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RCI BANQUE S.A

Statutory Auditors' Review Report on the Half-yearly Financial Information

For the period from January 1, 2024 to June 30, 2024
RCI Banque S.A
15 Rue d'Uzès 75002 Paris

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This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

RCI Banque S.A

15 rue d'Uzès 75002 Paris
RCS : Paris 306 523 358

Statutory Auditors' Review Report on the Half-yearly Financial Information

For the period from 1st January 2024 to 30th June 2024

To the Shareholders,

In compliance with the assignment entrusted to us by general assembly and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("*Code monétaire et financier*"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of RCI Banque S.A, for the period from 1st January 2024 to 30th June 2024,
- the verification of the information presented in the half-yearly management report.

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

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 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements 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, July 30, 2024xx'month'20xx	Paris La Défense, July 30, 2024
KPMG S.A.	Forvis Mazars S.A.

Ne pas signer la traduction du rapport

Ulrich Sarfati	Anne Veaute
Associé	Associée

RCI BANQUE

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

30 June 2024

SUMMARY

CONSOLIDATED BALANCE SHEET

ASSETS - In millions of euros	Notes	06/2024	12/2023
Cash and balances at central banks	2	4 948	4 733
Derivatives	3	174	225
Financial assets at fair value through other comprehensive income	4	531	483
Financial assets at fair value through profit or loss	4	145	143
Amounts receivable at amortised cost from credit institutions	5	1 613	1 539
Loans and advances at amortised cost to customers	6 et 7	56 561	53 851
Current tax assets	8	143	88
Deferred tax assets	8	244	249
Tax receivables other than on current income tax	8	376	322
Reinsurance contrats asset	8	43	33
Adjustment accounts & miscellaneous assets	8	1 978	1 583
Investments in associates and joint ventures		101	97
Operating lease transactions	6 et 7	2 910	1 564
Tangible and intangible non-current assets		163	150
Goodwill		277	136
TOTAL ASSETS		**70 207**	**65 196**

LIABILITIES AND EQUITY - In millions of euros	Notes	06/2024	12/2023
Central Banks	10.1	3 168	2 375
Derivatives	3	279	289
Financial liabilities at fair value through profit or loss	9	21	62
Amounts payable to credit institutions	10.2	2 839	2 275
Amounts payable to customers	10.3	30 537	29 312
Debt securities	10.4	22 685	20 316
Current tax liabilities	11	177	135
Deferred tax liabilities	11	816	772
Taxes payable other than on current income tax	11	42	54
Adjustment accounts & miscellaneous liabilities	11	2 063	1 880
Liability on insurance contracts held	12	199	182
Provisions	13	133	151
Subordinated debt - Liabilities	15	880	893
Equity		6 368	6 500
- Of which equity - owners of the parent		*6 367*	*6 499*
Share capital and attributable reserves		*814*	*814*
Consolidated reserves and other		*5 423*	*5 256*
Unrealised or deferred gains and losses		*(327)*	*(358)*
Net income for the year		*457*	*787*
- Of which equity - non-controlling interests		*1*	*1*
TOTAL LIABILITIES & EQUITY		**70 207**	**65 196**

CONSOLIDATED INCOME STATEMENT

In millions of euros	**Notes**	**06/2024**	**06/2023**	**12/2023**
Interest and similar income	21	2 002	1 579	3 397
Interest expenses and similar charges	22	(1 339)	(920)	(2 109)
Fees and commission income	23	434	376	765
Fees and commission expenses	23	(231)	(184)	(383)
Net gains (losses) on financial instruments at fair value through profit or loss		10	(56)	(109)
Insurance revenue	12	208	196	387
Insurance service expenses	12	(25)	(23)	(25)
Net expenses from reinsurance contracts held	12	-	(1)	0
Net finance income or expenses on insurance contracts	12	-	(9)	(16)
Income of other activities	24	616	359	813
Expense of other activities	24	(600)	(343)	(759)
NET BANKING INCOME		**1 075**	**974**	**1 961**
General operating expenses	25	(368)	(352)	(693)
Depreciation and impairment losses on tangible and intangible assets		(11)	(8)	(19)
GROSS OPERATING INCOME		**696**	**614**	**1 249**
Cost of risk	26	(112)	(100)	(153)
OPERATING INCOME		**584**	**514**	**1 096**
Share in net income (loss) of associates and joint ventures4		1	(7)	(12)
Gains less losses on non-current assets		-	-	(1)
Impact of Profit & Loss for Subisidiaries in Hyperinflation Context (2)		(32)	(20)	(49)
PRE-TAX INCOME		**553**	**487**	**1 034**
Income tax	27	(87)	(145)	(234)
NET INCOME		**466**	**342**	**800**
Of which, non-controlling interests		9	5	13
Of which owners of the parent		457	337	787
Number of shares		1 000 000	1 000 000	1 000 000
Net Income per share (1) in euros		457,44	336,97	787,00
Diluted earnings per share in euros		457,44	336,97	787,00

(1) Net income - Owners of the parent compared to the number of shares

(2) Hyperinflation Argentina

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In millions of euros	**06/2024**	**06/2023**	**12/2023**
NET INCOME	**466**	**342**	**800**
Actuarial differences on post-employment benefits	1	(1)	(4)
Revaluation of insurance contracts	1	-	(3)
Total of items that will not be reclassified subsequently to profit or loss	***2***	***(1)***	***(7)***
Unrealised P&L on cash flow hedge instruments	21	(19)	(173)
Unrealised P&L on financial assets	-	-	4
Exchange differences	12	41	16
Total of items that will be reclassified subsequently to profit or loss	***33***	***22***	***(153)***
Other comprehensive income	**35**	**21**	**(160)**
TOTAL COMPREHENSIVE INCOME	**501**	**363**	**640**
Of which Comprehensive income attributable to non-controlling interests	16	5	13
Of which Comprehensive income attributable to owners of the parent	485	358	627

