RENAULT

PRESS RELEASE

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FIRST-HALF 2012 FINANCIAL RESULTS

- **The Group sold 1.33 million units, down 3.3% on first-half 2011. Low sales in Europe were only partly offset by strong international[1] growth.**
- **Group revenues came to €20,935 million, down 0.8% year on year.**
- **The Group posted an operating margin of €482 million, or 2.3% of revenues, compared with €630 million (3.0% of revenues) in first-half 2011.**
- **The Group reported operating income of €519 million in first-half 2012, compared with €772 million in the first half of 2011.**
- **Net income totaled €786 million, compared with €1,253 million in first-half 2011.**
- **Automotive operational free cash flow[2] was a negative €200 million.**
- **Automotive net financial debt amounted to €818 million at end-June.**

Commenting on the results, Carlos Ghosn, Chairman and CEO of Renault, said: "In a difficult and uncertain environment, Renault remains on track to meet its 2012 objective of positive Automotive operational free cash flow".

Group revenues came to €20,935 million in first-half 2012, down 0.8%. Continued international growth failed to offset the weakness of the European market. Automotive contributed €19,863 million to revenues, down 1.4% on first-half 2011 owing to a decrease in sales in France and Europe. This was only partly offset by a favorable product mix and a slightly positive price effect.

Group operating margin totaled €482 million in the first half of the year 2012, or 2.3% of revenues, compared with €630 million, or 3.0% of revenues, in first-half 2011.
Automotive operating margin was a positive €87 million, or 0.4% of revenues, down €134 million year on year. The decrease mainly resulted from a fall in volumes (-€176million) and an increase in costs owing to product enhancements (-€211 million). In contrast, operating margin benefited from the Monozukuri cost reduction plan (€197 million net) and a reduction in general expenses (€59 million).

Sales Financing contributed €395 million to Group operating margin, compared with €409 million in first-half 2011. The cost of risk rose to 0.44% of average loans outstanding, up from 0.14% in first-half 2011. After reaching a record low last year, the cost of risk remains below its average historic level of 0.60%, reflecting the continuing good quality of the portfolio despite the economic slowdown in Europe.

The contribution from associated companies, mainly Nissan, Volvo AB and AVTOVAZ, came to €630 million in first-half 2012.

Net income amounted to €786 million and net income Group share €746 million (€2.74 per share compared with €4.48 per share in first-half 2011).

Automotive operational **free cash flow** was a negative €200 million, after accounting for the impact of the negative €444 million change in the working capital requirement since December 31, 2011.

Automotive **net financial debt** increased €519 million on December 31, 2011, totaling €818 million at June 30, 2012. The debt-to-equity ratio was 3.3% at end-June 2012, compared with 1.2% at end-December 2011.

1 International: Americas, Asia-Pacific, Euromed-Africa and Eurasia.

2 *Automotive operational free cash flow: cash flow (excluding dividends received from listed companies) less investments in property, plant, equipment and intangibles net of disposals +/- change in working capital requirement.*

Since January 2012 Renault SA has borrowed nearly €1 billion in medium-term loans, thereby refinancing almost all of its 2012 bond repayments, while confirming its access to European and Japanese markets. Automotive maintained its cash reserves at €11.1 billion at end-June 2012.

OUTLOOK 2012

The trend of the automotive market (PC+LCV) seen in the first half 2012 should prevail in the second half: global growth and declining sales in Europe. For the full year, the Group now expects global automotive demand to grow by 5% (vs 4% previously).The European market should decline 3 percentage points more than previously forecasted (now -6% to -7%), including a decrease in the French market of -10% to - 11% (vs -7% to -8% previously).

Due to international growth, new product launches in the second half of 2012 and the roll-out of Duster in additional markets, the Group targets 2012 unit sales to exceed the level reached in 2011, provided that there is no further deterioration of the situation in Europe than expected today.

In this context of low global visibility and higher risks in Europe, the Group remains in line to achieve its 2012 target of positive automotive operational free cash flow.

Consolidated Renault results in first-half 2012

€ million	*H1 2012*	*H1 2011*
Group revenues[3]	20,935	21,101
Operating margin	482	630
% of revenues	+2.3 %	+3.0 %
Other operating income and expenses	37	142
Operating income	519	772
Financial result	-127	-81
Share in result of associated companies	630	557
o/w Nissan	564	441
o/w Volvo	68	70
o/w AVTOVAZ	4	37
Current and deferred taxes	-236	5
Net income	786	1,253
Net income, Group share	746	1,220

ADDITIONAL INFORMATION

The Group's consolidated financial statements were approved by the Board of Directors on July 26, 2012.
The Group's statutory auditors have conducted a limited review of these half-year financial statements and their report will be issued shortly.
The earnings report with a complete analysis of the financial results for first-half 2012 is available for download in the Finance section of www.renault.com.

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[3] On a like-for-like basis, first-half 2011 unchanged at €21,101 million