



**EARNINGS REPORT
FIRST-HALF 2015**



Earnings report - First-half 2015

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KEY FIGURES

		H1 2015	H1 2014	Change
Worldwide Group sales *	million vehicles	1.38	1.36	+0.8%
Group revenue	€ millions	22,197	19,820	+12.0%
Group operating profit	€ millions	1,069	729	+340
	% revenue	4.8%	3.7%	+1.1 pts
Contribution from associates	€ millions	912	725	+187
o/w Nissan		979	789	+190
o/w AVTOVAZ		-70	-55	-15
Net income	€ millions	1,469	801	+668
Net income, Group share	€ millions	1,396	749	+647
Earnings per share, Group share	€	5.12	2.75	+2.37
Free cash flow from operations **	€ millions	-95	-360	+265
Automotive net cash position	€ millions	1,567	2,104 at Dec. 31, 2014	-537
Average loans outstanding – Sales Financing	€ billions	27.6	24.8	+11.1%

* Preliminary figures

** Free cash flow from operations: cash flows from operations (excluding dividends received from publicly listed companies) minus acquisitions of property, plant and equipment, and intangible assets net of disposals +/- change in the working capital requirement.

OVERVIEW

In the first half of the year, Renault Group **registrations** increased slightly at nearly 1.4 million vehicles.

Group revenues came to €22,197 million, up 12.0% from H1 2014.

Automotive revenues amounted to €21,065 million, up 12.4% due to increased Group's brands volumes and sales to partners. The euro's drop against a basket of currencies (Korean won, British pound, etc.) had a positive impact. The price effect was also positive, primarily due to higher prices decided in late 2014 in emerging markets in order to offset currency depreciations (particularly in Russia and Brazil).

The **Group's operating profit** amounted to €1,069 million (+47%), compared to €729 million in H1 2014, representing 4.8% of revenues (3.7% in H1 2014).

The **Automotive operating profit** was up €308 million (+89%) to €656 million, or 3.1% of revenues. This performance can be explained by increased activity and reduced costs. The currency impact was positive in the first half; on the other hand, the mix/price/enhancement effect was negative.

The contribution of **Sales Financing** to the Group's operating profit was €413 million, compared to €381 million in H1 2014. This increase was due in particular to the rising contribution of services. The cost of risk improved to 0.31% of the average loans outstanding compared to 0.47% in H1 2014.

Other Operating Income and Expenses Items were negative at €116 million, primarily related to restructuring costs related to the ongoing implementation of the competitiveness agreement in France (-€265 million in H1 2014).

The Group's **operating income** came to €953 million (+105%), compared to €464 million in H1 2014. This improvement is due to the increase in the operating profit and the €149 million reduction in other expenses.

The **contribution of associated companies**, mainly Nissan, came to €912 million, compared to €725 million in H1 2014, including a €70 million negative contribution by AVTOVAZ.

IN BRIEF

Net income came to €1,469 million (+83%), and Group share totalled €1,396 million (€5.12 per share compared to €2.75 per share in H1 2014, up 86%).

Automotive operational free cash flow was near breakeven at -€95 million, despite a negative €369 million change in the working capital requirement.

At June 30, 2015, total inventory (including the independent dealer network) represented 64 days of sales compared to 62 days at end-June 2014.

OUTLOOK FOR 2015

Global car demand should continue to grow about 1% in 2015 despite a significant slowdown in emerging markets. On the other hand, the European market should grow by at least 5%.

Within this context, the Renault group aims to:

- increase further its registrations and revenues (at constant exchange rates),
- continue to improve the Group's operating margin and that of the Automotive division,
- generate a positive Automotive operational free cash flow.

RISK MANAGEMENT AND RELATED THIRD PARTIES

Renault designs, manufactures and markets private cars and light commercial vehicles. It is affected by cycles in automotive markets, and in first-half 2015, 62% of their impact was in Europe and 38% outside Europe. All economic fluctuations in these regions are liable to influence the Group's financial performance.

No other risks or uncertainties than those described in Chapter 1.5 of the 2014 Registration Document filed on March 18, 2015, are anticipated in the remaining six months of the year, notably:

FINANCIAL RISK

- Liquidity risk
- Currency risk
- Interest rate risk
- Counterparty risk
- Commodity risk

OPERATIONAL RISK

- Supplier Risk
- Geographical Risk
- Risks arising from Economic Conditions
- RCI Banque customer and network risk
- Distribution risk
- Industrial risk
- Environmental risk
- IT risk
- Insuring against operational risk

OTHER RISKS

- Legal and Fiscal
- Risk arising from Pension Liabilities

There are no transactions between related parties other than those described in Note 27 of the Appendix to the Annual Consolidated Financial Statements of the same Registration Document and Note 19 of the Appendix to the Half-Year Consolidated Financial Statements summarized in this report.

OVERVIEW

- In the first half of the year, Renault Group registrations increased slightly at nearly 1.4 million vehicles.
- In Europe, in a market up 8.5%, the Group's registrations increased by 9.3% and brought the Group's market share to more than 10% through the successful renewal of the range. This strong European performance offsets the decline in our main emerging markets.
- Outside of Europe, the turmoil continues to undermine economic activity, in particular in Russia and Brazil, where Group registrations dropped in line with the market (down 40.8% and 18.7%).
- At end-June 2015, the number of new financing contracts by **RCI Banque** was up 14.4% on first-half 2014.

THE RENAULT GROUP'S TOP FIFTEEN MARKETS

REGISTRATIONS	volumes H1 2015* (in units)	PC / LCV market share H1 2015 (%)	Change in market share on H1 2014 (points)
1 France	325,360	26.9	-0.4
2 Brazil	89,527	7.0	+0.1
3 Germany	86,254	5.0	-0.4
4 Italy	85,867	9.2	+0.7
5 Spain	81,907	13.0	+0.7
6 Turkey	67,849	15.7	-1.8
7 United Kingdom	62,892	4.0	+0.2
8 Russia	57,116	7.3	-0.5
9 Belgium+Luxembourg	47,968	13.6	+0.2
10 Algeria	47,918	31.7	+7.1
11 South Korea	37,260	4.4	-0.2
12 Argentina	32,312	10.6	-3.8
13 Morocco	23,864	38.4	+1.0
14 Netherlands	23,611	10.1	+0.2
15 India	23,346	1.5	-0.1

* Preliminary figures

SALES PERFORMANCE

1.1. AUTOMOTIVE

1.1. AUTOMOTIVE

1.1.1. GROUP REGISTRATIONS WORLDWIDE BY REGION

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)	H1 2015*	H1 2014	Change (%)
GROUP	1,376,356	1,365,988	0.8
EUROPE REGION	848,714	776,589	9.3
Renault	643,266	581,840	10.6
Dacia	205,448	194,749	5.5
AMERICAS REGION	163,863	205,696	-20.3
Renault	163,863	204,576	-19.9
Renault Samsung Motors	-	1,120	-100.0
ASIA-PACIFIC REGION	53,652	56,794	-5.5
Renault	15,770	19,067	-17.3
Dacia	616	574	7.3
Renault Samsung Motors	37,266	37,153	0.3
AFRICA MIDDLE-EAST INDIA REGION	150,938	149,620	0.9
Renault	106,974	110,213	-2.9
Dacia	43,962	39,007	12.7
Renault Samsung Motors	2	400	N/A
EURASIA REGION	159,189	177,289	-10.2
Renault	119,183	148,206	-19.6
Dacia	40,006	28,981	38.1
Renault Samsung Motors	-	102	N/A

* Preliminary figures

→ Europe

The Renault Group took full advantage of its new products' success and the market's recovery: registrations increased by 9.3% to 848,714 vehicles in the first-half. The Group sold more than one out of ten vehicles registered in Europe.

The Renault brand stands out particularly well for its strong sales momentum, with 643,266 vehicles registered in the first half of the year (+10.6%). After Nissan, Renault is the second strongest growing brand with market share (PC+LCV) of 7.8% (+0.14 points).

Clio is the 2nd most registered model in Europe, and is by far the most sold vehicle in France.

Captur is still the most registered urban crossover in Europe.

Despite a high basis for comparison in H1 2014 following the launch of Duster Phase 2, the Dacia brand recorded growth of 5.5% with 205,448 vehicles registered in the first six months of 2015. This year, the brand is celebrating the 10th anniversary of its launch in Europe and reaches the milestone of 2 million Dacia vehicles sold in the region.

Among the Renault Group's major European markets, **Spain** and **Italy** experienced the strongest growth (30.9% and 23.9% increase in registrations, respectively), thereby ranking 5th and 4th in the Group's markets. The Group recorded its strongest performance in 30 years in Italy, where it holds 9.2% market share.

In a European EV market that continues to show strong growth (+55%), Renault's volume increased by 76% compared with first-half 2014. In particular, Renault recorded very significant growth in the **United Kingdom** and in **Norway**. ZOE continues to spearhead the Group's growth, with volumes that have more than doubled in the beginning of this year. Renault aims to remain the leader in EV sales in Europe in 2015.

In **France**, the Group's primary market, registrations increased by 3.7% with a total of 325,360 vehicles. The Renault brand's penetration rate in France reached 22.3%, up 0.2 points. Clio, Twingo, Captur and Scenic are leaders in their segment. The Group gained 1.2 points in the French light commercial vehicle market, and remains a leader with 32.5% market share. Kangoo, Traffic and Master dominate their segments.

SALES PERFORMANCE

1.1. AUTOMOTIVE

→ Outside of Europe

• Americas

Registrations have fallen 20.3% to 163,863 vehicles. Registrations in Brazil dropped 18.7% to 89,527 units, but the Group managed to increase its market share to 7.0%.

In **Argentina**, faced with a challenging local financial market, Renault decided to limit its exposure to the peso, thereby limiting the volume of its imports. Its registrations (32,312 units) dropped 38.9% in a market which declined by 16.9% over the half-year.

The Group maintained a strong position in **Colombia** and recorded 17.7% market share, up 1.1 points compared with first-half 2014.

• Eurasia

The **Russian market**, struck by the economic crisis, dropped 36.4% in the half-year. In this highly competitive market, the Group focused on protecting its margins and recorded market share of 7.3%, down 0.5 points.

The rebound of the **Turkish market**, where Group registrations (67,849 units) increased by 35.3% for market share of 15.7%, and the strong performance recorded in

Romania (+23.9% with market share of nearly 42%), enable the entire Eurasia region to limit the decline in its sales to -10.2%.

• Africa Middle-East India

Group registrations increased slightly (+0.9%) to 150,938 vehicles for market share of 3.6%. With the Renault and Dacia brands, the Group demonstrated its leadership in North Africa, with record market share in **Algeria** (31.7%, +7.1 points) and in **Morocco** (38.4%, +1.0 points). In Algeria, the Renault Symbol produced in the Oran region, launched in end-2014, became the best-selling car in May.

In **India**, in a market up 4.3%, registrations (23,346 vehicles) are down 3.2% but have increased since the launch of Lodgy last April. The arrival of the Kwid should inverse this dynamic in the second half of the year.

• Asia-Pacific

Registrations (53,652 vehicles) dropped 5.5%, despite the growth of Renault Samsung in **Korea** (+0.8% to 37,260 sales). In **China**, the Group recorded a sharp decline in sales (-45.5%) pending the commercial launch of a new vehicle produced locally in early 2016.

1.1.2. GROUP REGISTRATIONS BY BRAND AND BY TYPE

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)	H1 2015*	H1 2014	Change (%)
GROUP	1,376,356	1,365,988	0.8
BY BRAND			
Renault	1,049,056	1,063,902	-1.4
Dacia	290,032	263,311	10.2
Renault Samsung Motors	37,268	38,775	-3.9
BY VEHICLE TYPE			
Passenger cars	1,192,187	1,190,795	0.1
Light commercial vehicles	184,169	175,193	5.1

* Preliminary figures

Registrations of the **Renault brand** are down 1.4% compared to the first-half 2014. With 1,049,056 units sold, Renault accounted for 76% of Group registrations. In Europe, the Renault brand grew by 10.6%, and showed the 2nd best performance after Nissan.

Dacia registrations went up by 10.2% to 290,032 units. Dacia accounted for 21% of Group registrations.

Renault Samsung Motors (RSM) registrations, down by 3.9%, accounted for 3% of Group registrations.

Helped by the recovery in Europe, the Renault Group LCV registrations increased significantly by 5.1%, in line with the market.

SALES PERFORMANCE

1.2. SALES FINANCING

1.2. SALES FINANCING

1.2.1. NEW FINANCINGS AND SERVICES

At end-June 2015, the number of new contracts financed by RCI Banque was up 14.4% on first-half 2014. The Financing business benefited from the growth in Alliance brands registrations in the Europe region, which offset the decline in its main emerging markets: Russia, Brazil and Argentina.

The RCI Banque group confirmed its robust growth momentum, focused on improving the performance of new

and used vehicle financing, the roll-out of new services and on international expansion.

This growth resulted in a 29.2% increase in the amount of new financing in the first half. This brought average loans outstanding to €27.6 billion, an 11.1 % rise compared with end-June 2014.

RCI BANQUE FINANCING PERFORMANCE

	H1 2015	H1 2014	Change (%)
Number of new financing contracts (thousands)	687	601	+14.4
<i>including UV contracts (thousands)</i>	<i>117</i>	<i>95</i>	<i>+22.9</i>
New financings (€ billion)	7.7	6.0	+29.2
Average loans outstanding (€ billion)	27.6	24.8	+11.1

The Services business, a key focus of the RCI Banque group, grew strongly in first-half 2015 with a contract volume of 1.4 million, up 32.2%.

This activity contributes to customer satisfaction and loyalty toward the Alliance brands and increases the profitability of the business, while furthering the Company's diversification policy.

RCI BANQUE SERVICES PERFORMANCE

	H1 2015	H1 2014	Change
Number of services contracts (thousands)	1 361	1 030	+32.2%
PENETRATION RATE ON SERVICES	87.3%	68.1%	+19.2 pts

1.2.2. PENETRATION RATE ON NEW VEHICLE REGISTRATIONS

Bolstered by strong performance of Alliance brands and a broad offering of financing products and services, RCI Banque's

financing penetration rate was 36.5%, a 3.1 points increase over end-June 2014.

