relating to interest bearing Materialised Notes and, where applicable in the case of such Notes, talons (the “**Talons**”) for further Coupons (the “**Couponholders**”) and the holders of the receipts (the “**Receipts**”) for the payment of instalments of principal (the “**Receiptholders**”) relating to Materialised Notes of which the principal is payable in instalments are deemed to have notice of all of the provisions of the Agency Agreement applicable to them.

References below to “Conditions” are, unless the context requires otherwise, to the numbered paragraphs below.

Certain defined terms contained in the 2001 FBF Master Agreement relating to transactions on forward financial instruments (formerly the 1994 FBF Master Agreement for Foreign Exchange and Derivatives Transactions) as supplemented by the Technical Schedules published by the AFB or the FBF (together the “**FBF Master Agreement**”) have either been used or reproduced in Condition 5 below.

Copies of the Agency Agreement and of the FBF Master Agreement are available for inspection during normal business hours at the specified offices of each of the Paying Agents.

1 Form, Denomination(s), Title and Redenomination

(a) **Form:** Notes may be issued either in dematerialised form (“**Dematerialised Notes**”) or in materialised form (“**Materialised Notes**”).

(i) Title to Dematerialised Notes will be evidenced in accordance with Article L.211-4 of the French *Code monétaire et financier* by book entries (*inscriptions en compte*). No physical document of title (including *certificats représentatifs* pursuant to Article 7 of Decree no. 83-359 of 2 May 1983) will be issued in respect of the Dematerialised Notes.

Dematerialised Notes which are dealt in on a regulated market (*admisses aux négociations sur un marché réglementé*) are issued, at the option of the Issuer, in either bearer dematerialised form (*au porteur*), which will be inscribed in the books of Euroclear France (“**Euroclear France**”) which shall credit the accounts of Account Holders, or in registered dematerialised form (*au nominatif*) and, in such latter case, at the option of the relevant Noteholder in either administered registered form (*nominatif administré*) inscribed in the books of an Account Holder or in fully registered form (*au nominatif pur*) inscribed in an account in the books of Euroclear France maintained by the Issuer or the registration agent (designated in the relevant Pricing Supplement) acting on behalf of the Issuer (the “**Registration Agent**”).

Dematerialised Notes which are not dealt in on a regulated market (*non admises aux négociations sur un marché réglementé*) are issued in registered dematerialised form (*au nominatif*) only and, at the option of the relevant Noteholder, in either administered registered form (*au nominatif administré*) or in fully registered form (*au nominatif pur*) inscribed as aforesaid.

For the purpose of these Conditions, “**Account Holder**” means any authorised financial intermediary institution entitled to hold, directly or indirectly, accounts on behalf of its customers with Euroclear France, and includes Euroclear Bank S.A./N.V., as operator of the Euroclear System (“**Euroclear**”) and the depositary bank for Clearstream Banking, société anonyme (“**Clearstream, Luxembourg**”).

- (ii) Materialised Notes are issued in bearer form (“**Materialised Bearer Notes**”). Materialised Bearer Notes are serially numbered and are issued with Coupons (and, where appropriate, a Talon attached, save in the case of Zero Coupon Notes in which case references to interest (other than in relation to interest due after the Maturity Date), Coupons and Talons in these Conditions are not applicable. Instalment Notes are issued with one or more Receipts attached.

In accordance with Article L.211-4 of the French Code monétaire et financier, securities (such as Notes) which are governed by French law and are in materialised form must be issued outside the French territory.

- (b) **Denomination(s):** Notes shall be issued in the specified denomination(s) as set out in the relevant Pricing Supplement (the “**Specified Denomination(s)**”). Dematerialised Notes shall be issued in one Specified Denomination only.

(c) **Title:**

- (i) Title to Dematerialised Notes in bearer dematerialised form (*au porteur*) and in administered registered form (*au nominatif administré*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of Account Holders. Title to Dematerialised Notes in fully registered form (*au nominatif pur*) shall pass upon, and transfer of such Notes may only be effected through, registration of the transfer in the accounts of the Issuer or the Registration Agent.
- (ii) Title to Materialised Bearer Notes in definitive form having, where appropriate, Coupons, Receipt(s) and/or a Talon attached thereto on issue (“**Definitive Materialised Bearer Notes**”), shall pass by delivery.
- (iii) Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note (as defined below), Receipt, Coupon or Talon shall be deemed to be and may be treated as its absolute owner for all purposes, whether or not it is overdue and regardless of any notice of ownership, or an interest in it, any writing on it or its theft or loss and no person shall be liable for so treating the holder.
- (iv) In these Conditions, the holder of Notes or any Note, or “**Noteholder**” means (i) in the case of Dematerialised Notes, the person whose name appears in the account of the relevant Account Holder or the Issuer or the Registration Agent (as the case may be) as being entitled to such Notes and (ii) in the case of Materialised Notes, the bearer of any Definitive Materialised Bearer Note and the Receipts, Coupons, or Talon relating to it, and capitalised terms have the meanings given to them in the relevant Pricing Supplement, the absence of any such meaning indicating that such term is not applicable to the Notes.

(d) **Redenomination:**

- (i) The Issuer may (if so specified in the relevant Pricing Supplement), on any Interest Payment Date, without the consent of the holder of any Note, Receipt, Coupon or Talon, by giving at least 30 days’ notice in accordance with Condition 15 and on or after the date on which the European Member State in whose national currency the Notes are denominated has become a participating Member State in the single currency of the European Economic and Monetary Union (as provided in the Treaty establishing the European Community (the “**EC**”), as amended from time to time (the “**Treaty**”), or events have occurred which have substantially the same effects (in either case, “**EMU**”), redenominate all, but not some only, of the Notes of any Series into Euro and adjust the aggregate principal amount and the Specified Denomination(s) set out in the relevant Pricing Supplement accordingly, as described below. The date on which such redenomination becomes effective shall be referred to in these Conditions as the “**Redenomination Date**”.

- (ii) Unless otherwise specified in the relevant Pricing Supplement, the redenomination of the Notes pursuant to Condition 1(d)(i) shall be made by converting the principal amount of each Note from the relevant national currency into Euro using the fixed relevant national currency Euro conversion rate established by the Council of the European Union pursuant to Article 123 (4) of the Treaty and rounding the resultant figure to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). If the Issuer so elects, the figure resulting from conversion of the principal amount of each Note using the fixed relevant national currency Euro conversion rate shall be rounded down to the nearest Euro. The Euro denominations of the Notes so determined shall be notified to Noteholders in accordance with Condition 15. Any balance remaining from the redenomination with a denomination higher than Euro 0.01 shall be paid by way of cash adjustment rounded to the nearest Euro 0.01 (with Euro 0.005 being rounded upwards). Such cash adjustment will be payable in Euro on the Redenomination Date in the manner notified to Noteholders by the Issuer.
- (iii) Upon redenomination of the Notes, any reference in the relevant Pricing Supplement to the relevant national currency shall be construed as a reference to Euro.
- (iv) Unless otherwise specified in the relevant Pricing Supplement, the Issuer may, with the prior approval of the Redenomination Agent and the Consolidation Agent, in connection with any redenomination pursuant to this Condition or any consolidation pursuant to Condition 14, without the consent of the holder of any Note, Receipt, Coupon or Talon, make any changes or additions to these Conditions or Condition 14 (including, without limitation, any change to any applicable business day definition, business day convention, principal financial centre of the country of the Specified Currency, interest accrual basis or benchmark), taking into account market practice in respect of redenominated euromarket debt obligations and which it believes are not prejudicial to the interests of such holders. Any such changes or additions shall, in the absence of manifest error, be binding on the holders of Notes, Receipts, Coupons and Talons and shall be notified to Noteholders in accordance with Condition 15 as soon as practicable thereafter.
- (v) Neither the Issuer nor any Paying Agent shall be liable to the holder of any Note, Receipt, Coupon or Talon or other person for any commissions, costs, losses or expenses in relation to or resulting from the credit or transfer of Euro or any currency conversion or rounding effected in connection therewith.

2 Conversion and Exchanges of Notes

(a) Dematerialised Notes

- (i) Dematerialised Notes issued in bearer dematerialised form (*au porteur*) may not be converted into Dematerialised Notes in registered dematerialised form, whether in fully registered form (*au nominatif pur*) or in administered registered form (*au nominatif administré*).
- (ii) Dematerialised Notes issued in registered dematerialised form (*au nominatif*) may not be converted into Dematerialised Notes in bearer dematerialised form (*au porteur*).
- (iii) Dematerialised Notes issued in fully registered form (*au nominatif pur*) may, at the option of the Noteholder, be converted into Notes in administered registered form (*au nominatif administré*), and *vice versa*. The exercise of any such option by such Noteholder shall be made in accordance with Article 4 of Decree no. 83-359 of 2 May 1983. Any such conversion shall be effected at the cost of such Noteholder.

(b) Materialised Notes

Materialised Bearer Notes of one Specified Denomination may not be exchanged for Materialised Bearer Notes of another Specified Denomination.

3 Status

The obligations of the Issuer under the Notes may be either unsubordinated (“**Unsubordinated Notes**”) or subordinated (“**Subordinated Notes**”).

(a) **Status of Unsubordinated Notes**

The Unsubordinated Notes and, where applicable, any relative Receipts and Coupons are direct, general, unconditional, unsecured (subject to the provisions of Condition 4) and unsubordinated obligations of the Issuer and rank and will rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future unsecured and unsubordinated obligations of the Issuer.

(b) **Status of Subordinated Notes**

(i) Subordination

Subordinated Notes (which term shall include both Subordinated Notes with a specified maturity date (“**Dated Subordinated Notes**”) and Subordinated Notes without a specified maturity date (“**Undated Subordinated Notes**”)) are unsecured subordinated obligations of the Issuer and rank and will rank *pari passu* without any preference among themselves and *pari passu* with any other unsecured subordinated obligations of the Issuer with the exception of any *prêts participatifs* granted to the Issuer. If any judgement is rendered by any competent court declaring the transfer of the whole of its business (*cession totale de l’entreprise*) or the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason, the rights of payment of the holders of Subordinated Notes shall be subordinated to the payment in full of unsubordinated creditors and, subject to such payment in full, the holders of Subordinated Notes shall be paid in priority to any *prêts participatifs* granted to the Issuer. In the event of incomplete payment of unsubordinated creditors, the obligations of the Issuer in connection with the Subordinated Notes will be terminated. The holders of Subordinated Notes shall take all steps necessary for the orderly accomplishment of any collective proceedings or voluntary liquidation.

(ii) Dated Subordinated Notes

Unless otherwise specified in the relevant Pricing Supplement, payments of interest relating to Dated Subordinated Notes constitute obligations which rank equally with the obligations of the Issuer in respect of Unsubordinated Notes issued by the Issuer in accordance with Condition 3(a).

(iii) Undated Subordinated Notes

Unless otherwise specified in the relevant Pricing Supplement, payments of interest relating to Undated Subordinated Notes constitute obligations which rank equally with the obligations of the Issuer in respect of Unsubordinated Notes issued by the Issuer in accordance with Condition 3(a) and may be deferred in accordance with the provisions of Condition 5(h).

The use of the proceeds of issues of Undated Subordinated Notes will be set out in the applicable Pricing Supplement.

4 **Negative Pledge**

So long as any of the Unsubordinated Notes or, if applicable, any Receipts or Coupons relating to them, remains outstanding, the Issuer will not create or permit to subsist any mortgage, charge, pledge, lien or other security interest upon the whole or any part of its assets, present or future, to secure any present or future Indebtedness (as defined below) incurred or guaranteed by it (whether before or after the issue of the Unsubordinated Notes) unless the Issuer’s obligations under the Unsubordinated Notes, Receipts and Coupons are equally and rateably secured therewith.

For the purposes of this Condition “**Indebtedness**” means any indebtedness for borrowed money, represented by bonds, notes, debentures or other assimilated debt securities which are for the time being, or are capable of being, quoted, listed or ordinarily traded in on any stock exchange, over-the-counter-market or other securities market.

This Condition 4 shall not apply to Subordinated Notes.

5 Interest and other Calculations

- (a) **Definitions:** In these Conditions, unless the context otherwise requires, the following defined terms shall have the meanings set out below:

“Business Day” means:

- (i) in the case of Euro, a day on which the Trans European Automated Real Time Gross Settlement Express Transfer or any successor thereto (the **“TARGET System”**) is operating (a **“TARGET Business Day”**) and/or
- (ii) in the case of a specified currency other than Euro, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets settle payments in the principal financial centre for that currency and/or
- (iii) in the case of a specified currency and/or one or more additional business centre(s) specified in the relevant Pricing Supplement (the **“Additional Business Centre(s)”**), a day (other than a Saturday or a Sunday) on which commercial banks and foreign exchange markets settle payments in such currency in the Additional Business Centre(s) or, if no currency is indicated, generally in each of the Additional Business Centres so specified

“Day Count Fraction” means, in respect of the calculation of an amount of interest on any Note for any period of time (from and including the first day of such period to but excluding the last) (whether or not constituting an Interest Period, the **“Calculation Period”**):

- (i) if **“Actual/365 – FBF”** is specified in the relevant Pricing Supplement, the fraction whose numerator is the actual number of days elapsed during the Calculation Period and whose denominator is 365. If part of that Calculation Period falls in a leap year, Actual/365 – FBF shall mean the sum of (i) the fraction whose numerator is the actual number of days elapsed during the non-leap year and whose denominator is 365 and (ii) the fraction whose numerator is the number of actual days elapsed during the leap year and whose denominator is 366
- (ii) if **“Actual/365”** or **“Actual/Actual – ISDA”** is specified in the relevant Pricing Supplement, the actual number of days in the Calculation Period divided by 365 (or, if any portion of that Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365)
- (iii) if **“Actual/Actual-ISMA”** is specified in the relevant Pricing Supplement:
 - (A) if the Calculation Period is equal to or shorter than the Determination Period during which it falls, the number of days in the Calculation Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Periods normally ending in any year; and
 - (B) if the Calculation Period is longer than one Determination Period, the sum of:
 - the number of days in such Calculation Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and
 - the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

“Determination Period” means the period from and including a Determination Date in any year to but excluding the next Determination Date; and

“Determination Date” means the date specified hereon or, if none is so specified, the Interest Payment Date

- (iv) if “**Actual/365 (Fixed)**” is specified in the relevant Pricing Supplement, the actual number of days in the Calculation Period divided by 365
- (v) if “**Actual/360**” is specified in the relevant Pricing Supplement, the actual number of days in the Calculation Period divided by 360
- (vi) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the relevant Pricing Supplement, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (b) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)) and
- (vii) if “**30E/360**” or “**Eurobond Basis**” is specified in the relevant Pricing Supplement, the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Calculation Period unless, in the case of a Calculation Period ending on the Maturity Date, the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month)

“**Effective Date**” means, with respect to any Floating Rate to be determined on an Interest Determination Date, the date specified as such in the relevant Pricing Supplement or, if none is so specified, the first day of the Interest Accrual Period to which such Interest Determination Date relates

“**Euro-zone**” means the region comprised of member states of the European Union that adopt the single currency in accordance with the Treaty establishing the European Community, as amended

“**FBF Definitions**” means the definitions set out in the FBF Master Agreement, unless otherwise specified in the relevant Pricing Supplement

“**Interest Accrual Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Period Date and each successive period beginning on (and including) an Interest Period Date and ending on (but excluding) the next succeeding Interest Period Date

“**Interest Amount**” means the amount of interest payable, and in the case of Fixed Rate Notes, means the Fixed Coupon Amount or Broken Amount, as the case may be

“**Interest Commencement Date**” means the Issue Date or such other date as may be specified in the relevant Pricing Supplement

“**Interest Determination Date**” means, with respect to a Rate of Interest and Interest Accrual Period, the date specified as such in the relevant Pricing Supplement or, if none is so specified, (i) the day falling two TARGET Business Days prior to the first day of such Interest Accrual Period if the Specified Currency is Euro or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) the day falling two Business Days in the city specified in the Pricing Supplement for the Specified Currency prior to the first day of such Interest Accrual Period if the Specified Currency is neither Sterling nor Euro

“**Interest Payment Date**” means the date(s) specified in the relevant Pricing Supplement

“**Interest Period**” means the period beginning on (and including) the Interest Commencement Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date

“**Interest Period Date**” means each Interest Payment Date unless otherwise specified in the relevant Pricing Supplement

“**ISDA Definitions**” means the 2000 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc., unless otherwise specified in the relevant Pricing Supplement

“Page” means such page, section, caption, column or other part of a particular information service (including, but not limited to, Reuters Markets 3000 (**“Reuters”**) and Bridge/Telerate (**“Telerate”**)) as may be specified for the purpose of providing a Relevant Rate, or such other page, section, caption, column or other part as may replace it on that information service or on such other information service, in each case as may be nominated by the person or organisation providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to that Relevant Rate, subject to amendment in respect of Paris listed Notes, as disclosed in the Pricing Supplement.

“Rate of Interest” means the rate of interest payable from time to time in respect of the Notes and that is either specified or calculated in accordance with the provisions in the relevant Pricing Supplement

“Reference Banks” means the institutions specified as such in the relevant Pricing Supplement or, if none, four major banks selected by the Calculation Agent in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the Benchmark (which, if EURIBOR is the relevant Benchmark, shall be the Euro-zone)

“Relevant Financial Centre” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the financial centre as may be specified as such in the relevant Pricing Supplement or, if none is so specified, the financial centre with which the relevant Benchmark is most closely connected (which, in the case of EURIBOR, shall be the Euro-zone) or, if none is so connected, Paris

“Relevant Date” means, in respect of any Note, Receipt or Coupon, the date on which payment in respect of it first became due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (in the case of Materialised Notes if earlier) the date seven days after that on which notice is duly given to the holders of such Materialised Notes that, upon further presentation of the Materialised Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation

“Relevant Rate” means the Benchmark for a Representative Amount of the Specified Currency for a period (if applicable or appropriate to the Benchmark) equal to the Specified Duration commencing on the Effective Date

“Relevant Time” means, with respect to any Interest Determination Date, the local time in the Relevant Financial Centre specified in the relevant Pricing Supplement or, if no time is specified, the local time in the Relevant Financial Centre at which it is customary to determine bid and offered rates in respect of deposits in the Specified Currency in the interbank market in the Relevant Financial Centre and for this purpose **“local time”** means, with respect to Europe and the Euro-zone as a Relevant Financial Centre, 11.00 a.m., Brussels time

“Representative Amount” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the amount specified as such in the relevant Pricing Supplement or, if none is specified, an amount that is representative for a single transaction in the relevant market at the time

“Specified Currency” means the currency specified as such in the relevant Pricing Supplement or, if none is specified, the currency in which the Notes are denominated and

“Specified Duration” means, with respect to any Floating Rate to be determined in accordance with a Screen Rate Determination on an Interest Determination Date, the duration specified in the relevant Pricing Supplement or, if none is specified, a period of time equal to the relative Interest Accrual Period, ignoring any adjustment pursuant to Condition 5(c)(ii)

- (b) **Interest on Fixed Rate Notes:** Each Fixed Rate Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear on each Interest Payment Date except as otherwise provided in the relevant Pricing Supplement.

If a Fixed Coupon Amount or a Broken Amount is specified in the relevant Pricing Supplement, the amount of interest payable on each Interest Payment Date will amount to the Fixed Coupon Amount or, if applicable, the Broken Amount so specified and in the case of the Broken Amount

will be payable on the particular Interest Payment Date(s) specified in the relevant Pricing Supplement.

(c) **Interest on Floating Rate Notes and Index Linked Interest Notes:**

- (i) *Interest Payment Dates:* Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount from the Interest Commencement Date at the rate per annum (expressed as a percentage) equal to the Rate of Interest, such interest being payable in arrear (except as otherwise provided in the relevant Pricing Supplement) on each Interest Payment Date. Such Interest Payment Date(s) is/are either shown in the relevant Pricing Supplement as Specified Interest Payment Dates or, if no Specified Interest Payment Date(s) is/are shown in the relevant Pricing Supplement, Interest Payment Date shall mean each date which falls the number of months or other period shown in the relevant Pricing Supplement as the Specified Period after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.
- (ii) *Business Day Convention:* If any date referred to in these Conditions that is specified to be subject to adjustment in accordance with a Business Day Convention would otherwise fall on a day that is not a Business Day, then, if the Business Day Convention specified is (A) the Floating Rate Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event (x) such date shall be brought forward to the immediately preceding Business Day and (y) each subsequent such date shall be the last Business Day of the month in which such date would have fallen had it not been subject to adjustment, (B) the Following Business Day Convention, such date shall be postponed to the next day that is a Business Day, (C) the Modified Following Business Day Convention, such date shall be postponed to the next day that is a Business Day unless it would thereby fall into the next calendar month, in which event such date shall be brought forward to the immediately preceding Business Day or (D) the Preceding Business Day Convention, such date shall be brought forward to the immediately preceding Business Day.
- (iii) *Rate of Interest for Floating Rate Notes:* The Rate of Interest in respect of Floating Rate Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Pricing Supplement and, unless otherwise specified in the relevant Pricing Supplement, the provisions below relating to either FBF Determination or ISDA Determination or Screen Rate Determination shall apply, depending upon which is specified in the relevant Pricing Supplement.

(A) FBF Determination for Floating Rate Notes

Where FBF Determination is specified in the relevant Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant FBF Rate. For the purposes of this sub-paragraph (A), “**FBF Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Transaction under the terms of an agreement incorporating the FBF Definitions and under which:

- (a) the Floating Rate is as specified in the relevant Pricing Supplement and
- (b) the relevant Floating Rate Determination Date (*Date de Détermination du Taux Variable*) is the first day of that Interest Accrual Period unless otherwise specified in the relevant Pricing Supplement

For the purposes of this sub-paragraph (A), “Floating Rate”, “Calculation Agent”, “Floating Rate Determination Date (*Date de Détermination du Taux Variable*)” and “Transaction” have the meanings given to those terms in the FBF Definitions, provided that “EURIBOR” means the rate calculated for deposits in euro which appears on Telerate Page 248, as more fully described in the relevant Pricing Supplement.