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In millions of euros	Share capital (1)	Attribut. reserves (2)	Consolid. reserves	Translation adjust. (3)	Unrealized or deferred P&L (4)	Net income (Shareholders of the parent company)	**Equity** (Shareholders of the parent company)	Equity (Non-controlling interests)	**Total Consolidated equity**
Equity at 31 December 2022	**100**	**714**	**5 160**	**(400)**	**202**	**684**	**6 460**	**1**	**6 461**
Restatement of Equity opening amount IFRS17							-		-
Equity at 1 January 2023	**100**	**714**	**5 160**	**(400)**	**202**	**684**	**6 460**	**1**	**6 461**
Change in value of financial instruments recognized in equity					(13)		(13)	(6)	(19)
Actuarial differences on defined-benefit pension plans					(1)		(1)		(1)
Exchange differences				35			35	6	41
Net income for the year (before appropriation)						337	337	5	342
Total comprehensive income for the period				***35***	***(14)***	***337***	***358***	***5***	***363***
Appropriation of net income of previous year			684			(684)			
Effect of acquisitions, disposals and others			(1)				(1)		(1)
Dividend for the period			(600)				(600)	(30)	(630)
Repurchase commitment of non-controlling interests			2				2	25	27
Equity at 30 June 2023	**100**	**714**	**5 245**	**(365)**	**188**	**337**	**6 219**	**1**	**6 220**
Change in value of financial instruments recognized in equity					(148)		(148)	(2)	(150)
Actuarial differences on defined-benefit pension plans					(3)		(3)		(3)
Revaluation of insurance contracts					(3)		(3)		(3)
Exchange differences				(27)			(27)	2	(25)
Net income for the year (before appropriation)						450	450	8	458
Total comprehensive income for the period				***(27)***	***(154)***	***450***	***269***	***8***	***277***
Effect of acquisitions, disposals and others			17				17	-	17
Effect of change in share capital			(18)				(18)	-	(18)
Dividend for the period							-	(1)	(1)
Repurchase commitment of non-controlling interests			12				12	(7)	5
Equity at 31 December 2023	**100**	**714**	**5 256**	**(392)**	**34**	**787**	**6 499**	**1**	**6 500**
Restatement of Equity opening amount							-		-
Equity at 1 January 2024	**100**	**714**	**5 256**	**(392)**	**34**	**787**	**6 499**	**1**	**6 500**
Change in value of financial instruments recognized in equity					15		15	6	21
Actuarial differences on post-employment benefits					1		1		1
Revaluation of insurance contracts					1		1		1
Exchange differences				11			11	1	12
Net income for the year (before appropriation)						457	457	9	466
Total comprehensive income for the period				***11***	***17***	***457***	***485***	***16***	***501***
Appropriation of net income of previous year			787			(787)	-		-
Effect of acquisitions, disposals and other			(2)		3		1	-	1
Dividend for the period (5)			(600)				(600)	(13)	(613)
Repurchase commitment of non-controlling interests			(18)				(18)	(3)	(21)
Equity at 30 June 2024	**100**	**714**	**5 423**	**(381)**	**54**	**457**	**6 367**	**1**	**6 368**

(1) The share capital of RCI Banque S.A. (100 million euros) consists of 1,000,000 fully paid up shares with a value of 100 euros each, of which 999,999 shares are owned by Renault s.a.s.

(2) Attributable reserves include the share premium account of the parent company.

(3) The change in translation adjustments at 30 June 2024 relates primarily to the United Kingdom, Argentina, South Korea and Switzerland. At 31 December 2023, it related primarily to Argentina, South Korea, Nederlands, the United Kingdom and Colombia.

(4) Includes the fair value of derivatives used as cash flow hedges and fair value on debt instrument for €86m and IAS 19 actuarial gains and losses for -€10m at end June 2023.

(5) Distribution to the shareholder Renault of a dividend on the 2023 result for €600 million.

CONSOLIDATED CASH FLOW STATEMENT

In millions of euros	06/2024	06/2023	12/2023
Net income	**466**	**342**	**800**
Depreciation and amortization of tangible and intangible non-current assets	11	8	18
Net allowance for impairment and provisions	39	63	(20)
Share in net (income) loss of associates and joint ventures	(1)	7	12
Deferred tax (income) / expense	(3)	(13)	(78)
Net loss / gain from investing activities	-	-	1
Other (gains/losses on derivatives at fair value through profit and loss)	(27)	79	157
Cash flow	**485**	**486**	**890**
Other movements (accrued receivables and payables)	244	(155)	49
Total non-monetary items included in net income and other adjustments	***263***	***(11)***	***139***
Cash flows on transactions with credit institutions	404	(546)	(1 351)
- Inflows / outflows in amounts receivable from credit institutions	*-*	*(63)*	*(100)*
- Inflows / outflows in amounts payable to credit institutions	*404*	*(483)*	*(1 251)*
Cash flows on transactions with customers	(1 790)	(1 547)	(1 474)
- Inflows / outflows in amounts receivable from customers	*(2 674)*	*(3 629)*	*(5 179)*
- Inflows / outflows in amounts payable to customers	*884*	*2 082*	*3 705*
Cash flows on other transactions affecting financial assets and liabilities	1 526	145	1 197
- Inflows / outflows related to AFS securities and similar	*(57)*	*21*	*39*
- Inflows / outflows related to debt securities	*1 877*	*258*	*1 827*
- Inflows / outflows related to collections	*(294)*	*(134)*	*(669)*
Cash flows on other transactions affecting non-financial assets and liabilities	24	(39)	(88)
Net change in assets and liabilities resulting from operating activities	**164**	**(1 987)**	**(1 716)**
Net cash generated by operating activities (A)	**893**	**(1 656)**	**(777)**
Flows related to financial assets and investments	(249)	(36)	(13)
Flows related to tangible and intangible non-current assets	(25)	(23)	(72)
Net cash from / (used by) investing activities (B)	**(274)**	**(59)**	**(85)**
Net cash from / (to) shareholders	(613)	(630)	(643)
- Outflows related to repayment of Equity instruments and subordinated borrowings			*9*
- Dividends paid	*(613)*	*(630)*	*(631)*
- Inflows / outflows related to non-controlling interests	*-*	*-*	*(21)*
Net cash from / (used by) financing activities (C)	**(613)**	**(630)**	**(643)**
Effect of changes in exchange rates and scope of consolidation on cash and equivalents (D)	**(103)**	**67**	**73**
Change in cash and cash equivalents (A+B+C+D)	**(97)**	**(2 278)**	**(1 432)**
Cash and cash equivalents at beginning of year:	5 859	7 291	7 291
- Cash and balances at central banks	*4 729*	*5 836*	*5 836*
- Balances in sight accounts at credit institutions	*1 130*	*1 455*	*1 455*
Cash and cash equivalents at end of year:	5 762	5 013	5 859
- Cash and balances at central banks	*4 943*	*3 783*	*4 729*
- Balances in sight accounts at credit institutions	*819*	*1 230*	*1 130*
Change in net cash	**(97)**	**(2 278)**	**(1 432)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