PENETRATION RATE ON NEW VEHICLE REGISTRATIONS, BY BRAND

	H1 2015 (%)	H1 2014 (%)	Change (points)
Renault	36.9	34.0	+2.9
Dacia	40.1	33.9	+6.2
Renault Samsung Motors	53.0	45.7	+7.3
Nissan	32.3	30.2	+2.1
Infiniti	25.8	37.9	-12.1
Datsun	23.1	-	-
RCI BANQUE	36.5	33.4	+3.1

SALES PERFORMANCE

1.2. SALES FINANCING

PENETRATION RATE ON NEW VEHICLE REGISTRATIONS, BY REGION

	H1 2015 (%)	H1 2014 (%)	Change (points)
Europe	38.3	33.4	+4.9
Americas	40.0	40.1	-0.1
Asia-Pacific	52.2	45.2	+7.0
Africa Middle-East India	33.5	32.2	+1.3
Eurasia	22.2	26.2	-4.0
RCI BANQUE	36.5	33.4	+3.1

In the **Europe region**, RCI Banque was able to fully benefit from the growth of the Alliance brands. The number of new vehicle financing contracts rose by 28.2% in first-half 2015. The financing penetration rate stood at 38.3%, up 4.9 points on first-half 2014.

The **Americas region** (Brazil and Argentina), weakened by a significant deterioration in the automotive market (-19.1 % on the RCI Banque scope compared with first-half 2014), maintained a high level of performance, with a vehicle financing penetration rate of 40.0%.

The **Asia-Pacific region** (South Korea) achieved a penetration rate of 52.2% (up 7.0 points), thanks to its highly competitive offering.

As regards the **Africa Middle-East India region**, only the RCI Banque's activities in Morocco are included in the

consolidated financial statements. In this market, which declined by 2.7%, the Renault Group maintained its volumes and RCI Banque improved its financing penetration rate by 1.3 points to reach 33.5%.

In the **Eurasia region** (Russia, Turkey and Romania), RCI Banque is facing a very mixed environment. Hit by the economic crisis, the Russian automotive market fell sharply. Against this background, the penetration rate, which had dropped to 2.8% in January, returned to a pre-crisis level of 19.5% year to date at end-June 2015. In Turkey, RCI Banque benefited from the rebound in the automotive market. The penetration rate reached 28.0%, a 7.8 point rise compared with end-June 2014. The Eurasia region consequently showed a financing penetration rate of 22.2%, down 4.0 points over first-half 2014.

1.2.3. INTERNATIONAL DEVELOPMENT AND SAVINGS BANK

RCI Banque continued to develop its Savings Bank business and on June 8, 2015, launched a deposit offering for the UK market. It now offers its savings deposit products to four markets: France, Germany, Austria and the United Kingdom.

In three years, RCI Banque brought in more than 203,000 customers with a simple, high-performance savings product offering and a commitment to reinvest receipts in its auto loan business for the Renault-Nissan Alliance brands.

At end-June 2015, RCI Banque's net savings deposits represented €7 billion or more than 25% of its average loans outstanding.

RCI Banque succeeded in making savings accounts a competitive refinancing tool for its auto loan activities. The Company confirms its objective of refinancing 30% of its outstandings through deposits by 2016.

SALES PERFORMANCE

1.3. REGISTRATIONS AND PRODUCTION STATISTICS

1.3. REGISTRATIONS AND PRODUCTION STATISTICS

RENAULT GROUP
WORLDWIDE REGISTRATIONS

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)	H1 2015*	H1 2014	Change (%)
Twingo	53,955	39,775	35.7
Clio	236,972	234,163	1.2
ZOE	8,530	3,706	+++
Captur / QM3	127,523	101,865	25.2
Pulse	1,152	1,617	-28.8
Logan	145,196	145,867	-0.5
Sandero	170,981	183,909	-7.0
Lodgy	22,883	14,083	62.5
Mégane / Scénic	146,703	149,456	-1.8
Fluence (incl. Z.E.) / SM3 / Scala	39,942	50,071	-20.2
Duster	168,475	200,622	-16.0
Kadjar	7,537	0	+++
Laguna	6,113	10,411	-41.3
Latitude / SM5 / Safrane	14,641	13,422	9.1
Koleos / QM5	16,111	24,879	-35.2
Espace	6,632	4,205	57.7
SM7 / Talisman	2,021	2,066	-2.2
Kangoo (incl. Z.E.)	75,590	74,383	1.6
Dokker	34,049	27,933	21.9
Trafic	39,546	35,170	12.4
Master	46,603	43,795	6.4
Others	5,201	4,590	13.3
TOTAL WORLDWIDE GROUP PC / LCV REGISTRATIONS	1,376,356	1,365,988	0.8
<i>* Preliminary figures</i>			
<i>Twizy**</i>	<i>1,250</i>	<i>1,133</i>	<i>10.3</i>

** Twizy is a quadricycle and therefore not included in Group automotive registrations.

SALES PERFORMANCE

1.3. REGISTRATIONS AND PRODUCTION STATISTICS

RENAULT GROUP
EUROPEAN REGISTRATIONS

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)	H1 2015*	H1 2014	Change (%)
Twingo	53,606	39,176	36.8
Clio	182,940	178,255	2.6
ZOE	8,469	3,669	+++
Captur / QM3	107,700	87,789	22.7
Pulse	-	-	-
Logan	22,533	22,957	-1.8
Sandero	80,545	77,646	3.7
Lodgy	12,400	11,047	12.2
Mégane / Scénic	138,465	137,742	0.5
Fluence (incl. Z.E.) / SM3 / Scala	2,693	2,896	-7.0
Duster	67,949	65,424	3.9
Kadjar	7,171	0	+++
Laguna	6,083	10,344	-41.2
Latitude / SM5 / Safrane	58	250	-76.8
Koleos / QM5	3,993	3,999	-0.2
Espace	6,632	4,204	57.8
SM7 / Talisman	-	-	-
Kangoo (incl. Z.E.)	49,436	48,511	1.9
Dokker	22,001	17,640	24.7
Trafic	37,510	31,601	18.7
Master	33,563	29,223	14.9
Others	4,967	4,216	17.8
TOTAL EUROPEAN GROUP PC / LCV REGISTRATIONS	848,714	776,589	9.3
<i>* Preliminary figures</i>			
Twizy**	1,122	1,068	5.1

** Twizy is a quadricycle and therefore not included in Group automotive registrations.

SALES PERFORMANCE

1.3. REGISTRATIONS AND PRODUCTION STATISTICS

RENAULT GROUP INTERNATIONAL REGISTRATIONS

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)	H1 2015*	H1 2014	Change (%)
Twingo	349	599	-41.7
Clio	54,032	55,908	-3.4
ZOE	61	37	64.9
Captur / QM3	19,823	14,076	40.8
Pulse	1,152	1,617	-28.8
Logan	122,663	122,910	-0.2
Sandero	90,436	106,263	-14.9
Lodgy	10,483	3,036	+++
Mégane / Scénic	8,238	11,714	-29.7
Fluence (incl. Z.E.) / SM3 / Scala	37,249	47,175	-21.0
Duster	100,526	135,198	-25.6
Kadjar	366	0	+++
Laguna	30	67	-55.2
Latitude / SM5 / Safrane	14,583	13,172	10.7
Koleos / QM5	12,118	20,880	-42.0
Espace	-	-	-
SM7 / Talisman	2,021	2,066	-2.2
Kangoo (incl. Z.E.)	26,154	25,872	1.1
Dokker	12,048	10,293	17.1
Trafic	2,036	3,569	-43.0
Master	13,040	14,572	-10.5
Others	234	375	-37.6
TOTAL INTERNATIONAL GROUP PC / LCV REGISTRATIONS	527,642	589,399	-10.5
<i>* Preliminary figures</i>			
Twizy**	128	65	96.9

** Twizy is a quadricycle and therefore not included in Group automotive registrations.

SALES PERFORMANCE

1.3. REGISTRATIONS AND PRODUCTION STATISTICS

**RENAULT GROUP
WORLDWIDE PRODUCTION BY MODEL⁽¹⁾**

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)	H1 2015	H1 2014	Change (%)
<i>Twizy</i>	1,319	1,102	19.7
Twingo	39,452	41,554	-5.1
Clio	231,039	230,950	0.0
ZOE	8,412	4,521	86.1
Captur / QM3	131,946	97,194	35.8
Logan	164,083	130,293	25.9
Sandero	165,862	169,152	-1.9
Lodgy	24,590	11,241	+++
Mégane / Scénic	141,886	139,374	1.8
Fluence (incl. Z.E.) / SM3 / Scala	42,729	46,616	-8.3
Duster	160,937	172,205	-6.5
Kadjar	18,843	0	+++
Laguna	5,921	8,484	-30.2
Latitude / SM5	15,687	14,866	5.5
Koleos	17,745	25,425	-30.2
Espace	9,787	4,123	+++
SM7 / Talisman	2,495	2,238	11.5
Kangoo (incl. Z.E.)	87,078	82,569	5.5
Dokker	37,597	29,305	28.3
Trafic	47,254	2,485	+++
Master	70,692	64,894	8.9
Others	81,674	9,366	+++
GROUP GLOBAL PRODUCTION	1,507,028	1,287,957	17.0
o/w produced for partners:			
GM (Master)	14,887	9,230	+61.3
Nissan (Mercosur / Korea)	59,262	6,702	+++
Daimler (Citan + Smart)	35,581	10,354	+++
PRODUCED BY PARTNERS FOR RENAULT	H1 2015*	H1 2014	Change (%)
Nissan (incl. India)	25,368	71,740	-64.6
Others (GM, Iran, AVTOVAZ)	38,200	31,717	+20.4

* Preliminary figures

(1) Production data concern the number of vehicles leaving the production line.

1

SALES PERFORMANCE

1.3. REGISTRATIONS AND PRODUCTION STATISTICS

GEOGRAPHICAL ORGANIZATION OF THE RENAULT GROUP BY REGION – COUNTRIES IN EACH REGION

At June 30, 2015

EUROPE	AMERICAS	ASIA-PACIFIC	AFRICA MIDDLE-EAST INDIA	EURASIA
Albania	Argentina	Australia	Algeria	Armenia
Austria	Bolivia	Brunei	Egypt	Azerbaijan
Baltic States	Brazil	Cambodia	French Guiana	Belarus
Belgium-Lux.	Chili	China	Guadeloupe	Bulgaria
Bosnia	Colombia	Hong Kong	Gulf States	Georgia
Croatia	Costa Rica	Indonesia	India	Kazakhstan
Cyprus	Cuba	Japan	Iran	Kyrgyzstan
Czech Rep.	Dominican Rep.	Laos	Iraq	Moldova
Denmark	Ecuador	Malaysia	Israel	Romania
Finland	El Salvador	New Caledonia	Jordan	Russia
Metropolitan France	Honduras	New Zealand	Lebanon	Tajikistan
Germany	Mexico	Philippines	Libya	Turkey
Greece	Nicaragua	Singapore	Madagascar	Turkmenistan
Hungary	Panama	South Korea	Martinique	Ukraine
Iceland	Paraguay	Tahiti	Morocco	Uzbekistan
Ireland	Peru	Thailand	Pakistan	
Italy	Uruguay	Vietnam	Reunion	
Macedonia	Venezuela		Saint Martin	
Malta			Saudi Arabia	
Montenegro			South Africa	
Netherlands			Sub Saharian African countries	
Norway			Tunisia	
Poland				
Portugal				
Serbia				
Slovakia				
Slovenia				
Spain				
Sweden				
Switzerland				
United Kingdom				

Group Top 15 markets in bold.

SUMMARY

(€ million)	H1 2015	H1 2014	Change
Group revenue	22,197	19,820	+12.0%
Operating profit	1,069	729	+340
Net operating income (loss)	953	464	+489
Financial result	-161	-124	-37
Net income (loss) from equity-accounted entities	912	725	+187
<i>o/w Nissan</i>	<i>979</i>	<i>789</i>	<i>+190</i>
Net income	1,469	801	+668
Free cash flow from operations - Automotive	-95	-360	+265
Net cash position - Automotive	1,567	2 104	-537
		at Dec. 31, 2014	
Shareholders' equity	27,262	23,986	+3,276

2.1. COMMENTS ON FINANCIAL RESULTS

2.1.1. CONSOLIDATED INCOME STATEMENT

OPERATING SEGMENT CONTRIBUTION TO GROUP REVENUE

(€ million)	H1 2015			H1 2014			Change (%)		
	Q1	Q2	H1	Q1	Q2	H1	Q1	Q2	H1
Automotive	8,829	12,236	21,065	7,727	11,012	18,739	14.3	11.1	12.4
Sales Financing	559	573	1,132	530	551	1,081	5.5	4.0	4.7
Total	9,388	12,809	22,197	8,257	11,563	19,820	13.7	10.8	12.0

The **contribution of the Automotive division** to revenues amounted to €21,065 million, up 12.4%. This sharp increase is due in particular to:

- a positive volume effect of 3.3 points from group's brands;
- the further development of sales to partners (+5.9 points).

The increase also benefits from:

- a positive currency effect of 1.2 points related to the depreciation of the euro against a basket of currencies (Korean won, British pound, US dollar, Argentinean peso,

etc.), despite its appreciation against the Russian ruble and the Brazilian real;

- a price effect (+1.6 points), owing mainly to price increases implemented in late 2014 in emerging countries to offset the fall in foreign currencies (specifically in Russia and South America);
- a positive mix/model effect of 0.8 points due to the launch of the Kadjar and new Espace, and the growth in light commercial vehicles;
- a neutral mix/geography effect (-0.2 points).

OPERATING SEGMENT CONTRIBUTION TO GROUP OPERATING PROFIT

(€ million)	H1 2015	H1 2014	Change
Automotive	656	348	+308
<i>% of operating segment revenue</i>	<i>3.1%</i>	<i>1.9%</i>	<i>+1.3 pts</i>
Sales Financing	413	381	+32
Total	1,069	729	+340
<i>% of Group revenue</i>	<i>4.8%</i>	<i>3.7%</i>	<i>+1.1 pts</i>

2

FINANCIAL RESULTS

2.1. COMMENTS ON FINANCIAL RESULTS

The Automotive division's operating profit rose by €308 million to €656 million (3.1% of its revenues), owing mainly to:

- business growth of €264 million, thanks to the rise in new vehicle sales and the increase in sales to partners;
- the *Monozukuri* cost reduction plan for €236 million plus lower raw materials prices which had a positive effect of €28 million. General and administrative expenses increased slightly by €17 million;
- a positive currency effect of €112 million, mainly reflecting the depreciation of the euro against a basket of currencies (British pound, Argentinean peso, US dollar, etc.), despite its appreciation against the Russian ruble.