(B) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the relevant Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent as a rate equal to the relevant ISDA Rate plus or minus (as indicated in the relevant Pricing Supplement) the Margin (if any). For the purposes of this sub-paragraph (B), “**ISDA Rate**” for an Interest Accrual Period means a rate equal to the Floating Rate that would be determined by the Calculation Agent under a Swap Transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option is as specified in the relevant Pricing Supplement
- (b) the Designated Maturity is a period specified in the relevant Pricing Supplement and
- (c) the relevant Reset Date is the first day of that Interest Accrual Period unless otherwise specified in the relevant Pricing Supplement.

For the purposes of this sub-paragraph (B), “**Floating Rate**”, “**Calculation Agent**”, “**Floating Rate Option**”, “**Designated Maturity**”, “**Reset Date**” and “**Swap Transaction**” have the meanings given to those terms in the ISDA Definitions.

(C) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the relevant Pricing Supplement as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Accrual Period shall be determined by the Calculation Agent at or about the Relevant Time on the Interest Determination Date in respect of such Interest Accrual Period in accordance with the following:

- (a) if the Primary Source for Floating Rate is a Page, subject as provided below, the Rate of Interest shall be:
 - (i) the Relevant Rate (where such Relevant Rate on such Page is a composite quotation or is customarily supplied by one entity) or
 - (ii) the arithmetic mean of the Relevant Rates of the persons whose Relevant Rates appear on that Page,

in each case appearing on such Page at the Relevant Time on the Interest Determination Date, subject to amendment in respect of Paris listed Notes, as disclosed in the Pricing Supplement

- (b) if the Primary Source for the Floating Rate is Reference Banks or if sub-paragraph (a)(i) applies and no Relevant Rate appears on the Page at the Relevant Time on the Interest Determination Date or if sub-paragraph (a)(ii) applies and fewer than two Relevant Rates appear on the Page at the Relevant Time on the Interest Determination Date, subject as provided below, the Rate of Interest shall be the arithmetic mean of the Relevant Rates that each of the Reference Banks is quoting to leading banks in the Relevant Financial Centre at the Relevant Time on the Interest Determination Date, as determined by the Calculation Agent and
- (c) if paragraph (b) above applies and the Calculation Agent determines that fewer than two Reference Banks are so quoting Relevant Rates, subject as provided below, the Rate of Interest shall be the arithmetic mean of the rates per annum (expressed as a percentage) that the Calculation Agent determines to be the rates (being the nearest equivalent to the Benchmark) in respect of a Representative Amount of the Specified Currency that at least two out of five leading banks selected by the Calculation Agent in the principal financial centre of the country of the Specified Currency or, if the Specified Currency is Euro, in the Euro-zone as selected by the Calculation

Agent (the “**Principal Financial Centre**”) are quoting at or about the Relevant Time on the date on which such banks would customarily quote such rates for a period commencing on the Effective Date for a period equivalent to the Specified Duration (I) to leading banks carrying on business in Europe, or (if the Calculation Agent determines that fewer than two of such banks are so quoting to leading banks in Europe) (II) to leading banks carrying on business in the Principal Financial Centre; except that, if fewer than two of such banks are so quoting to leading banks in the Principal Financial Centre, the Rate of Interest shall be the Rate of Interest determined on the previous Interest Determination Date (after readjustment for any difference between any Margin, Rate Multiplier or Maximum or Minimum Rate of Interest applicable to the preceding Interest Accrual Period and to the relevant Interest Accrual Period).

- (iv) *Rate of Interest for Index Linked Interest Notes:* The Rate of Interest in respect of Index Linked Interest Notes for each Interest Accrual Period shall be determined in the manner specified in the relevant Pricing Supplement and interest will accrue by reference to an Index or Formula as specified in the relevant Pricing Supplement.
- (d) **Zero Coupon Notes:** Where a Note the Interest Basis of which is specified to be Zero Coupon and is repayable prior to the Maturity Date is not paid when due, the amount due and payable prior to the Maturity Date shall be the Early Redemption Amount of such Note. As from the Maturity Date, the Rate of Interest for any overdue principal of such a Note shall be a rate per annum (expressed as a percentage) equal to the Amortisation Yield (as described in Condition 6(e)(i)).
- (e) **Dual Currency Notes:** In the case of Dual Currency Notes, if the rate or amount of interest falls to be determined by reference to a Rate of Exchange or a method of calculating a Rate of Exchange, the rate or amount of interest payable shall be determined in the manner specified in the relevant Pricing Supplement.
- (f) **Partly Paid Notes:** In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the relevant Pricing Supplement.
- (g) **Accrual of interest:** Interest shall cease to accrue on each Note on the due date for redemption unless (i) in the case of Dematerialised Notes, on such due date or (ii) in the case of Materialised Notes, upon due presentation, payment is improperly withheld or refused, in which event interest shall continue to accrue (as well after as before judgment) at the Rate of Interest in the manner provided in this Condition 5 to the Relevant Date (as defined in Condition 8).
- (h) **Deferral of interest:** In the case of Undated Subordinated Notes, interest shall be payable on each Compulsory Interest Payment Date (as defined below) in respect of the interest accrued in the Interest Period ending on the day immediately preceding such date. On any Optional Interest Payment Date (as defined below) there may be paid (if the Issuer so elects) the interest accrued in the Interest Period ending on the day immediately preceding such date but the Issuer shall not have any obligation to make such payment. Notice of any Optional Interest Payment Date shall (for so long as the rules of any Stock Exchange so require) be given to the Noteholders in accordance with Condition 15 and to the relevant Stock Exchange. Such notice shall be given at least seven days prior to the relevant Optional Interest Payment Date(s). Any interest not paid on an Optional Interest Payment Date shall, so long as the same remains unpaid, constitute “**Arrears of Interest**” which term shall include interest on such unpaid interest as referred to below. Arrears of Interest may, at the option of the Issuer, be paid in whole or in part at any time upon the expiration of not less than seven days’ notice to such effect given to the Noteholders in accordance with Condition 15 but all Arrears of Interest on all Undated Subordinated Notes outstanding shall become due in full on whichever is the earliest of:
- (i) the Interest Payment Date immediately following the date upon which the General Meeting passed a resolution to pay a dividend on the ordinary share capital of the Issuer and
- (ii) the commencement of a liquidation or dissolution of the Issuer.

If notice is given by the Issuer of its intention to pay the whole or part of Arrears of Interest, the Issuer shall be obliged to do so upon the expiration of such notice. When

Arrears of Interest are paid in part, each such payment shall be applied in or towards satisfaction of the full amount of the Arrears of Interest accrued in respect of the earliest Interest Period in respect of which Arrears of Interest have accrued and have not been paid in full. Arrears of Interest shall (to the extent permitted by law) bear interest accruing (but only, in accordance with Article 1154 of the Civil Code, after such interest has accrued for a period of one year) and compounding on the basis of the exact number of days which have elapsed at the prevailing rate of interest on the Undated Subordinated Notes in respect of each relevant Interest Period. For these purposes the following expressions have the following meanings:

“Compulsory Interest Payment Date” means any Interest Payment Date unless at the General Meeting of the shareholders of the Issuer immediately preceding such date which was required to approve the annual accounts of the Issuer for the fiscal year ended prior to such General Meeting, no resolution was passed to pay a dividend on the ordinary share capital of the Issuer in respect of such previous fiscal year.

“Optional Interest Payment Date” means any Interest Payment Date, as the case may be, other than a Compulsory Interest Payment Date.

- (i) **Margin, Maximum/Minimum Rates of Interest, Instalment Amounts and Redemption Amounts, Rate Multipliers and Rounding**
- (i) If any Margin or Rate Multiplier is specified in the relevant Pricing Supplement (either (x) generally, or (y) in relation to one or more Interest Accrual Periods), an adjustment shall be made to all Rates of Interest, in the case of (x), or the Rates of Interest for the specified Interest Accrual Periods, in the case of (y), calculated in accordance with (c) above by adding (if a positive number) or subtracting the absolute value (if a negative number) of such Margin or multiplying by such Rate Multiplier, subject always to the next paragraph
 - (ii) If any Maximum or Minimum Rate of Interest, Instalment Amount or Redemption Amount is specified in the relevant Pricing Supplement, then any Rate of Interest, Instalment Amount or Redemption Amount shall be subject to such maximum or minimum, as the case may be
 - (iii) For the purposes of any calculations required pursuant to these Conditions (unless otherwise specified), (x) all percentages resulting from such calculations shall be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with halves being rounded up), (y) all figures shall be rounded to seven significant figures (with halves being rounded up) and (z) all currency amounts that fall due and payable shall be rounded to the nearest unit of such currency (with halves being rounded up), save in the case of yen, which shall be rounded down to the nearest yen. For these purposes “unit” means the lowest amount of such currency that is available as legal tender in the country(ies) of such currency.
- (j) **Calculations:** The amount of interest payable in respect of any Note for any period shall be calculated by multiplying the product of the Rate of Interest and the outstanding nominal amount of such Note by the Day Count Fraction, unless an Interest Amount (or a formula for its calculation) is specified in respect of such period, in which case the amount of interest payable in respect of such Note for such period shall equal such Interest Amount (or be calculated in accordance with such formula). Where any Interest Period comprises two or more Interest Accrual Periods, the amount of interest payable in respect of such Interest Period shall be the sum of the amounts of interest payable in respect of each of those Interest Accrual Periods.
- (k) **Determination and Publication of Rates of Interest, Interest Amounts, Final Redemption Amounts, Optional Redemption Amounts, Early Redemption Amounts and Instalment Amounts:** As soon as practicable after the relevant time on such date as the Calculation Agent may be required to calculate any rate or amount, obtain any quotation or make any determination or calculation, it shall determine such rate and calculate the Interest Amounts in respect of each Specified Denomination of the Notes for the relevant Interest Accrual Period, calculate the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or Instalment Amount, obtain such

quotation or make such determination or calculation, as the case may be, and cause the Rate of Interest and the Interest Amounts for each Interest Period and the relevant Interest Payment Date and, if required to be calculated, the Final Redemption Amount, Optional Redemption Amount, Early Redemption Amount or any Instalment Amount to be notified to the Fiscal Agent, the Issuer, each of the Paying Agents, the Noteholders, any other Calculation Agent appointed in respect of the Notes that is to make a further calculation upon receipt of such information and, if the Notes are listed on a stock exchange and the rules of such exchange so require, such exchange as soon as possible after their determination but in no event later than (i) the commencement of the relevant Interest Period, if determined prior to such time, in the case of notification to such exchange of a Rate of Interest and Interest Amount, or (ii) in all other cases, the fourth Business Day after such determination. Where any Interest Payment Date or Interest Period Date is subject to adjustment pursuant to Condition 5(c)(ii), the Interest Amounts and the Interest Payment Date so published may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. The determination of any rate or amount, the obtaining of each quotation and the making of each determination or calculation by the Calculation Agent(s) shall (in the absence of manifest error) be final and binding upon all parties.

- (l) **Calculation Agent and Reference Banks:** The Issuer shall use its best efforts to procure that there shall at all times be four Reference Banks (or such other number as may be required by the Conditions) with offices in the Relevant Financial Centre and one or more Calculation Agents if provision is made for them in the relevant Pricing Supplement and for so long as any Note is outstanding (as defined in the Agency Agreement). If any Reference Bank (acting through its relevant office) is unable or unwilling to continue to act as a Reference Bank, then the Issuer shall appoint another Reference Bank with an office in the Relevant Financial Centre to act as such in its place. Where more than one Calculation Agent is appointed in respect of the Notes, references in these Conditions to the Calculation Agent shall be construed as each Calculation Agent performing its respective duties under the Conditions. If the Calculation Agent is unable or unwilling to act as such or if the Calculation Agent fails duly to establish the Rate of Interest for an Interest Period or Interest Accrual Period or to calculate any Interest Amount, Instalment Amount, Final Redemption Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, or to comply with any other requirement, the Issuer shall appoint a leading bank or investment banking firm engaged in the interbank market (or, if appropriate, money, swap or over-the-counter index options market) that is most closely connected with the calculation or determination to be made by the Calculation Agent (acting through its principal Paris or Luxembourg, as appropriate office or any other office actively involved in such market) to act as such in its place. The Calculation Agent may not resign its duties without a successor having been appointed as aforesaid. So long as the Notes are listed on any stock exchange and the rules of that exchange so require, notice of any change of Calculation Agent shall be given in accordance with Condition 15.

6 Redemption, Purchase and Options

- (a) **Final Redemption:** Unless previously redeemed, purchased and cancelled as provided below or its maturity is extended pursuant to any option provided by the relevant Pricing Supplement including any Issuer's option in accordance with Condition 6(c) or any Noteholders' option in accordance with Condition 6(d), each Note shall be finally redeemed on the Maturity Date specified in the relevant Pricing Supplement at its Final Redemption Amount (which, unless otherwise provided, is its nominal amount) or, in the case of a Note falling within Condition 6(b) below, its final Instalment Amount.
- (b) **Redemption by Instalments and Final Redemption:** Unless previously redeemed, purchased and cancelled as provided in this Condition 6 or the relevant Instalment Date (being one of the dates so specified in the relevant Pricing Supplement) is extended pursuant to any Issuer's or Noteholder's option in accordance with Condition 6(c) or (6)(d), each Note that provides for Instalment Dates and Instalment Amounts shall be partially redeemed on each Instalment Date at the related Instalment Amount specified in the relevant Pricing Supplement. The outstanding nominal amount of each such Note shall be reduced by the Instalment Amount (or, if such

Instalment Amount is calculated by reference to a proportion of the nominal amount of such Note, such proportion) for all purposes with effect from the related Instalment Date, unless payment of the Instalment Amount is improperly withheld or refused (i) in the case of Dematerialised Notes, on the due date for such payment or (ii) in the case of Materialised Notes, on presentation of the related Receipt, in which case, such amount shall remain outstanding until the Relevant Date relating to such Instalment Amount.

- (c) **Redemption at the Option of the Issuer, Exercise of Issuer's Options and Partial Redemption:** If a Call Option is specified in the relevant Pricing Supplement, the Issuer may, subject to compliance by the Issuer with all relevant laws, regulations and directives and on giving not less than 15 nor more than 30 days' irrevocable notice in accordance with Condition 15 to the Noteholders (or such other notice period as may be specified in the relevant Pricing Supplement), redeem or exercise any Issuer's option (as may be described) in relation to all, or, if so provided, some, of the Notes on any Optional Redemption Date or Option Exercise Date, as the case may be. Any such redemption of Notes shall be at their Optional Redemption Amount together with interest accrued to the date fixed for redemption (including, where applicable, any Arrears of Interest), if any. Any such redemption or exercise must relate to Notes of a nominal amount at least equal to the minimum nominal amount to be redeemed specified in the relevant Pricing Supplement and no greater than the maximum nominal amount to be redeemed specified in the relevant Pricing Supplement.

All Notes in respect of which any such notice is given shall be redeemed, or the Issuer's option shall be exercised, on the date specified in such notice in accordance with this Condition.

In the case of a partial redemption or a partial exercise of an Issuer's option in respect of Materialised Notes, the notice to holders of such Materialised Notes shall also contain the number of the Definitive Materialised Bearer Notes to be redeemed or in respect of which such option has been exercised, which shall have been drawn in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with any applicable laws and stock exchange requirements.

In the case of a partial redemption of or a partial exercise of an Issuer's option in respect of Dematerialised Notes, the redemption may be effected, at the option of the Issuer, either (i) by reducing the nominal amount of all such Dematerialised Notes in a Series in proportion to the aggregate nominal amount redeemed or (ii) by redeeming in full some only of such Dematerialised Notes and, in such latter case, the choice between those Dematerialised Notes that will be fully redeemed and those Dematerialised Notes of any Series that will not be redeemed shall be made in accordance with Article 9 of Decree no. 83 -359 of 2 May 1983 and the provisions of the relevant Pricing Supplement, subject to compliance with any other applicable laws and stock exchange requirements.

So long as the Notes are listed on the Luxembourg Stock Exchange and the rules of that Stock Exchange so require, the Issuer shall, once in each year in which there has been a partial redemption of the Notes, cause to be published in a leading newspaper of general circulation in Luxembourg a notice specifying the aggregate nominal amount of Notes outstanding and, in the case of Materialised Notes a list of any Definitive Materialised Bearer Notes drawn for redemption but not surrendered.

- (d) **Redemption at the Option of Noteholders and Exercise of Noteholders' Options:** If a Put Option is specified in the relevant Pricing Supplement the Issuer shall, at the option of the Noteholder, upon the Noteholder giving not less than 15 nor more than 30 days' notice to the Issuer (or such other notice period as may be specified in the relevant Pricing Supplement) redeem such Note on the Optional Redemption Date(s) at its Optional Redemption Amount together with interest accrued to the date fixed for redemption including, where applicable, any Arrears of Interest.

To exercise such option or any other Noteholders' option that may be set out in the relevant Pricing Supplement (which must be exercised on an Option Exercise Date) the Noteholder must deposit with any Paying Agent at its specified office during usual business hours a duly completed option exercise notice (the "**Exercise Notice**") in the form obtained during usual business hours from any Paying Agent or the Registration Agent, as the case may be, within the notice period. Such notice shall, in the case of Materialised Bearer Notes, have attached to it such Note (together with

all unmatured Receipts and Coupons and unexchanged Talons). In the case of Dematerialised Notes, the Noteholder shall transfer, or cause to be transferred, the Dematerialised Notes to be redeemed to the account of the Paris Paying Agent specified in the Exercise Notice. No option so exercised and, where applicable, no Note so deposited or transferred may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

(e) **Early Redemption:**

(i) Zero Coupon Notes:

- (A) The Early Redemption Amount payable in respect of any Zero Coupon Note, the Early Redemption Amount of which is not linked to an index and/or a formula, upon redemption of such Note pursuant to Condition 6(f) or Condition 6(g) or upon it becoming due and payable as provided in Condition 9 shall be the Amortised Nominal Amount (calculated as provided below) of such Note unless otherwise specified in the relevant Pricing Supplement.
- (B) Subject to the provisions of sub-paragraph (C) below, the Amortised Nominal Amount of any such Note shall be the scheduled Final Redemption Amount of such Note on the Maturity Date discounted at a rate per annum (expressed as a percentage) equal to the Amortisation Yield (which, if none is shown in the relevant Pricing Supplement, shall be such rate as would produce an Amortised Nominal Amount equal to the issue price of the Notes if they were discounted back to their issue price on the Issue Date) compounded annually.
- (C) If the Early Redemption Amount payable in respect of any such Note upon its redemption pursuant to Condition 6(f) or Condition 6(g) or upon it becoming due and payable as provided in Condition 9 is not paid when due, the Early Redemption Amount due and payable in respect of such Note shall be the Amortised Nominal Amount of such Note as defined in sub-paragraph (B) above, except that such sub-paragraph shall have effect as though the date on which the Amortised Nominal Amount becomes due and payable were the Relevant Date. The calculation of the Amortised Nominal Amount in accordance with this sub-paragraph shall continue to be made (as well after as before judgment) until the Relevant Date, unless the Relevant Date falls on or after the Maturity Date, in which case the amount due and payable shall be the scheduled Final Redemption Amount of such Note on the Maturity Date together with any interest that may accrue in accordance with Condition 5(d).

Where such calculation is to be made for a period of less than one year, it shall be made on the basis of the Day Count Fraction shown in the relevant Pricing Supplement.

(ii) Other Notes:

The Early Redemption Amount payable in respect of any Note (other than Notes described in (i) above), upon redemption of such Note pursuant to Condition 6(f) or Condition 6(g), or upon it becoming due and payable as provided in Condition 9 shall be the Final Redemption Amount together with interest accrued to the date fixed for redemption (including, where applicable, any Arrears of Interest) unless otherwise specified in the relevant Pricing Supplement.

(f) **Redemption for Taxation Reasons:**

- (i) If, by reason of any change in French law, or any change in the official application or interpretation of such law, becoming effective after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Notes, not be able to make such payment without having to pay additional amounts as specified under Conditions 8(a) and 8(b) below, the Issuer may, at its option, on any Interest Payment Date or, if so specified in the relevant Pricing Supplement, at any time, subject to having given not more than 60 nor less than 30 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Notes at their Early Redemption Amount together with, unless otherwise specified in the relevant Pricing Supplement, any interest accrued to the date set for redemption (including, where applicable, any Arrears of Interest) provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which

the Issuer could make payment of principal and interest without withholding for French taxes.