RCI Banque S.A., the group's parent company, is a limited company (*Société Anonyme* under French law) with a Board of Directors and a fully paid up share capital of 100,000,000 euros. It is subject to all legislation and regulations applicable to credit institutions and is listed on the Paris Register of Trade and Companies under number 306 523 358.

RCI Banque S.A's registered office is located at 15, rue d'Uzès 75002 Paris.

RCI Banque S.A.'s main business is to provide financing for the Renault Group, Nissan and Mitsubishi brands.

The condensed consolidated interim financial statements of the RCI Banque group, whose commercial name is Mobilize Financial Services, for the six months ended 30 June 2024 relate to the Company and its subsidiaries, and to the group's interests in associates and jointly-controlled entities.

1. APPROVAL OF FINANCIAL STATEMENTS - DISTRIBUTIONS

The summary consolidated financial statements of the Mobilize Financial Services group for the six months to 30 June 2024 were established by the Board of Directors on 23 July 2024 which authorized their publication.

The Mobilize Financial Services group's consolidated financial statements for the year 2023 were established by the Board of Directors on 09 February 2024 and approved at the General Meeting on 20 May 2024. It was decided to pay shareholders a dividend of €600 million ie a dividend per share of 600€.

The consolidated financial statements are expressed in millions of euros (M€) unless otherwise indicated.

2. KEY HIGHLIGHTS

New issues of securitization funds

In the securitization market, the group invested around €800 million in March backed by car loans granted by RCI Banque S.A. Niederlassung Deutschland

Scope entry

On 2 January 2024, RCI Banque S.A., through its subsidiary Mobilize Lease&Co S.A.S., acquired all the shares of MS Mobility Solutions GmbH, DFD Deutscher Fahrzeugdienst GmbH, Mobility Concept GmbH and its subsidiary Mein Auto GmbH, for the amount of €248 million.
These four entities are fully consolidated.

This acquisition, the first for Mobilize Lease&Co S.A.S. since the creation of this subsidiary in November 2022, has accelerated the growth and development of long-term leasing offers in Germany.

The goodwill is estimated at €141 million for a fair value of the assets acquired of €107 million.

The fair value of net assets is estimated at €167 million as of January 2, 2024. This difference of €60 million is explained by the goodwill restatement of €36 million already booked by Mobility Concept on Mein Auto and by €24 million accounting convergence.

This goodwill is a provisional estimate as of 30 June 2024. This estimate changes according to the implementation of accounting convergence as well as the completion of the Purchase Price Allocation, which is still ongoing.

3. ACCOUNTING RULES AND METHODS

The interim financial statements for the six months to 30 June 2024 were prepared in accordance with the principles set out in IAS 34 "Interim Financial Reporting". They do not include all the information required when preparing annual consolidated financial statements and must therefore be read in conjunction with the financial statements for the year ended 31 December 2023.

The Mobilize Financial Services group's financial statements for the year ended 30 June 2024 were prepared in accordance with the IFRS (International Financial Reporting Standards) guidelines published by the IASB (International Accounting Standards Board) and according to the ANC 2022-01 recommendation as at 30 June 2024 and as adopted in the European Union by the statement closing date. With the exception of the changes indicated hereafter, the accounting rules and methods used are identical to those applied in the consolidated financial statements for the year ended 31 December 2023.

A . Changes in accounting policies

The Mobilize Financial Services group applies the standards and amendments published in the Official Journal of the European Union, application of which has been mandatory since 1 January 2024.

- **New regulations that must be applied at January 1, 2024**

Amendement IAS 1	Classification of liabilities as current or non-current
Amendement IFRS 16	Lease liability in a sale and leaseback
Amendements IAS 7	Supplier finance arrangements

The application of these amendments has no significant effect on the group’s financial statements.

- **Other standards and amendments not yet adopted by the European Union**

Amendement IAS 21	Effects of Changes in Foreign Exchange Rates	January 1, 2025
Amendement IFRS 9/17	Financial Instruments: Recognition and Measurement	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability	January 1, 2027

The group does not anticipate any significant impact on consolidated financial statements due to the application of amendments IAS 21, IFRS 9 and IFRS 7 and is analyzing the potential impacts of IFRS 18.

B. Estimates and judgments

- **Forward-looking**

Proxies have been set up for portfolios without internal models (Example of proxies used: Average of the results of portfolios with internal models for portfolios without internal models)

Sector approach

The forward-looking provision includes a sectorial provision to hedge the risk of certain specific business sectors (including companies operating in these sectors and individuals working in these companies).

The sectors currently considered to be at very high risk from a sectoral point of view are the construction, the textile-clothing sector and the paper sector.

The sectoral provision amounted to €21 million as of 30 June 2024, an €8 million decrease compared to December 2023.