These positive effects offset:

- a negative product mix/price/enrichment effect of €283 million. Price increases, notably in emerging countries, could not offset the enrichment related to the product cycle.

Sales Financing contributed €413 million to Group operating profit, compared with €381 million in first-half 2014. This rise is mainly due to the growing contribution of the services business. A major focus of the strategy implemented by RCI Banque, the contribution of the services business was up 15.8% in first-half 2015. Cost of risk improved to 0.31% of average loans outstanding, against 0.47% in 2014.

Other operating income and expenses showed a net expense of €116 million, compared with a net expense of €265 million in first-half 2014. This net expense consisted mainly of:

- restructuring costs amounting to €106 million, primarily related to the ongoing implementation of the competitiveness agreement signed in France;
- impairment losses on assets totaling €11 million;
- net gains on disposals of €6 million.

After taking into account other operating income and expenses, the Group reported **net operating income** of €953 million, compared with €464 million in first-half 2014.

Net financial income showed a net expense of €161 million, compared with a net expense of €124 in first-half 2014. The decrease in the cost of carry of the net cash did not fully offset the remeasurement of redeemable shares.

Renault's share of **net income (loss) of associated companies** recorded a contribution of €912 million, primarily including:

- €979 million in net income from Nissan (compared with €789 million in first-half 2014);
- €70 million in net loss from AVTOVAZ (compared with a net loss of €55 million in first-half 2014).

Current and deferred taxes showed an expense of €235 million (including an expense of €309 million for current taxes), reduced by €29 million compared with first-half 2014, following the recognition of deferred taxes, with respect to tax consolidation in France.

Net Income totaled €1,469 million, compared with €801 million in first-half 2014. Net income, Group share, attributable to the owners of the parent was €1,396 million (compared with €749 million in first-half 2014).

2.1.2. AUTOMOTIVE OPERATIONAL FREE CASH FLOW

FREE CASH FLOW FROM OPERATIONS - AUTOMOTIVE

(€ million)	H1 2015	H1 2014	Change
Cash flow	1,727	1,742	-15
Change in the working capital requirement	-369	-861	+492
Acquisitions of property, plant and equipment, and intangible assets net of disposals	-1,330	-1,131	-199
Capitalized leased vehicles and batteries	-123	-110	-13
FREE CASH FLOW FROM OPERATIONS	-95	-360	+265

For the first-half 2015, Automotive operational **free cash flow** was a negative €95 million. It is attributable to:

- cash flow of €1,727 million;
- a negative change in the working capital requirement of €369 million;

- capital investments in tangible and intangible assets net of disposals of €1,330 million, up from first-half 2014 and in line with the Group Plan's objective of below 9% of revenues;
- capital leases of vehicles and batteries of €123 million.

FINANCIAL RESULTS

2.1. COMMENTS ON FINANCIAL RESULTS

RENAULT GROUP – RESEARCH AND DEVELOPMENT COSTS

Analysis of research and development costs:

(€ million)	H1 2015	H1 2014	Change
R&D expenses	-1,065	-913	-152
Capitalized development expenses	429	419	+10
% R&D expenses	40.3%	45.9%	-5.6 pts
Amortization	-374	-384	+10
Gross R&D expenses recorded in the income statement	-1,010	-878	-132

The capitalization rate fell from 45.9% in first-half 2014 to 40.3% in first-half 2015 in connection with the progress of projects.

ACQUISITIONS OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS NET OF DISPOSALS BY OPERATING SEGMENT

(€ million)	H1 2015	H1 2014
Tangible investments (excluding capitalized leased vehicles and batteries)	894	728
Intangible investments	459	448
<i>o/w capitalized R&D</i>	429	419
Total acquisitions	1,353	1,176
Disposal gains	-23	-45
Total Automotive division	1,330	1,131
Total Sales Financing	3	1
TOTAL GROUP	1,333	1,132

Total gross capital investments were up compared with first-half 2014; the breakdown was 65% in Europe and 35% in the rest of the world.

- In Europe, investments were focused on the development and adaptation of industrial facilities related to the renewal

of the C range (new Mégane family and Kadjar), the D range (new Espace and Talisman) and powertrains;

- Outside Europe, investments mainly concerned the Global Access range (Logan/Sandero in South America, Duster in Russia and South America, Lodgy in India).

NET ACQUISITIONS OF ASSETS AND R&D COSTS

(€ million)	H1 2015	H1 2014
Tangible and intangible investments net of disposals (excluding capitalized leased vehicles and batteries)	1,333	1,132
Capitalized development expenses	-429	-419
Others	-112	-80
Net industrial and commercial investments (1)	792	633
<i>% of Group revenues</i>	3.6%	3.2%
R&D expenses	1,065	913
<i>o/w billed to third parties</i>	-92	-123
Net R&D expenses (2)	973	790
<i>% of Group revenues</i>	4.4%	4.0%
Net CAPEX and R&D expenses (1) + (2)	1,765	1,423
<i>% of Group revenues</i>	8.0%	7.2%

2

FINANCIAL RESULTS

2.1. COMMENTS ON FINANCIAL RESULTS

2.1.3. AUTOMOTIVE NET CASH POSITION

CHANGE IN THE NET CASH POSITION OF THE AUTOMOTIVE DIVISION

Net cash position at December 31, 2014	+2,104
Free cash flow from operations for 2015	-95
Dividends received	+267
Dividends paid to shareholders of Renault	-591
Acquisitions of financial and other assets	-118
Net cash position at June 30, 2015	+1,567

The €537 million decline in the **net cash position of the Automotive division** compared with December 31, 2014 stems in particular from:

- operational free cash flow;
- net dividend flows (-€324 million);
- purchases of own shares totaling €109 million.

NET CASH POSITION – AUTOMOTIVE

<i>(€ million)</i>	June 30, 2015	Dec. 31, 2014
Non-current financial liabilities	-5,448	-7,272
Current financial liabilities	-4,690	-3,872
Non-current financial assets - other securities, loans and derivatives on financing transactions	355	514
Current financial assets	1,143	1,143
Cash and cash equivalents	10,207	11,591
Net cash position	1,567	2,104

The liquidity reserves of the **Automotive division** remained high at €13.5 billion as of June 30, 2015, versus €14.8 billion as of December 31, 2014. This change is mainly attributable to a decrease in cash and cash equivalents from €11.6 billion to €10.2 billion, following the absence of new Renault SA bond issues in the first half and the repayment of over €1 billion. Undrawn confirmed credit lines totaled €3.3 billion as of June 30, 2015, up €0.1 billion compared with December 31, 2014.

As of June 30, 2015, **RCI Banque** had available liquidity of €6.8 billion (compared with €6.9 billion as of December 31, 2014), consisting of:

- €4.1 billion in undrawn confirmed credit lines;
- €1.8 billion in central-bank eligible collateral;
- €0.8 billion in high quality liquid assets (HQLA);
- €0.1 billion in available cash.

2.2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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FINANCIAL RESULTS

2.2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.2.1. CONSOLIDATED INCOME STATEMENT

(€ million)	Notes	H1 2015	H1 2014	Year 2014
Revenues	4	22,197	19,820	41,055
Cost of goods and services sold		(17,664)	(16,046)	(33,310)
Research and development expenses	5	(1,010)	(878)	(1,721)
Selling, general and administrative expenses		(2,454)	(2,167)	(4,415)
Operating margin ⁽¹⁾		1,069	729	1,609
Other operating income and expenses	6	(116)	(265)	(504)
<i>Other operating income</i>		33	56	102
<i>Other operating expenses</i>		(149)	(321)	(606)
Operating income		953	464	1,105
Cost of net financial indebtedness ⁽²⁾		(109)	(136)	(245)
<i>Cost of gross financial indebtedness</i>		(189)	(213)	(386)
<i>Income on cash and financial assets</i>		80	77	141
Other financial income and expenses ⁽²⁾		(52)	12	(88)
Financial income (expenses) ⁽²⁾	7	(161)	(124)	(333)
Share in net income (loss) of associates and joint ventures		912	725	1,362
<i>Nissan</i>	11	979	789	1,559
<i>Other associates and joint ventures</i>	12	(67)	(64)	(197)
Pre-tax income		1,704	1,065	2,134
Current and deferred taxes	8	(235)	(264)	(136)
Net income ⁽¹⁾		1,469	801	1,998
Net income - non-controlling interests' share		73	52	108
Net income – parent-company shareholders' share		1,396	749	1,890
Basic earnings per share (3) in €		5.12	2.75	6.92
Diluted earnings per share (3) in €		5.09	2.73	6.89
Number of shares outstanding (in thousands)	9			
<i>for basic earnings per share</i>		272,769	272,790	273,049
<i>for diluted earnings per share</i>		274,247	274,201	274,101

(1) The restatements resulting from retrospective application of IFRIC 21 "Levies" are presented in note 2.

(2) The new breakdown of financial income and expenses is presented in note 7.

(3) Net income – parent-company shareholders' share divided by number of shares stated.

2.2.2. CONSOLIDATED COMPREHENSIVE INCOME

(€ million)	H1 2015			H1 2014			Year 2014		
	Gross	Tax effect ⁽¹⁾	Net	Gross	Tax effect	Net	Gross	Tax effect ⁽²⁾	Net
NET INCOME	1,704	(235)	1,469	1,065	(264)	801	2,134	(136)	1,998
OTHER COMPONENTS OF COMPREHENSIVE INCOME FROM PARENT COMPANY AND SUBSIDIARIES									
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>	38	(33)	5	(103)	1	(102)	(276)	18	(258)
Actuarial gains and losses on defined-benefit pension plans	38	(33)	5	(103)	1	(102)	(161)	18	(143)
Fair value adjustments on financial liabilities ⁽³⁾	-	-	-	-	-	-	(115)	-	(115)
<i>Items that have been or will be reclassified to profit or loss</i>	286	59	345	117	2	119	(2)	38	36
Translation adjustments on foreign activities	128	-	128	82	-	82	(100)	-	(100)
Partial hedge of the investment in Nissan	(55)	42	(13)	(36)	-	(36)	8	55	63
Fair value adjustments on cash flow hedging instruments	4	(1)	3	(13)	3	(10)	(4)	2	(2)
Fair value adjustments on available-for-sale financial assets	209	18	227	84	(1)	83	94	(19)	75
Total other components of comprehensive income from parent company and subsidiaries (A)	324	26	350	14	3	17	(278)	56	(222)
SHARE OF ASSOCIATES AND JOINT VENTURES IN OTHER COMPONENTS OF COMPREHENSIVE INCOME									
<i>Items that will not be reclassified to profit or loss in subsequent periods</i>	(143)	-	(143)	(31)	-	(31)	(73)	-	(73)
Actuarial gains and losses on defined-benefit pension plans	(143)	-	(143)	(31)	-	(31)	(73)	-	(73)
<i>Items that have been or will be reclassified to profit or loss</i>	1,314	-	1,314	510	-	510	507	-	507
Translation adjustments on foreign activities	1,232	-	1,232	490	-	490	448	-	448
Fair value adjustments on cash flow hedging instruments	49	-	49	1	-	1	22	-	22
Fair value adjustments on available-for-sale financial assets	33	-	33	19	-	19	37	-	37
Total share of associates and joint ventures in other components of comprehensive income (B)	1,171	-	1,171	479	-	479	434	-	434
OTHER COMPONENTS OF COMPREHENSIVE INCOME (A) + (B)	1,495	26	1,521	493	3	496	156	56	212
COMPREHENSIVE INCOME	3,199	(209)	2,990	1,558	(261)	1,297	2,290	(80)	2,210
Parent-company shareholders' share			2,905			1,244			2,090
Non-controlling interests' share			85			53			120

(1) In the first half of 2015, the tax effect includes income of €69 million resulting from recognition of net deferred tax assets of the French tax consolidation, comprising €52 million related to net income and €17 million relating to other components of comprehensive income (note 8-B).

(2) In 2014, the tax effect includes income of €262 million resulting from recognition of net deferred tax assets of the French tax consolidation in the second half-year, comprising €210 million related to net income and €52 million relating to other components of comprehensive income (note 8-B).

(3) Correction to the fair value of financial liabilities at January 1, 2014 recorded in the second half-year.