- (ii) If the Issuer would on the next payment of principal or interest in respect of the Notes be prevented by French law from making payment to the Noteholders or, if applicable, Couponholders of the full amounts then due and payable, notwithstanding the undertaking to pay additional amounts contained in Conditions 8(a) and 8(b) below, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall upon giving not less than seven days' prior notice to the Noteholders in accordance with Condition 15, redeem all, but not some only, of the Notes then outstanding at their Redemption Amount together with, unless otherwise specified in the relevant Pricing Supplement, any interest accrued to the date set for redemption (including, where applicable, any Arrears of Interest) on (A) the latest practicable Interest Payment Date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes, provided that if such notice would expire after such Interest Payment Date the date for redemption pursuant to such notice of Noteholders shall be the later of (i) the latest practicable date on which the Issuer could make payment of the full amount then due and payable in respect of the Notes and (ii) 14 days after giving notice to the Fiscal Agent as aforesaid or (B) if so specified in the relevant Pricing Supplement, at any time, provided that the due date for redemption of which notice hereunder shall be given shall be the latest practicable date at which the Issuer could make payment of the full amount payable in respect of the Notes, or, if applicable, Receipts or Coupons or, if that date is passed, as soon as practicable thereafter.
- (g) **Partly Paid Notes:** Partly Paid Notes will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the provisions specified in the relevant Pricing Supplement.
- (h) **Purchases:** The Issuer shall have the right at all times to purchase Notes (provided that, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons relating thereto are attached thereto or surrendered therewith) in the open market or otherwise at any price.
- (i) **Cancellation:** All Notes purchased by or on behalf of the Issuer must be cancelled, in the case of Dematerialised Notes, by transfer to an account in accordance with the rules and procedures of Euroclear France and, in the case of Materialised Bearer Notes, by surrendering the Temporary Global Certificate and the Definitive Materialised Bearer Notes in question together with all unmatured Receipts and Coupons and all unexchanged Talons to the Fiscal Agent and, in each case, if so transferred or surrendered, shall, together with all Notes redeemed by the Issuer, be cancelled forthwith (together with, in the case of Dematerialised Notes, all rights relating to payment of interest and other amounts relating to such Dematerialised Notes and, in the case of Materialised Notes, all unmatured Receipts and Coupons and unexchanged Talons attached thereto or surrendered therewith). Any Notes so cancelled or, where applicable, transferred or surrendered for cancellation may not be re-issued or resold and the obligations of the Issuer in respect of any such Notes shall be discharged.
- (j) **Illegality:** If, by reason of any change in French law, or any change in the official application of such law, becoming effective after the Issue Date, it will become unlawful for the Issuer to perform or comply with one or more of its obligations under the Notes, the Issuer will, subject to having given not more than 45 nor less than 30 days' notice to the Noteholders (which notice shall be irrevocable), in accordance with Condition 15, redeem all, but not some only, of the Notes at their Early Redemption Amount together with any interest accrued to the date set for redemption (including, where applicable, any Arrears of Interest).

7 Payments and Talons

- (a) **Dematerialised Notes:** Payments of principal and interest (including, for the avoidance of doubt, any Arrears of Interest, where applicable) in respect of Dematerialised Notes shall (in the case of Dematerialised Notes in bearer dematerialised form or administered registered form) be made by transfer to the account denominated in the relevant currency of the relevant Account Holders for the benefit of the Noteholders and, (in the case of Dematerialised Notes in fully registered form), to an account denominated in the relevant currency with a Bank designated by

the Noteholders. All payments validly made to such Account Holders will be an effective discharge of the Issuer in respect of such payments.

- (b) **Materialised Bearer Notes:** Payments of principal and interest (including, for the avoidance of doubt, any Arrears of Interest, where applicable) in respect of Materialised Bearer Notes shall, subject as mentioned below, be made against presentation and surrender during usual business hours of the relevant Receipts (in the case of payments of Instalment Amounts other than on the due date for redemption and provided that the Receipt is presented for payment together with its relative Note), Materialised Bearer Notes (in the case of all other payments of principal and, in the case of interest, as specified in Condition 7(f)(vi)) or Coupons (in the case of interest, save as specified in Condition 7(f)(vi)), as the case may be, at the specified office of any Paying Agent outside the United States by a cheque payable in the relevant currency drawn on, or, at the option of the Noteholder, by transfer to an account denominated in such currency with, a Bank. **“Bank”** means a bank in the principal financial centre for such currency or, in the case of Euro, in a city in which banks have access to the TARGET System.
- (c) **Payments in the United States:** Notwithstanding the foregoing, if any Materialised Bearer Notes are denominated in U.S. Dollars, payments in respect thereof may be made at the specified office of any Paying Agent in New York City in the same manner as aforesaid if (i) the Issuer shall have appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment of the amounts on the Notes in the manner provided above when due, (ii) payment in full of such amounts at all such offices is illegal or effectively precluded by exchange controls or other similar restrictions on payment or receipt of such amounts and (iii) such payment is then permitted by United States law, without involving, in the opinion of the Issuer, any adverse tax consequence to the Issuer.
- (d) **Payments Subject to Fiscal Laws:** All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment but without prejudice to the provisions of Condition 8. No commission or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.
- (e) **Appointment of Agents:** The Fiscal Agent, the Paying Agents, the Calculation Agent, the Redenomination Agent and the Consolidation Agent initially appointed by the Issuer and their respective specified offices are listed below. The Fiscal Agent, the Paying Agents, the Redenomination Agent, the Consolidation Agent and the Registration Agent act solely as agents of the Issuer and the Calculation Agent(s) act(s) as independent experts(s) and, in each case such, do not assume any obligation or relationship of agency for any Noteholder or Couponholder. The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, any other Paying Agent, the Redenomination Agent, the Consolidation Agent and the Registration Agent or the Calculation Agent(s) and to appoint additional or other Paying Agents, provided that the Issuer shall at all times maintain (i) a Fiscal Agent, (ii) one or more Calculation Agent(s) where the Conditions so require, (iii) a Redenomination Agent and a Consolidation Agent where the Conditions so require, (iv) Paying Agents having specified offices in at least two major European cities (including Paris so long as the Notes are listed on Euronext Paris and/or Luxembourg so long as the Notes are listed on the Luxembourg Stock Exchange and, in either case, so long as the rules of the relevant Stock Exchange so require) (v) in the case of Materialised Notes, if the conclusions of the ECOFIN Council meeting of 26-27 November 2000 are implemented, a Paying Agent in a Member State of the EU that will not oblige such Paying Agent to withhold or deduct tax pursuant to the Directive on the taxation of savings (which may be any of the Paying Agents referred to in (iv) above), (vi) in the case of Dematerialised Notes, in fully registered form, a Registration Agent and (vii) such other agents as may be required by any other stock exchange on which the Notes may be listed.

In addition, the Issuer shall forthwith appoint a Paying Agent in New York City in respect of any Materialised Bearer Notes denominated in U.S. Dollars in the circumstances described in paragraph (c) above.

On a redenomination of the Notes of any Series pursuant to Condition 1(d) with a view to consolidating such Notes with one or more other Series of Notes, in accordance with Condition 14, the Issuer shall ensure that the same entity shall be appointed as both Redenomination Agent and Consolidation Agent in respect of both such Notes and such other Series of Notes to be so consolidated with such Notes.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders in accordance with Condition 15.

(f) **Unmatured Coupons and Receipts and unexchanged Talons:**

- (i) Unless Materialised Bearer Notes provide that the relative Coupons are to become void upon the due date for redemption of those Notes, Materialised Bearer Notes should be surrendered for payment together with all unexpired Coupons (if any) relating thereto, failing which an amount equal to the face value of each missing unexpired Coupon (together, where applicable, with the amount of any Arrears of Interest corresponding to such Coupon) (or, in the case of payment not being made in full, that proportion of the amount of such missing unexpired Coupon (together, where applicable, with the amount of any Arrears of Interest corresponding to such Coupon) that the sum of principal so paid bears to the total principal due) shall be deducted from the Final Redemption Amount, Amortised Nominal Amount, Early Redemption Amount or Optional Redemption Amount, as the case may be, due for payment. Any amount so deducted shall be paid in the manner mentioned above against surrender of such missing Coupon within a period of 10 years from the Relevant Date for the payment of such principal (whether or not such Coupon has become void pursuant to Condition 10).
 - (ii) If Materialised Bearer Notes so provide, upon the due date for redemption of any such Materialised Bearer Note, unexpired Coupons relating to such Note (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (iii) Upon the due date for redemption of any Materialised Bearer Note, any unexchanged Talon relating to such Note (whether or not attached) shall become void and no Coupon shall be delivered in respect of such Talon.
 - (iv) Upon the due date for redemption of any Materialised Bearer Note that is redeemable in instalments, all Receipts relating to such Materialised Bearer Note having an Instalment Date falling on or after such due date (whether or not attached) shall become void and no payment shall be made in respect of them.
 - (v) Where any Materialised Bearer Note that provides that the relative unexpired Coupons are to become void upon the due date for redemption of those Notes is presented for redemption without all unexpired Coupons, and where any Bearer Note is presented for redemption without any unexchanged Talon relating to it, redemption shall be made only against the provision of such indemnity as the Issuer may require.
 - (vi) If the due date for redemption of any Materialised Bearer Note is not a due date for payment of interest, interest accrued from the preceding due date for payment of interest or the Interest Commencement Date, as the case may be, (including, for the avoidance of doubt, any Arrears of Interest if applicable) shall only be payable against presentation (and surrender if appropriate) of the relevant Definitive Materialised Bearer Note. Interest accrued on a Materialised Bearer Note that only bears interest after its Maturity Date shall be payable on redemption of such Note against presentation of the relevant Materialised Bearer Notes.
- (g) **Talons:** On or after the Interest Payment Date for the final Coupon forming part of a Coupon sheet issued in respect of any Materialised Bearer Note, the Talon forming part of such Coupon sheet may be surrendered at the specified office of the Fiscal Agent in exchange for a further Coupon sheet (and if necessary another Talon for a further Coupon sheet) (but excluding any Coupons that may have become void pursuant to Condition 10).
- (h) **Non-Business Days:** If any date for payment in respect of any Note, Receipt or Coupon is not a business day, the Noteholder shall not be entitled to payment until the next following business day nor to any interest or other sum in respect of such postponed payment. In this paragraph, “**business day**” means a day (other than a Saturday or a Sunday) (A) (i) in the case of Dematerialised Notes, on which Euroclear France is open for business or (ii) in the case of Materialised Notes, on which banks and foreign exchange markets are open for business in the relevant place of presentation, in such jurisdictions as shall be specified as “**Additional Financial Centres**” in the relevant Pricing Supplement and (B) (i) (in the case of a payment in a currency other than Euro), where payment is to be made by transfer to an account maintained with a bank in

the relevant currency, on which foreign exchange transactions may be carried on in the relevant currency in the principal financial centre of the country of such currency or (ii) (in the case of a payment in Euro), which is a TARGET Business Day.

8 Taxation

- (a) **Tax exemption for Notes issued or deemed to be issued outside France:** Interest and other revenues with respect to Notes which constitute *obligations* and which, as may be specified in the relevant Pricing Supplement, are being issued or deemed to be issued outside the Republic of France benefit from the exemption provided for in Article 131 *quater* of the French General Tax Code from deduction of tax at source. Accordingly such payments do not give the right to any tax credit from any French source. The tax regime applicable to Notes which do not constitute *obligations* will be set out in the relevant Pricing Supplement.

As to the meaning of the expression “issued or deemed to be issued outside the Republic of France” see “Summary of the Programme – Taxation” above.

- (b) **Additional Amounts:** If French law should require that payments of principal or interest in respect of any Note, Receipt or Coupon be subject to deduction or withholding in respect of any present or future taxes or duties whatsoever, the Issuer will, to the fullest extent then permitted by law, pay such additional amounts as shall result in receipt by the Noteholders or, if applicable, the Receiptholders and the Couponholders, as the case may be, of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon, as the case may be:

- (i) **Other connection:** to, or to a third party on behalf of, a Noteholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Note, Receipt or Coupon by reason of his having some connection with the Republic of France other than the mere holding of the Note, Receipt or Coupon; or
- (ii) **Presentation more than 30 days after the Relevant Date:** more than 30 days after the Relevant Date except to the extent that the Noteholder would have been entitled to such additional amounts on presenting it for payment on the thirtieth such day.
- (iii) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any EU Directive on the taxation of savings implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000, or any law implementing or complying with, or introduced in order to conform to, such Directive; or
- (iv) **Payment by another paying agent:** presented for payment by or on behalf of a holder who would be able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another paying agent in a Member State of the EU.

As used in these Conditions, “**Relevant Date**” in respect of any Note, Receipt or Coupon means the date on which payment in respect of it first becomes due (and, for the avoidance of doubt, in the case of Arrears of Interest, references to “becomes due” shall be interpreted in accordance with the provisions of Condition 5(h)) or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or, in the case of Materialised Notes (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further presentation of the Note, Receipt or Coupon being made in accordance with the Conditions, such payment will be made, provided that payment is in fact made upon such presentation. References in these Conditions to (i) “**principal**” shall be deemed to include any premium payable in respect of the Notes, all Instalment Amounts, Final Redemption Amounts, Early Redemption Amounts, Optional Redemption Amounts, Amortised Nominal Amounts and all other amounts in the nature of principal payable pursuant to Condition 6 or any amendment or supplement to it, (ii) “**interest**” shall be deemed to include all Interest Amounts and all other amounts (including, for the avoidance of doubt, all Arrears of Interest) payable pursuant to Condition 5 or any amendment or supplement to it and (iii) “**principal**” and/or “**interest**” shall be deemed to include any additional amounts that may be payable under this Condition.

- (c) **Tax exemption for Notes not issued or deemed to be issued outside France:** Interest and other revenues with respect to Notes which, if so specified in the relevant Pricing Supplement, are not being issued or deemed to be issued outside the Republic of France only benefit from the exemption from deduction of tax at source provided by, and subject to the provisions of, Article 125 A III of the French General Tax Code, which requires *inter alia*, certification of non-French residency.
- (d) **Certification of Non-Residency in France:** Each Noteholder shall be responsible for supplying certification of non-residency (a form of which shall be available at the specified offices of any of the Paying Agents or in such other form as may be required by the French tax authorities from time to time) in accordance with the provisions of Article 125 A III of the French General Tax Code and the Issuer shall not be responsible for any deduction or withholding in respect of any payment made under any Note, Receipt or Coupon resulting from the failure of such Noteholder to submit such certification.

9 Events of Default

The Representative (as defined in Condition 11), upon request of any Noteholder, may, upon written notice to the Fiscal Agent given before all defaults shall have been cured, cause all the Notes (but not some only) held by such Noteholder to become immediately due and payable at their principal amount, together with any accrued interest thereon, as of the date on which such notice for payment is received by the Fiscal Agent without further formality, if any of the following events (each an “**Event of Default**”) shall occur:

- (a) **Unsubordinated Notes:** In the case of Unsubordinated Notes:
 - (i) the Issuer defaults in making the payment of any principal or interest (including the payment of any additional amounts in accordance with Condition 8) due in respect of the Notes or any of them and such default continues for a period of seven (7) days in the case of principal and fourteen (14) days in the case of interest; or
 - (ii) the Issuer fails to perform or observe any of its other obligations under these Terms and Conditions and (except where such failure is incapable of remedy when no such notice or continuation as is hereinafter mentioned will be required) such failure continues for the period of 30 days next following the service by the Representative on the Issuer of notice requiring the same to be remedied at the request of any Noteholder; or
 - (iii) any Relevant Indebtedness (as defined below) of the Issuer becomes due and repayable prematurely by reason of an event of default (however described) or the Issuer fails to make any payment in respect thereof on the due date for such payment as extended by any applicable grace period as originally provided or the security for any such Relevant Indebtedness becomes enforceable unless, in each case, the Issuer is contesting in good faith in a court of competent jurisdiction that such Relevant Indebtedness is due or that such security is enforceable.

“**Relevant Indebtedness**” means Indebtedness (as defined in Condition 4) which (either alone or when aggregated with the principal amounts of any other such Indebtedness in respect of which any of the events described above have occurred) amounts to €50,000,000 in aggregate principal amount; or
 - (iv) the Issuer shall cease or threaten to cease to carry on the whole or the major part of its business either through the Issuer or any of its consolidated subsidiaries, or the Issuer shall cease generally to pay, or shall be unable to, or shall admit inability to, service its debt as it falls due, or shall be adjudicated or found bankrupt or insolvent; or
 - (v) if the Issuer applies for the appointment of a conciliator (*conciliateur*), or ceases to pay its debts generally as and when they fall due or enter into an amiable settlement (*accord amiable*) with its creditors or a judgment is issued for the judicial liquidation (*liquidation judiciaire*) of the Issuer or for a transfer of the whole of its business (*cession totale de l'entreprise*), or in the absence of legal proceedings, if the Issuer makes a conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors, or a resolution is passed for its winding-up or dissolution except in connection with a merger or other reorganisation, consolidation or amalgamation pursuant

to which the surviving entity assumes all of the obligations of the Issuer with respect to the Notes.

- (b) **Subordinated Notes:** In the case of Subordinated Notes and in accordance with Condition 3(b), if any judgment shall be issued for the transfer of the whole of its business (*cession totale de l'entreprise*) or the judicial liquidation (*liquidation judiciaire*) of the Issuer or if the Issuer is liquidated for any other reason then the Subordinated Notes shall become immediately due and payable, in accordance with Condition 3(b), at their principal amount together with any accrued interest to the date of payment and where applicable, any Arrears of Interest, without further formality.

10 Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which for this purpose shall not include Talons) shall be prescribed and become void unless made within 10 years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

11 Representation of Noteholders

Except as otherwise provided by the relevant Pricing Supplement, Noteholders will, in respect of all Tranches in any Series, be grouped automatically for the defence of their common interests in a *masse* (in each case, the “**Masse**”).

The Masse will be governed by the provisions of the French Code of Commerce with the exception of Articles L.228-48 and L.228-59 and by the decree no. 67-236 of 23 March 1967, with the exception of Articles 218, 222 and 224 subject to the following provisions:

(a) Legal Personality

The Masse will be a separate legal entity and will act in part through a representative (the “**Representative**”) and in part through a general meeting of the Noteholders (the “**General Meeting**”).

The Masse alone, to the exclusion of all individual Noteholders, shall exercise the common rights, actions and benefits which now or in the future may accrue respectively with respect to the Notes.

(b) Representative

The office of Representative may be conferred on a person of any nationality who agrees to perform such function. However, the following persons may not be chosen as Representatives:

- (i) the Issuer, the members of its Board of Directors (*Conseil d'administration*), its Supervisory Board (*Conseil de surveillance*), its general managers (*directeurs généraux*), its statutory auditors, or its employees as well as their ascendants, descendants and spouse; or
- (ii) companies guaranteeing all or part of the obligations of the Issuer, their respective managers (*gérants*), general managers (*directeurs généraux*), members of their Board of Directors, Executive Board (*Directoire*), or Supervisory Board (*Conseil de surveillance*), their statutory auditors, or employees as well as their ascendants, descendants and spouse; or
- (iii) companies holding 10 per cent. or more of the share capital of the Issuer or companies having 10 per cent. or more of their share capital held by the Issuer; or
- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing an enterprise in whatever capacity.

The names and addresses of the initial Representative of the Masse and its alternate will be set out in the relevant Pricing Supplement. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all Tranches in such Series.

The Representative will be entitled to such remuneration in connection with its functions or duties as set out in the relevant Pricing Supplement.

In the event of death, retirement or revocation of appointment of the Representative, such Representative will be replaced by another Representative. In the event of the death, retirement or revocation of appointment of the alternate Representative, an alternate will be elected by the General Meeting.

All interested parties will at all times have the right to obtain the name and address of the Representative and the alternate Representative at the head office of the Issuer and the specified offices of any of the Paying Agents.

(c) **Powers of Representative**

The Representative shall (in the absence of any decision to the contrary of the General Meeting) have the power to take all acts of management necessary in order to defend the common interests of the Noteholders.

All legal proceedings against the Noteholders or initiated by them, must be brought by or against the Representative.

The Representative may not be involved in the management of the affairs of the Issuer.

(d) **General Meeting**

A General Meeting may be held at any time, on convocation either by the Issuer or by the Representative. One or more Noteholders, holding together at least one-thirtieth of the principal amount of the Notes outstanding, may address to the Issuer and the Representative a demand for convocation of the General Meeting. If such General Meeting has not been convened within two months after such demand, the Noteholders may commission one of their members to petition a competent court in Paris to appoint an agent (*mandataire*) who will call the General Meeting.

Notice of the date, time, place and agenda of any General Meeting will be published as provided under Condition 15.

Each Noteholder has the right to participate in a General Meeting in person or by proxy. Each Note carries the right to one vote or, in the case of Notes issued with more than one Specified Denomination, one vote in respect of each multiple of the lowest Specified Denomination comprised in the principal amount of the Specified Denomination of such Note.

(e) **Powers of the General Meetings**

The General Meeting is empowered to deliberate on the dismissal and replacement of the Representative and the alternate Representative and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Notes, including authorising the Representative to act at law as plaintiff or defendant.

The General Meeting may further deliberate on any proposal relating to the modification of the Conditions including any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions, it being specified, however, that the General Meeting may not increase amounts payable by Noteholders, nor establish any unequal treatment between the Noteholders, nor decide to convert Notes into shares.

General Meetings may deliberate validly on first convocation only if Noteholders present or represented hold at least a quarter of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. Decisions at meetings shall be taken by a simple majority of votes cast by Noteholders attending such General Meetings or represented thereat.

Decisions of General Meetings must be published in accordance with the provisions set forth in Condition 15.

(f) **Information to Noteholders**

Each noteholder or Representative thereof will have the right, during the 15-day period preceding the holding of each General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the General Meeting, all of which will be available for inspection by the relevant Noteholders at the registered office of the Issuer, at the specified offices of any of the Paying Agents during usual business hours and at any other place specified in the notice of the General Meeting.

(g) **Expenses**

The Issuer will pay all expenses relating to the operation of the Masse, including expenses relating to the calling and holding of General Meetings and, more generally, all administrative expenses resolved upon by the General Meeting, it being expressly stipulated that no expenses may be imputed against interest payable under the Notes.

(h) **Single Masse**

The holders of Notes of the same Series, and the holders of Notes of any other Series which have been assimilated with the Notes of such first mentioned Series in accordance with Condition 14, shall, for the defence of their respective common interests, be grouped in a single Masse. The Representative appointed in respect of the first Tranche of any Series of Notes will be the Representative of the single Masse of all such Series.

12 Modifications

These Conditions may be amended, modified or varied in relation to any Series of Notes by the terms of the relevant Pricing Supplement in relation to such Series.