Statistical approach

The statistical provision is based on three scenarios:

- "Stability": which provides for three years of stability of the expected credit loss provision parameters (ECL: Expected Credit Losses), based on the latest available risk parameters;
- "Baseline": Use of stress parameters from internal models. Projections are based on macroeconomic data used for the institution’s Internal Capital Adequacy Assessment Process (ICAAP) dating from 01/2023. This enables the PD and LGD, and therefore the ECL (Expected Credit Losses), to be stressed on portfolios with models;
- “Adverse”: Similar approach to the “Baseline” scenario but with the use of deteriorated macroeconomic data leading to higher ECLs.

The various scenarios are then weighted to take into account the latest OECD macroeconomic projections (GDP, unemployment rate and inflation) and their probability of occurrence, allowing to adjust the ECLs calculated with “Point In time” parameters.

All the macroeconomic indicators below are broken down for the Mobilize Financial Services market, the G6, which includes France, Germany, Italy, Spain, the United Kingdom and Brazil, and are based on the ECB's forecasts of March 2024.

Overall, the macroeconomic indicators remain relatively stable compared to the previous “forward looking” provision.

Inflation is expected to decline sharply, reaching an annual average of 2.3% in 2024, then 1.9% in 2025 and 2026, thanks to the drop in the prices of food, energy and manufactured goods.

Economic activity should increase moderately in 2024, with household consumption nevertheless benefiting from the increase in purchasing power due to the fall in inflation. In 2025 and 2026, growth is expected to intensify, supported by the recovery in private investment as interest rates will decrease.

Average annual real GDP growth is expected to be 0.7% in 2024, before rising to 1.4% in 2025 and 1.6% in 2026.

The unemployment rate in France is expected to remain relatively stable over the next three years, at around 6.8% on average. However, the general assessment of a tense situation on the labor market remains stable.

Faced with political instability in France since the beginning of June 2024, the weighting of the adverse scenario has been revised upwards by 10%.

Customer and dealer network	FL Weight Scenario - December 2023			FL Weight Scenario– June 2024			Variance		
	Stability	**Baseline**	**Adverse**	**Stability**	**Baseline**	**Adverse**	**Stability**	**Baseline**	**Adverse**
France	0,35	0,55	0,10	0,30	0,50	0,20	-0,05	-0,05	0,10
Germany	0,35	0,55	0,10	0,35	0,55	0,10			
Italy	0,35	0,45	0,20	0,35	0,45	0,20			
United Kingdom	0,35	0,50	0,15	0,35	0,50	0,15			
Brazil	0,30	0,45	0,25	0,30	0,45	0,25			
Spain	0,35	0,45	0,20	0,35	0,45	0,20			
Korea	0,35	0,50	0,15	0,35	0,50	0,15			
Exluding G7 (ECLAT)	0,35	0,45	0,20	0,35	0,45	0,20			
Colombia	0,60	0,30	0,10	0,60	0,30	0,10			

Evolution of the calculation parameters for forward-looking statistical provisions

Customer financing activity

Following changes in the weighting of different scenarios, the retail forward-looking statistical provision amounts to €102 million as of the end of June 2024, compared to €100 million at the end of December 2023

Dealer network financing activity

The weighting of each scenario has been aligned with the weights observed in retail financing activity.

Following these changes in weightings, the network statistical forward-looking provision is 5M€ in June 2024 against 2M€ in December 2023.

Forward-looking statistical sensitivity compared to December 2023:

The application of a weighting of 100% to the stability scenario would be equivalent to calculating the ECL without applying stress and would lead to a reduction in the statistical impairment of €102 million.

The application of a weighting of 100% to the baseline scenario would lead to an increase of €0,5 million in the statistical impairment.

The application of a weighting of 100% to the adverse scenario would lead to an increase of €229 million in the statistical impairment.

Total forward-looking: Customer and Dealer Network financing activity:

Statistical approach: €107 million at the end of June 2024, compared with €101 million at the end of December 2023.
Sectoral approach: €21 million at the end of June 2024, compared with €29 million at the end of December 2023.
The statistical and industry provisions stood at €128 million, compared with €130 million in December 2023.

In millions of euros	Customer			Dealer financing			Total 06/2024
	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3	
France	16	13	11	2			**42**
Spain	7	5	1	1			**14**
Brazil	5	6	2				**13**
Germany	5	7	2				**14**
Italy	6	7	(2)				**11**
Colombia	2	4	1				**7**
Morocco	3	1	2			1	**7**
UK	4	1	1				**6**
Poland	1	1	1				**3**
Korea	1	1					**2**
Portugal	1						**1**
Switzerland		1					**1**
Other	5	2	(1)	1			**7**
Total	**56**	**49**	**18**	**4**		**1**	**128**

In millions of euros	Customer			Dealer financing			Total 12/2023
	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3	
France	22	13	3				**38**
Spain	10	4	1	1			**16**
Germany	7	8	2				**17**
Italy	5	6					**11**
UK	5	4	1				**10**
Korea	4	3					**7**
Colombia	2	5	1				**8**
Brazil	2	3	2				**7**
Morocco	4	2	1				**7**
Poland	1	1					**2**
Portugal	2						**2**
Austria	1						**1**
Other	2	1	1				**4**
Total	**67**	**50**	**12**	**1**			**130**

➢ **Provisions for appraisals (additional non-model adjustments)**

An expert adjustment of the provisions may be made locally if necessary. The expert can adjust the allocation of an exposure in buckets 1 and 2 and the calculated ECL if he/she has additional information. These adjustments must be justified and are classified into five categories: credit risk relating to customers identified as vulnerable, risk relating to inflation, individual risk on corporate counterparties, lack of statistical inadequacy, based on expert opinion.