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FINANCIAL RESULTS

2.2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.2.3. CONSOLIDATED FINANCIAL POSITION

ASSETS (€ million)	Notes	June 30, 2015	Dec. 31, 2014
NON-CURRENT ASSETS			
Intangible assets and goodwill	10-A	3,478	3,443
Property, plant and equipment	10-B	10,839	10,801
Investments in associates and joint ventures		18,595	16,720
<i>Nissan</i>	11	17,691	15,833
<i>Other associates and joint ventures</i>	12	904	887
Non-current financial assets	14	1,766	1,681
Deferred tax assets		814	716
Other non-current assets		1,155	1,152
Total non-current assets		36,647	34,513
CURRENT ASSETS			
Inventories	13	4,712	3,391
Sales financing receivables		27,425	25,733
Automotive receivables		1,589	1,242
Current financial assets	14	1,711	1,530
Current tax assets		26	38
Other current assets		2,883	2,607
Cash and cash equivalents	14	11,153	12,497
Total current assets		49,499	47,038
TOTAL ASSETS		86,146	81,551
SHAREHOLDERS' EQUITY AND LIABILITIES (€ million)			
SHAREHOLDERS' EQUITY			
Share capital		1,127	1,127
Share premium		3,785	3,785
Treasury shares		(237)	(134)
Revaluation of financial instruments		1,015	703
Translation adjustment		(1,941)	(3,276)
Reserves		21,666	20,381
Net income – parent-company shareholders' share		1,396	1,890
Shareholders' equity – parent-company shareholders' share		26,811	24,476
Shareholders' equity – non-controlling interests' share		451	422
Total shareholders' equity	15	27,262	24,898
NON-CURRENT LIABILITIES			
Deferred tax liabilities		131	141
Provisions for pension and other long-term employee benefit obligations – long-term	16-A	1,663	1,683
Other provisions – long-term	16-B	1,255	1,240
Non-current financial liabilities	17	5,461	7,537
Other non-current liabilities		1,233	1,204
Total non-current liabilities		9,743	11,805
CURRENT LIABILITIES			
Provisions for pension and other long-term employee benefit obligations – short-term	16-A	60	67
Other provisions – short-term	16-B	1,083	1,088
Current financial liabilities	17	3,988	3,216
Sales financing debts	17	28,426	25,828
Trade payables		7,841	7,094
Current tax liabilities		253	162
Other current liabilities		7,490	7,393
Total current liabilities		49,141	44,848
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		86,146	81,551

FINANCIAL RESULTS

2.2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.2.4. CHANGES IN SHAREHOLDERS' EQUITY

	Number of shares (thousands)	Share capital	Share premium	Treasury shares	Revaluation of financial instruments	Translation adjustment	Reserves	Net income (parent-company shareholders' share)	Shareholders' equity (parent-company shareholders' share)	Shareholders' equity (non-controlling entities' share)	Total shareholders' equity
<i>(€ million)</i>											
Balance at Dec. 31, 2014 as published	295,722	1,127	3,785	(134)	703	(3,276)	20,381	1,890	24,476	422	24,898
Restatement for application of IFRIC 21 ⁽¹⁾							39		39		39
Restated balance at December 31, 2014	295,722	1,127	3,785	(134)	703	(3,276)	20,420	1,890	24,515	422	24,937
1st half-year 2015 net income								1,396	1,396	73	1,469
Other components of comprehensive income ⁽²⁾					312	1,335	(138)		1,509	12	1,521
1st half-year 2015 comprehensive income					312	1,335	(138)	1,396	2,905	85	2,990
Allocation of 2014 net income							1,890	(1,890)			
Dividends							(518)		(518)	(52)	(570)
(Acquisitions) / disposals of treasury shares and impact of capital increases				(103)					(103)		(103)
Changes in ownership interests ⁽³⁾							(3)		(3)	(4)	(7)
Cost of share-based payments							15		15		15
Balance at June 30, 2015	295,722	1,127	3,785	(237)	1,015	(1,941)	21,666	1,396	26,811	451	27,262

(1) The restatement resulting from retrospective application of IFRIC 21 "Levies" is presented in note 2.

(2) Changes in reserves correspond to actuarial gains and losses on defined-benefit pension plans during the period.

(3) Changes in ownership interests comprise the effect of acquisitions and disposals of investments, and commitments for buyouts of non-controlling interests.

Details of changes in consolidated shareholders' equity are given in note 15.

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FINANCIAL RESULTS

2.2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

	Number of shares (thousands)	Share capital	Share premium	Treasury shares	Revaluation of financial instruments	Translation adjustment	Reserves	Net income (parent-company shareholders' share)	Shareholders' equity (parent-company shareholders' share)	Shareholders' equity (parent-company shareholders' share)	Total shareholders' equity
<i>(€ million)</i>											
Balance at Dec. 31, 2013	295,722	1,127	3,785	(187)	571	(3,674)	20,629	586	22,837	377	23,214
1 st half-year 2014 net income								749	749	52	801
Other components of comprehensive income ⁽¹⁾					97	530	(132)		495	1	496
1st half-year 2014 comprehensive income					97	530	(132)	749	1,244	53	1,297
Allocation of 2013 net income							586	(586)			
Dividends							(469)		(469)	(49)	(518)
(Acquisitions) / disposals of treasury shares and impact of capital increases				27					27		27
Changes in ownership interests ⁽²⁾										2	2
Cost of share-based payments							(36)		(36)		(36)
Balance at June 30, 2014	295,722	1,127	3,785	(160)	668	(3,144)	20,578	749	23,603	383	23,986
2 nd half-year 2014 net income								1,141	1,141	56	1,197
Other components of comprehensive income ⁽¹⁾					35	(132)	(198)		(295)	11	(284)
2nd half-year 2014 comprehensive income					35	(132)	(198)	1 141	846	67	913
Dividends										(3)	(3)
(Acquisitions) / disposals of treasury shares and impact of capital increases				26					26		26
Changes in ownership interests ⁽²⁾							10		10	(25)	(15)
Cost of share-based payments							(9)		(9)		(9)
Balance at December 31, 2014	295,722	1,127	3,785	(134)	703	(3,276)	20,381	1,890	24,476	422	24,898

(1) Changes in reserves correspond to actuarial gains and losses on defined-benefit pension plans during the period. They also include an amount of €(115) million corresponding to a correction to the fair value of financial liabilities at January 1, 2014 recorded in the second half-year.

(2) Changes in ownership interests comprise the effect of acquisitions and disposals of investments, and commitments for buyouts of non-controlling interests.

2.2.5. CONSOLIDATED CASH FLOWS

(€ million)	Notes	H1 2015	H1 2014	Year 2014
Net income		1,469	801	1,998
Cancellation of dividends received from unconsolidated listed companies ⁽¹⁾		(34)	(31)	(31)
Cancellation of income and expenses with no impact on cash				
- Depreciation, amortization and impairment		1,404	1,551	2,711
- Share in net (income) loss of associates and joint ventures		(912)	(725)	(1,362)
- Other income and expenses with no impact on cash	18	(100)	185	92
Cash flow ⁽²⁾		1,827	1,781	3,408
Dividends received from listed companies ⁽³⁾		267	243	463
Net change in financing for final customers		(1,807)	(949)	(1,618)
Net change in renewable dealer financing		377	409	(202)
Decrease (increase) in sales financing receivables		(1,430)	(540)	(1,820)
Bond issuance by the Sales Financing segment		3,055	1,771	3,469
Bond redemption by the Sales Financing segment		(1,458)	(1,632)	(3,396)
Net change in other Sales financing debts		474	262	1,682
Net change in other securities and loans of the Sales Financing segment		(195)	(87)	(314)
Net change in financial assets and debts of the Sales Financing segment		1,876	314	1,441
Change in capitalized leased assets		(218)	(118)	(291)
Decrease (increase) in working capital	18	(715)	(878)	771
CASH FLOWS FROM OPERATING ACTIVITIES		1,607	802	3,972
Capital expenditure	18	(1,356)	(1,179)	(2,511)
Disposals of property, plant and equipment and intangibles		23	47	90
Acquisitions of investments involving gain of control, net of cash acquired		(3)	(11)	(11)
Acquisitions of other investments, net of cash acquired		(19)	(220)	(415)
Net decrease (increase) in other securities and loans of the Automotive segment		13	16	62
CASH FLOWS FROM INVESTING ACTIVITIES		(1,342)	(1,347)	(2,785)
Transactions with non-controlling interests ⁽⁴⁾		-	-	-
Dividends paid to parent-company shareholders	15	(555)	(503)	(503)
Dividends paid to non-controlling interests		(52)	(22)	(56)
(Acquisitions) sales of treasury shares		(109)	(26)	(26)
Cash flows with shareholders		(716)	(551)	(585)
Bond issuance by the Automotive segment		-	1,607	1,680
Bond redemption by the Automotive segment		(1,042)	(292)	(1,513)
Net increase (decrease) in other financial liabilities of the Automotive segment		133	(34)	(52)
Net change in financial liabilities of the Automotive segment		(909)	1,281	115
CASH FLOWS FROM FINANCING ACTIVITIES		(1,625)	730	(470)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(1,360)	185	717

(1) Dividends received from Daimler.

(2) Cash flow does not include dividends received from listed companies.

(3) In first-half 2015, dividends from Daimler (€34 million) and Nissan (€233 million). In 2014, dividends from Daimler (€31 million) and Nissan (€212 million) in the first half-year and dividends from Nissan (€220 million) in the second half-year.

(4) Acquisitions of additional investments in controlled companies.

(€ million)	H1 2015	H1 2014	Year 2014
Cash and cash equivalents: opening balance	12,497	11,661	11,661
Increase (decrease) in cash and cash equivalents	(1,360)	185	717
Effect of changes in exchange rate and other changes	16	44	119
Cash and cash equivalents: closing balance ⁽¹⁾	11,153	11,890	12,497

(1) Cash subject to restrictions on use is described in note 14-C.

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FINANCIAL RESULTS

2.2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.2.6. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

2.2.6.1. INFORMATION ON OPERATING SEGMENTS

The operating segments used by Renault are:

- the Automotive segment, comprising the production, sales, and distribution subsidiaries for passenger and light commercial vehicles, automobile service subsidiaries, and the subsidiaries in charge of the Automotive segment's cash management;
- the Sales Financing segment, which the Group considers as an operating activity, carried out by RCI Banque and its subsidiaries for the distribution network and final customers.

A. Consolidated income statement by operating segment

(€ million)	Automotive	Sales Financing	Intersegment transactions	Consolidated total
H1 2015				
Sales of goods	20,117	13	-	20,130
Sales of services	948	1,119	-	2,067
External sales	21,065	1,132	-	22,197
Intersegment sales	(173)	201	(28)	-
Sales by segment	20,892	1,333	(28)	22,197
Operating margin ⁽¹⁾	659	413	(3)	1,069
Operating income	544	412	(3)	953
Financial income (expenses) ⁽²⁾	(11)	-	(150)	(161)
Share in net income (loss) of associates and joint ventures	910	2	-	912
Pre-tax income	1,443	414	(153)	1,704
Current and deferred taxes	(77)	(159)	1	(235)
Net income	1,366	255	(152)	1,469
H1 2014				
Sales of goods	17,885	17	-	17,902
Sales of services	854	1,064	-	1,918
External sales	18,739	1,081	-	19,820
Intersegment sales	(166)	207	(41)	-
Sales by segment	18,573	1,288	(41)	19,820
Operating margin ⁽¹⁾	345	381	3	729
Operating income	98	363	3	464
Financial income (expenses) ⁽²⁾	86	-	(210)	(124)
Share in net income (loss) of associates and joint ventures	729	(4)	-	725
Pre-tax income	913	359	(207)	1,065
Current and deferred taxes	(130)	(133)	(1)	(264)
Net income	783	226	(208)	801
YEAR 2014				
Sales of goods	37,176	31	-	37,207
Sales of services	1,698	2,150	-	3,848
External sales	38,874	2,181	-	41,055
Intersegment sales	(356)	413	(57)	-
Sales by segment	38,518	2,594	(57)	41,055
Operating margin ⁽¹⁾	861	751	(3)	1,609
Operating income	409	699	(3)	1,105
Financial income (expenses) ⁽²⁾	(108)	(15)	(210)	(333)
Share in net income (loss) of associates and joint ventures	1,366	(4)	-	1,362
Pre-tax income	1,667	680	(213)	2,134
Current and deferred taxes	88	(225)	1	(136)
Net income	1,755	455	(212)	1,998

(1) Details of amortization, depreciation and impairment are provided in the consolidated cash flow statements by operating segment.

(2) Sales financing dividends are included in the Automotive segment's financial income and eliminated as an intersegment transaction.

B. Consolidated financial position by operating segment**Consolidated financial position by operating segment – June 30, 2015**

ASSETS (€ million)	Automotive	Sales Financing	Intersegment transactions	Consolidated total
NON-CURRENT ASSETS				
Property, plant and equipment and intangible assets	14,038	289	(10)	14,317
Investments in associates and joint ventures	18,539	56	-	18,595
Non-current financial assets – investments in non-controlled entities	4,706	27	(3,275)	1,458
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment	355	-	(47)	308
Deferred tax assets and other non-current assets	1,751	251	(33)	1,969
Total non-current assets	39,389	623	(3,365)	36,647
CURRENT ASSETS				
Inventories	4,682	39	(9)	4,712
Customer receivables	1,660	27,972	(618)	29,014
Current financial assets	1,143	1,268	(700)	1,711
Current tax assets and other current assets	1,934	3,390	(2,415)	2,909
Cash and cash equivalents	10,207	1,124	(178)	11,153
Total current assets	19,626	33,793	(3,920)	49,499
TOTAL ASSETS	59,015	34,416	(7,285)	86,146
SHAREHOLDERS' EQUITY AND LIABILITIES (€ million)				
SHAREHOLDERS' EQUITY				
	27,178	3,281	(3,197)	27,262
NON-CURRENT LIABILITIES				
Long-term provisions	2,557	361	-	2,918
Non-current financial liabilities	5,448	13	-	5,461
Deferred tax liabilities and other non-current liabilities	811	553	-	1,364
Total non-current liabilities	8,816	927	-	9,743
CURRENT LIABILITIES				
Short-term provisions	1,116	27	-	1,143
Current financial liabilities	4,690	-	(702)	3,988
Trade payables and sales financing debts	8,014	29,260	(1,007)	36,267
Current tax liabilities and other current liabilities	9,201	921	(2,379)	7,743
Total current liabilities	23,021	30,208	(4,088)	49,141
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	59,015	34,416	(7,285)	86,146

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FINANCIAL RESULTS

2.2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Consolidated financial position by operating segment – December 31, 2014

<i>(€ million)</i>	Automotive	Sales Financing	Intersegment transactions	Consolidated total
NON-CURRENT ASSETS				
Property, plant and equipment and intangible assets	14,076	178	(10)	14,244
Investments in associates and joint ventures	16,670	50	-	16,720
Non-current financial assets – investments in non-controlled entities	4,353	11	(3,131)	1,233
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment	514	-	(66)	448
Deferred tax assets and other non-current assets	1,663	238	(33)	1,868
Total non-current assets	37,276	477	(3,240)	34,513
CURRENT ASSETS				
Inventories	3,361	39	(9)	3,391
Customer receivables	1,409	26,198	(632)	26,975
Current financial assets	1,143	1,136	(749)	1,530
Current tax assets and other current assets	1,805	3,033	(2,193)	2,645
Cash and cash equivalents	11,591	1,102	(196)	12,497
Total current assets	19,309	31,508	(3,779)	47,038
TOTAL ASSETS	56,585	31,985	(7,019)	81,551
SHAREHOLDERS' EQUITY AND LIABILITIES <i>(€ million)</i>				
	Automotive	Sales Financing	Intersegment transactions	Consolidated total
SHAREHOLDERS' EQUITY	24,811	3,136	(3,049)	24,898
NON-CURRENT LIABILITIES				
Long-term provisions	2,598	325	-	2,923
Non-current financial liabilities	7,272	265	-	7,537
Deferred tax liabilities and other non-current liabilities	779	566	-	1,345
Total non-current liabilities	10,649	1,156	-	11,805
CURRENT LIABILITIES				
Short-term provisions	1,114	41	-	1,155
Current financial liabilities	3,872	-	(656)	3,216
Trade payables and sales financing debts	7,235	26,681	(994)	32,922
Current tax liabilities and other current liabilities	8,904	971	(2,320)	7,555
Total current liabilities	21,125	27,693	(3,970)	44,848
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	56,585	31,985	(7,019)	81,551