13 Replacement of definitive Notes, Receipts, Coupons and Talons

If, in the case of any Materialised Bearer Notes, a Definitive Materialised Bearer Note, Receipt, Coupon or Talon is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations and stock exchange regulations, at the specified office of the Fiscal Agent or such other Paying Agent as may from time to time be designated by the Issuer for the purpose and notice of whose designation is given to Noteholders, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security and indemnity (which may provide, *inter alia*, that if the allegedly lost, stolen or destroyed Definitive Materialised Bearer Note, Receipt, Coupon or Talon is subsequently presented for payment or, as the case may be, for exchange for further Coupons, there shall be paid to the Issuer on demand the amount payable by the Issuer in respect of such Definitive Materialised Bearer Notes, Receipts, Coupons or further Coupons) and otherwise as the Issuer may require. Mutilated or defaced Materialised Bearer Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

14 Further Issues and Consolidation

- (a) **Further Issues:** Unless otherwise specified in the relevant Pricing Supplement, the Issuer may from time to time without the consent of the Noteholders, Receiptholders or Couponholders create and issue further notes to be assimilated (*assimilées*) and form a single series with the Notes provided such Notes and the further notes carry rights identical in all respects (or in all respects save for the principal amount thereof and the first payment of interest in the relevant Pricing Supplement) and that the terms of such further notes provide for such assimilation and references in these Conditions to “Notes” shall be construed accordingly.
- (b) **Consolidation:** The Issuer may, with the prior approval (which shall not be unreasonably withheld) of the Redenomination and Consolidation Agent, from time to time on any Interest Payment Date occurring on or after the Redenomination Date on giving not less than 30 days’ prior notice to the Noteholders in accordance with Condition 15, without the consent of the Noteholders, Receiptholders or Couponholders, consolidate the Notes of one Series with the Notes of one or more other Series issued by it, whether or not originally issued in one of the European national currencies or in Euro, provided such other Notes have been redenominated in Euro (if not originally denominated in Euro) and which otherwise have, in respect of all periods subsequent to such consolidation, the same terms and conditions as the Notes.

15 Notices

- (a) Notices to the holders of Dematerialised Notes in registered form (*au nominatif*) shall be valid if either, (i) they are mailed to them at their respective addresses, in which case they will be deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the mailing, or, (ii) at the option of the Issuer, they are published in a leading daily newspaper of general circulation in Europe. Provided that, so long as such Notes are listed on any stock exchange(s), notices shall be valid if published in a daily newspaper with general circulation in the

city/ies where the stock exchange(s) on which such Notes is/are listed which (x) in the case of Euronext Paris, is expected to be *La Tribune* or *Les Echos* and (y) in the case of the Luxembourg Stock Exchange, is expected to be the *Luxemburger Wort*.

- (b) Notices to the holders of Materialised Bearer Notes and Dematerialised Notes in bearer form shall be valid if published in a daily leading newspaper of general circulation in Europe and so long as such Notes are listed on any stock exchange, in a leading daily newspaper with general circulation in the city/ies where the stock exchange(s) on which such Notes is/are listed which (i) in the case of Euronext Paris, is expected to be *La Tribune* or *Les Echos*, and (ii) in the case of the Luxembourg Stock Exchange, is expected to be the *Luxemburger Wort*.
- (c) If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the date of the first publication as provided above. Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the holders of Materialised Bearer Notes in accordance with this Condition.
- (d) Notices required to be given to the holders of Dematerialised Notes (whether in registered or in bearer form) pursuant to these Conditions may be given by delivery of the relevant notice to Euroclear France, Euroclear, Clearstream, Luxembourg and any other clearing system through which the Notes are for the time being cleared in substitution for the mailing and publication as required by Conditions 15 (a), (b) and (c) above; except that (i) so long as such Notes are listed on any stock exchange(s) and the rules of that stock exchange so require, notices shall also be published in a daily newspaper with general circulation in the city/ies where the stock exchange(s) on which such Notes is/are listed and (ii) notices relating to the convocation and decision(s) of the General Meetings pursuant to Condition 11 shall also be published in a leading newspaper of general circulation in Europe.

16 Governing Law and Jurisdiction

- (a) **Governing Law:** The Notes (and, where applicable, the Receipts, the Coupons and the Talons) are governed by, and shall be construed in accordance with, French law.
- (b) **Jurisdiction:** Any claim against the Issuer in connection with any Notes, Receipts, Coupons or Talons may be brought before any competent court of the jurisdiction of the Versailles Court of Appeal.

TEMPORARY GLOBAL CERTIFICATES ISSUED IN RESPECT OF MATERIALIZED BEARER NOTES

Temporary Global Certificates

A Temporary Global Certificate, without interest Coupons, will initially be issued in connection with Materialised Bearer Notes. Upon the initial deposit of such Temporary Global Certificate with a common depository for Euroclear and Clearstream, Luxembourg (the “**Common Depository**”), Euroclear or Clearstream, Luxembourg will credit the accounts of each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

The Common Depository may also credit with a nominal amount of Notes the accounts of subscribers with (if indicated in the relevant Pricing Supplement) other clearing systems through direct or indirect accounts with Euroclear and Clearstream, Luxembourg held by such other clearing systems. Conversely, a nominal amount of Notes that is initially deposited with any other clearing system may similarly be credited to the accounts of subscribers with Euroclear, Clearstream, Luxembourg or other clearing systems.

Exchange

Each Temporary Global Certificate issued in respect of Notes will be exchangeable, free of charge to the holder, on or after its Exchange Date (as defined below):

- (i) if the relevant Pricing Supplement indicates that such Temporary Global Certificate is issued in compliance with the C Rules or in a transaction to which TEFRA is not applicable (as to which, see “Summary of the Programme – Selling Restrictions”), in whole, but not in part, for the Definitive Materialised Bearer Notes and
- (ii) otherwise, in whole but not in part upon certification as to non-U.S. beneficial ownership (a form of which shall be available at the specified offices of any of the Paying Agents) for definitive Materialised Bearer Notes.

Delivery of Definitive Materialised Bearer Notes

On or after its Exchange Date, the holder of a Temporary Global Certificate may surrender such Temporary Global Certificate to or to the order of the Fiscal Agent. In exchange for any Temporary Global Certificate, the Issuer will deliver, or procure the delivery of, an equal aggregate nominal amount of duly executed and authenticated Definitive Materialised Bearer Notes. In this Offering Circular, Definitive Materialised Bearer Notes means, in relation to any Temporary Global Certificate, the Definitive Materialised Bearer Notes for which such Temporary Global Certificate may be exchanged (if appropriate, having attached to them all Coupons and Receipts in respect of interest or Instalment Amounts that have not already been paid on the Temporary Global Certificate and a Talon). Definitive Materialised Bearer Notes will be security printed in accordance with any applicable legal and stock exchange requirements. Forms of such definitive Bearer Materialised Notes shall be available at the specified offices of any of the Paying Agent(s).

Exchange Date

“**Exchange Date**” means, in relation to a Temporary Global Certificate, the day falling after the expiry of 40 days after its issue date, provided that, in the event any further Materialised Notes are issued prior to such day pursuant to Condition 14(a), the Exchange Date for such Temporary Global Certificate shall be postponed to the day falling after the expiry of 40 days after the issue of such further Materialised Notes.

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used for the Issuer's general corporate purposes unless otherwise specified in the relevant Pricing Supplement.

DESCRIPTION OF RENAULT

INTRODUCTION

Renault is a *société anonyme* (hereinafter as “Renault”) established under French law, governed by the French Commercial Code. Renault was formed on 10 January 1945 and will cease to exist on 31 December 2088 except in the case of early termination or renewal. It is registered with the Registry of Commerce of Nanterre under number B441.639.465 and its registered office is at 13-15 Quai Alphonse Le Gallo 92100 Boulogne-Billancourt, France.

Share Capital

Listing:	Renault’s shares are listed on the Euronext Paris S.A. <i>Premier Marché</i> and are eligible for the <i>Service de Règlement différé</i> .
Type:	shares of a single class.
Number:	284,937,118 shares, corresponding to all the shares constituting the share capital of Renault.
Par value:	3.81 euros.

Background

It was just over one hundred years ago, in 1898, when Louis Renault produced the first “Type A” voiturette. The same year, he set up Société Renault Frères to manufacture motor vehicles, taking advantage of patents such as the first direct-drive transmission.

- In 1922, having expanded strongly in the passenger car and commercial vehicle markets, Renault became a limited company. Establishing numerous production centers in France and abroad, Renault gradually emerged as the French market leader.
- In January 1945, the company was nationalized and renamed “Régie Nationale des Usines Renault” and concentrated on producing the 4 CV.
- In 1990, Renault became a limited company once again. In the same year, it signed an agreement for close cooperation with the Volvo group. And in 1991 the two groups linked their car and truck businesses via cross-shareholdings. This arrangement was unwound after plans to merge the two groups were shelved in late 1993.
- One year later, the French government opened Renault to outside capital, a first step towards privatization, which took place in July 1996.
- From the first voiturette created by Louis Renault in 1898 to the latest arrival, Vel Satis, Renault has been the source of many ground-breaking concepts in automotive history: the 4 CV in 1946; the Renault 4 in 1961; the Renault 16, with its rear hatch and modular interior, in 1965; the Renault 5 with its polyester bumpers in 1972; turbo-powered vehicles starting in 1980; the Espace in 1984; Twingo in 1993; and Mégane Scénic in 1996 are just some of the models that have contributed to the company’s tradition of innovation.
- 1999 marked the start of a new era in Renault’s history with the signing of an alliance with Nissan (hereinafter the “Alliance”), on 27 March in Tokyo. In the same year, Renault acquired a new brand by taking a 51% stake in Romanian carmaker Dacia.
- In 2000, this expansion continued, with Renault increasing its stake in Dacia to 80.1% and acquiring a new brand – Samsung Motors in Korea.
- In January 2001, the agreement signed with Volvo in July 2000 came into effect, making Renault the principal shareholder in the world’s second-largest truck manufacturing company.
- In June 2001, Renault increased its stake in Dacia to 92.7%.
- Work towards the formation of a Renault-Nissan bi-national group entered a new phase on 30 October 2001 with the announcement of a plan to step up the development of the Alliance. The plan involves: a) strengthening equity ties, to reinforce links between the two companies and create a community of interests b) setting up a common strategic command structure.

- 2001 saw the market launch of Laguna II from January, New Clio in the first half-year and Avantime in November. In 2001, Renault also unveiled Vel Satis, its top-range sedan that went on sale in March 2002.

Structure of the Renault Group

Renault is the parent company of the Renault group.

The group's activities are organized into two main divisions:

- The Automobile Division (93.1% of revenues, or EUR 33.8 billion in 2001) is responsible for designing, manufacturing and marketing passenger cars and light commercial vehicles. It also handles related activities such as agricultural machinery;
- The Finance Division (5% of revenues, or EUR1.8 billion in 2001) is a support division with financial and commercial businesses, bringing together the subsidiaries responsible for sales financing and services. It is also responsible for managing the group's cash funds.

Under the agreement signed with Volvo in July 2000 and which came into effect on 2 January 2001, the truck operation is no longer fully consolidated. Renault's equity interest in the new unit – 20% of all shares issued by AB Volvo – is accounted for under the equity method (*société mise en équivalence*).

Information about Irisbus (1.9% of consolidated group revenues or EUR0.7 billion) is contained under the item "Other" in the financial statements.

* Creation of Renault s.a.s.

The strengthening of the Alliance between Renault and Nissan Motor Co., Ltd. (hereinafter as "Nissan Motor") and the delegation of its strategic management to Renault-Nissan b.v. has led to reorganise Renault, with the creation of a *société par actions simplifiée* (a French simplified form of joint-stock company), Renault s.a.s., which is wholly owned by Renault and which holds the majority of Renault group operating assets.

Renault s.a.s. is managed by the same chairman as Renault, and its board of directors has the same members as the board of directors of Renault.

Renault s.a.s. has received a partial contribution of assets from Renault on conclusion of a contribution agreement that was signed by Renault and Renault s.a.s. on 22 February 2002. This partial contribution of assets was approved by the extraordinary general meeting of shareholders of Renault that took place on 28 March 2002 and became effective on 1 April 2002.

The net value of the contribution made by Renault was determined on the basis of accounts for the financial year ending 31 December 2001.

Under the terms of the agreement, Renault made the contribution to the beneficiary company subject to ordinary *de facto* and *de jure* warranties, of all assets and liabilities, rights and securities, without limitation, constituting all of the activities of Renault at 31 December 2001, except for:

- assets items composed of (i) shares in Nissan Motor (4552 million euros), Irisbus Holding (147 million euros), Nissan Diesel, Renault Nissan Purchasing Organization (RNPO), Sofrastock (currently being transformed into Renault s.a.s.) as beneficiary of this capital contribution and self-held shares (301 million euros) (ii) credits connected to subsidiaries (6775 million euros), credits connected to the group's tax framework (57 million euros) (iii) and financial assets (including unrealized losses on foreign exchange transactions): 398 million euros; shares in SCI Plateau de Guyancourt along with contracts and undertakings linked to the financing of the Technocentre.

Shares certificate or shares of holding subsidiaries which might be subject to rights of third parties or particular restrictions shall be considered in a separate agreement.

- liabilities composed of (i) equity loans (324 million euros), (ii) financial debts and bank borrowings, including unrealized gains on foreign exchange transactions and provisions for foreign exchange losses (6174 million euros), contingency and loss provisions (86 million euros), debts and provisions connected to the group's tax framework (374 million euros) and corporate debts (66 million euros).

It is to be observed that the off-balance sheet undertakings whether granted or received linked to the assets and liabilities listed hereabove are not included in this assets contribution.

*** Creation of Renault-Nissan b.v.**

Moreover, Renault-Nissan b.v., a company governed by Dutch law, equally owned by Renault and Nissan Motor became fully operational since 17 April 2002. This company has the objective of defining certain strategic axes and curtailing the decision-making process so that the enhanced synergies can be put to the service of shared objectives.

Renault-Nissan b.v. acts solely within the framework of the decisions of the Alliance formed between Renault and Nissan Motor.

Renault-Nissan b.v. has an exclusive decision making authority, inter alia, with respect to mid- and long-term planning (three, five and ten year plans), on commonalities in products and powertrains, on principles of financial policy and on the validation of Renault's and Nissan's product plans. It should wholly own existing (Renault-Nissan Purchasing Organization) and future joint companies, which will establish exclusive contractual relationships with Renault and Nissan.

Renault-Nissan b.v. will also make proposals to Renault and Nissan on issues such as the creation of joint companies, significant changes in market or product coverage, major investments and third-party strategic cooperation.

*** Creation of a Foundation**

A foundation governed by Dutch law created by Renault and Nissan (the "Foundation") has the right, on conclusion of a subscription contract, to subscribe to preference shares and to one priority share in Renault-Nissan b.v. in such a way that following the issue of said shares, it owns the majority of the latter's share capital. The Foundation shall be entitled to require that Renault-Nissan b.v. shares be issued in its favour in the event of a so-called "creeping" control, i.e. by the accumulation of over 15% of Renault's and/or Nissan's shares via purchase on the stock market or acquisition of blocks of shares. Conversely, it may not exercise this right in the event of a public offer for Renault's and/or Nissan's shares, since in that case French or Japanese regulations with regard to public offers are exclusively applicable. The Foundation shall not be able to act if the purchaser has acquired its shares from the French State under a competitive bidding procedure. Therefore, the Foundation can only come into play in the event of the acquisition of a shareholding of over 15%, via the accumulation of shares from investors other than the French State, but less than the 33.33% threshold that triggers an offer.

The preference shares and the priority share shall be cancelled in the event that the holding falls below 15%, or if a public offer is filed. The same applies on expiry of an 18-month period following their issue.

Renault-Nissan Alliance: A Plan to Step Up Development of the Bi-National Group

In 2001 Renault and Nissan entered a new phase in the construction of the Renault-Nissan bi-national group. The Alliance forged between the two companies in March 1999 has given the Renault-Nissan entity the potential to rank among the world's top automotive groups. The challenge at this time is to root the Alliance even more deeply by creating a strategic unit for the bi-national group while preserving the operating autonomy of the two companies. With the support of Renault and the success of its recovery plan, Nissan can now take the place that was reserved for it in the initial agreements. For its part, Renault, having supported and financed Nissan's recovery, is counting on benefiting from a maximum of synergies between the two groups. A plan to accelerate the deployment of the bi-national group was presented in October 2001. The plan is designed to serve the interests of shareholders, employees and customers of both companies by improving synergies and earnings. It calls for cross-shareholdings between Renault and Nissan to strengthen the solidarity between them and create a community of interests. The plan will also ensure the strategic coherence needed to exploit the complementary strengths of the two companies by establishing a single strategic command structure that will set the Alliance's long-term goals.

Since the signing of their agreement in 1999, Renault and Nissan have completed several key stages in implementing the Alliance. The cooperation between them is based on simple principles: share resources in order to realize economies of scale; and exploit the complementarities in terms of product ranges, markets and know-how to generate incremental revenue. The goal is to increase industrial efficiency while preserving the identity of each brand needed to maintain strong brand images and cover the broadest possible spectrum of customers.

The Alliance is developing common platforms and powertrains. At the same time, it is implementing a strategy of coordinated purchasing and shared production capacity. The separate identity of each of the brands is being preserved.

Renault and Nissan are strongly complementary in terms of markets, products and know-how. Accordingly, they can be present in all the major automobile markets, and each can move into new markets at low cost by drawing support from the other's manufacturing facilities or distribution network. Each can enhance its product and service offering to generate incremental income. Moreover, Renault and Nissan each benefit by exchanging their know-how in research and development, quality and marketing.

Renault's Strategy

Renault is pursuing a strategy of profitable growth based on innovation and brand identity, international development and competitiveness. In 2001 progress in this strategy was accelerated by cooperation with Nissan as part of the Alliance between the two companies.

*** Innovation and Brand Identity**

In the passenger car market, Renault launched New Clio in the first half of 2001. In the D segment, Laguna II, marketed in hatchback and station wagon versions starting in January 2001, was well received, immediately reclaiming the top spot in its segment in France. 2001 was also the year in which Renault began the process of renewing the top end of its range, a segment with a powerful influence on brand image and one in which Renault's ambition is to gain a durable position with products that set it apart from other manufacturers. The renewal of the group's range of passenger cars and light commercial vehicles, set to take place between 2002 and 2004, will pick up speed with the launch of 20 new models, some 15 of which under the Renault nameplate.

*** International Deployment**

With its acquisition of Dacia in Romania in 1999 and the operating assets of Samsung Motors in Korea in 2000, Renault became a multi-brand group in just two years. It has continued to consolidate its presence on the international stage. In 2001 the group undertook a number of measures to strengthen these two new brands.

Beyond the investment outlays required to sustain the deployment phase, Renault's international expansion represents a strategic choice, embraced in full, to ensure future growth for the group and spread production and development costs over a broader base.

*** Competitiveness: Second Three-Year Cost-Reduction Plan**

The first cost-reduction plan was completed at the end of 2000 having achieved EUR 3 billion in savings relative to the 1997 budget based on a constant level of activity, in line with the objective established for it. Renault launched a new three-year cost-reduction plan for 2001-2003 targeting additional savings of EUR 3 billion relative to 2000. The second plan is driven by two imperatives: to respond to the intensifying competitive and regulatory environment, in which prices are trending downwards and pollution and safety standards are becoming more stringent; and to bolster Renault's continued international development and improvement in profitability. It is part and parcel of the group's profitable growth strategy, which makes competitiveness in terms of costs, delivery times and quality one of its three main thrusts.

In 2001 the Finance Division continued its actions to cut costs and improve productivity. In France, the restructuring of the distribution network was finalized and production platforms were centralized. A major effort was made to refashion information systems in a number of countries including France. With the goal of identifying new sources of savings, detailed benchmarking studies of management processes were carried out internally, between the principal European subsidiaries of Renault Credit International, and externally, with the finance arms of other companies.

Outlook

2002 will be an important year of product launches for Renault, with the introduction of new top-of-the-range models and the start of the Mégane renewal, which will begin to bear fruits at the end of the year.

Against this backdrop and in a similar market context as in 2001 both inside and outside Europe, the aim in 2002 is to consolidate the group's unit sales and maintain positive operating margin, on a consistent accounting basis.

2002 will also mark the beginning of a second phase in the Alliance with Nissan, putting Renault in a position to bolster performance in the coming years.

Share Price

Renault shares have been listed on the *Premier Marché* of Euronext Paris S.A. (formerly the Paris Bourse) since 17 November 1994 following the initial public offering (Euroclear code 13 190). The initial offer price was FRF 165/EUR 25.15. Renault was added to the CAC 40 index on 9 February 1995.

Two subsidiaries are publicly traded:

Renault Argentina, listed in Buenos Aires, is 61.1%-owned by Cofal, 19.1%-owned by Renault Holding and 0.2%-owned by Renault S.A.;

Renault owns 92.7% of Dacia, which is listed in Bucharest.

Ownership structure

At 29 May 2002, Renault's share capital comprised 284 937 118 shares with a par value of 3.81 euros each, and the ownership structure was as follows:

As of 29 May 2002, to the Company's knowledge⁽¹⁾

	<i>Number of shares</i>	<i>% capital</i>	<i>% voting rights</i>
French State	75,999,781	26.67	32.52
Group of Associated Shareholders	7,518,467	2.64	3.22
Employees	7,402,696	2.60	3.17
General public	142,777,024	50.11	61.09
Treasury stock	8,498,582	2.98	–
Nissan Finance Co Ltd. ⁽²⁾⁽³⁾	42,740,568	15.00	–
Total	284,937,118	100.00	100.00

(1) This breakdown relates to the position at 29 May 2002, before the sale by the French State of shares to employees.

(2) Further details are provided at the chapter "Recent Developments" of this document.

(3) Nissan Finance Co., Ltd., a wholly-owned subsidiary of Nissan Motor, a company governed by Japanese law in which Renault holds 44.4% of the capital, cannot exercise the voting rights attached to the shares held in the capital of Renault. Moreover, such shares are subject to certain retention obligations: thus, under the Alliance Master Agreement concluded on 20 December 2001 between Renault and Nissan Motor provisions have been taken relating to the reinforcement of their cross-shareholding structure. These provisions, which are set out in the transaction memorandum stamped by the COB on 26 March 2002 under number 02 -275, stipulate that until 31 December 2004 neither Renault nor Nissan are entitled to sell shares in the other company without having obtained the prior approval of the Board of Directors of Renault and of Nissan Motor.