En millions d'euros	Clientèle			Réseau			Total 06/2024
	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3	
Risque relatif aux clients fragiles	12						**12**
Risque relatif à l'inflation	13						**13**
Risque individuel sur contrepartie entreprise	1	3	7				**10**
Risque de non-adéquation paramètres de risque	(0)	(4)	2				**(3)**
Provisions à dire d'expert	2	0	(6)		(0)	5	**1**
Total	**28**	**(2)**	**3**		**(0)**	**5**	**34**

En millions d'euros	Clientèle			Réseau			Total 12/2023
	Bucket 1	Bucket 2	Bucket 3	Bucket 1	Bucket 2	Bucket 3	
Risque relatif aux clients fragiles	11						**11**
Risque relatif à l'inflation	27						**27**
Risque individuel sur contrepartie entreprise	0	2	6				**8**
Risque de non-adéquation paramètres de risque	(1)	(8)	(11)				**(20)**
Provisions à dire d'expert	1	1	(5)		(1)	5	**1**
Total	**39**	**(5)**	**(10)**		**(1)**	**5**	**28**

<u>Customer provisions</u>

Vulnerable customers

All entities must identify vulnerable customers through the implementation of a decision tree and/or the implementation of a scoring model. When customer identification is carried out, the severity of the difficulty must be established in order to define the actions associated with this severity. An additional appraisal provision must be applied to high and medium-severity fragile customers classified in Bucket 1.

Inflation

On the Retail portfolios, an adjustment linked to a deterioration in the solvency of customers whose cost of living is impacted by inflation was generalized at the end of 2022. The methodology used to calibrate this adjustment consists of estimating what proportion of the portfolio in Bucket 1 would be likely to switch to Bucket 2 by stressing cost-of-living factors, and covering this part of the portfolio in Bucket 1 on the basis of the Bucket 1 and Bucket 2 average provisioning rate.

In 2024 the risk hedged by this provision disappeared after a return to normal levels of inflation. Thus the provision has been gradually reversed during the year.

Individual risk on corporate counterparties

These appraisals are applied during individual company reviews based on a minimum threshold of outstandings. This allocation is concentrated on France

Risk of a lack of statistical inadequacy

These appraisals are carried out in order to hedge biases or uncertainties on the risk parameters. They can also be applied to anticipate developments in parameters or changes of model. The change is mainly due to a negative appraisal for France and Germany in anticipation of a change in the methodology in the calculation of the risk parameters expected at the end of 2024. In Colombia the negative appraisal was reduced following an increase in variable rates that lead to an extension of the duration of loans beyond the maximum provided for by the methodology, causing a deterioration in the calculation of loss rates.

Other provisions based on an expert opinion

This type of appraisal is related to the reclassification of Bucket 3 outstandings as technical arrears. France contributes the most to this appraisal. Following the transition to the new definition of default (NDoD), a certain number of customers systematically remain in default. This is related to the B3 retention due to the 3-month probation period once the customer is no longer in arrears.

The main areas in terms of judgment and estimation in the preparation of the condensed consolidated financial statements as of 30 June 2024 are therefore identical to those detailed in Note "5.3.3 - Accounting rules and methods" to the 2023 annual financial statements.

Dealer network provision

Regarding the dealer network segment, an adjustment of statistical provisions may be made at the local level if necessary. The appraiser may adjust the calculated ECL if he/she has additional information. These adjustments must be justified.

The change between December 2023 and June 2024 is mainly explained by the change in appraisal provisions in France.
The negative appraisal comes from Italy, an adjustment applied to dealers with long default maturities on exposures relating to new vehicles.

C. Changes in presentation

At June 30, 2024, there are no changes in presentation compared with the previous year.

4. ADAPTING TO THE ECONOMIC AND FINANCIAL ENVIRONMENT

In a mixed economic environment, the Mobilize Financial Services group continues to implement a prudent financial policy and reinforces its liquidity management and control system.

Liquidity

The Mobilize Financial Services group pays great attention to diversifying its sources of access to liquidity. During the previous years, the company has largely diversified its sources of funding. In addition to its traditional bond investor base in euros, new investment areas have also been successfully worked.

The deposit collection business, launched in February 2012, is now present in seven different countries (France, Germany, Austria, the United Kingdom, Brazil, Spain and the Netherlands). It allowed to create an alternative refinancing resource and is now the Group's main source of financing.

By extending the maximum maturities of its issues in Euros to eight years, new investors looking for longer-term assets have been reached. In addition, the group has access to the bond markets in multiple currencies, whether to finance European assets or to support its development outside Europe.

Recourse to funding through securitization transactions in private and public format also helps to expand the investor base.

Oversight of the Mobilize Financial Services group's liquidity risk takes into account EBA recommendations on the Internal Liquidity Adequacy Assessment Process (ILAAP) and is based on the following components:

- **Risk appetite**: This component is determined by the Board of Directors' Risk Committee.

- **Refinancing**: The funding plan is constructed with a view to diversifying access to liquidity by product, by currency and by maturity. Funding requirements are regularly reviewed and clarified so that the funding plan can be adjusted accordingly.

- **Liquidity reserve**: The company's aim is to have available at all times a liquidity reserve consistent with its appetite for liquidity risk. The liquidity reserve consists of unused confirmed lines of credit, assets eligible as collateral in European Central Bank or Bank of England monetary policy transactions, High Quality Liquid Assets (HQLA), and financial assets. It is reviewed every month by the Finance Committee.

- **Transfer prices**: Refinancing for the group's European entities is mainly delivered by the group Finance and Treasury Division, which centralizes liquidity management and pools costs. Internal liquidity costs are reviewed at regular intervals by the Finance Committee and are used by sales subsidiaries to construct their pricing.

- **Stress scenarios**: Every month, the Finance Committee is informed of the length of time for which the company would be able to maintain its business activity using its liquidity reserve in various stress scenarios. The stress scenarios used include assumptions about runs on deposits, loss of access to new funding, partial unavailability of certain components of the liquidity reserve, and forecasts of new gross lending. Assumptions about runs on deposits under stress are very conservative and are regularly back-tested.