C. Consolidated cash flows by operating segment

(€ million)	Automotive	Sales Financing	Intersegment transactions	Consolidated total
H1 2015				
Net income	1,366	255	(152)	1,469
Cancellation of dividends received from unconsolidated listed investments ⁽¹⁾	(34)	-	-	(34)
Cancellation of income and expenses with no impact on cash				
- Depreciation, amortization and impairment	1,386	18	-	1,404
- Share in net (income) loss of associates and joint ventures	(910)	(2)	-	(912)
- Other income and expenses with no impact on cash	(81)	(18)	(1)	(100)
Cash flow ⁽²⁾	1,727	253	(153)	1,827
Dividends received from listed companies ⁽³⁾	267	-	-	267
Decrease (increase) in sales financing receivables	-	(1,498)	68	(1,430)
Net change in financial assets and sales financing debts	-	1,925	(49)	1,876
Change in capitalized leased assets	(123)	(95)	-	(218)
Decrease (increase) in working capital	(369)	(381)	35	(715)
CASH FLOWS FROM OPERATING ACTIVITIES	1,502	204	(99)	1,607
Purchases of intangible assets	(459)	(1)	-	(460)
Purchases of property, plant and equipment	(894)	(2)	-	(896)
Disposals of property, plant and equipment and intangibles	23	-	-	23
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired/transferred	(3)	-	-	(3)
Acquisitions and disposals of other investments and other assets	(3)	(16)	-	(19)
Net decrease (increase) in other securities and loans of the Automotive segment	12	-	1	13
CASH FLOWS FROM INVESTING ACTIVITIES	(1,324)	(19)	1	(1,342)
Cash flows with shareholders	(704)	(162)	150	(716)
Net change in financial liabilities of the Automotive segment	(869)	-	(40)	(909)
CASH FLOWS FROM FINANCING ACTIVITIES	(1,573)	(162)	110	(1,625)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS ⁽⁴⁾	(1,395)	23	12	(1,360)

(1) Dividends received from Daimler.

(2) Cash flow does not include dividends received from listed companies.

(3) Dividends from Daimler (€34 million) and Nissan (€233 million).

(4) Excluding the impact on cash of changes in exchange rate and other changes.

(€ million)	Automotive	Sales Financing	Intersegment transactions	Consolidated total
H1 2015				
Cash and cash equivalents: opening balance	11,591	1,102	(196)	12,497
Increase (decrease) in cash and cash equivalents	(1,395)	23	12	(1,360)
Effect of changes in exchange rate and other changes	11	(1)	6	16
Cash and cash equivalents: closing balance	10,207	1,124	(178)	11,153

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FINANCIAL RESULTS

2.2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(€ million)	Automotive	Sales Financing	Intersegment transactions	Consolidated total
H1 2014				
Net income	783	226	(208)	801
Cancellation of dividends received from unconsolidated listed investments ⁽¹⁾	(31)	-	-	(31)
Cancellation of income and expenses with no impact on cash				
- Depreciation, amortization and impairment	1,544	7	-	1,551
- Share in net (income) loss of associates and joint ventures	(729)	4	-	(725)
- Other income and expenses with no impact on cash	175	10	-	185
Cash flow ⁽²⁾	1,742	247	(208)	1,781
Dividends received from listed companies ⁽³⁾	243	-	-	243
Decrease (increase) in sales financing receivables	-	(698)	158	(540)
Net change in financial assets and sales financing debts	-	249	65	314
Change in capitalized leased assets	(110)	(8)	-	(118)
Decrease (increase) in working capital	(861)	(32)	15	(878)
CASH FLOWS FROM OPERATING ACTIVITIES	1,014	(242)	30	802
Purchases of intangible assets	(448)	(2)	-	(450)
Purchases of property, plant and equipment	(728)	(1)	-	(729)
Disposals of property, plant and equipment and intangibles	45	2	-	47
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired/transferred	(11)	-	-	(11)
Acquisitions and disposals of other investments and other assets	(220)	-	-	(220)
Net decrease (increase) in other securities and loans of the Automotive segment	18	-	(2)	16
CASH FLOWS FROM INVESTING ACTIVITIES	(1,344)	(1)	(2)	(1,347)
Cash flows with shareholders	(534)	(227)	210	(551)
Net change in financial liabilities of the Automotive segment	1,424	-	(143)	1,281
CASH FLOWS FROM FINANCING ACTIVITIES	890	(227)	67	730
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS ⁽⁴⁾	560	(470)	95	185

(1) Dividends received from Daimler.

(2) Cash flow does not include dividends received from listed companies.

(3) Dividends received from Daimler (€31 million) and Nissan (€212 million).

(4) Excluding the impact on cash of changes in exchange rate and other changes.

(€ million)	Automotive	Sales Financing	Intersegment transactions	Consolidated total
H1 2014				
Cash and cash equivalents: opening balance	10,704	1,201	(244)	11,661
Increase (decrease) in cash and cash equivalents	560	(470)	95	185
Effect of changes in exchange rate and other changes	20	6	18	44
Cash and cash equivalents: closing balance	11,284	737	(131)	11,890

FINANCIAL RESULTS

2.2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(€ million)	Automotive	Sales Financing	Intersegment transactions	Consolidated total
YEAR 2014				
Net income	1,755	455	(212)	1,998
Cancellation of dividends received from unconsolidated listed investments ⁽¹⁾	(31)	-	-	(31)
Cancellation of income and expenses with no impact on cash				
- Depreciation, amortization and impairment	2,702	9	-	2,711
- Share in net (income) loss of associates and joint ventures	(1,366)	4	-	(1,362)
- Other income and expenses with no impact on cash	78	16	(2)	92
Cash flow ⁽²⁾	3,138	484	(214)	3,408
Dividends received from listed companies ⁽³⁾	463	-	-	463
Decrease (increase) in sales financing receivables	-	(1,936)	116	(1,820)
Net change in financial assets and sales financing debts	-	1,429	12	1,441
Change in capitalized leased assets	(235)	(56)	-	(291)
Decrease (increase) in working capital	596	138	37	771
CASH FLOWS FROM OPERATING ACTIVITIES	3,962	59	(49)	3,972
Purchases of intangible assets	(964)	(3)	-	(967)
Purchases of property, plant and equipment	(1,541)	(3)	-	(1,544)
Disposals of property, plant and equipment and intangibles	89	1	-	90
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired/transferred	(11)	-	-	(11)
Acquisitions and disposals of other investments and other assets	(400)	(15)	-	(415)
Net decrease (increase) in other securities and loans of the Automotive segment	69	-	(7)	62
CASH FLOWS FROM INVESTING ACTIVITIES	(2,758)	(20)	(7)	(2,785)
Cash flows with shareholders	(568)	(227)	210	(585)
Net change in financial liabilities of the Automotive segment	242	-	(127)	115
CASH FLOWS FROM FINANCING ACTIVITIES	(326)	(227)	83	(470)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS ⁽⁴⁾	878	(188)	27	717

(1) Dividends received from Daimler.

(2) Cash flow does not include dividends received from listed companies.

(3) Dividends received from Daimler (€31 million) and Nissan (€432 million).

(4) Excluding the impact on cash of changes in exchange rate and other changes.

(€ million)	Automotive	Sales Financing	Intersegment transactions	Consolidated total
YEAR 2014				
Cash and cash equivalents: opening balance	10,704	1,201	(244)	11,661
Increase (decrease) in cash and cash equivalents	878	(188)	27	717
Effect of changes in exchange rate and other changes	9	89	21	119
Cash and cash equivalents: closing balance	11,591	1,102	(196)	12,497

FINANCIAL RESULTS

2.2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.2.6.2. ACCOUNTING POLICIES AND SCOPE OF CONSOLIDATION

Note 1. Approval of the financial statements

The Renault group's consolidated financial statements for June 30, 2015 were finalized at the Board of Directors' meeting of July 29, 2015.

Note 2. Accounting policies

The Renault group's financial statements at December 31, 2014 were prepared under the IFRS (International Financial Reporting Standards) issued by the IASB (International Accounting Standards Board) at December 31, 2014 and adopted by the European Union at the closing date.

The interim financial statements at June 30, 2015 are compliant with IAS 34 "Interim financial reporting". They do not contain all the information required for annual consolidated financial statements and should be read in conjunction with the financial statements at December 31, 2014. With the exception of the changes stated below, the accounting policies are identical to those applied in the consolidated financial statements at December 31, 2014.

The following standards and amendments were published in the Official Journal of the European Union at the closing date for these half-year financial statements and are applied for the first time at June 30, 2015:

STANDARD		Effective date
IFRIC 21	Levies	January 1, 2015
Improvements to several standards	Annual improvements – 2011- 2013 cycle	January 1, 2015

The only standard with an impact on the financial statements at June 30, 2015 is interpretation IFRIC 21 "Levies", which concerns the date of recognition of a liability related to

payment of taxes other than income taxes. Such tax liabilities are now recognized immediately in full when the triggering event defined by tax legislation occurs. As a result of this change it is no longer possible to spread annual taxes for which the fiscal triggering event is a specified date (this mainly concerns property tax, the "C3S" social solidarity contribution due by companies, and taxes specific to the Sales financing activity in France), and the liability must now be recorded in the period when the fiscal triggering event arises rather than in the year the income on which the tax is based is generated (as was the case for the C3S in France).

This interpretation is applied retrospectively. Its impact is not significant at Group level, as the following restated figures for 2014 show:

- restated shareholders' equity at December 31, 2014 is increased by €39 million,
- the operating margin and the share in net income of associates and joint ventures for the first half of 2014 should include an additional expense respectively of €48 million and €14 million. As a result, the Group's restated net income for the first half of 2014 would have been €62 million lower. Implementation of IFRIC 21 has no impact on the full-year net income.

The main areas of the condensed consolidated financial statements at June 30, 2015 involving estimates and judgements are the same as those described in note 2-B to the annual consolidated financial statements for 2014.

Note 3. Changes in the scope of consolidation in the first half-year of 2015

There was no change in the scope of consolidation during the first half of 2015.

2.2.6.3. CONSOLIDATED INCOME STATEMENT

Note 4. Revenues

Consolidated revenues are presented by location of customers.

(€ million)	H1 2015	H1 2014	Year 2014
Europe ⁽¹⁾	14,254	12,693	25,711
Americas	2,098	1,990	4,827
Asia-Pacific ⁽²⁾	2,075	1,191	2,685
Africa Middle-East India ⁽²⁾	1,814	1,728	3,391
Eurasia ⁽²⁾	1,956	2,218	4,441
Total revenues	22,197	19,820	41,055
(1) Including for France:	5,089	5,015	9,836

(2) Figures for the first half-year of 2014 have been restated to reflect the new geographical segments introduced by the Group in the second half-year of 2014, presented in note 4.2.6.1-B to the annual consolidated financial statements for 2014.

Note 5. Research and development expenses

(€ million)	H1 2015	H1 2014	Year 2014
Research and development expenses	(1,065)	(913)	(1,890)
Capitalized development expenses	429	419	842
Amortization of capitalized development expenses	(374)	(384)	(673)
Total reported in income statement	(1,010)	(878)	(1,721)

Note 6. Other operating income and expenses

(€ million)	H1 2015	H1 2014	Year 2014
Restructuring and workforce adjustment costs	(106)	(152)	(305)
Gains and losses on disposal of property, plant and equipment and intangible assets (excluding sales of leased assets)	6	30	7
Impairment of fixed assets	(11)	(135)	(153)
Reversal of impairment related to operations in Iran	7	11	14
Other unusual items	(12)	(19)	(67)
Total	(116)	(265)	(504)

A. Restructuring and workforce adjustment costs

Restructuring costs and workforce adjustment measures mainly relate to Europe in first-half 2015 and 2014.

The costs for first-half 2015 particularly include €62 million for the “Contract for Renault’s new growth and labour development in France” agreement signed in March 2013 (€223 million in 2014, of which €124 million concerned the first half-year), which broadened the career-end work exemption arrangements. Under IAS 19 (revised), this is considered as a post-employment benefit and the cost must be covered by a provision established over the residual forecast working life of the employees concerned. The provision in the balance sheet liabilities at June 30, 2015 therefore covers the outstanding amounts due to employees who have already stopped working at June 30, 2015 and a share of the discounted cost for the population likely to sign up to this arrangement between July 1, 2015 and December 31, 2016.

B. Impairment of fixed assets

Following impairment tests, impairment of €11 million was booked in first-half 2015 against intangible and tangible assets.

In 2014, impairment of €44 million and €92 million respectively was booked against intangible assets and tangible assets (including €46 million and €89 million respectively for the first half-year), mainly following impairment tests on vehicles and mechanical parts. An expense of €15 million was also recognised in 2014 (none for the first half-year) corresponding to the effect of unwinding a provision for indemnities payable to certain suppliers due to failure to meet stipulated minimum purchase volumes for electric vehicle models.

C. Other unusual items

Other unusual items in 2014 include an amount of €45 million (including €17 million for the first half-year) to cover risks in Germany, essentially resulting from a change in the regulations on administrative fees for the financing activity.