To the company's knowledge, no member of the public owns 5% or more of the share capital of Renault. Moreover, to the company's knowledge, there are no shareholder agreements other than the agreement that has been maintained since 21 November 1994 between the members of the group of associated shareholders (Groupe des Actionnaires Associés).

On 2 April 2002, the French State reduced its ownership interest in the share capital of Renault via the disposal of 27,306,691 shares, under a private placement to French and foreign institutional investors. The number of shares sold was increased by 2,730,669 shares via the exercise of an over-allocation option granted by the French State to the banking syndicate, taking the total number of shares transferred by the French State to 30,037,360.

As a consequence thereof, ten percent of the total amount sold by the French State are going to be offered to employees and former employees of Renault and its subsidiaries.

Following the offer reserved for employees on the basis of the assumptions listed below⁽⁴⁾, it is believed that the breakdown of ownership of Renault's share capital will be modified as indicated in the table below:

	<i>Number of shares</i>	<i>% capital</i>	<i>% voting rights</i>
French State	72,662,297	25.50	31.10
Group of Associated Shareholders	7,518,467	2.64	3.22
Employees	10,740,180	3.17	4.60
General public	142,777,024	50.11	61.08
Treasury stock	8,498,582	2.98	–
Nissan Finance Co Ltd. ⁽²⁾⁽³⁾	42,740,568	15.00	–
Total	284,937,118	100.00	100.00

(4) Estimation based on the following assumptions:

- acquisition by employees of all the shares that have been reserved for them under the present offer, i.e. a total of 3,337,484 shares and before any future bonus share distribution;

Senior Management and Corporate Governance at 26 April 2002

The company is managed by a Board of Directors with 17 members. Thirteen are chosen by the Annual General Meeting of Shareholders, three represent the company's employees and one represents employee shareholders. Directors are appointed for a term of six years if appointed before 26 April 2002, and they are appointed for a term of four years if they were or are to be appointed as from 26 April 2002.

On 26 April, the general meeting decided to reduce from 5 to 4 the number of board members appointed by the French State. Mr Jean Claude Paye's mandate was renewed, but no longer as a representative of the French State, rather as representative of the shareholders.

Mr Carlos Ghosn (*Director*: Alcoa Inc., Mirant Corporation, Nissan Motor Co. Ltd.) was appointed as a new board member.

Mr Carlos Ghosn and Mr Jean Claude Paye are both appointed for a term of four years.

Board of Directors at 31 December 2001

	<u>Age</u>	<u>First appointed</u>
Chairman and C.E.O.		
Louis Schweitzer⁽¹⁾ <i>Director: BNP Paribas, Compagnie Financière Renault, Electricité de France, AB Volvo, Renault Crédit International</i> <i>Member of the Supervisory Board: Philips</i>	59	May 1992
Directors		
Pierre Alanche⁽⁶⁾ Engineer in charge of overseeing development of Renault's production information systems <i>Representing employee shareholders</i>	59	June 1997
BNP PARIBAS⁽²⁾ represented by Michel Pébereau, BNP Paribas Chairman and C.E.O. <i>Director (personal appointment): Total Fina Elf, Lafarge, Saint Gobain</i> <i>Member of the Supervisory Board: Axa, Galeries Lafayette, Dresdner Bank A.G.,</i>	59	May 1995
Jean-Marie Bousset⁽³⁾ Renault after-sales technician <i>Employee-Board member</i>	55	January 1999
Jean-Pierre Camescasse⁽³⁾ Engineer in charge of quality of Renault's technical documentation <i>Employee-Board member</i>	60	January 1989
François de Combret⁽⁷⁾ <i>Associate Director: Lazard Frères, Maison Lazard,</i> <i>Director: Fonds partenaires Gestion, Institut Pasteur</i>	60	July 1996
Nicolas Jachiet⁽⁷⁾⁽¹⁰⁾ Head of Shareholding Department <i>Treasury Division</i> <i>Ministry of the Economy, Finance and Industry</i> <i>Director: Sogepa, France Télécom, EDF, SNCF</i>	43	March 1998
Yoshikazu Hanawa⁽⁹⁾ Chairman, Nissan Motor Co. Ltd	67	June 1999
Jean-Luc Lagardère⁽⁴⁾ <i>Board member, Lagardère S.C.A</i> <i>Chairman and C.E.O.: Lagardère S.A., Lagardère Capital & Management, Hachette S.A.</i> <i>Chairman: France Galop, European Aeronautic Defence and Space Company Eads N.V., EADS Participations B.V.+</i> <i>Director: Lagardère Elevage,</i> <i>Member of the Consultative Committee: Banque de France</i>	74	May 1989
Bernard Larrouiturou Chairman and C.E.O., INRIA <i>Director: INRIA Transfert</i>	43	February 2000
Henri Martre⁽⁶⁾⁽¹⁰⁾ <i>Honorary Chairman, Aérospatiale</i> Chairman of the Board: AFNOR <i>Chairman of the Supervisory Board: ESL and Network Holding</i> <i>Director: On - X, Sogepa</i> Member of the Consultative Committee: Banque de France, Andersen and Carlyle	73	July 1996
Jean-Claude Paye⁽¹⁰⁾⁽¹³⁾ Attorney	67	July 1996
Danièle Potvin⁽³⁾ Director, Renault Executive Internships <i>Employee-Board member</i>	53	November 1996

	<u>Age</u>	<u>First appointed</u>
<p>Franck Riboud⁽¹²⁾ <i>Chairman and C.E.O.:</i> Danone <i>Chairman of the Board:</i> Compagnie Gervais Danone, Générale Biscuit <i>Chairman and Director:</i> Danone Asia Pte Ltd, <i>Vice Chairman and Director:</i> Danone S.A. Danone Sabanci, Gida Ve Icecek San.Ve.Tic.A.S. <i>Director:</i> Danone Finance, Association Nationale des Industries Agroalimentaires, ANSA Eurazeo, Abi Holdings Limited (ABIH), Associated Biscuits International ltd (ABIL), Scottish & Newcastle Plc Danone S.A., Wadia BSN India Limited, Clover Holdings Limited, Strauss Dairies Ltd, Ona <i>Member of the Supervisory Board:</i> Accor <i>Permanent Representative:</i> Compagnie Gervais Danone, Danone, Société des Eaux de Volvic LU France</p>	46	December 2000
<p>Jeanne Seyvet⁽⁸⁾⁽¹⁰⁾ <i>Director General, Industry, Information Technologies and Post Ministry of the Economy, Finance and Industry</i> <i>Director:</i> Bull, Ecole Normale Supérieure <i>Member of the Supervisory Board:</i> Areva <i>Government Commissioner on the board of</i> France Télécom and FT1CI</p>	47	December 1998
<p>Robert Studer⁽⁵⁾ <i>Former Chairman:</i> Union de Banques Suisses <i>Director:</i> European Advisory Committee to the New York Stock Exchange, New York, Espirito Santo Financial Group S.A., Luxembourg, Schindler Holding S.A., Total Fina Elf <i>Member of the Supervisory Board:</i> BASF S.A.</p>	63	July 1996

- (1) Appointment renewed by the Joint General Meeting of 10 June 1999, appointed Chairman and C.E.O. by the Board of Directors on 10 June 1999
- (2) Appointed by the Annual General Meeting of 24 May 1995, renewed by the Annual General Meeting of 8 June 2000
- (3) Elected/re-elected by employees on 5 November 1996
- (4) Renewed by the Joint General Meeting of 10 June 1999
- (5) Renewed by the Joint General Meeting of 10 May 2001
- (6) Appointed/reappointed by the Joint General Meeting of 10 June 1997
- (7) Appointed/reappointed by the Joint General Meeting of 11 June 1998
- (8) Appointed by ministerial order of 11 December 1998, ratified by the Joint General Meeting of 10 June 1999, reappointed by the Joint General Meeting of 10 May 2001
- (9) Appointed by the Annual General Meeting of 10 June 1999
- (10) Named by the French State prior to appointment by the General Meeting
- (11) Appointed by ministerial order of 15 February 2000, ratified by the Annual General Meeting of 8 June 2000
- (12) Co-opted by the Board of Directors on 19 December 2000 after the resignation of Antoine Riboud; ratified by the Joint General Meeting of 10 May 2001
- (13) Appointed/reappointed by the Joint General Meeting of 26 July 1996

Expiry of Terms of Office of Board Members

<u>Expiration year</u>	<u>Term of office expires</u>
2002..... (October)	Ms. Potvin ⁽¹⁾ Mr. Camescasse ⁽¹⁾ Mr. Bousset ⁽¹⁾
2003.....	Mr. Alanche ⁽¹⁾ Mr. Jachiet Mr. Martre
2004.....	Mr. de Combret Mr. Larrouturou
2005.....	Mr. Hanawa Mr. Lagardère Mr. Schweitzer
2006.....	BNP Paribas Mr. Riboud ⁽²⁾ Mr. Ghosn Mr. Paye
2007.....	Ms. Seyvet Mr. Studer

(1) Directors representing employees and employee shareholders are appointed following election by the relevant college.

(2) Franck Riboud, co-opted by the Board of Directors on 19 December 2000 after the resignation of Antoine Riboud; ratified by the Joint General Meeting of 10 May 2001.

The Board of Directors appoints one of its members as Chairman. The Chairman, who must be a natural person, may stand for re-election when his term of office expires. Every Board member must hold at least one registered share. In 2001, the Board of Directors met seven times.

In accordance with the recommendations of the 1995 Viénot report on corporate governance in France, which was supplemented by a second report published in July 1999, Renault's Board of Directors has adopted a system of bylaws and specialized committees.

The bylaws define the role of the Board of Directors, who collectively represent the company's shareholders, and have led to the drafting of a charter that establishes the rights and duties of Board members. The Board of Directors has also adopted procedures for the use and/or disclosure of privileged information. On 26 July 2001, the Board of Directors appointed a compliance officer to answer any queries relating to the interpretation and application of these procedures. In 1998, Renault ordered an independent audit of the structure, organization and operating procedures of its Board of Directors. It intends to repeat this audit on a regular basis. A second audit was submitted to the Board of Directors on 27 February 2001.

To permit in-depth examination of specific topics relating to the Board of Directors' role, three specialized committees were created in 1996:

- an accounts and audit committee, chaired by Robert Studer and composed of Jean-Pierre Camescasse, Pierre Alanche, Nicolas Jachiet and Henri Martre. The committee's mission is to analyze the financial statements, and to ensure that appropriate methods have been used to prepare them. In 2001 the committee met twice.
- an appointments and remuneration committee, chaired by Michel Pébereau and composed of François de Combret, Louis Schweitzer and Franck Riboud. The committee's mission is to submit proposals to the Board for the appointment of new directors and to advise on the renewal of directorships that have expired. It also submits proposals on the remuneration of senior managers and grants of stock options. In 2001 the committee met twice.
- an international strategy committee, chaired by Jean-Luc Lagardère and composed of Jeanne Seyvet, Henri Martre, Jean-Marie Bousset, Yoshikazu Hanawa, Jean-Claude Paye, Danièle Potvin and Bernard Larrouturou. The committee's mission is to analyze the company's international plans and present them to the Board. In 2001 the committee met once.

Group Executive Committee and Management Committee at 31 December 2001

- Louis Schweitzer Chairman and C.E.O.
- Patrick Blain Senior Vice President, Market Area Europe
- Marie-Christine Caubet Senior Vice President, Market Area France
- Jean-Pierre Corniou Senior Vice President, Chief Information Officer
- Pierre-Alain De Smedt Executive Vice President, Industry and Technology
- Rémi Deconinck Senior Vice President, Product Planning
- Georges Douin Executive Vice President, Product & Strategic Planning and International Operations
- Alain Dubois-Dumée Senior Vice President, Corporate Communications
- Jean-Baptiste Duzan Senior Vice President, Supplier Relations – Chairman and C.E.O., Renault Nissan Purchasing Organization (RNPO)
- Michel Faivre Duboz Senior Vice President, Vehicle Engineering Development
- Patrick Faure Executive Vice President, Chairman and C.E.O. of Renault F1
- Philippe Gamba Chairman and C.E.O., RCI Banque S.A.
- Manuel Gomez Senior Vice President, International Operations
- Michel Gornet Senior Vice President, Manufacturing and Powertrain
- François Hinfray Executive Vice President, Sales and Marketing
- Jacques Lacambre Senior Vice President, Advanced Vehicle Engineering and Research
- Patrick le Quément Senior Vice President, Corporate Design
- Shemaya Lévy Executive Vice President, Chief Financial Officer
- Benoît Marzloff Senior Vice President, Strategy & Marketing
- Luc-Alexandre Ménard Senior Vice President, Mercosur
- Bruno Morange Senior Vice President, Light Commercial Vehicles
- Pierre Poupel Senior Vice President, Quality
- Alain-Pierre Raynaud Senior Vice President, Corporate Controller
- Tsutomu Sawada Senior Vice President, Advisor to the Chairman
- Michel de Virville Corporate Secretary General, Executive Vice President, Group Human Resources
- Members of the Group Executive Committee chaired by Louis Schweitzer

Members of the Renault Management Committee receive a consideration comprising a fixed and a variable portion. The variable portion is based on the company's economic performance for the previous year, assessed by two criteria: the difference between budgeted and actual operating margin, and return on equity.

In 2001, the total emoluments paid to Management Committee members amounted to FRF 64,044,622, of which FRF 48,739,770 for the fixed portion (compared with a total of FRF 76,020,750 and FRF 51,700,846 in 2000). It should be noted that the Committee was reduced from 28 members in 2000 to 25 in 2001. The total consideration paid to Mr. Schweitzer in 2001 was FRF 7,154,710, of which FRF 4,900,000 for the fixed portion (compared with FRF 7,085,219, of which a fixed FRF 4,149,012 in 2000).

Management Committee members do not receive directors' fees from group companies in which they hold senior office.

In 2001, a consideration of FRF 1,927,148 was paid to employee board members, broken down as follows: Mr. Alanche – FRF 808,096, Mr. Camescasse – FRF 622,404, Ms. Potvin – FRF 267,750 and Mr. Bousset – FRF 229,262.

Auditors at 26 April 2002

Statutory Auditors

Deloitte Touche Tohmatsu – represented by Olivier Azières
185 Avenue Charles de Gaulle
92200 Neuilly Sur Seine, France

Ernst & Young Audit – represented by Dominique Thouvenin
4 Rue Auber
75009 Paris, France

Deloitte Touche Tohmatsu was appointed by the Joint General Meeting of 7 June 1996 and was reappointed by the General Meeting of 26 April 2002 for a six-year term. Ernst & Young Audit was appointed by the French Finance Ministry on 27 March 1979 and was reappointed by the General Meeting of 26 April 2002 for a six-year term. Their terms of office will expire at the close of the Annual General Meeting convened to approve the accounts for 2007.

Alternate Auditors

BEAS

(alternate for Deloitte Touche Tohmatsu)

7-9, Villa Houssay
92254 Neuilly-sur-seine Cedex

Gabriel Galet

(alternate for Ernst & Young Audit)

Faubourg de l'Arche
92037 Paris La Défense Cedex

The alternate auditors were appointed by the General Meeting of 26 April 2002 for a six-year term. Their terms of office will expire at the close of the Annual General Meeting convened to approve the accounts for 2007.

CAPITALISATION OF RENAULT

	<i>As at 31 December 2001⁽¹⁾</i>	<i>As at 31 December 2000</i>	<i>As at 31 December 1999</i>
	<i>(In millions of euros)</i>		
Originally short-term financial debt.....	12.632	13.627	11.604
Long-term financial debt	10.859	9.670	8.740
Short-term portion of long-term financial debt	2.238	1.015	1.810
Long-term financial debt, due after one year:	8.621	8.655	6.930
<i>Redeemable shares</i>	341	336	346
<i>Bonds</i>	5.502	5.441	3.999
<i>Other debts represented by a certificate</i>	723	1.028	1.049
<i>Borrowings from credit institutions</i>	1.832	1.661	1.458
<i>Other financial debt</i>	223	189	78
Total bond debt and other borrowings	23.491	23.297	20.344
<i>Including net financial indebtedness – industrial and commercial activities</i>	3.927	4.793	2.700
Share capital	923	914	914
Share premium	2.420	2.367	2.367
Retained earnings	5.607	4.740	4.385
Translation adjustments	50	551	(15)
Net income	1.051	1.080	534
Shareholders' equity	10.051	9.652	8.185
Minority interests	385	639	630
Other liabilities	16.206	18.387	17.263
Total	50.129	51.975	46.422

(1) There has been no significant net change in the capitalisation since 31 December 2001.

**CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2001**

	<u>2001</u>	<u>2000</u>	<u>1999</u>
	<i>(EUR million)</i>		
CONSOLIDATED INCOME STATEMENTS			
Sales of goods and services	34,617	38,583	36,278
Sales financing revenues	1,734	1,592	1,314
Revenues	36,351	40,175	37,592
Cost of goods and services sold	(28,240)	(30,214)	(28,264)
Cost of sales financing	(1,165)	(1,053)	(867)
Research and development expenses	(1,935)	(2,048)	(1,788)
Selling, general and administrative expenses	(4,538)	(4,838)	(4,468)
Operating margin	473	2,022	2,205
Other operating income and expenses	231	(319)	(721)
Operating income	704	1,703	1,484
Net interest income (expense)	(109)	(45)	6
Other financial income and expenses, net	45	(24)	26
Financial income (expense)	(64)	(69)	32
Share in net income (loss) of Nissan Motor	497	56	(330)
Share in net income (loss) of Volvo	(26)		
Share in net income (loss) of other companies accounted for by the equity method	(91)	33	(26)
Group pre-tax income	1,020	1,723	1,160
Current and deferred taxes	(67)	(649)	(620)
Group net income	953	1,074	540
Minority interests	98	6	(6)
Renault			
Earnings per share in Euros	4.38	4.50	2.23
Number of shares outstanding(in thousands)	<u>239,998</u>	<u>239,798</u>	<u>239,798</u>

Upon the finalization on 2 January 2001 of the agreement between Renault and AB Volvo, Renault transferred 100% of its shares and voting rights in Renault VI to AB Volvo, which in return transferred 15% of its own shares and voting rights to Renault. Renault also acquired a further 5% of AB Volvo's capital on the open market. These transactions (details in note 2) led to deconsolidation of the Renault VI Group, while the interest in the AB Volvo Group, which now comprises the RVI Group, was included under the equity method. Pro forma consolidated financial statements for 2000 are presented in note 2-A for the main income statement, balance sheet and cash flow items.

CONSOLIDATED BALANCE SHEETS AT 31 DECEMBER

	<u>2001</u>	<u>2000</u>	<u>1999</u>
	<i>(EUR million)</i>		
ASSETS			
Intangible assets	303	325	188
Property, plant and equipment	10,222	11,001	9,843
Investments in companies accounted for by the equity method	6,985	5,540	4,905
Nissan Motor	5,287	5,156	4,610
Volvo	1,469		
Other companies	229	384	295
Other investments and financial assets	607	1,110	520
Deferred tax assets	1,668	1,669	1,705
Inventories	4,832	5,996	4,870
Sales financing receivables	16,845	15,513	15,110
Trade receivables from the industrial and commercial activities . . .	2,465	3,799	3,518
Other receivables and prepaid expenses	1,985	2,725	2,039
Loans and marketable securities	2,082	2,485	2,678
Cash and cash equivalents	2,135	1,812	1,046
Total assets	<u>50,129</u>	<u>51,975</u>	<u>46,422</u>
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	923	914	914
Share premium	2,420	2,367	2,367
Retained earnings	5,607	4,740	4,385
Translation adjustments	50	551	(15)
Net income	1,051	1,080	534
Shareholders' equity	10,051	9,652	8,185
Minority interests	385	639	630
Deferred tax liabilities	695	544	223
Pensions and other post-retirement benefit obligations)	731	1,328	1,252
Other provisions for risks and liabilities	2,024	2,502	2,645
Interest-bearing borrowings	23,491	23,297	20,344
• industrial and commercial activities	7,451	7,785	5,468
• sales financing activity	16,040	15,512	14,876
Trade and other payables	7,246	7,853	7,402
Other liabilities and deferred income	5,506	6,160	5,741
Total shareholders' equity and liabilities	<u>50,129</u>	<u>51,975</u>	<u>46,422</u>

CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

	<i>Number of shares</i>	<i>Share capital</i>	<i>Share premium account</i>	<i>Translation adjustment</i>	<i>Retained earnings</i>	<i>Total</i>
	<i>(in thousands)</i>			<i>(EUR million)</i>		
Balance at 31 December 1998						
before allocation	239,798	914	2,367	(320)	4,900	7,861
Dividends					(180)	(180)
Impact of change in standard IAS19					(335)	(335)
Change in translation adjustment)				305	0	305
1999 net income					534	534
Balance at 31 December 1999						
before allocation	239,798	914	2,367	(15)	4,919	8,185
Dividends					(179)	(179)
Change in translation adjustment)				566		566
2000 net income					1,080	1,080
Balance at 31 December 2000						
before allocation	239,798	914	2,367	551	5,820	9,652
Capital increase	2,398	9	53			62
Dividends					(213)	(213)
Change in translation adjustment				(501)		(501)
2001 net income					1,051	1,051
Balance at 31 December 2001						
before allocation	<u>242,196</u>	<u>923</u>	<u>2,420</u>	<u>50</u>	<u>6,658</u>	<u>10,051</u>