- **Emergency plan**: An established emergency plan identifies the steps to be taken in the event of stress on the liquidity position.

Credit risk

The quality of the loan portfolio in 2023 (measured by the rate of non-performing loans) was maintained at 2.5 of customer outstandings (excluding dealers) in default in June 2024, down 8 basis points compared to December 2023. Outstandings in default have therefore seen the same growth as total outstandings since December 2023.

In terms of credit granting policy, the implementation and reinforcement of the acceptance procedures for individuals and companies continued. New rules were Notably published in the first half of 2024 to regulate maximum exposure and delegated schemes for operating lease financing.

The Group Mobilize Financial Services continues to aim to maintain overall credit risk at a level compatible with the expectations of the financial community and its profitability targets.

Profitability

The Mobilize Financial Services group regularly reviews the costs of internal liquidity used to price customer transactions, thereby maintaining a margin on new lending in line with budget targets. Similarly, the pricing of financing granted to dealers is indexed on an internal base rate reflecting the cost of borrowed resources and liquidity cushions needed for business continuity. This method maintains a steady return for this business.

Governance

Liquidity indicators are the subject of particular scrutiny at each monthly financial committee meeting.

The country management committees also monitor risk and instant projected margin indicators more systematically, thereby supplementing the routine assessments of subsidiaries' profitability.

Exposure to non-commercial credit risk

Financial counterparty risk arises from the investment of cash surpluses, invested in the form of short-term bank deposits with leading banks, investments in money market funds, the purchase of bonds (issued by governments, supranational issuers, government agencies, or corporates) with an average duration of less than one year at 30 June 2024.

All these investments are made with counterparties of superior credit quality previously authorized by the Finance Committee. The Mobilize Financial Services group pays close attention to diversifying its counterparties.

Furthermore, to meet regulatory requirements resulting from implementation of the 30-day liquidity coverage ratio (LCR), the Mobilize Financial Services group invests in liquid assets as defined in the European Commission's Delegated Act. These liquid assets mainly consist of deposits with the European Central Bank and securities issued by governments or supranational issuers held directly. The average duration of the securities portfolio was less than one year.

In addition, RCI Banque S.A. has also invested in a fund whose assets consist of debt securities issued by European agencies and sovereigns and by supranational issuers. Targeted average exposure to credit risk is six years with a limit at nine years. The fund is aiming for zero exposure to the interest rate risk with a maximum of two years.

In addition, interest rate or foreign exchange hedging transactions using derivatives may expose the Company to counterparty risk. In Europe, where the group is subject to EMIR regulations, derivatives are subject to counterparty risk mitigation techniques through bilateral collateral exchange or registration in a clearing house. Outside Europe, the group pays close attention to the credit quality of the bank counterparties it uses for derivatives.

Macroeconomic environment

Maintaining restrictive monetary policies led by central banks has helped reduce inflation levels while preserving growth. Considering inflation outlook under control, the ECB cut its key rates by 25 basis points in June 2024. Other central banks preferred to wait for the publication of additional economic indicators before adjusting their monetary policy. The end of the first half of the year saw a temporary shift towards risk aversion, triggered by the rise in political and budgetary risks in Europe, notably due to the organization of legislative elections in France following the unexpected dissolution of the National Assembly.

In the United States, inflation resumed an upward trajectory in the first quarter of 2024, rising from 3.1% in January to 3.5% in March, surpassing analysts' forecasts and negatively surprising the markets. Economic growth slowed to 1.3% over the same period, down from 3.4% in the last quarter of 2023 and below the forecast of 2.5%. As a result, the FED gradually tightened its communication indicating that high rates would be maintained as long as necessary to ensure that inflation returned to a level close to the 2% target. These factors led to a revision of market expectations for rate cuts. At the beginning of the year, a rate cut of 150bps was anticipated for 2024, but this was revised to 50bp by the end of June. Economic data for the second quarter appeared more favorable with inflation down to 3.3% in June and PCE at 2.6%. However, the FED indicated it wanted to wait for confirmation of this disinflationary trend before considering the start of monetary easing.

In Europe, inflation decreased from 2.9% at the end of 2023 to 2.4% in April 2024, before slightly increasing to 2.5%

in June, mainly due to the services component remaining strong. The ECB indicated it considered inflation to be under control and expressed optimism about reaching the 2% target in the medium term. Economic growth has resumed in the Eurozone, and GDP returned to positive territory at +0.4% in the first quarter. Germany emerged from a technical recession at the end of 2023. Until June, the ECB was very cautious in its communication aiming to temper market expectation of significant rate cut starting as early as January 2024 (-140bps in 2024 forecasted at the beginning of January). In early June, for the first time since the start of its monetary tightening policy in July 2022, the ECB cut rates by -25bps, faster than its American and British counterparts. The institution did not provide any guidance on the timing or the likelihood of further cuts in 2024 and revised its forecasts upwards, anticipating inflation to average 2.5% in 2024, 2.2% in 2025 and 1.9% in 2026. Following this first cut, the market expects two further cuts of -25bps in September and December 2024.

In the United Kingdom, inflation began a sharp decline in the first quarter, falling from 4% in January to 2% in June, while the economy has moved into slight growth of 0.3% (-0.2% in the last quarter of 2023). The BOE remained very cautious in its communications, finding the inflation levels disappointing compared to the forecasts made by economic analysts, notably due to persistent inflation on services (5.9% in June 2024). The government announced a general election to be held on July 4, leading to a revision of market expectations regarding the level of rate cuts expected in 2024. At the end of June, the market anticipated two cuts of -25bps in 2024, down from an initial expectation of -110bps in 2024 at the beginning of the year.

In this context of central banks revising their monetary easing pace, government bond yields increased during the semester. Yields on 2-year German bonds rose by 44 basis points reaching 2.83% at the end of June, up from 2.4% at the end of 2023, with a high of 3.08% in mid-June. Similarly, yields on 10-year German bonds increased by 48 basis points, reaching 2.50% at the end of June, compared to 2.02% at the beginning of January with a high of 2.67% in mid-June.