FINANCIAL RESULTS

2.2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 7. Financial income (expenses) and net liquidity position (net financial indebtedness) of the automotive segment

A. Breakdown of financial income (expenses)

(€ million)	H1 2015	H1 2014 restated ⁽¹⁾	Year 2014 restated ⁽¹⁾
Cost of gross financial indebtedness	(189)	(213)	(386)
Income on cash and financial assets	80	77	141
Cost of net financial indebtedness	(109)	(136)	(245)
Change in fair value of redeemable shares	(81)	(18)	(37)
Foreign exchange gains and losses on financial operations	27	18	28
Net interest expenses on the net defined-benefit liability (asset) corresponding to pension and other long-term employee benefit obligations	(18)	(23)	(45)
Other	20	35	(34)
Other financial income and expenses	(52)	12	(88)
Financial income (expenses)	(161)	(124)	(333)

(1) The Group now uses the subtotal "cost of net financial indebtedness" in the income statement instead of "net interest income (expenses)". The cost of net financial indebtedness comprises all financial income and expenses associated with cash and cash equivalents and financial assets and liabilities of the Automotive segment (excluding the fair value of redeemable shares). This change has led to non-material reclassifications in the periods presented, for better coherence between financial income statement items and financial position items. Also, interests on financial derivatives have been grouped together and are now included at net value in the cost of gross financial indebtedness.

Other items of financial income and expenses in 2015 include dividends received from Daimler at the gross value of €40 million (€37 million in 2014).

B. Net liquidity position (net financial indebtedness) of the automotive segment

(€ million)	H1 2015	Year 2014
Non-current financial liabilities	(5,448)	(7,272)
Current financial liabilities	(4,690)	(3,872)
Non-current financial assets – other securities, loans and derivatives on financing operations	355	514
Current financial assets	1,143	1,143
Cash and cash equivalents	10,207	11,591
Net liquidity position of the Automotive segment	1,567	2,104

Note 8. Current and deferred taxes

For interim accounting purposes, the tax charge – or income – is determined at the projected year-end effective tax rate,

adjusted for non-recurring events of the half-year, which are recognized in the period in which they arise.

A. Current and deferred tax expense

(€ million)	H1 2015	H1 2014	Year 2014
Current income taxes	(309)	(248)	(396)
Deferred tax income (expense)	74	(16)	260
Current and deferred taxes	(235)	(264)	(136)

In first-half 2015, €233 million of current income taxes were generated by foreign entities (compared to €194 million in first-half 2014 and €343 million for the year 2014).

B. Breakdown of the tax charge

(€ million)	H1 2015	H1 2014	Year 2014
Income before taxes and share in net income of associates and joint ventures	792	340	772
Statutory income tax rate in France, including the additional contribution ⁽¹⁾	38.0%	38.0%	38.0%
Theoretical tax income (charge)	(301)	(129)	(293)
Effect of differences between local tax rates and the French rate ⁽²⁾	86	136	180
Tax credits	42	14	28
Distribution taxes	(33)	(43)	(84)
Change in unrecognized deferred tax assets	41	(246)	(51)
Other impacts ⁽³⁾	(70)	4	84
Current and deferred tax income (charge)	(235)	(264)	(136)

(1) In France, the Group is liable for an exceptional 10.7% contribution applicable until the end of the 2015 financial year. The theoretical tax rate including this exceptional contribution stands at 38.0%.

(2) In 2015, the main countries contributing to the tax rate differential are Korea, Romania, Switzerland and Turkey.

(3) Other impacts are primarily permanent differences, income subject to reduced tax rates, the cost of tax reassessments and prior year adjustments. They also include the effect of the differential between the income tax rate including the exceptional contribution applicable in France (38.0%) used for the tax breakdown between theoretical and actual taxes, and the 34.43% tax rate used to calculate deferred taxes for the French tax consolidation group (negative effect of €7 million for the first half of 2015, €23 million for the first half of 2014 and €25 million for the year 2014).

Until June 30, 2014, as there was no prospect of reporting taxable income in the foreseeable future, the Group wrote off all net deferred tax assets of the French tax consolidation group.

In the second half of 2014 and the first half of 2015, the outlook for financial results led the Group to recognize some of these net deferred tax assets. The corresponding recognition was partly transferred to income (€52 million in the first half of 2015 and €210 million in the second half of 2014) and partly to other components of comprehensive income (€17 million in the first half of 2015 and €52 million in the second half of 2014), due to the origins of the taxes concerned (2.2.2).

The residual unrecognized net deferred tax assets in the French tax consolidation group amounted to €2,817 million at June 30, 2015 (€2,816 million at December 31, 2014).

€653 million of these unrecognized assets arose on items booked in shareholders' equity (chiefly the effects of the partial hedge of the investment in Nissan, revaluation of financial instruments, and actuarial gains and losses), and €2,164 million arose on items affecting the income statement (respectively €547 million and €2,269 million at December 31, 2014).

For other entities not in the French tax consolidation group, the effective tax rate was 30.6% for the first half of 2015 (29.3% for the first half of 2014 and 25.5% for the year 2014). Unrecognized deferred tax assets totalled €653 million at June 30, 2015 (€636 million at December 31, 2014), and essentially related to tax loss carryforwards generated by the Group in Brazil, and to a lesser extent in India and Argentina.

Note 9. Basic and diluted earnings per share

(in thousands of shares)	H1 2015	H1 2014	Year 2014
Shares in circulation	295,722	295,722	295,722
Treasury shares	(3,569)	(3,548)	(3,289)
Shares held by Nissan x Renault's share in Nissan	(19,384)	(19,384)	(19,384)
Number of shares used to calculate basic earnings per share	272,769	272,790	273,049

The number of shares used to calculate the basic earnings per share is the weighted average number of ordinary shares

in circulation during the period, i.e. after neutralization of treasury shares and Renault shares held by Nissan.

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<i>(in thousands of shares)</i>	H1 2015	H1 2014	Year 2014
Number of shares used to calculate basic earnings per share	272,769	272,790	273,049
Dilutive effect of stock options and performance share attribution rights	1,478	1,411	1,052
Number of shares used to calculate diluted earnings per share	274,247	274,201	274,101

The number of shares used to calculate the diluted earnings per share is the weighted average number of ordinary shares potentially in circulation during the period, i.e. the number of shares used to calculate the basic earnings per share plus

the number of stock options and rights to performance share attribution that have a dilutive effect and fulfil the performance conditions at the year-end when issuance is conditional.

2.2.6.4. CONSOLIDATED FINANCIAL POSITION

Note 10. Intangible assets and property, plant and equipment

A. Intangible assets and goodwill

<i>(€ million)</i>	Gross value	Amortization and impairment	Net value
Value at December 31, 2014	10,002	(6,559)	3,443
Acquisitions / (amortization and impairment) ⁽¹⁾	460	(427)	33
(Disposals) / reversals	(710)	703	(7)
Translation adjustment	18	(9)	9
Change in scope of consolidation and other	-	-	-
Value at June 30, 2015	9,770	(6,292)	3,478

(1) Including €6 million of impairment on capitalized development expenses and other intangible assets – see note 6-B.

B. Property, plant and equipment

<i>(€ million)</i>	Gross value	Depreciation and impairment	Net value
Value at December 31, 2014	35,495	(24,694)	10,801
Acquisitions / (amortization and impairment) ^{(1) (2)}	1,047	(976)	71
(Disposals)/ reversals	(599)	431	(168)
Translation adjustment	143	(56)	87
Change in scope of consolidation and other	19	29	48
Value at June 30, 2015	36,105	(25,266)	10,839

(1) Including €5 million of impairment – see note 6-B.

(2) Including €380 million of capitalized leased assets – see note 18-C.

C. Impairment test at the level of cash-generating units of the Automotive segment

No impairment tests were conducted on any cash-generating unit representing an economic entity during the first half of 2015, as there was no indication of any loss of value.

In addition, Renault's stock market capitalisation (€27,276 million) was higher than the value of the Group's shareholders' equity. As there was no indication of any loss of value, the impairment test was not repeated.

Note 11. Investment in Nissan

A. Nissan consolidated financial statements included under the equity method in the Renault consolidation

The Nissan accounts included under the equity method in Renault's financial statements are Nissan's consolidated accounts published in compliance with Japanese accounting standards (as Nissan is listed on the Tokyo Stock Exchange), after adjustments for the requirements of the Renault consolidation.

Nissan held 0.67% of its own shares at June 30, 2015 (0.68% at December 31, 2014), and Renault's percentage interest in Nissan was 43.69% (43.70% at December 31, 2014).

B. Changes in the investment in Nissan as shown in Renault's financial position

	Share in net assets			Goodwill	Total
	Before neutralization	Neutralization of Nissan's investment in Renault ⁽¹⁾	Net		
(€ million)					
At December 31, 2014	16,170	(974)	15,196	637	15,833
First-half 2015 net income	979	-	979	-	979
Dividend distributed	(233)	-	(233)	-	(233)
Translation adjustment	1,111	-	1,111	38	1,149
Other changes ⁽²⁾	(37)	-	(37)	-	(37)
At June 30, 2015	17,990	(974)	17,016	675	17,691

(1) Nissan has held 44,358,000 Renault shares since 2002, corresponding to an investment of around 15%.

(2) Other changes include the effect of Renault dividends received by Nissan, the change in actuarial gains and losses on pension obligations, the change in the financial instruments revaluation reserve and the change in Nissan treasury shares.

C. Changes in Nissan equity restated for the purposes of the Renault consolidation

	Dec. 31, 2014	Net income for first-half 2015	Dividends	Translation adjustment	Other changes ⁽¹⁾	June 30, 2015
(¥ million)						
Shareholders' equity – Nissan share under Japanese GAAP	4,710	272	(69)	31	(11)	4,933
Restatements for compliance with IFRS:						
Provision for pension and other long-term employee benefit obligations	2	(10)	-	-	(11)	(19)
Capitalization of development expenses	603	19	-	1	1	624
Deferred taxes and other restatements	(139)	20	-	2	7	(110)
Net assets restated for compliance with IFRS	5,176	301	(69)	34	(14)	5,428
Restatements for Renault group requirements ⁽²⁾	198	-	(5)	17	4	214
Net assets restated for Renault group requirements	5,374	301	(74)	51	(10)	5,642

(€ million)

Net assets restated for Renault group requirements	37,002	2,240	(533)	2,543	(77)	41,175
Renault's percentage interest	43.7%					43.69%
Renault's share (before the neutralization effect described below)	16,170	979	(233)	1,111	(37)	17,990
Neutralization of Nissan's investment in Renault ⁽³⁾	(974)	-	-	-	-	(974)
Renault's share in the net assets of Nissan	15,196	979	(233)	1,111	(37)	17,016

(1) Other changes include the effect of Renault dividends received by Nissan, the change in the actuarial gains and losses on pension obligations, the change in the financial instruments revaluation reserve and the change in Nissan treasury shares.

(2) Restatements for Renault group requirements essentially correspond to revaluation of fixed assets by Renault for the acquisitions undertaken between 1999 and 2002, and elimination of Nissan's investment in Renault accounted for by the equity method.

(3) Nissan has held 44,358,000 Renault shares since 2002, corresponding to an investment of around 15%.

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D. Nissan net income under Japanese GAAP

Since Nissan's financial year ends on March 31, the Nissan net income included in the first-half 2015 Renault consolidation is

the sum of Nissan's net income for the final quarter of its 2014 financial year and the first quarter of its 2015 financial year.

	January to March 2015 Final quarter of Nissan's 2014 financial year		April to June 2015 First quarter of Nissan's 2015 financial year		January to June 2015 Reference period for Renault's first-half 2015 consolidated financial statements	
	(¥ billion)	(€ million ⁽¹⁾)	(¥ billion)	(€ million ⁽¹⁾)	(¥ billion)	(€ million ⁽¹⁾)
Net income – parent-company share- holders' share	119	887	153	1,141	272	2,028

(1) Converted at the average exchange rate for each quarter.

E. Valuation of Renault's investment in Nissan based on stock market prices

Based on the market price of Nissan stock at June 30, 2015 (¥1,275 per share), Renault's investment in Nissan is valued at €18,259 million (€14,280 million at December 31, 2014 based on the market price of ¥1,057 per share at that date).

(€2.5 billion and €1.9 billion respectively in 2014, including €1.2 billion and €1.2 billion for the first half-year).

During first-half 2015, the RCI Banque consolidated subgroup recorded €77 million of commission and interest income received from Nissan (€156 million in 2014, including €79 million related to the first half-year).

F. Operations between the Renault group and the Nissan group

Total sales by Renault to Nissan and purchases by Renault from Nissan during the first half of 2015 amounted to an estimated €1.8 billion and €0.8 billion respectively

Note 12. Investments in other associates and joint ventures

Investments in other associates and joint ventures are as follows in the Group's consolidated income statement and financial position:

(€ million)	H1 2015	H1 2014	Year 2014
Share in net income (loss) of other associates and joint ventures	(67)	(64)	(197)
AVTOVAZ	(70)	(55)	(182)
Other associates accounted for under the equity method	3	(10)	(25)
Joint ventures accounted for under the equity method	-	1	10

(€ million)	June 30, 2015	Year 2014
Investments in other associates and joint ventures	904	887
AVTOVAZ	222	249
Other associates accounted for under the equity method	360	340
Joint ventures accounted for under the equity method	322	298

A. AVTOVAZ consolidated financial statements included under the equity method in the Renault consolidation

AVTOVAZ's financial year-end is December 31. For the purposes of the Renault consolidation, given the existing time constraints for production of financial information, the accounts of AVTOVAZ are consolidated with a 3-month time-lag. Consequently, the AVTOVAZ net income included in Renault's half-year 2015 consolidated financial statements is the sum of AVTOVAZ's net income for the final quarter of 2014 and the first quarter of 2015, adjusted to take into account significant transactions and accounting entries of the second quarter of 2015.

B. Changes in the value of Renault's investment in AVTOVAZ as shown in Renault's statement of financial position

In accordance with the partnership agreement signed in December 2012, a joint venture named Alliance Rostec Auto B.V. was created to group all the interests in AVTOVAZ owned by Renault, Nissan and Russian Technologies. Alliance Rostec Auto B.V. has held 74.51% of the capital and voting rights at the Shareholders' Meetings of AVTOVAZ since March 2013.

Since June 2014, Renault has held 50%, less one share, of the capital and the voting rights at Shareholders' Meetings and Board of Directors' Meetings of Alliance Rostec Auto B.V..

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Renault's percentage interest in AVTOVAZ, through the entity Alliance Rostec Auto B.V., is therefore 37.25% as of June 30, 2015, the same as at December 31, 2014.