STATEMENTS OF CASH FLOWS

	2001	2000	1999
	<i>(EUR million)</i>		
OPERATING ACTIVITIES			
Net income	1,051	1,080	534
Depreciation and amortization	1,777	1,899	1,837
Net effects of sales financing credit losses	158	158	135
(Gains)/losses on asset disposals	(777)	(73)	(38)
Appropriation of long-term net valuation provisions	138	73	668
Share in net income of companies accounted for by the equity method (net of dividends received)	(275)	(82)	357
Deferred taxes	(286)	363	(184)
Minority interests	(98)	(6)	5
Cash flow(A)	1,688	3,412	3,314
Financing for individual customers	(10,175)	(8,172)	(8,303)
Customer repayments	8,744	7,775	6,584
Net change in renewable dealer financing	(796)	(86)	102
Increase in receivables from sales financing(B)	(2,227)	(483)	(1,617)
Bond issuance	1,266	966	1,066
Bond redemption	0	(813)	0
Net change in other interest-bearing borrowings	434	457	1,196
Net (increase) decrease in loans and marketable securities	(15)	3	(184)
Net change in interest-bearing borrowings for the sales financing activity (C)	1,685	613	2,078
Decrease/(increase) in inventories	25	(984)	(512)
Decrease/(increase) in trade receivables	328	(220)	(558)
Decrease (increase) in other receivables and prepaid expenses	440	(643)	(184)
Increase in trade and other payables	379	410	1,010
Increase (decrease) in other liabilities and deferred income	779	(332)	(44)
Decrease (increase) in working capital (D)	1,951	(1,769)	(288)
CASH FLOWS FROM OPERATING ACTIVITIES (A+B+C+D)	3,097	1,773	3,487
INVESTING ACTIVITIES			
Acquisition of Nissan shares	0	0	(4,917)
Other acquisitions, net of cash acquired	(109)	(811)	(146)
Purchase of property, plant and equipment and intangibles	(3,205)	(2,846)	(2,437)
Disposal of investments, net of cash transferred	711	29	70
Proceeds from disposal of property, plant and equipment and intangibles	564	465	404
Net investment	(2,039)	(3,163)	(7,026)
Net (increase) decrease in other financial assets	(51)	2	(20)
CASH FLOWS FROM INVESTING ACTIVITIES	(2,090)	(3,161)	(7,046)
FINANCING ACTIVITIES			
Bond issuance	462	500	500
Bond redemption	(316)	0	0
Net increase (decrease) in interest-bearing borrowings for the industrial and commercial activities	(900)	1,627	(795)
Net (increase) decrease in loans and marketable securities	599	221	4,015
Proceeds from minority interests	0	50	41
Dividends paid to parent company shareholders	(213)	(179)	(180)
Dividends paid to minority interests	(47)	(45)	(42)
CASH FLOWS FROM FINANCING ACTIVITIES	(415)	2,174	3,539
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	592	786	(20)
Opening balance	1,812	1,046	1,087
Increase (decrease)	592	786	(20)
Effect of exchange rate changes	(270)	(20)	(21)
Closing balance	2,135	1,812	1,046

INFORMATION BY DIVISION

	<i>Automobile Division</i>	<i>Finance Division^(b)</i>	<i>Eliminations^(a)</i>	<i>Consolidated Total</i>
	<i>(EUR million)</i>			
2001				
Revenues	34,245	2,028	78	36,351
Interdivision transactions ^(c)	(404)	(200)	604	
Contribution to consolidated revenues	33,841	1,828	682	36,351
Operating margin	216	252	5	472
Operating income	106	261	337	704
Share in net income of companies accounted for by the equity method	406		(26)	380
Financial expenses				(64)
Current and deferred taxes				(67)
Group net income				953
Property, plant and equipment and intangibles . .	10,109	433	(17)	10,525
Trade and sales financing receivables	2,444	17,258	(392)	19,310
Other division assets	6,222	1,796	38	8,056
Investment accounted for by the equity method	5,516		1,469	6,985
Other non allocated assets				5,253
Total assets				50,129
Division liabilities	14,168	18,106	(181)	32,093
Other non allocated liabilities				7,985
Shareholders' equity				10,051
Total liabilities				50,129
Capital expenditure	2,886	300	19	3,205
Depreciation and amortization	1,683	86	8	1,777
Non cash expenses other than depreciation	135	158	3	296
Research and development expenses	1,908		27	1,935
Personnel expenses	4,690	216	107	5,013
Workforce at 31 December	133,111	3,496	3,810	140,417

(a) Until 31 December 2000, the information by Division included data for the Commercial Vehicles Division. This Division essentially comprised the « Commercial Vehicles » businesses of Renault V.I. and its subsidiaries, that also included the « Coach & Bus » activity of Irisbus and its subsidiaries. The finalization of the Renault V.I./Volvo operation on 2 January 2001 (note 2-A) resulted in deconsolidation of Renault V.I.; and consequently the information by Division no longer includes the Commercial Vehicles Division.

Data for Irisbus is now included under the heading « Eliminations », which in 2001 also contains the gain of Euro 335 million on the sale of Renault V.I. shares to Volvo. Figures for the year 2000 have been adjusted for the pro forma presentation.

(b) For the Finance Division, income statement and balance sheet items represent the sale financing activity (including the division's own cash flow and financial indebtedness).

(c) Interdivision transactions are carried out under near-market conditions.

	<i>Automobile Division</i>	<i>Commercial Vehicles Division</i>	<i>Finance Division^(a)</i>	<i>Eliminations</i>	<i>Consolidated Total</i>
			<i>(EUR million)</i>		
2000 Pro Forma					
Revenues	32,218		1,868	55	34,141
Interdivision transactions ^(b)	(366)		(201)	567	0
Contribution to consolidated revenues	31,852		1,667	622	34,141
Operating margin	1,574		263	6	1,843
Operating income	1,266		245	7	1,518
2000 as published					
Revenues	32,218	7,070	1,868	(981)	40,175
Interdivision transactions ^(b)	(732)	(37)	(212)	981	0
Contribution to consolidated revenues	31,486	7,033	1,656	0	40,175
Operating margin	1,574	195	253	0	2,022
Operating income	1,266	202	235	0	1,703
Share in net income of companies accounted for by the equity method	89	(1)	1	0	89
Financial income (expenses)					(69)
Current and deferred taxes					(649)
Group net income					1,074
Property, plant and equipment and intangibles	9,197	1,863	439	(173)	11,326
Trade and sales financing receivables	2,835	1,157	15,918	(598)	19,312
Other division assets	6,882	1,372	1,977	(206)	10,025
Investment accounted for by the equity method	5,504	21	15		5,540
Other non allocated assets					5,772
Total assets					51,975
Division liabilities	13,147	4,138	16,907	(837)	33,355
Other non allocated liabilities					8,968
Shareholder's equity					9,652
Total liabilities					51,975
Capital expenditure	2,379	218	249		2,846
Depreciation and amortization	1,645	172	82		1,899
Non cash expenses other than depreciation	98	(25)	158		231
Research and development expenses	1,817	230			2,047
Personnel expenses	(4,718)	(1,186)	(208)		(6,112)
Workforce at 31 December	136,574	26,006	3,534		166,114

(a) For the Finance Division, income statement and balance sheet items represent the sale financing activity (including the division's own cash flow and financial indebtedness).

(b) Interdivision transactions are carried out under near-market conditions.

	<i>Automobile Division</i>	<i>Commercial Vehicles Division</i>	<i>Finance Division^(a)</i>	<i>Eliminations</i>	<i>Consolidated Total</i>
			<i>(EUR million)</i>		
1999 Pro Forma					
Revenues	30,246	6,516	1,594	(764)	37,592
Interdivision transactions(b)	(508)	(42)	(214)	764	
Contribution to consolidated revenues	29,738	6,474	1,380	0	37,592
Operating margin	1,763	220	222		2,205
Operating income	1,161	58	265		1,484
Share in net income of companies accounted for by the equity method	(359)	2	1		(356)
Financial income					32
Current and deferred taxes					(620)
Group net income					540
Property, plant and equipment and intangibles	8,002	1,721	404	(96)	10,031
Trade and sales financing receivables	2,563	1,114	15,504	(553)	18,628
Other division assets	5,397	1,090	1,826	(448)	7,865
Investment accounted for by the equity method	4,848	46	11		4,905
Other non allocated assets					4,993
Total assets					46,422
Division liabilities	12,500	3,997	16,407	(988)	31,916
Other non allocated liabilities					6,321
Shareholder's equity					8,185
Total liabilities					46,422
Capital expenditure	2,076	211	150		2,437
Depreciation and amortization	1,611	153	73		1,837
Non cash expenses other than depreciation	558	115)	130		803
Research and development expenses	1,620	168			1,788
Personnel expenses	(4,326)	(1,141)	(198)		(5,665)
Workforce at 31 December	131,261	24,634	3,713		159,608

(a) For the Finance Division, income statement and balance sheet items represent the sale financing activity (including the division's own cash flow and financial indebtedness).

(b) Interdivision transactions are carried out under near-market conditions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

These notes are only an extract of the notes to the audited consolidated financial statements which appear in the latest annual report relating to the Issuer.

1 Accounting Policies

The Renault group financial statements are prepared in accordance with French accounting regulations applicable at 31 December 2001.

Renault is making preparations for the compulsory application of IASB international standards by listed European companies from 2005. The adaptations necessary will be made with regard to the constraints of the situation, i.e. IASB draft standards, the transitional provisions for application of standards in Europe, the timescale for incorporation of these standards into French regulations, and changes in the accounting practices of the automobile industry.

Currently, the principal differences between Renault accounting policies and existing international standards concern intangible assets (IAS 38), financial instruments (IAS 39) and investment property (IAS 40).

Renault intends to apply standards IAS 38 and IAS 40 from 2002. The group also plans to apply IAS 39, once its review is finalized and has been adopted by French regulations.

2 Change in the scope of consolidation

The changes in 2001 mainly result from sales of operating subsidiaries.

(A) *The Renault VI/Volvo Operation*

- Description of the transaction

On 18 July 2000, Renault and Volvo signed an agreement to merge their trucks businesses. This agreement was finalized on 2 January 2001 following approval of the operation by the EC and North American authorities.

Under the terms of the final agreement:

- Renault transferred to AB Volvo 100% of its shares and voting rights in Renault VI at 2 January 2001, AB Volvo transferred to Renault SA 15% of its own shares and voting rights: 10% at 2 January 2001 and the remaining 5% in early February 2001.

In addition, Renault acquired a further 5% of AB Volvo's shares on the open market.

In 2001, Renault and Volvo began arbitration proceedings concerning the interpretation of the terms for transfer of Renault Véhicules Industriels. These proceedings may result in the transfer value being reduced, and Renault has therefore established a provision by adjusting the capital gain recorded on the transfer.

Renault does not expect the result of these arbitration proceedings to have a significant impact on its financial position.

(B) *Sale of CAT*

On 24 January 2001, Renault signed a draft agreement with Autologic Holding plc, TNT and Wallenius Lines (shareholders in the Global Automotive Logistics consortium) for the takeover of CAT France and its subsidiaries by Global Automotive Logistics. Upon finalization of the agreement on 17 July 2001, 100% of the CAT France shares and voting rights owned by Renault SA were transferred to Global Automotive Logistics for a total of Eur 467.4 million, of which Eur 430 million were paid cash upon signing the final agreement and Eur 37.4 million were paid in Global Automotive Logistics shares. Once these transactions were completed Renault owned 20% of the capital of Global Automotive Logistics.

Renault has an option to sell its holding in Global Automotive Logistics which can be exercised during a 12-month period beginning 17 July 2002.

(C) *Changes in Restated Shareholders' Equity*

	30 September 2000	Net income (loss)	Other Changes	30 September 2001
		<i>(in billions of Yen)</i>		
Shareholders' equity under Japanese GAAP after capital increase	762	389	8	1,159
Restatements for Renault group requirements:				
– Restatement of fixed assets	893	(49) ^(a)	(1)	843
– Pension liabilities	(356)	31 ^(b)	–	(325)
– Other restatements	(129)	(217) ^(c)	49	(297)
– Total restatements	408	(235)	48	221
Net assets restated for Renault group requirements	1,170	154	56	1,380
Renault's share of net assets (36.8%)				
– in billions of Yen	431	57	21	509
– in Eur million	4,381	539	(365) ^(b)	4,555

At the date of acquisition, Nissan Motor's identifiable assets and liabilities, principally fixed assets and marketable securities, were restated at fair value, as opposed to the historical values recorded in the Nissan Group's consolidated financial statements under Japanese GAAP. As a result of this restatement:

- income on sales by Nissan of fixed assets and marketable securities has been adjusted to take account of this difference.
- marketable securities have been depreciated in accordance with the fair value.
- at the time of the acquisition, these restatements to fair value generated a deferred tax liability; consequently, the provision for deferred tax assets recorded by Nissan was reduced.

The main restatements affecting the net income for the year are as follows:

- (a) Including adjustment of the income on sales by Nissan of fixed assets and marketable securities: (33) billion Yen.
- (b) The additional liability recognized by Renault in the opening balance sheet is spread over 15 years in the Nissan Motor financial statements. The adjustment for the year neutralizes the expense for the year recorded by Nissan.
- (c) Other restatements affecting the net income for the year mostly concern the following:
 - (166) billion Yen for partial neutralization of reversal of the provision on deferred tax assets recorded by Nissan, since the Japanese provisions are higher than those established under Renault's accounting principles.
 - (33) billion Yen for depreciation on marketable securities.
 - (18) billion Yen for adjustment of income on sales of marketable securities.

In Euros, "Other changes" include Eur (266) million for the change in translation adjustment, chiefly resulting from the fall in the value of the yen against the Euro, and Eur (99) million for the dividend paid by Nissan to Renault.

(D) *Hedging of the investment in Nissan Motor*

The following operations were designated as a partial hedge of Renault's interest in the restated shareholders' equity of Nissan in yen:

- on 21 July 1999 Renault undertook an initial partial hedge by issuing 7-year bonds totalling Eur 500 million. A foreign currency swap was undertaken to convert this issue into yen,
- on 1 June 2000, Renault concluded a forward sale of 150 billion yen, with an initial completion date of 15 December 2000, renewed at that date until 15 December 2001 for an identical amount. The Renault group intends to renew this contract until December 2003, and also entered into an interest rate swap on 15 December 2000, with a nominal value of 150 billion yen and a term of three years.
- on 27 September 2001, Renault undertook an issue of 5-year bonds with total nominal value of 50 billion yen.

(E) *Renault – Nissan Motor Cooperation*

The Renault and Nissan Groups have introduced joint strategies for vehicle and part development, purchasing, and production and distribution resources. This cooperation has not yet generated any significant financial exchanges between the two groups.

6 Investment in Volvo accounted for by the Equity Method

Details are as follows:

	<i>Provisional goodwill, net</i>	<i>Share in net assets</i>	<i>Total</i>
		<i>(EUR million)</i>	
1 January 2001	(243)	1,790	1,547
2001 net income	24	(50)	(26)
Translation adjustment		(52)	(52)
31 December 2001	(219)	1,688	1,469

The provisional negative goodwill of EUR 243 million recorded on the investment in Volvo is to be recognised as income on a straight-line basis from 2 January 2001, over the average residual amortisation period for Volvo's tangible and intangible fixed assets, which is 10 years.

This goodwill was determined as follows (in EUR million):

Cost of the acquisition see (note 2-a):	1,547
Share in net assets restated for Renault group requirements:	(1,790)
Provisional goodwill (gross):	<u>(243)</u>

Taking into account the treasury shares held by Volvo, the level of Renault's investment in Volvo was 21.05% in 2001.

7 Shareholders' Equity

Share Capital

At its meeting on 23 October 2001, the Board of Directors decided to proceed to a capital increase reserved for employees, in compliance with the terms of the eighteenth resolution approved at the General Shareholders' Meeting of 10 May 2001. As a result of this capital increase, 2,398 thousand new shares with total par value of Eur 9 million were put into circulation.

The total number of ordinary shares issued and fully paid-up at 31 December 2001 is 242,196 thousand shares (239,798 thousand in 2000 and 1999). Par value is Eur 3.81 per share (unchanged from 2000 and 1999).

At 31 December 2001, the French state held 106,037,141 shares and therefore 43.78% of voting rights.

In accordance with decisions approved at the General Shareholders' Meetings of 10 May 2001, 10 June 1999, and 11 June 1998, the Board of Directors decided to allocate all Renault treasury shares to current stock option plans.

In compliance with French accounting rules, these shares are recorded under Marketable Securities at a gross value of Eur 347 million at 31 December 2001, Eur 252 million at 31 December 2000 and Eur 164 million at 31 December 1999. Under IASB standards, these shares would be recorded as a charge against shareholders' equity and deducted from the number of shares in circulation for the determination of basic earnings per share

Distributions

At the Annual General Shareholders' Meeting of 26 April 2002, it was decided to distribute Eur 257,596,331.04 in dividends (Eur 0.92 per share), compared to Eur 219.3 million or Eur 0.91 per share in 2001.

8 Minority Interests

The decrease in minority interests in 2001 of Eur (256) million is largely due to the fall in the value, expressed in Euros, of Renault Argentina's shareholders' equity following the devaluation of the peso.

9 Interest-Bearing Borrowings

	<u>2001</u>	<u>2000</u>	<u>1999</u>
	<i>(EUR million)</i>		
Redeemable shares	341	336	346
Bonds	5,502	5,441	3,999
Other debts represented by a certificate	723	1,028	1,049
Borrowings from credit institutions	1,832	1,661	1,458
Other financial debt	223	189	78
Long-term financial debt, due after one year	8,621	8,655	6,930
Short-term portion of long-term financial debt	2,238	1,015	1,810
Total long-term debt	10,859	9,670	8,740
Originally short-term financial debt	12,632	13,627	11,604
Total	<u>23,491</u>	<u>23,297</u>	<u>20,344</u>

In 2001, the change in interest-bearing borrowings includes the Eur (50) million impact of deconsolidation of the Renault VI Group from 2 January 2001 (see note 2-A), and the Eur (737) million impact of the change in consolidation method applicable to Renault Financial Services (from full consolidation to proportionate consolidation)

The increase in interest-bearing borrowings in 2000 (mainly in long-term debts) reflects the Eur 172 million impact of the consolidation of Renault Samsung Motors.

(A) Long-term debts, excluding redeemable shares, mature as follows:

	<u>2001</u>	<u>2000</u>	<u>1999</u>
	<i>(EUR million)</i>		
Within one year	2,238	1,015	1,810
Between 1 and 2 years	2,258	2,533	1,087
Between 2 and 3 years	1,866	1,547	1,912
Between 3 and 4 years	1,363	992	1,027
Between 4 and 5 years	1,770	1,378	653
Over 5 years	1,023	1,869	1,905
	<u>10,518</u>	<u>9,334</u>	<u>8,394</u>

Short-term drawings on credit lines with maturities of more than one year amount to Eur 5 million at 31 December 2001.

(B) The breakdown by currency of interest-bearing borrowings (excluding redeemable shares) is as follows:

	<u>2001^(a)</u>	<u>2000^(a)</u>	<u>1999^(b)</u>
	<i>(EUR million)</i>		
Euro zone currencies	18,832	20,018	17,092
Non Euro zone EU currencies	651	1,135	1,317
Other currencies	3,667	1,808	1,589
	<u>23,150</u>	<u>22,961</u>	<u>19,998</u>

(a) including effect of derivative financial instruments

(b) excluding effect of derivative financial instruments

10 Net Financial Indebtedness (Excluding Sales Financing)

	<u>2001</u>	<u>2000</u>	<u>1999</u>
		<i>(EUR million)</i>	
Redeemable shares	324	318	318
Bonds	2,646	2,582	2,100
Other interest-bearing borrowings	4,956	4,886	3,050
Investment loans	(2,037)	(1,535)	(1,773)
Treasury shares	(282)	(252)	(164)
Other marketable securities	(103)	(210)	(249)
Cash and cash equivalents	(1,577)	(996)	(582)
Net financial indebtedness	<u>3,927</u>	<u>4,793</u>	<u>2,700</u>

The sales financing activity is considered as an operating activity for the Renault group. As a result, refinancing undertaken in connection with sales financing, comprising interest-bearing borrowings less cash and financial assets, is not taken into account for the net financial indebtedness.

STATUTORY AUDITORS' REPORT
REPORT OF THE AUDITORS
ON THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 December 2001

In accordance with our appointment as auditors by your Annual General Meeting, we have audited the accompanying consolidated financial statements(*) of Renault presented in euros for the year ended 31 December 2001.

The consolidated financial statements are the responsibility of the Renault's management. Our role is to express an opinion on these financial statements, based on our audit.

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements present fairly the financial position and the assets and liabilities of the Renault group as at 31 December 2001 and the results of its operations for the year then ended in accordance with accounting principles generally accepted in France.

We have also performed certain procedures on the financial information related to the Renault group contained in the management's report, in accordance with professional standards applicable in France. We have no matters to report as to the fairness of this information nor its consistency with the consolidated financial statements.

Paris, 27 February 2002
The Auditors

ERNST & YOUNG Audit

DELOITTE TOUCHE TOHMATSU

Dominique THOUVENIN

Olivier AZIERES

(This is a free translation of the original French text for information purposes only)

(*) The expression « accompanying consolidated financial statements » refers to the full set of consolidated financial statements that are included in the latest annual report relating to the Issuer.

RECENT DEVELOPMENTS

Sale of Irisbus

The European Commission approved the agreement signed by Renault and Volvo on 2 January 2001 subject to the condition that Renault should rescind Irisbus, its joint venture with Iveco, within two years.

In May 2001, Renault and Iveco announced that Iveco planned to take over Renault's investment in Irisbus holding. This led to the signature of a final agreement in October 2001 concerning the transfer of Renault's stake in Irisbus holding for a total of EUR 166 million, scheduled as follows:

- 15% of the Irisbus capital has been transferred at 2 January 2002,
- 35% of the Irisbus capital to be transferred at 31 December 2002.

Increase in Renault's Stake in Nissan

Following the agreement made in 1999, Renault recorded its 36.8% stake in Nissan Motor under the equity method in its consolidated financial statements.

On 1 March 2002, Renault exercised the warrants it owned in Nissan Motor in order to subscribe to a reserved capital increase of 539,750,000 shares at 400 yen per share, representing a total of 215.9 billion yen (1.86 billion euros), thereby increasing its holding in Nissan Motor to 44.4%.