Stock markets performed strongly in the first half of 2024, reaching record levels before correcting in mid-June following the announcement of early legislative elections in France. The Eurostoxx 50 and the S&P 500 have risen by +9.2% and +14.5% respectively since the beginning of the year. After reaching a peak of 102 bps in mid-January, the IBOXX Corporate Bond Euro index experienced a slight tightening, moving from 91 bps at the end of 2023 to 87bps at the end of June

5. REFINANCING

In this context, the group issued the equivalent of 3 billion euros on the bond market in the first half of 2024. The group tapped the euro market three times and issued respectively 600 million euros at 5 years, 1500 million euros in double tranche format at 3.5 years (€800M) and 7 years (700 million euros), as well as a new Tier 2 subordinated debt for 750 million euros (settlement date in July 2024). In parallel, to ensure the diversification of funding sources, the Polish subsidiary issued PLN 650M (150 million euros) on 3 years.

In the securitization market, the group placed approximately 800 million euros of notes backed by automotive loans granted by RCI Banque S.A. Niederlassung Deutschland. Private securitization of auto loans in the United Kingdom and leasing in Germany have had their revolving periods extended for an additional two years and their amounts slightly increased to reach 700 million British pounds in the UK and 450 million euros in Germany.

The savings collection activity remained competitive in terms of the cost of the collected resources, once again demonstrating the relevance of the diversification strategy for funding initiated more than 10 years ago. The outstanding savings collection increased by 1.1 billion euros since the beginning of the year to reach 29.4 billion euros.

These resources, together with €4.4 billion in undrawn confirmed bank lines, €4.1 billion in collateral eligible for Central Bank monetary policy operations, and €4.9 billion in highly liquid assets (HQLA), enable the Mobilize Financial Services groupe to maintain the financing granted to its customers for more than 12 months without access to external liquidity. At June 30, 2024, the Mobilize Financial Services group’s liquidity reserve (European scope) stood at €13.4 billion.

6. REGULATORY REQUIREMENTS

In accordance with the prudential banking regulations transposing EU Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD IV) and EU Regulation 575/2013 into French law, the Mobilize Financial Services group is subject to compliance with the solvency ratio and liquidity ratios, risk division ratio and balance sheet balancing (leverage ratio).

At 30 June 2024, the ratios calculated do not show any non-compliance with the regulatory requirements.

7. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Note 1 : Segment information

In millions of euros	Customer	Dealer financing	Other	Total 06/2024
Average performing loan outstandings	41 743	10 631		52 374
Average performing asset	44 239	10 631		54 870
Net banking income	790	178	107	1 075
Gross operating income	508	139	49	696
Operating income	399	135	50	584
Pre-tax income	369	134	50	553

In millions of euros	Customer	Dealer financing	Other	Total 12/2023
Average performing loan outstandings	39 195	10 488		49 683
Average performing asset	40 684	10 488		51 172
Net banking income	1 543	342	76	1 961
Gross operating income	999	278	(28)	1 249
Operating income	838	287	(29)	1 096
Pre-tax income	778	286	(30)	1 034

In millions of euros	Customer	Dealer financing	Other	Total 06/2023
Average performing loan outstandings	38 179	10 306		48 485
Net banking income	756	190	28	974
Gross operating income	468	157	(11)	614
Operating income	368	157	(11)	514
Pre-tax income	341	157	(11)	487

Contributions by market are analyzed, for the different periods presented, for the main aggregates on the income statement and for average performing loans outstanding.

At the Net Banking Income level, given that most of the Mobilize Financial Services group's segment income comes from interest, the latter are shown net of interest expenses.

The earnings of each business segment are determined on the basis of internal analytical conventions for intercompany billing and valuation of funds allocated. The equity allocated to each business segment is the capital effectively made available to the affiliates and branches and then divided among them according to internal analytical rules.

Average performing loans outstanding is the operating indicator used to monitor outstandings. As this indicator is the arithmetic mean of outstandings, its value therefore differs from the outstandings featuring in the Mobilize Financial Services group's assets, as presented in Notes 6 and 7: Customer finance transactions and similar/Customer finance transactions by business segment.

Average Performing Assets (APA) is another indicator used to monitor outstandings. It is equal to average performing outstandings plus assets arising from operating lease operations.

For retail customers, it means the average of performing assets at end-period. For Dealers, it means the average of daily performing assets.

Note 2 : Cash and balances at central banks

In millions of euros	06/2024	12/2023
Cash and balances at central banks	**4 943**	**4 729**
Cash and balances at Central Banks	4 942	4 728
Accrued interest	1	1
Term deposits at Central Banks	**5**	**4**
Accrued interest	5	4
Total cash and balances at central banks	**4 948**	**4 733**

Note 3 : Derivatives

In millions of euros	06/2024		12/2023	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Interest-rate and currency derivatives: Fair value hedges	21	198	44	196
Interest-rate derivatives: Cash flow hedges	153	80	181	93
Currency derivatives: Net Investment Hedge		1		
Total derivatives used for hedging	**174**	**279**	**225**	**289**

These positions mainly include derivative instruments contracted over-the-counter by the Group Mobilize Financial Services as part of its risk management policy for exposure to foreign exchange and interest rate risks.

Derivative instruments qualifying as cash flow hedges are backed by floating-rate debt and aggregate sets composed of a fixed-rate debt and a floating interest rate swap.