AVTOVAZ's Board of Directors consists of 8 members nominated for appointment by Renault and Nissan (4 members nominated by Renault, 2 nominated by Nissan and 2 nominated jointly by Renault and Nissan) and 7 members nominated by Russian Technologies. On June 27, 2013, the Chairman and CEO of Renault and President of Nissan was elected Chairman of the Board of AVTOVAZ. As of June 30, 2015, Renault occupies 4 seats on the Board (4 seats at December 31, 2014).

The Renault group does not control Alliance Rostec Auto B.V. or AVTOVAZ, because it does not hold the majority of voting rights in the governing bodies of Alliance Rostec Auto B.V. or the Board of Directors of AVTOVAZ. Strategic and operating decisions must be approved by a majority shareholder vote.

Alliance Rostec Auto B.V. and AVTOVAZ are accounted for by the equity method in the Group's financial statements. The table below reports consolidated figures for Alliance Rostec Auto B.V. and the AVTOVAZ group.

(€ million)	Share in net assets	Goodwill	Impairment	Total
At September 30, 2014 ⁽¹⁾	205	44	-	249
Net income for the period October 1, 2014 to March 31, 2015 ⁽²⁾	(12)	-	(58)	(70)
Translation adjustments	31	8	4	43
At March 31, 2015 ⁽³⁾	224	52	(54)	222

(1) The closing figures in roubles at September 30, 2014 were converted using the exchange rate of December 31, 2014, i.e. 72.337 roubles for 1 euro. Adjustments have been made to take into account significant transactions and accounting entries that occurred between September 30, 2014 and December 31, 2014.

(2) The share in net income of AVTOVAZ has been calculated by applying a 37.25% interest to the net income for the two quarters of the period. Adjustments have been made to take into account significant transactions and accounting entries that occurred during the second quarter of 2015.

(3) The closing figures in roubles at March 31, 2015 were converted using the exchange rate of June 30, 2015, i.e. 62.355 roubles for 1 euro. Negative accumulated translation adjustments amount to €(252) million. Adjustments have been made to take into account significant transactions and accounting entries that occurred between March 31, 2015 and June 30, 2015.

C. Changes in AVTOVAZ and Alliance Rostec Auto B.V. shareholders' equity restated for the purposes of the Renault consolidation

(€ million)	October 1, 2014 ⁽¹⁾	Net income for the period October 1, 2014 – March 31, 2015	Translation adjustment and other changes	March 31, 2015 ⁽²⁾
Shareholders' equity of AVTOVAZ – parent company shareholders' share	522	(30)	81	573
Restatements for Renault group requirements ⁽³⁾	26	(1)	4	29
Net assets of AVTOVAZ restated for Renault group requirements	548	(31)	85	602
Share in AVTOVAZ held by Alliance Auto Rostec B.V. (74.51%)	409	(23)	63	449
Restated net assets of Alliance Auto Rostec B.V.	409	(23)	63	449
Share in Alliance Rostec Auto B.V. held by Renault				
Renault's percentage interest	50% -1 share			50% -1 share
Renault's share	205	(12)	31	224
Goodwill on acquisitions of shares in AVTOVAZ and Alliance Rostec Auto B.V.	44	-	8	52
Impairment loss	-	(58)	4	(54)
Renault's share in the net assets of AVTOVAZ	249	(70)	43	222

(1) The closing figures in roubles at September 30, 2014 were converted using the exchange rate of December 31, 2014, i.e. 72.337 roubles for 1 euro. Adjustments have been made to take into account significant transactions and accounting entries that occurred between September 30, 2014 and December 31, 2014.

(2) The closing figures in roubles at March 31, 2015 were converted using the exchange rate of June 30, 2015, i.e. 62.355 roubles for 1 euro. Adjustments have been made to take into account significant transactions and accounting entries that occurred between March 31, 2015 and June 30, 2015.

(3) Restatements for Renault group requirements mainly correspond to valuation of intangible assets (the Lada brand).

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D. Valuation of Renault's investment in AVTOVAZ at stock market prices

Based on AVTOVAZ's stock market share price at June 30, 2015, Renault's 37.25% investment in AVTOVAZ is valued at €124 million (€90 million at December 31, 2014).

E. Impairment test of the investment in AVTOVAZ

At June 30, 2015, the stock market value of the investment was 44% lower than the value of AVTOVAZ in Renault's statement of financial position (64% lower at December 31, 2014).

In application of the approach presented in the note on accounting policies (note 2-M to the annual financial statements), an impairment test was carried out at June 30, 2015. An after-tax discount rate of 15.9% and a growth rate to infinity of 3.0% were used to calculate value in use. The terminal value was calculated under reasonable profitability and medium-term prospect assumptions.

Based on the results of this impairment test, impairment amounting to 3,376 million roubles was recognised at June 30, 2015 (equivalent to €58 million at the average exchange rate for the second quarter of 2015 and €54 million at the closing rate of June 30, 2015).

If one of these assumptions is varied while the other remains stable, with a growth rate to infinity of 2%, additional impairment of €38 million would be recognised. With an after-tax rate discount rate of 17%, additional impairment of €65 million would be recognised.

The recoverable value of the shares in AVTOVAZ at June 30, 2015 is equal to their carrying value at that date (€222 million).

F. Operations between the Renault group and the AVTOVAZ group

The Renault group continued to provide technical assistance to AVTOVAZ for several vehicle, engine and gearbox projects implemented by the Renault-Nissan Alliance and AVTOVAZ, and for assembly of the B0 platform shared by AVTOVAZ, Renault and Nissan. Consulting services are also provided by Renault in areas such as purchasing, quality and IT. During first-half 2015, the Renault group invoiced €14 million to AVTOVAZ for this technical assistance (€56 million in 2014, of which €30 million concerned the first half-year).

Following the start of vehicle production on the B0 platform, Renault supplied AVTOVAZ with parts required for assembly for a total amount of €266 million in the first half of 2015 (€529 million in 2014, of which €204 million concerned the first half-year).

Production of Renault vehicles began on this platform in March 2014 and production of engines began on April 2015, and AVTOVAZ delivered vehicles and engines worth a total €153 million to Renault during the first half of 2015 (€360 million in 2014, of which €87 million concerned the first half-year).

Renault's investment in the B0 platform is recorded in property, plant and equipment at the amount of €193 million at June 30, 2015 (12,012 million roubles), including €66 million for development of a new engine (€161 million or 11,616 million roubles at December 31, 2014 including €33 million for development of a new engine).

The total amount of loans by the Group to AVTOVAZ is €104 million at June 30, 2015 (€111 million at December 31, 2014).

Note 13. Inventories

	June 30, 2015			December 31, 2014		
	Gross value	Impairment	Net value	Gross value	Impairment	Net value
(€ million)						
Raw materials and supplies	1,276	(228)	1,048	1,028	(207)	821
Work-in-progress	245	(2)	243	171	(1)	170
Used vehicles	1,097	(66)	1,031	912	(79)	833
Finished products and spare parts	2,530	(140)	2,390	1,696	(129)	1,567
Total	5,148	(436)	4,712	3,807	(416)	3,391

Note 14. Financial assets – Cash and cash equivalents**A. Current/non-current breakdown**

(€ million)	June 30, 2015			December 31, 2014		
	Non-current	Current	Total	Non-current	Current	Total
Investments in non-controlled entities	1,458	-	1,458	1,233	-	1,233
Marketable securities and negotiable debt instruments	-	808	808	-	785	785
Loans	134	452	586	139	280	419
Derivatives on financing operations of the Automotive segment	174	451	625	309	465	774
Total financial assets	1,766	1,711	3,477	1,681	1,530	3,211
<i>Gross value</i>	<i>1,767</i>	<i>1,717</i>	<i>3,484</i>	<i>1,682</i>	<i>1,535</i>	<i>3,217</i>
<i>Impairment</i>	<i>(1)</i>	<i>(6)</i>	<i>(7)</i>	<i>(1)</i>	<i>(5)</i>	<i>(6)</i>
Cash and cash equivalents	-	11,153	11,153	-	12,497	12,497

B. Investments in non-controlled entities

Investments in non-controlled entities include €1,343 million (€1,134 million at December 31, 2014) for the Daimler shares purchased under the strategic partnership agreement. These shares are classified as available-for-sale financial assets and their fair value is determined by reference to the market price. At June 30, 2015, the stock market price (€81.64 per share) was higher than the acquisition price (€35.52 per share). The increase in fair value over the period amounted to €208 million and was recorded in other components of comprehensive income at June 30, 2015 (€99 million at December 31, 2014, of which €90 million concerned the first half-year).

C. Cash not available to the Group's parent company

The Group has liquidities in countries where repatriation of funds can be complex for regulatory or political reasons. In most of these countries, such funds are used locally for industrial or sales financing purposes.

In Argentina, limited access to the US dollar is restricting international payments by Group subsidiaries. Their cash and cash equivalents amounted to €430 million at June 30, 2015 (€292 million at December 31, 2014).

Some of the current bank accounts held by the Sales financing Securitization Funds is allocated to increasing credit on securitized receivables, and consequently acts as collateral in the event of a default on receivables (see note 15-B1 to the annual financial statements for 2014). These current bank accounts amount to €483 million at June 30, 2015 (€479 million at December 31, 2014).

Note 15. Shareholder's equity**A. Share capital**

The total number of ordinary shares issued and fully paid-up at June 30, 2015 was 295,722,000 with par value of €3.81 per share (the par value is unchanged from December 31, 2014).

Treasury shares do not bear dividends. They account for 1.27% of Renault's share capital at June 30, 2015 (0.86% at December 31, 2014).

B. Distributions

At the General and Extraordinary Shareholders' Meeting of April 30, 2015, it was decided to pay a dividend of €1.90 per share, or a total of €555 million (€1.72 per share in 2014). This dividend was paid out in May.

C. Stock option and performance share plans

The Board of Directors periodically grants stock options to Group executives and managers, with prices and exercise periods specific to each plan. Performance share plans have also been awarded, each with its own vesting and required holding periods. All plans include performance conditions which determine the number of options or shares granted to beneficiaries. Loss of the benefit of stock options or performance shares follows the applicable regulations: all options and rights are forfeited in the event of resignation or termination, and a decision is made for each individual case when an employee leaves at the company's instigation.

A new performance share plan was introduced during first-half 2015, concerning 1,419,000 shares with initial total value of €71 million. The vesting period for rights to shares is 3 years, followed by a minimum 2-year holding period for most of the performance shares awarded (1,054,000 shares). The remaining shares (365,000) have a 4-year vesting period and no minimum holding period.

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Changes in the number of stock options and performance share rights held by personnel

	Stock options			Performance share rights
	Quantity	Weighted average exercise price (€)	Average weighted share price at the dates of vesting or exercise (€)	
Options outstanding and rights not yet vested at January 1, 2015	1,024,830	37	-	1,483,090
Granted	-	-	-	1,419,575
Options exercised and vested rights	(160,000) ⁽¹⁾	-	49	(89,795) ⁽²⁾
Options and rights expired and other adjustments	-	-	N/A	(2,780)
Options outstanding and rights not yet vested at June 30, 2015	864,830	36	-	2,810,090

(1) Stock purchase options exercised in 2015 were granted under plan 18 in 2011.

(2) Performance shares vested in 2015 were awarded under plan 18 bis in 2011.

Note 16. Provisions

A. Provisions for pensions and other long-term employee benefit obligations

Provisions for pensions and other long-term employee benefit obligations decreased by €27 million in first-half 2015,

mainly due to the higher financial discount rate used for France. The rate most frequently used to value the Group's obligations in France is 2% at June 30, 2015, against 1.6% at December 31, 2014.

B. Change in provisions

	Restructuring provisions	Warranty provisions	Tax risks and litigation provisions	Insurance activities ⁽¹⁾	Other provisions	Total
(€ million)						
At December 31, 2014	491	807	425	233	372	2,328
Increases	91	238	58	46	38	471
Reversals for application	(104)	(220)	(56)	(10)	(37)	(427)
Reversals of unused residual amounts	(6)	(19)	(27)	-	(18)	(70)
Translation adjustments and other changes	1	12	(12)	-	35	36
At June 30, 2015 (2)	473	818	388	269	390	2,338

(1) Mainly technical reserves established by the insurance companies that are part of Sales financing.

(2) Short-term portion of provisions: €1,083 million; long-term portion provisions: €1,255 million.

All known litigation in which Renault or Group companies are involved is examined at each closing. After seeking the opinion of legal advisors, any provisions deemed necessary

are established to cover the estimated risks. The Group was not involved in any significant new litigation during the first half of 2015.

Note 17. Financial liabilities and sales financing debts

(<i>€ million</i>)	June 30, 2015			December 31, 2014		
	Non-current	Current	Total	Non-current	Current	Total
Renault SA redeemable shares	439	-	439	350	-	350
Bonds	3,475	1,903	5,378	4,870	1,417	6,287
Other debts represented by a certificate	-	249	249	-	223	223
Borrowings from credit institutions (at amortized cost)	985	1,233	2,218	1,344	1,052	2,396
Other interest-bearing borrowings	386	212	598	426	70	496
Derivatives on financing operations of the Automotive segment	163	391	554	282	454	736
Total financial liabilities of the Automotive segment	5,448	3,988	9,436	7,272	3,216	10,488
DIAC redeemable shares	13	-	13	11	-	11
Bonds	-	13,617	13,617	-	11,935	11,935
Other debts represented by a certificate	-	4,561	4,561	254	4,490	4,744
Borrowings from credit institutions	-	2,920	2,920	-	2,660	2,660
Other interest-bearing borrowings	-	7,170	7,170	-	6,654	6,654
Derivatives on financing operations of the Sales Financing segment	-	158	158	-	89	89
Total financial liabilities and debts of the Sales Financing segment	13	28,426	28,439	265	25,828	26,093
TOTAL FINANCIAL LIABILITIES AND SALES FINANCING DEBTS	5,461	32,414	37,875	7,537	29,044	36,581

Changes in bonds issued by the Automotive segment

During the first half of 2015, Renault SA redeemed bonds for a total amount of €1,042 million and did not issue any new bonds. At the end of the half-year, Renault SA contracted a 4-year loan of 7 billion yen through its EMTN programme, with an issuance and encashment date in early July 2015.

Changes in Sales Financing debts

During the first half of 2015, RCI Banque group redeemed bonds for a total of €1,458 million, and issued new bonds totalling €3,055 million and maturing between 2016 and 2022.