The effect of this transaction on the consolidated financial statements of Renault will be determined after preparation of the consolidated financial statements of Nissan Motor, as adjusted for Renault's requirements, for the financial year ending 31 March 2002, and the fair value of the material separately identifiable assets and liabilities of Nissan Motor is to be estimated as of March 2002.

The full consolidation of Nissan Motor in the financial statements of Renault is not required at this stage of the development of relationships between the parties. The level of the share capital ownership, the number of directors designated and the nature of the relationships between the parties lead to the conclusion that the full consolidation of Nissan Motor is not required for the time being.

Given the level of Renault's holding in the share capital of Nissan Motor, this question will have to be reviewed in light of the behaviour of the two parties after two years of operation of the Alliance Master Agreement.

Acquisition by Nissan Finance Co. Ltd in Two Phases of a 15% Holding in the Share Capital of Renault

On 29 March 2002, Nissan Finance Co. Ltd. subscribed to a first reserved capital increase in Renault, taking 13.5% of the share capital of RENAULT, at a price of 50.39 euros per share.

On 28 May 2002, Nissan Finance Co. Ltd. acquired 1.5% of Renault share capital by subscribing to a second reserved capital increase at 52.91 euros per share.

As a consequence of those operations, Nissan Finance Co. Ltd. took its stake to 15% of the share capital of Renault.

The Creation of a "Société par Actions Simplifiée" (a French Simplified Form of Joint-Stock Company), Renault s.a.s

Renault s.a.s. has received a partial contribution of assets from Renault on conclusion of a contribution agreement that was signed by Renault and Renault s.a.s. on 22 February 2002. This partial contribution of assets was approved by the extraordinary general meeting of shareholders of Renault that took place on 28 March 2002 and became effective on 1 April 2002.

Further details are provided in the "Description of Renault" under the heading "structure of the Renault group."

Creation of Renault-Nissan b.v.

Renault-Nissan b.v., a company governed by Dutch law, equally owned by Renault and Nissan Motor has fully exercised its powers since 17 April 2002. This company has the objective of defining certain strategic axes and curtailing the decision-making process so that the enhanced synergies can be put to the service of shared objectives.

Further details are provided in the "Description of Renault" under the heading "structure of the Renault group."

Creation of the Foundation

A Foundation linked to Renault-Nissan b.v. and holding an option for preference and priority shares in Renault-Nissan b.v. was established to protect the interest of the Alliance and its shareholders, as it is customary under Dutch law. The purpose of the Foundation will be to ensure that, should a third party intend to take over bid of shares either in Renault or Nissan Motor, it should offer an appropriate price.

Further details are provided in the “Description of Renault” under the heading “structure of the Renault group”.

Signature of the Renault-Nissan b.v. Management Agreement

On 17 April 2002, in accordance with the project to strengthen the strategic alliance, Renault and Nissan signed a management agreement with Renault-Nissan b.v., a jointly-owned strategic management company.

Consequently, Renault-Nissan b.v. fully exercises its powers as described in the transaction memorandum stamped by the COB on 26 March 2002 under number 02-375.

First Quarter Revenues

Renault reported a 5.3% rise in revenues in first-quarter 2002, calculated on a consistent basis. Compared with the reported figure for first-quarter 2001, the increase is 2.4%. Irisbus has been deconsolidated following the sale of Renault’s stake to Iveco on 2 January 2002.

The Automobile Division reported first-quarter revenues of EUR 8,833 million, up 5.1% on a consistent basis and 4.4% compared with the reported figure for first-quarter 2001. The division accounted for 95.1% of Renault group revenues.

Growth in revenues stemmed primarily from a favorable model and engine mix in Europe as well as from an increase in worldwide billings, led principally by Renault Samsung Motors. The key factors compared with first-quarter 2001 were a sharp rise in Laguna sales and a further increase in the percentage of revenues generated by diesel vehicles. However, the devaluation of the Argentinean peso had a negative impact.

In volume terms, Renault sold 625,065 vehicles worldwide in first-quarter 2002 (compared with 597,123 in first quarter 2001). This breaks down into 538,131 passenger cars and 86,934 light commercial vehicles, an increase of 4.7%. Renault group benefited in particular from a rise in unit sales at Renault Samsung Motors to 24,746 units, compared with 12,074 in first-quarter 2001, and a 3.2% increase in sales in Western Europe, where the market contracted 4.2%. But the continuing steep downtrend in the markets in Turkey and Argentina continued to undermine Renault group sales.

The first-quarter revenues of the Finance Division rose 8.7% year-on-year to EUR 452 million on a consistent basis, accounting for 4.9% of Renault group revenues. Compared with the reported figure for the same period in 2001, the increase was 3.2%.

In first-quarter 2001, revenues generated by other activities amounted to EUR 162 million. This figure does not take account of the contribution from the joint Renault-Iveco subsidiary Irisbus, which was deconsolidated following the sale of Renault’s holding in Irisbus to Iveco on 2 January 2002.

Divisional Breakdown of Renault Group’s Consolidated Revenues

	<i>Q1 2001 reported</i>	<i>Q1 2001 restated⁽¹⁾</i>	<i>Q1 2002</i>	<i>% change</i>	
				<i>Reported</i>	<i>Restated</i>
			<i>(EUR million)</i>		
Automobile	8,463	8,404	8,833	4.4%	5.1%
Other	162	0	0	–	–
Finance	438	416	452	3.2%	8.7%
Total	9,063	8,820	9,285	2.4%	5.3%

(1) To permit comparison, 2001 data have been restated to a basis consistent with 2002.

Impact of Nissan Results on Renault’s first half 2002 Consolidated Financial Statements

Following Nissan’s announcement of its results for fiscal year 2001 (1 April 2001 – 31 March 2002), Renault will recognize a positive contribution of €425 million for first-half 2002, after amortization of goodwill.

This contribution allows for restatements to Nissan Motor's financial statements to bring them into compliance with accounting standards applied by Renault. The contribution includes, in particular, a positive impact of €111 million relating to Renault's decision to capitalize development costs from this year on. It also reflects the increase of Renault's stake in Nissan from 36.8% to 44.4% on March 1 of this year.

In addition, because of the acquisition of an additional 7.6% stake in Nissan, the assets and liabilities of Nissan must be recalculated at fair value. This re-assessment has two effects:

- a new provisional figure of €89 million for the goodwill on this 7.6%. This new amount will be amortized on a straight-line basis over the residual period of the initial goodwill, that is 17 years.
- an adjustment in the value of the assets and liabilities previously identified in the 36.8% holding. This adjustment will have a negative impact of €417 million on shareholders' equity, in particular because of unfavorable trends on the Japanese property market since 1999. Conversely, the 15% capital increase reserved for Nissan Finance Co. Ltd. will be reflected in the first-half financial statements by a net increase in Renault's consolidated shareholders' equity of €1,205 million, in view of Renault's 44.4% stake in Nissan.

The transactions carried out in connection with the second stage of the Alliance are reflected in a €788 million increase in consolidated shareholders' equity and a €291 million reduction in Renault's debt.

SUBSCRIPTION AND SALE

Summary of Dealer Agreement

Subject to the terms and on the conditions contained in a dealer agreement dated 20 June 2002 (the “**Dealer Agreement**”) between the Issuer, the Permanent Dealers and the Arranger, the Notes will be offered on a continuous basis by the Issuer to the Permanent Dealers. However, the Issuer has reserved the right to sell Notes directly on its own behalf to Dealers that are not Permanent Dealers. The Notes may be resold at prevailing market prices, or at prices related thereto, at the time of such resale, as determined by the relevant Dealer. The Notes may also be sold by the Issuer through the Dealers, acting as agents of the Issuer. The Dealer Agreement also provides for Notes to be issued in syndicated Tranches that are jointly and severally underwritten by two or more Dealers.

The Issuer will pay each relevant Dealer a commission as agreed between them in respect of Notes subscribed by it. The Issuer has agreed to reimburse the Arranger for its expenses incurred in connection with the establishment of the Programme and the Dealers for certain of their activities in connection with the Programme. The commissions in respect of an issue of Notes on a syndicated basis will be stated in the relevant Pricing Supplement.

The Issuer has agreed to indemnify the Dealers against certain liabilities in connection with the offer and sale of the Notes. The Dealer Agreement entitles the Dealers to terminate any agreement that they make to subscribe Notes in certain circumstances prior to payment for such Notes being made to the Issuer.

Selling Restrictions

France

Each of the Dealers and the Issuer has represented and agreed that, it has not offered or sold and will not offer or sell, directly or indirectly, any Notes by way of a public offering in France (an *appel public à l'épargne*, as defined in Article L.411-1 of the French *Code monétaire et financier*).

If necessary these selling restrictions will be supplemented in the relevant Pricing Supplement.

United States

The Notes have not been and will not be registered under the U.S. Securities Act of 1933 as amended (the “**Securities Act**”) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act (“**Regulation S**”).

Materialised Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder.

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that, except as permitted by the Dealer Agreement, it will not offer, sell or, in the case of Materialised Bearer Notes, deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of any identifiable Tranche as determined, and certified to the Issuer, by the Fiscal Agent, or in the case of Notes issued on a syndicated basis, the Lead Manager, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in the preceding sentence have the meanings given to them by Regulation S.

The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S.

In addition, until 40 days after the commencement of the offering of any identifiable tranche of Notes, an offer or sale of Notes within the United States by any dealer (whether or not participating in the offering of such tranche of Notes) may violate the registration requirements of the Securities Act.

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Notes outside the United States. The Issuer and the Dealers reserve the right to reject any offer to purchase the Notes, in whole or in part, for any reason. This Offering Circular does not constitute an offer to any person in the United

States. Distribution of this Offering Circular by any non-U.S. person outside the United States to any U.S. person or to any other person within the United States, is unauthorised and any disclosure without the prior written consent of the Issuer of any of its contents to any such U.S. person or other person within the United States, is prohibited.

United Kingdom

Each Dealer has represented, warranted and agreed that:

- (i) in relation to Notes which have a maturity of one year or more, it has not offered or sold and, prior to the expiry of a period of six months from the issue date of such Notes, will not offer or sell any such Notes to persons in the United Kingdom except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or otherwise in circumstances which have not resulted and will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995
- (ii) in relation to any Notes which must be redeemed before the first anniversary of the date of their issue, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of section 19 of the Financial Services and Markets Act 2000 (the “FSMA”) by the Issuer
- (iii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer and
- (iv) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

Japan

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (the “**Securities and Exchange Law**”). Accordingly, each of the Dealers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the Securities and Exchange Law and other relevant laws and regulations of Japan. As used in this paragraph, “**resident of Japan**” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

General

These selling restrictions may be modified by the agreement of the Issuer and the Dealers following a change in a relevant law, regulation or directive. Any such modification will be set out in the Pricing Supplement issued in respect of the issue of Notes to which it relates or in a supplement to this Offering Circular.

No action has been taken in any jurisdiction that would permit a public offering of any of the Notes, or possession or distribution of the Offering Circular or any other offering material or any Pricing Supplement, in any country or jurisdiction where action for that purpose is required.

Each Dealer has agreed that it will, to the best of its knowledge, comply with all relevant laws, regulations and directives in each jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes the Offering Circular, any other offering material or any Pricing Supplement and neither the Issuer nor any other Dealer shall have responsibility therefor.

Each of the Dealers and the Issuer has represented and agreed that Materialised Notes may only be issued outside France.

FORM OF PRICING SUPPLEMENT

The form of Pricing Supplement that will be issued in respect of each Tranche is set out below:

Form of Pricing Supplement

Pricing Supplement

[LOGO, if document is printed]

RENAULT

Euro 2,000,000,000
Euro Medium Term Note Programme
for the issue of Notes
Due from one month from the date of original issue

SERIES NO: [●]
TRANCHE NO: [●]
[Brief Description and Amount of Notes]

Issue Price: [●] per cent

[Name(s) of Dealer(s)]

The date of this Pricing Supplement is [●].

This Pricing Supplement, under which the Notes described herein (the “Notes”) are issued, is supplemental to, and should be read in conjunction with, the Offering Circular (the “Offering Circular”) dated 20 June 2002 issued in relation to the Euro 2,000,000,000 Euro Medium Term Note Programme of the Issuer. Terms defined in the Offering Circular have the same meaning in this Pricing Supplement. The Notes will be issued on the terms of this Pricing Supplement read together with the Offering Circular. The Issuer [and the Paris Listing Agent [*in the case of Paris Listed issues*]] accept[s] responsibility for the information contained in this Pricing Supplement which, when read together with the Offering Circular, contains all information with respect to the Issuer and the Group and the Notes that is material in the context of the issue of the Notes.

This Pricing Supplement does not constitute, and may not be used for the purposes of, an offer of, or an invitation by or on behalf of anyone to subscribe or purchase any of the Notes.

[Except as disclosed in this document, there/There] has been no material adverse change in the condition (financial or other) of the Issuer since [date of last audited accounts or interim accounts (if later)] and no material adverse change in the prospects, results of operations or general affairs of the Issuer and the Group since [date of last published annual accounts].⁽¹⁾

The Offering Circular, together with this Pricing Supplement, contains all information relating to the assets and liabilities, financial position, profits and losses of the Issuer which is material in the context of the issue and offering of the Notes and nothing has happened, to the Issuer’s knowledge, which would require the Offering Circular to be [further] supplemented or to be updated in the context of the issue and offering of the Notes.⁽²⁾

The *Document de Référence* in the French language relating to the Issuer, incorporating the audited consolidated and non-consolidated annual accounts of the Issuer for each of the periods ended 31 December 2000 and 2001, and filed with the COB on 7 March 2002 under No. D. 02-0100, is incorporated herein by reference. Copies of the *Document de Référence* are available without charge on request at the registered office of the Issuer.

Signed:

Authorised Officer

[In connection with this issue, [name of Stabilising Agent] (the “Stabilising Agent”) or any person acting for him may over-allot or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail for a limited period after the issue date. However, there may be no obligation on the Stabilising Agent or any agent of his to do this. Such stabilising, if commenced, may be discontinued at any time, and must be brought to an end after a limited period.]⁽³⁾ Such stabilisation will be carried out in accordance with applicable laws and regulations.

⁽¹⁾ N.B. If any such change is disclosed in the Pricing Supplement, it will require approval by the Stock Exchange. Consideration should be given as to whether or not such disclosure should be made by means of a supplemental Offering Circular rather than in a Pricing Supplement.

⁽²⁾ An issue of Notes must be authorised by a resolution of the shareholders of the Issuer. The shareholders may delegate their powers to the Board of Directors of the Issuer which may in turn subdelegate its power to its President or another member of the Board of Directors.

⁽³⁾ Delete if there is no Stabilising Agent.

[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Pricing Supplement.]

- 1** Issuer: Renault
- 2** (i) Series Number: [●]
- (ii) [Tranche Number: [●]
- (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible.) [●]
- 3** Specified Currency or Currencies: [●]
- 4** Aggregate Nominal Amount:
- (i) Series: [●]
- (ii) Tranche: [●]
- 5** (i) Issue Price: [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (*in the case of fungible issues only, if applicable*)]
- (ii) [Net proceeds: [●] (*Required only for listed issues*)]
- 6** Specified Denomination(s): [●] (*one denomination only for Dematerialised Notes*)
- 7** (i) Issue Date: [●]
- (ii) [Interest Commencement Date (if different from the Issue Date): [●]
- 8** Maturity Date: [*specify date or (for Floating Rate Notes) Interest Payment Date falling in the relevant month and year*]
- 9** Interest Basis: [[●] per cent. Fixed Rate]
- [*specify reference rate*] +/- [●] per cent. Floating Rate]
- [Zero Coupon]
- [Index Linked Interest]
- [Other (*specify*)]
- (further particulars specified below)
- 10** Redemption/Payment Basis: [Redemption at par]
- [Index Linked Redemption]
- [Dual Currency]
- [Partly Paid]
- [Instalment]
- [Other (*specify*)]
- 11** Change of Interest or Redemption/Payment Basis: [*Specify details of any provision for convertibility of Notes into another interest or redemption/payment basis*]
- 12** Options: [Issuer Call]
- [(further particulars specified below)]
- [*Other Option specify details of provisions*]
- 13** Status: [Unsubordinated/Subordinated] Notes

[Specify details of any provision for Subordinated Notes in particular whether dated or undated whether interest deferral provisions apply and whether any additional events of default should apply]

14 Listing(s): [Paris/Luxembourg Stock Exchange(s)/Other (specify)/None]

15 Method of distribution: [Syndicated/Non-syndicated]

Provisions Relating to Interest (If Any) Payable

16 Fixed Rate Note Provisions [Applicable/Not Applicable]

(If not applicable, delete the remaining sub-paragraphs of this paragraph)

(i) Rate[(s)] of Interest: [] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]

(ii) Interest Payment Date(s): [] in each year

(iii) Fixed Coupon Amount [(s)]: [] per [] in nominal amount

(iv) Broken Amounts: *[Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)] and the Interest Payment Date(s) to which they relate]*

(v) Day Count Fraction (Condition 5(a)): []

(Day count fraction should be Actual/Actual-ISMA for all fixed rate issues other than those denominated in U.S. Dollars, unless otherwise agreed)

(vi) Determination Date(s) (Condition 5(a)): *[Insert day(s) and month(s) on which interest is normally paid (if more than one, then insert such dates in the alternative)]* in each year¹

(vii) Other terms relating to the method of calculating interest for Fixed Rate Notes: [Not Applicable/give details]

17 Floating Rate Note Provisions [Applicable/Not Applicable] *(If not applicable, delete the remaining sub-paragraphs of this paragraph. Also consider whether EURO BBA LIBOR or EURIBOR is the appropriate reference rate for Notes denominated in euro)*

(i) Specified Period(s)/Specified Interest Payment Dates: []

(ii) Business Day Convention: [Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (give details)]

(iii) Additional Business Centre(s) (Condition 5(a)): []

(iv) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/FBF Determination/ISDA Determination/other (give details)]

(v) Interest Period Date(s): [Not Applicable/specify dates]

(vi) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Calculation Agent): []

(vii) Screen Rate Determination (Condition 5(c)(iii)(C)):

- Relevant Time: []

- Interest Determination Date: [[] [TARGET] Business Days in [specify city] for [specify currency] prior to [the first day in each Interest Accrual Period/each Interest Payment Date]]

- Primary Source for Floating Rate: [Specify relevant screen page or "Reference Banks"]

- Reference Banks (if Primary Source is “Reference Banks”):	[Specify four]
- Relevant Financial Centre:	[The financial centre most closely connected to the Benchmark – specify if not London]
- Benchmark:	[LIBOR, LIBID, LIMEAN, EURIBOR or other benchmark]
- Representative Amount:	[Specify if screen or Reference Bank quotations are to be given in respect of a transaction of a specified notional amount]
- Effective Date:	[Specify if quotations are not to be obtained with effect from commencement of Interest Accrual Period]
- Specified Duration:	[Specify period for quotation if not duration of Interest Accrual Period]
(viii) FBF Determination (Condition 5(c)(iii)(A)):	[Applicable/Not Applicable]
- Floating Rate:	[●]
- Floating Rate Determination Date (<i>Date de Détermination du Taux Variable</i>):	[●]
- FBF Definitions: (if different from those set out in the Conditions)	[●]
(ix) ISDA Determination (Condition 5(c)(iii)(B)):	
- Floating Rate Option:	[●]
- Designated Maturity:	[●]
- Reset Date:	[●]
- ISDA Definitions: (if different from those set out in the Conditions)	[●]
(x) Margin(s):	[+/-] [●] per cent. per annum
(xi) Minimum Rate of Interest:	[●] per cent. per annum
(xii) Maximum Rate of Interest:	[●] per cent. per annum
(xiii) Day Count Fraction (Condition 5(a)):	[●]
(xiv) Rate Multiplier:	[●]
(xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions:	[●]
18 Zero Coupon Note Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
(i) Amortisation Yield (Condition 6(e)(i)):	[●] per cent. per annum
(ii) Day Count Fraction (Condition 5(a)):	[●]
(iii) Any other formula/basis of determining amount payable:	[●]
19 Index Linked Interest Note Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
(i) Index/Formula:	[Give or annex details]
(ii) Calculation Agent responsible for calculating the interest due:	[●]
(iii) Provisions for determining Coupon where calculation by reference to Index and/or Formula is impossible or impracticable:	[●]

(iv)	Specified Period(s)/Specified Interest Payment Dates:	[●]
(v)	Business Day Convention:	[Floating Rate Business Day Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/other (<i>give details</i>)]
(vi)	Additional Business Centre(s) (Condition 5(a)):	[●]
(vii)	Minimum Rate of Interest:	[●] per cent. per annum
(viii)	Maximum Rate of Interest:	[●] per cent. per annum
(ix)	Day Count Fraction (Condition 5(a)):	[●]
20	Dual Currency Note Provisions	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
(i)	Rate of Exchange/Method of calculating Rate of Exchange:	[Give details]
(ii)	Calculation Agent, if any, responsible for calculating the principal and/or interest due:	[●]
(iii)	Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable:	[●]
(iv)	Person at whose option Specified Currency(ies) is/are payable:	[●]
(v)	Day Count Fraction (Condition 5(a)):	[●]
Provisions Relating to Redemption		
21	Call Option	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
(i)	Optional Redemption Date(s):	[●]
(ii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	[●]
(iii)	If redeemable in part:	[●]
(a)	Minimum nominal amount to be redeemed:	[●]
(b)	Maximum nominal amount to be redeemed:	[●]
(iv)	Option Exercise Date(s):	[●]
(v)	Description of any other Issuer's option:	[●]
(vi)	Notice period (if other than as set out in the Conditions):	[●]
22	Put Option	[Applicable/Not Applicable] (<i>If not applicable, delete the remaining sub-paragraphs of this paragraph</i>)
(i)	Optional Redemption Date(s):	[●]
(ii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	[●]
(iii)	Option Exercise Date(s):	[●]
(iv)	Description of any other Noteholders' option:	[●]
(v)	Notice period (if other than as set out in the Conditions):	[●]
23	Final Redemption Amount	[Nominal amount/Other/See Appendix]

- 24** Early Redemption Amount
- (i) Early Redemption Amount(s) payable on redemption for taxation reasons (Condition 6(f)), for illegality (Condition 6(j)) or an event of default (Condition 9) and/or the method of calculating the same (if required or if different from that set out in the Conditions) [Yes/No]
- (ii) Redemption for taxation reasons permitted on days others than Interest Payment Dates (Condition 6(f)): [Yes/No]
- (iii) Unmatured Coupons to become void upon early redemption (Materialised Bearer Notes only) (Condition 7(f)): [Yes/No/Not applicable]

General Provisions Applicable to the Notes

- 25** Form of Notes: [Dematerialised Notes/ Materialised Notes] (*Materialised Notes are only in bearer form*)
[Delete as appropriate]
- (i) Form of Dematerialised Notes: [Not Applicable/if Applicable specify whether] [Bearer dematerialised form (*au porteur*)/Registered dematerialised form (*au nominatif*)]
- (ii) Registration Agent: [Not Applicable/if Applicable give name and details] (*Note that a Registration Agent must be appointed in relation to Registered Dematerialised Notes only*)
- (iii) Temporary Global Certificate: Temporary Global Certificate exchangeable for Definitive Materialised Bearer Notes on [●] (the “Exchange Date”), being 40 days after the Issue Date subject to postponement as provided in the Temporary Global Certificate
- (iv) Applicable TEFRA exemption: [C Rules/D Rules/Not Applicable] (*Only applicable to Materialised Notes*)
- 26** Additional Financial Centre(s) (Condition 7(h)) or other special provisions relating to payment dates: [Not Applicable/Give details]. (*Note that this item relates to the place of payment, and not interest period end dates, to which item 17(iii) relates*)
- 27** Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No/Not Applicable. *If yes, give details*] (*Only applicable to Materialised Notes*)
- 28** Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay: [Not Applicable/give details]
- 29** Details relating to Instalment Notes: [Not Applicable/give details]
- (i) Instalment Amount(s): [●]
- (ii) Instalment Date(s): [●]
- (iii) Minimum Instalment Amount: [●]
- (iv) Maximum Instalment Amount: [●]
- 30** Redenomination, renominatisation and reconventioning provisions: [Not Applicable/The provisions [in Condition 1(d)] [annexed to this Pricing Supplement] apply]
- 31** Consolidation provisions: [Not Applicable/The provisions [in Condition 14(b)] [annexed to this Pricing Supplement] apply]

32 *Masse* (Condition 11

[Applicable/Not Applicable/Condition 11 replaced by the full provisions of French Code of Commerce relating to the *Masse*] (Note that:(i) in respect of any Tranche of Notes issued outside France, Condition 11 may be waived, amended or supplemented, and (ii) in respect of any Tranche of Notes issued inside France, Condition 11 must be waived in its entirety and replaced by the provisions of the French Code of Commerce relating to the *Masse*. If Condition 11 (as it may be amended or supplemented) applies or if the full provisions of the French Code of Commerce apply, insert details of Representative and Alternative Representative and remuneration, if any).

