



PRESS RELEASE

February 11, 2010

2009 ANNUAL RESULTS

POSITIVE FREE CASH FLOW OBJECTIVE MET

In a difficult 2009 environment, the Renault group's action plan delivered a positive inflexion in results in the second half. Renault met its priority objective for 2009: positive free cash flow.

- The Group reported revenues of €33,712 million, down 10.8% year-on-year but up 25% in the last quarter.
- World market share (PC + LCV) rose slightly by 0.1 point with an improvement in the second half (up 0.2 point worldwide and 1.4 points in Europe).
- Group operating margin came to a negative €396 million, or -1.2% of revenues (of which +€224 million in the second half, or +1.3% of revenues).
- Operating loss came to €55 million (of which -€ million in the second half).
- Net loss equaled €3,068 million (of which -€356 million in the second half), half of which was attributable to the contribution from associated companies (-€1,561 million).
- Free cash flow was positive at €2,088 million, leading to a €2,023 million decrease in net financial debt for Automobile, for a total €5,921 million.
- The Automobile liquidity reserve came to €9,478 million, of which €4,070 million in undrawn credit lines and €5,408 million in cash and cash equivalents.

Carlos Ghosn, Chairman and CEO of Renault, said: *"We took the first actions to withstand the crisis as early as July 2008. Renault proved its resilience in 2009, as demonstrated by our significantly positive free cash flow. Economic conditions will remain difficult in 2010 with a 10% fall in the European market. We are continuing our work on building the Renault of the post-crisis period with the pursuit of the sales offensive in Europe, the mass market of zero-emission vehicles in 2011, the extension of the Entry-car range, the strengthening of our presence in emerging countries, and the acceleration and broadening of synergies with Nissan."*

RESISTING THE CRISIS

Renault's objective in 2009 was to manage an unprecedented economic crisis by rallying the entire company around a single priority: positive free cash flow. The Group met this objective by deploying a three-pronged action plan that consisted in optimizing revenues, reducing costs (including investments) and strict control over working capital requirements.

- Bolstered by a renewed range with the launch of six new products in 2009, the Group **slightly increased its world market share** by 0.1 point to 3.7%, in a market that shrank 4.5% (PC + LCV). The increase was more pronounced in the second half, with a 0.2-point rise. Market share grew in 11 of the Group's top 15 markets, which account for 85% of Group sales.
- The **working capital requirement** improved by €2,923 million in 2009, with a notable 25% reduction in stocks.

- **Fixed costs** fell 17% on 2008.
 - Tangible and intangible investments, which came to €2,302 million in 2009 compared with €3,385 million in 2008, were kept under control. By concentrating on priority projects, constantly striving for efficiency and optimizing synergies with Nissan, we reduced research and development expenditure by 26% and tangible investments by 30% on 2008, while maintaining essential programs.
 - Savings made at all levels of the company led to an 8% reduction in general expenses compared with 2008 and 20% compared with 2007.

The synergies generated within the Alliance with Nissan played an important role in the success of Renault's free cash flow plan in 2009. The 2009 objective for total synergies for the two partners was €1.5 billion; this target was met at end-December with one quarter still to go before the end of Nissan's financial year. A new plan has been launched for 2010, aimed at an additional €1 billion in synergies for the two companies.

OUTLOOK AND PRIORITY ACTION

Renault expects economic conditions to remain difficult in 2010 with a European market that could contract by 10% versus the total industry volume of 2009. In this context, consistent with 2009, the company's objective is to generate positive free cash flow and thus continue to reduce debt.

To meet this objective, Renault will rely on four key levers in 2010:

- The appeal of its product range, which will continue to be broadened and renewed with six new product roll-outs in 2010 to maintain the market share momentum of second-half 2009.
- Enhancing Alliance synergies with Nissan.
- The continuation of the cost reduction policy and a ratio of net CAPEX and R&D expenses kept at less than 10% of revenues.
- Intensified actions to control working capital requirements.

ADDITIONAL INFORMATION

The consolidated financial statements of the Group and the Renault SA parent company financial statements at 31 December 2009 were finalized by the Board of Directors on February 10, 2010.

The Group's statutory auditors have conducted an audit of these financial statements and their audit reports relative to their opinion on these consolidated financial and parent-company statements are currently being issued.

The earnings report, with a complete analysis of the 2009 financial results, is available at www.renault.com in the Finance section.

Press contact:

Renault Press: Gita Roux +33 (0)1 76 84 64 69

Websites: www.media.renault.com – www.renault.com