New savings collected rose by €465 million during the first half of 2015 to €6,999 million (€5,092 million of sight deposits and €1,907 million of term deposits), and are classified as other interest-bearing borrowings. After France, Germany and Austria, in 2015 RCI Banque launched savings products in the United Kingdom.

Credit lines

At June 30, 2015, the Automotive segment's confirmed credit lines opened with banks amounted to the equivalent of €3,305 million (€3,210 at December 31, 2014). The short-term portion amounted to €255 million at June 30, 2015 (€280 million at December 31, 2014). These credit lines were unused at June 30, 2015 (and at December 31, 2014).

Also, at June 30, 2015, the Sales Financing segment's confirmed credit lines opened in several currencies with banks amounted to €4,616 million (€4,803 at December 31, 2014). The short-term portion amounted to €672 million at June 30, 2015 (€1,005 million at December 31, 2014). These credit lines were used to the extent of €3 million at June 30, 2015 (they were unused at December 31, 2014).

Changes in assets pledged as guarantees by the Sales Financing segment for management of the liquidity reserve

In connection with management of its liquidity reserve, at June 30, 2015, RCI Banque had provided guarantees totalling €3,281 million (€2,850 million at December 31, 2014) to the European Central Bank: €2,874 million in the form of shares in securitization vehicles and €407 million in sales financing receivables (€2,452 million of shares in securitization vehicles and €398 million in sales financing receivables at December 31, 2014). The funding provided by the European Central Bank against receivables pledged as collateral amounts to €1,000 million at June 30, 2015 (€550 million at December 31, 2014).

FINANCIAL RESULTS

2.2. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.2.6.5. CASH FLOWS AND OTHER INFORMATION

Note 18. Cash flows

A. Other income and expenses with no impact on cash

(€ million)	H1 2015	H1 2014	Year 2014
Net allocation to provisions	(84)	221	355
Net effects of sales financing credit losses	(36)	(32)	(43)
Net (gain) loss on asset disposals	(6)	(30)	(22)
Change in fair value of redeemable shares	82	18	38
Change in fair value of other financial instruments	(16)	(32)	(5)
Deferred taxes	(73)	16	(260)
Other	33	24	29
Other income and expenses with no impact on cash	(100)	185	92

B. Change in working capital

(€ million)	H1 2015	H1 2014	Year 2014
Decrease (increase) in net inventories	(1,291)	(1,145)	(272)
Decrease (increase) in Automotive net receivables	(333)	(318)	(275)
Decrease (increase) in other assets	(221)	(561)	(318)
Increase (decrease) in trade payables	678	551	886
Increase (decrease) in other liabilities	452	595	750
Increase (decrease) in working capital	(715)	(878)	771

C. Capital expenditure

(€ million)	H1 2015	H1 2014	Year 2014
Purchases of intangible assets	(460)	(450)	(967)
Purchases of property, plant and equipment (other than assets leased to customers)	(667)	(541)	(1,736)
Total purchases for the period	(1,127)	(991)	(2,703)
Deferred payments	(229)	(188)	192
Total capital expenditure	(1,356)	(1,179)	(2,511)

Note 19. Related parties

A. Remuneration of Directors and Executives and Executive Committee members

There was no significant change during the first half of 2015 in the principles for remuneration and related benefits of Directors and Executives and Executive Committee members.

B. Renault's investments in associates

Details of Renault's investments in Nissan and AVTOVAZ are provided in notes 11 and 12 respectively.

Note 20. Off-balance sheet commitments and contingent assets and liabilities

In the course of its business Renault enters into a certain number of commitments, and is involved in litigations or subject to competition authority investigations (two are currently in process in Korea and Spain). Any liabilities resulting from these situations (e.g. pension and other

employee benefits, litigation costs, etc) are covered by provisions. Details of other commitments that constitute off-balance sheet commitments and contingent liabilities are provided below (note 20-A).

Renault also receives commitments from customers (deposits, mortgages, etc) and may benefit from credit lines with credit institutions (note 20-B).

A. Off-balance sheet commitments given and contingent liabilities

The Group is committed for the following amounts:

(€ million)	June 30, 2015	Dec. 31, 2014
Sureties, endorsements and guarantees given	241	214
Financing commitments in favour of customers ⁽¹⁾	2,180	1,675
Firm investment orders	851	518
Lease commitments	241	310
Assets pledged, provided as guarantees or mortgaged and other commitments ⁽²⁾	72	127

⁽¹⁾ Commitments in favour of customers by the Sales Financing segment will lead to outflows of liquidities during the three months following the closing date in the maximum amount of €2,148 million at June 30, 2015 (€1,597 million at December 31, 2014).

⁽²⁾ Assets pledged, provided as guarantees or mortgaged mainly concern guarantees of financial liabilities, provided by Renault Samsung Motors when it was acquired by Renault in 2000.

Assets pledged as guarantees by the Sales Financing segment for management of the liquidity reserve are presented in note 17.

B. Off-balance sheet commitments received and contingent assets

(€ million)	June 30, 2015	Dec. 31, 2014
Sureties, endorsements and guarantees received	2,109	2,102
Assets pledged, provided as guarantees or mortgaged ⁽¹⁾	3,054	2,631
Buy-back commitments ⁽²⁾	1,641	1,371
Other commitments	4	5

⁽¹⁾ The Sales Financing segment receives guarantees from its customers in the course of sales financing for new or used vehicles. Guarantees received from customers amount to €2,803 million at June 30, 2015 (€2,505 million at December 31, 2014).

⁽²⁾ Commitments received by the Sales Financing segment for sale of rental vehicles to a third party at the end of the rental contract.

Off-balance sheet commitments received concerning confirmed opened credit lines are presented in note 17.

Note 21. Subsequent events

No significant events have occurred since June 30, 2015.

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STATUTORY AUDITORS' REVIEW REPORT ON THE CONDENSED HALF-YEARLY CONSOLIDATED FINANCIAL STATEMENTS

KPMG Audit

2, avenue Gambetta – CS 60055
92066 Paris La Défense
S.A. au capital de 1 723 040 euros

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

ERNST & YOUNG Audit

1/2, place des Saisons
92400 Courbevoie – Paris-La Défense
S.A.S. à capital variable

Commissaire aux Comptes
Membre de la compagnie
régionale de Versailles

Renault

Société Anonyme
13-15, Quai Alphonse-Le-Gallo
92100 Boulogne-Billancourt
Share capital: €1,126,701,902.04

Statutory auditors' review report on the condensed half-yearly consolidated financial statements (For the six-month period ended June 30, 2015)

This is a free translation into English of the statutory auditors' review report issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and is construed in accordance with, French law and professional auditing standards applicable in France.

To the shareholders,

Following our appointment as statutory auditors by your general meeting and in accordance with article L.451-1-2 III of the French Monetary and Financial Code (ou French Monetary and Financial Law) ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Renault for the six-month period ended June 30, 2015,
- the verification of information contained in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of your board of directors. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared in all material respects in accordance with IAS 34 - the standard of the IFRS as adopted by the European Union applicable to interim financial statements.

II. Specific verification

We have also verified information given in the half-yearly management report on the condensed half-yearly consolidated financial statements that were subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris La Défense and Neuilly-sur-Seine, July 29, 2015

Les Commissaires aux comptes

KPMG Audit

A department of KPMG S.A.

Jean-Paul Vellutini

Laurent des Places

ERNST & YOUNG Audit

Aymeric de la Morandière

Bernard Heller

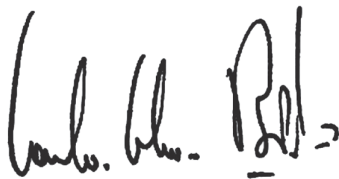
PERSON RESPONSIBLE FOR THE DOCUMENT

4

Mr. Carlos Ghosn, Chairman and Chief Executive Officer,
accepts full responsibility for this Earnings Report.

I hereby declare that, to the best of my knowledge, the condensed consolidated financial statements for the first half-year have been prepared under generally accepted accounting principles and give a true and fair view of the assets and liabilities, financial situation and results of the company and all the companies within the consolidated Renault group. I further declare that the Earnings Report gives a faithful picture of the information herein, e.g. material events occurring during the first six months of the financial year and their impact on the half-yearly accounts, a description of the main risks and contingencies for the remaining six months and the principal related party transactions.

Boulogne-Billancourt, July 30, 2015
Chairman and Chief Executive Officer

A handwritten signature in black ink, appearing to read 'Carlos Ghosn', with a horizontal line underneath the name.

Carlos Ghosn

Financial information on the Alliance

5

FINANCIAL INFORMATION ON THE ALLIANCE

The purpose of the financial data in this section is twofold: to broadly quantify the economic significance of the Renault-Nissan Alliance through key performance indicators, and to make it easier to compare the assets and liabilities of the two Groups. The data of both Groups comply with the accounting standards applied by Renault in 2015.

The characteristics of the Alliance mean, among other things, that Renault and Nissan's assets and liabilities cannot be combined. Consequently, these indicators do not correspond to a consolidation as defined by generally accepted accounting principles and are not certified by the statutory auditors.

Information concerning Renault is based on the consolidated figures released at June 30, 2015, while the information concerning Nissan is based on the restated consolidated figures prepared for the purposes of the Renault consolidation, covering the period from January 1 to June 30, 2015 whereas Nissan's financial year-end is March 31.

KEY PERFORMANCE INDICATORS

The preparation of the key performance indicators under Renault accounting policies takes into account the restatement of the figures published by Nissan under Japanese Accounting Standards into IFRS. Additionally, the following adjustments have been performed:

- reclassifications when necessary to harmonize the presentation of the main income statement items;
- adjustments to fair value applied by Renault for acquisitions of 1999 and 2002.

REVENUES FIRST-HALF 2015

(€ million)	Renault	Nissan ⁽¹⁾	Intercompany eliminations	Alliance
Sales of goods and services of the Automotive segment	21,065	42,162	(2,217)	61,010
Sales Financing revenues	1,132	3,352	(77)	4,407
Revenues	22,197	45,514	(2,294)	65,417

(1) Converted at the average exchange rate for first-half 2015:
EUR 1 = JPY 134.2.

The Alliance's intercompany business mainly consists of commercial transactions between Renault and Nissan. These items have been eliminated to prepare the revenue indicator. Their value is estimated on the basis of Renault's first-half 2015 results.

The **operating margin**, the **operating income** and the **net income** of the Alliance in first-half 2015 are as follows:

(€ million)	Operating margin	Operating income	Net income ⁽²⁾
Renault	1,069	953	490
Nissan ⁽¹⁾	2,603	2,495	2,343
Alliance	3,672	3,448	2,833

(1) Converted at the average exchange rate for first-half 2015:
EUR 1 = JPY 134.2

(2) Renault's net income is adjusted to exclude Nissan's contribution and Nissan's net income is similarly adjusted to exclude Renault's contribution

Intercompany transactions impacting the indicators are minor and have therefore not been eliminated.

For the Alliance, the operating margin is equivalent to 5.6% of revenues.

In first-half 2015, the Alliance's **research and development expenses**, after capitalization and amortization, are as follows:

(€ million)	
Renault	1,009
Nissan ⁽¹⁾	1,379
Alliance	2,388

(1) Converted at the average exchange rate for first-half 2015:
EUR 1 = JPY 134.2

BALANCE SHEET INDICATORS

CONDENSED RENAULT AND NISSAN BALANCE SHEETS (€ million)

RENAULT AT JUNE 30, 2015

ASSETS		SHAREHOLDERS' EQUITY AND LIABILITIES	
Intangible assets	3,478	Shareholders' equity	27,262
Property, plant and equipment	10,839	Deferred tax liabilities	131
Investments in associates (excluding Alliance)	904	Provisions for pension and other long-term employee benefit obligations	1,723
Deferred tax assets	814	Financial liabilities of the Automotive segment	9,436
Inventories	4,712	Financial liabilities and debts of the Sales Financing segment	28,439
Sales financing receivables	27,425	Other liabilities	19,155
Automotive receivables	1,589		
Other assets	7,541		
Cash and cash equivalents	11,153		
Total assets excluding investment in Nissan	68,455		
Investment in Nissan	17,691		
TOTAL ASSETS	86,146	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	86,146

NISSAN AT JUNE 30, 2015

ASSETS		SHAREHOLDERS' EQUITY AND LIABILITIES	
Intangible assets	5,610	Shareholders' equity	44,076
Property, plant and equipment	41,226	Deferred tax liabilities	5,594
Investments in associates (excluding Alliance)	4,217	Provisions for pension and other long-term employee benefit obligations	2,567
Deferred tax assets	1,235	Financial liabilities of the Automotive segment ⁽²⁾	(5,059)
Inventories	10,652	Financial liabilities and debts of the Sales Financing segment	57,442
Sales financing receivables	49,541	Other liabilities	29,413
Automotive receivables	5,139		
Other assets	8,925		
Cash and cash equivalents	5,875		
Total assets excluding investment in Renault	132,420		
Investment in Renault	1,613		
TOTAL ASSETS	134,033	TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	134,033

(1) Converted at the closing rate at June 30, 2015: EUR 1 = JPY 137.0.

(2) The financial liabilities of the Automotive segment represent the amount after deducting internal loans receivable to the Sales Financing segment (€12,235 million at June 30, 2015).

The values displayed for Nissan assets and liabilities reflect the restatements for the harmonization of accounting standards and adjustments to fair value applied by Renault for the acquisitions made in 1999 and 2002, mainly concerning revaluation of land and capitalization of development expenses.

Balance sheet items have been reclassified when necessary to make the data consistent across both Groups.

Purchases of property, plant and equipment by both Alliance groups for first-half 2015, excluding leased vehicles and batteries, amount to:

€ million	
Renault	896
Nissan ⁽¹⁾	2,186
Alliance	3,082

(1) Converted at the average exchange rate for first-half 2015: EUR 1 = JPY 134.2.

Based on the best available information, Renault estimates that the impact of full consolidation of Nissan on its shareholders' equity calculated under current accounting policies would result in :

- a maximum 5-10% decrease in shareholders' equity – Group share;
- a €26 billion increase in shareholders' equity – non-controlling interests' share.

(www.group.renault.com)
(email : investor.relations@renault.com)