The name of the initial Representative is:

[name and address]

The alternative Representative will be:

[name and address]

The Issuer shall pay to the initial Representative an amount of Euro [●] per year, payable on [●] of each year, commencing on [●]. The alternative Representative will not be remunerated until, and if, he effectively replaces the initial Representative.

33 Other terms or special conditions:

[Not Applicable/give details]

Distribution

34 (i) If syndicated, names of Managers:

[Not Applicable/give names]

(ii) Stabilising Manager (if any):

[Not Applicable/give name]

(iii) Dealer's Commission:

[●]

35 If non-syndicated, name of Dealer:

[Not Applicable/give name]

36 Additional selling restrictions:

[Not Applicable/give details]

Operational Information

37 ISIN Code:

[●]

38 Sicovam Number:

[●]

39 Common Code:

[●]

40 Depositary(ies)

(i) Euroclear France to act as Central Depositary

[Yes/No]

(ii) Common Depositary for Euroclear and Clearstream, Luxembourg

[Yes/No]

41 Any clearing system(s) other than Euroclear France, Euroclear and Clearstream, Luxembourg and the relevant identification number(s):

[Not Applicable/give name(s) and number(s)]

42 Delivery:

Delivery [against/free of] payment

43 The Agents appointed in respect of the Notes are:

[●]

44 In the case of Notes listed on Euronext Paris S.A.:

(a) the number of Notes to be issued in each Denomination:

[●]

(b) Paying Agent in France

(i) address in Paris where documents to be made available for inspection may be inspected:

[●]

- (ii) list of such documents available for inspection: [●]
- (c) specialist broker: [●]
- (d) responsibility statement in French and brief summary in French of the main characteristics of any Notes which are to be listed on Euronext Paris S.A. and of the Issuer to be inserted.

General

45 The aggregate principal amount of Notes issued has been translated into Euro at the rate of [●], producing a sum of: [Not Applicable/Euro[●]] (*Only applicable for Notes not denominated in Euro*)

46 Rating [[●]] by [●] and [●] by [●]

A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency

RESUME EN FRANÇAIS

Responsabilité du prospectus

[numéro et date du visa s'il y a lieu, indication d'un avertissement]

[Nom et qualité du signataire]

[Nom et qualité du signataire]

Renault

[Agent de cotation à Paris]

Visa n° [●]-[●] en date du [●] 2002.

Le présent prospectus accompagné du présent résumé en français⁽¹⁾ sera disponible aux heures habituelles d'ouverture des bureaux, un quelconque jour de la semaine (à l'exception des samedis, dimanches et jours fériés) dans les bureaux de l'agent financier [et/,] de l'agent payeur à Paris [et de l'agent payeur à Luxembourg]⁽²⁾.

A-Contenu et Modalités de L'Opération

1. Montant de l'émission

Nombre et valeur nominale des Titres: [●]
Montant nominal de l'émission: [●]

2. Caractéristiques des Titres émis

- 2.1 Prix de souscription/Prix d'émission: [●]
Coupon couru (s'il y a lieu): [●]
Modalité de paiement (paiement fractionné...): [●]
- 2.2 Jouissance des titres:
Date d'entrée en jouissance des Titres: [●]
- 2.3 Date de règlement/Date d'assimilation: [●]
- 2.4 Intérêts et/ou taux nominal (facial) ou caractéristiques nominales (faciales) et le cas échéant, leurs modalités de calcul: [●]
- 2.5 Amortissement: [●]
Remboursement: [●]
- 2.6 Durée de l'émission: [●]
- 2.7 Clause d'assimilation: [●]
- 2.8 Rang de créance: [●]
- 2.9 Notation: [●]
- 2.10 Mode de représentation des porteurs des Titres, le cas échéant: [●]
- 2.11 Liste des établissements chargés du service financier en France: [●]
- 2.12 Droit applicable et tribunaux compétents en cas de litige: [●]

B-Organisation et Activité de L'Emetteur

1. Renseignements de caractère général concernant l'émetteur, ses organes d'administration

- 1.1 Dénomination: [●]
Siège social: [●]
- 1.2 Forme juridique de l'émetteur et nature des organes d'administration: [●]
- 1.3 Nom et statut des contrôleurs légaux: [●]
- 1.4 Date de constitution et d'expiration de l'émetteur: [●]
- 1.5 Indication des lieux où peuvent être consultés les documents juridiques relatifs à l'émetteur (statuts, procès verbaux d'assemblées générales, rapports des contrôleurs légaux): [●]

2. Renseignements de caractère général concernant le capital

- 2.1 Montant du capital: [●]
- 2.2 Principaux actionnaires mentionnés dans le prospectus: [●]

3. Renseignements concernant l'activité de l'émetteur

Lorsque l'émetteur est à la tête d'un groupe, les renseignements prévus dans ce paragraphe sont fournis pour le groupe.

- 3.1 Bref descriptif de l'activité de l'émetteur et de son évolution: [●]

⁽¹⁾ Pour l'admission des Titres sur Euronext Paris S.A. uniquement.

⁽²⁾ Si les Titres font également l'objet d'une demande d'admission en bourse de Luxembourg.

- 3.2 Indication de tout événement exceptionnel ou d'opération prévue de toute nature ainsi que de tout litige susceptible d'avoir ou ayant eu dans un passé récent une incidence significative sur la situation financière de l'émetteur, son activité, et le cas échéant sur son groupe, et qui ont été présentés comme tels dans le prospectus: [●]

C – Situation Financière de L'Emetteur

1. **Chiffres-clés du bilan:** tableau synthétique de l'endettement et des fonds propres établi, le cas échéant sur une base consolidée, et disponible à la date de la situation la plus récente établie ou à défaut à la date du dernier bilan présenté.
2. **Le cas échéant, observations, réserves ou refus de certifications des contrôleurs légaux:** si les certifications sur les derniers comptes présentés dans le prospectus ont été refusées par les contrôleurs légaux ou si elles comportent des réserves ou des observations, ce refus, ces réserves ou ces observations doivent être reproduites intégralement.

INFORMATIONS RELATIVES A L'ADMISSION A LA COTE D'EURONEXT PARIS S.A.

**Personnes qui assument la responsabilité du Prospectus
composé du Document de Base (“Offering Circular”)
enregistré par la Commission des opérations de bourse
sous le n°P. 02-164 en date du 19 juin 2002
et de la présente Note d’Opération (“Pricing Supplement”)**

Au nom de l'émetteur

A la connaissance de l'émetteur, les données du présent Prospectus sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

Aucun élément nouveau [(autres que ceux mentionnés dans la présente Note d’Opération)] intervenu depuis:

- le [●] 2002 date du numéro d'enregistrement n°P. 02-[●] apposé par la Commission des opérations de bourse sur le Document de Base
- le [●], date du visa n°[●]-[●] apposé par la Commission des opérations de bourse sur [le Document de Référence/la Note d’Opération] en date du [●]

n'est susceptible d'affecter de manière significative la situation financière de l'émetteur dans le contexte de la présente émission.

[nom et qualité du signataire]

RENAULT

Au nom de [la banque présentatrice/l'établissement présentateur]

A la connaissance de [la banque présentatrice/l'établissement présentateur] les données du présent Prospectus sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

[nom et qualité du signataire]

[AGENT DE COTATION A LA BOURSE DE PARIS]

Visa de la Commission des opérations de bourse

En application des articles L.412-1 et L.621-8 du Code monétaire et financier, la Commission des opérations de bourse a apposé le visa n°02-[●] en date du [●] 2002 sur le présent document, qui constitue le prospectus prévu par les articles précités, conformément aux dispositions de son règlement n°98-01. Ce prospectus a été établi par l'émetteur et engage la responsabilité de ses signataires. Le visa n'implique ni approbation de l'opportunité de l'opération ni authentification des éléments comptables et financiers présentés. Il a été attribué après examen de la pertinence et de la cohérence de l'information donnée dans la perspective de l'opération proposée aux investisseurs.

La notice légale sera publiée au Bulletin des Annonces légales obligatoires (BALO) du [●].

GENERAL INFORMATION

- (1) In connection with the application to list a Series of Notes on Euronext Paris S.A.:
 - (a) the COB allocated the registration number P. 02-164 on 19 June 2002 on this Offering Circular
 - (b) a legal notice relating to the issue of such Notes will be published in the *Bulletin des Annonces légales obligatoires* prior to such listing;
 - (c) the Pricing Supplement applicable to such issue will be submitted to the approval of the COB and the relevant approval will be evidenced by the issue of a *visa* by the COB which will be disclosed in the relevant Pricing Supplement applicable to the relevant Notes and by publication in the *Bulletin Officiel d'Euronext Paris S.A.* and
 - (d) the Pricing Supplement applicable to such issue will specify the additional places in Paris at which documents required to be made available for inspection may be inspected during normal business hours.

the documents mentioned in this Offering Circular, including those mentioned in (9) below, may be inspected during usual business hours on any working day from the date hereof at the offices of Deutsche Bank AG Paris Branch, 3, avenue de Friedland, 75008 Paris. Copies of the most recent annual reports of the Issuer may be obtained without charge from Deutsche Bank AG Paris Branch at the above-mentioned address.

- (2) In connection with the application to list the Notes on the Luxembourg Stock Exchange a legal notice relating to the issue of the Notes and copies of the statuts of the Issuer will be deposited with the Chief Registrar of the District Court in Luxembourg ("*Greffier en Chef du Tribunal d'Arrondissement de et à Luxembourg*") where such documents may be examined and copies obtained. The Luxembourg Stock Exchange has allocated to the Programme the number 12734 for listing purposes.
- (3) The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in the Republic of France in connection with the establishment of the Programme. The establishment of the Programme was authorised by a decision of the *Président Directeur Général* of the Issuer dated 3 June 2002 for a maximum nominal amount up to €2,000,000,000. Any drawdown of Notes under the Programme, to the extent that such Notes constitute *obligations*, require the prior authorisation of the Ordinary General Meeting of the shareholders or of the Board of Directors acting by delegation from the Ordinary General Meeting of the shareholders. For this purpose the Board of Directors benefits from an authority granted on 26 April 2002 by the Ordinary General Meeting of the shareholders to issue Notes to a maximum aggregate amount of €4,000,000,000 which authority will, unless previously cancelled, expire on the Ordinary General Meeting of the shareholders which will approve the annual accounts of the financial year 2002. The Board of Directors has delegated on 26 April 2002 to its *Président* all powers to determine the terms and conditions of the Notes. Any drawdown of Notes, to the extent that such Notes do not constitute *obligations*, fall within the general powers of the *Président Directeur Général* (or the *Directeur Général*, as the case may be) of the Issuer or any other authorised official acting by delegation.
- (4) Except as disclosed in this Offering Circular, there has been no material adverse change in the condition (financial or other), prospects, results of operations or general affairs of the Issuer or the Group since 31 December 2001.
- (5) Except as disclosed in this Offering Circular, there are no pending actions, suits or proceedings against or affecting the Issuer or any of its subsidiaries consolidated on a full integration basis (*filiales consolidées par intégration globale*) which, if determined adversely to the Issuer or any such subsidiary, would individually or in the aggregate have a material adverse effect on the condition (financial or other), prospects, results of operations or general affairs of the Issuer or the Group and, to the best of the Issuer's knowledge, no such actions, suits or proceedings are threatened or contemplated.
- (6) Each Definitive Bearer Materialised Note, Receipt, Coupon and Talon will bear the following legend: "Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code".
- (7) Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems. The Common Code, the International Securities Identification Number (ISIN) and (where applicable) the Sicovam number or the identification number for any other relevant clearing system for each Series of Notes will be set out in the relevant Pricing Supplement.

- (8) The Arrangers, the Dealers and the Issuer will, in relation to issues of Notes listed on Euronext Paris S.A. comply with the Euro Guidelines (as defined under “Summary of the Programme”). Each Series of Notes listed on Euronext Paris S.A. must be issued in compliance with the *Principes Généraux* of the COB and the *Conseil des Marchés Financiers* published from time to time.
- (9) For so long as Notes issued under the Programme are outstanding, the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection and, in the case of documents listed at (iv), (v), (vi) and (viii), collection free of charge at the office of the Fiscal Agent or each of the Paying Agents:
- (i) the Agency Agreement
 - (ii) the Dealer Agreement
 - (iii) the *statuts* of the Issuer
 - (iv) the published annual report and audited non-consolidated and consolidated accounts of the Issuer for the two financial years ended 31 December 2000 and 2001
 - (v) each Pricing Supplement for Notes that are listed on Euronext Paris S.A. and/or the Luxembourg Stock Exchange or any other stock exchange
 - (vi) a copy of this Offering Circular together with any Supplement to this Offering Circular or further Offering Circular
 - (vii) a copy of the subscription agreement for Notes issued on a syndicated basis that are listed on the Luxembourg Stock Exchange or any other stock exchange and
 - (viii) all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is extracted or referred to in this Offering Circular in respect of each issue of Notes.
- (10) Copies of the latest annual report and non-consolidated and consolidated accounts of the Issuer (including any published semi-annual interim consolidated accounts) (in English and French) (in each case as soon as they are published) may be obtained, and copies of the Agency Agreement will be available for collection, at the specified offices of each of the Paying Agents during normal business hours, so long as any of the Notes is outstanding.
- (11) The European Union is currently considering proposals for a new directive regarding the taxation of savings income (the “**Directive**”). Subject to certain conditions being met, it is proposed that Member States will be required to provide to the tax authorities of another Member State details of payments of interest within the meaning of the Directive (interest, products, premiums or other debt income) made by a paying agent within its jurisdiction to an individual resident in that other Member State (the “**Disclosure of Information Method**”).
- In this way, the term “paying agent” would be defined widely and would include in particular any economic operator who is responsible for making interest payments, within the meaning of the Directive, for the immediate benefit of individuals.
- However, throughout the transitional period, which should end seven years after the coming, into force of the Directive, certain Member States (the Grand Duchy of Luxembourg, Belgium and Austria), instead of using the Disclosure of Information Method used by other Member States, will withhold an amount on interest payments of 15 per cent. during the first three years and 20 per cent. until the end of the transitional period.
- (12) Schroder is a trademark of Schrodgers Holdings plc and is used under licence by Salomon Brothers International Limited.

INFORMATIONS RELATIVES A L'ADMISSION A LA COTE D'EURONEXT PARIS S.A.

Personnes qui assument la responsabilité du Document de Base en ce qui concerne les Titres qui seront admis au Premier Marché d'Euronext Paris S.A.

1 Au nom de l'Emetteur

A la connaissance de l'Emetteur, les données du présent Document de Base sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

*Alain DASSAS
RENAULT*

2 Au nom de la banque présentatrice

A la connaissance de la banque présentatrice, les données du présent Document de Base sont conformes à la réalité et ne comportent pas d'omission de nature à en altérer la portée.

Sandra ROY

Benjamin FRARIN LA MICHELLAZ

DEUTSCHE BANK AG – Succursale de Paris

Commission des opérations de bourse

En application de son règlement n° 98-01, la Commission des opérations de bourse a enregistré le présent Document de Base le 19 juin 2002 sous le n° P.02-164. Il ne peut être utilisé à l'appui d'une opération financière que s'il est complété par une Note d'Opération visée par la Commission des opérations de bourse. Ce Document de Base a été établi par l'émetteur et engage la responsabilité de ses signataires. Cet enregistrement, effectué après examen de la pertinence et de la cohérence de l'information donnée sur la situation de la société, n'implique pas authentification des éléments comptables présentés.

La notice préalable à la cotation éventuelle à Paris de tous les Titres émis dans le cadre de ce programme sera publiée au Bulletin des Annonces légales obligatoires.

PARIS LISTING INFORMATION

[Translation of the preceding page for information purposes only]

**Individuals assuming responsibility for the Offering Circular
in connection with the Notes listed on the First Market of Euronext Paris S.A.**

1 In the name of the Issuer

To the best knowledge of the Issuer, the information contained in this Offering Circular are true and accurate and there has been no omission of material facts which would make any statements herein misleading.

**Alain DASSAS
RENAULT**

2 In the name of the Listing Agent

To the best knowledge of the Listing Agent, the information contained in this Offering Circular are true and accurate and there has been no omission of material facts which would make any statements herein misleading.

Sandra ROY

Benjamin FRARIN LA MICHELLAZ

DEUTSCHE BANK AG – Succursale de Paris

Commission des Opérations de Bourse

In accordance with its Regulation n° 98-01, the *Commission des opérations de bourse* has registered this Offering Circular on 19 June 2002 under the number P.02-164. It can only be relied upon in relation to any financial transaction if it is accompanied by a Pricing Supplement which has been submitted to the clearing procedures of the *Commission des opérations de bourse*. This Offering Circular has been prepared by the issuer and its signatories may be hold liable for it. This registration, made after an examination of the relevance and consistency of the information relating to the situation of the company, shall not imply the authentication of the accounting information contained herein.

The legal notice that have to be published before the listing of the Notes on Euronext Paris S.A. will be published in the *Bulletin des Annonces légales obligatoires*.

Registered Office of the Issuer

Renault
13-15, quai le Gallo,
92100 Boulogne Billancourt
France

Arranger

Deutsche Bank AG Paris Branch
3, avenue de Friedland
75008 Paris
France

Dealers

Barclays Bank Plc
5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

BNP PARIBAS
10 Harewood Avenue
London NW1 6AA
United Kingdom

CCF
103, avenue des Champs-Élysées
75008 Paris
France

Deutsche Bank AG London
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

Salomon Brothers International Limited
Citigroup Centre
33 Canada Square
London E14 5LB
United Kingdom

Tokyo-Mitsubishi International plc
6 Broadgate
London EC2M 2AA
United Kingdom

**Fiscal Agent, Principal Paying Agent, Redenomination Agent,
Consolidation Agent and Calculation Agent**

BNP Paribas Securities Services, Luxembourg Branch
23, avenue de la Porte Neuve
L – 2085 Luxembourg
Grand-Duchy of Luxembourg

Paying Agents

Paris Paying Agent

BNP Paribas Securities Services
GIS Coupon Services
Les Collines de l'Arche
92057 Paris La Défense
France

Luxembourg Paying Agent

BNP Paribas Luxembourg
10 A, boulevard Royal
L – 2093 Luxembourg
Grand-Duchy of Luxembourg

Listing Agents

Paris Listing Agent

Deutsche Bank AG Paris
3, avenue de Friedland
75008 Paris
France

Luxembourg Listing Agent

**BNP Paribas Securities Services
Luxembourg Branch**
23, avenue de la Porte Neuve
L – 2085 Luxembourg
Grand-Duchy of Luxembourg

Auditors to the Issuer

Ernst & Young Audit S.A.
4, rue Auber,
75009 Paris
France

Deloitte Touche Tohmatsu S.A.
185, avenue Charles de Gaulle
92200 Neuilly-sur-Seine
France

Legal Advisers

To the Issuer
Watson, Farley & Williams
47, rue Monceau
75008 Paris
France

To the Dealers
Linklaters
(a member of Linklaters & Alliance)
25, rue de Marignan
75008 Paris
France



RENAULT