Nominal values of derivative instruments by maturity and management intent

In millions of euros	< 1 year	1 year to 5 years	> 5 years	Total 06/2024	*Related parties*
Hedging of currency risk					
Forward forex contracts					
Sales	1 564			1 564	
Purchases	1 548			1 548	
Spot forex transactions					
Loans	1			1	
Borrowings	1			1	
Currency swaps					
Loans	145	33		178	
Borrowings	144	33		177	
Hedging of interest-rate risk					
Interest rate swaps					
Lender	10 175	13 073	1 200	24 448	
Borrower	10 175	13 073	1 200	24 448	

In millions of euros	< 1 year	1 year to 5 years	> 5 years	Total 12/2023	*Related parties*
Hedging of currency risk					
Forward forex contracts					
Sales	1 619			1 619	
Purchases	1 561			1 561	
Spot forex transactions					
Loans	1			1	
Borrowings	1			1	
Currency swaps					
Loans	82	93		175	
Borrowings	84	91		175	
Hedging of interest-rate risk					
Interest rate swaps					
Lender	9 407	11 451	500	21 358	
Borrower	9 407	11 451	500	21 358	

Note 4 : Financial assets

In millions of euros	06/2024	12/2023
Financial assets at fair value through other comprehensive income (**)	**531**	**483**
Government debt securities and similar	371	322
Bonds and other fixed income securities	160	161
Financial assets at fair value through profit or loss	**145**	**143**
Variable income securities	41	41
Bonds and other fixed income securities	79	72
Interests in companies controlled but not consolidated	3	3
Interest-rate derivatives	13	23
Currency derivatives	9	4
Total financial assets*	**676**	**626**
(*) Of which related parties	*3*	*3*
(*) Of which financial AJ31assets dedicated to insurance	*201*	*202*

In the context of modeling variable rate sight deposits coverage, the Mobilize Financial Services group has implemented non-qualifying accounting rate derivatives for hedge derivatives in accordance with the IFRS9 provisions. These derivatives have been classified as financial assets or financial liabilities at fair value through profit or loss.

Note 5 : Amounts receivable at amortised cost from credit institutions

In millions of euros	06/2024	12/2023
Credit balances in sight accounts at credit institutions	**1 465**	**1 390**
Ordinary accounts in debit	1 438	1 359
Overnight loans	27	31
Term deposits at credit institutions	**148**	**149**
Term loans in bucket 1	147	143
Term loans in bucket 2		6
Accrued interest	1	
Total amounts receivable from credit institutions*	**1 613**	**1 539**
(*) Of which related parties	*2*	*3*

Credit balances in sight accounts are included in the "Cash and cash equivalents" line in the cash flow statement.

Current bank accounts held by the FCTs (*Fonds Commun de Titrisation*) contribute in part to the funds' credit enhancement. They totaled €917 million at end-June 2024 and are included in "Ordinary Accounts in debit".

Overnight loan transactions with Central Banks are included in "Cash and balances at Central Banks".

Note 6 : Customer finance transactions and similar

In millions of euros	06/2024	12/2023
Loans and advances to customers	**56 561**	**53 851**
Customer finance transactions	38 420	36 919
Finance lease transactions	18 141	16 932
Operating lease transactions	**2 910**	**1 564**
Total customer finance transactions and similar	**59 471**	**55 415**

The gross value of restructured outstandings (including doubtfull, following all measures and concessions to borrowing customers who encounter (or are likely in future to encounter) financial difficulties, amounts to €224 million at 30 June 2024, compared to €225 million at 31 December 2023. It was impaired in the amount of €51 million at 30 June 2024, compared with €63 million at December 31, 2023.

6.1 - Customer finance transactions

In millions of euros	06/2024	12/2023
Loans and advances to customers	**38 905**	**37 203**
Healthy factoring	610	347
Factoring with a significant increase in credit risk since initial recognition	86	4
Other healthy commercial receivables	14	6
Other healthy customer credit	35 109	33 664
Other customer credit with a significant increase in credit risk since initial recognition	1 835	1 838
Healthy ordinary accounts in debit	497	577
Defaulted receivables	754	767
Interest receivable on customer loans and advances	**74**	**114**
Other non-defaulted customer credit	48	46
Non-defaulted ordinary accounts	22	65
Defaulted receivables	4	3
Total of items included in amortized cost - Customer loans and advances	**248**	**393**
Staggered handling charges and sundry expenses - Received from customers	(38)	(30)
Staggered contributions to sales incentives by manufacturer or dealers	(525)	(414)
Staggered fees paid for referral of business	811	837
Impairment on loans and advances to customers	**(807)**	**(791)**
Impairment on healthy receivables	(134)	(137)
Impairment on receivables with a significant increase in credit risk since initial recognition	(112)	(113)
Impairment on defaulted receivables	(444)	(450)
Impairment on residual value	(117)	(91)
Total customer finance transactions, net	**38 420**	**36 919**

The securitization transactions were not intended to result in derecognition of the receivables assigned. The assigned receivables as well as the accrued interest and impairment allowances on them continue to appear on the asset side of the group’s balance sheet.

The factoring receivables result from the acquisition by the Renault Group, Nissan and Mitsubishi brands commercial receivables. Impairment on residual value concerns credit (risk borne and not borne).

6.2 - Finance lease transactions

In millions of euros	06/2024	12/2023
Finance lease transactions	**18 563**	**17 206**
Other healthy customer credit	16 430	15 065
Other customer credit with a significant increase in credit risk since initial recognition	1 680	1 722
Defaulted receivables	453	419
Accrued interest on finance lease transactions	**4**	**8**
Other non-defaulted customer credit	3	7
Defaulted receivables	1	1
Total of items included in amortized cost - Finance leases	**(66)**	**47**
Staggered handling charges	(4)	6
Staggered contributions to sales incentives by manufacturer or dealers	(499)	(379)
Staggered fees paid for referral of business	437	420
Impairment on finance leases	**(360)**	**(329)**
Impairment on healthy receivables	(67)	(66)
Impairment on receivables with a significant increase in credit risk since initial recognition	(72)	(73)
Impairment on defaulted receivables	(220)	(189)
Impairment on residual value	(1)	(1)
Total finance lease transactions, net	**18 141**	**16 932**

6.3 - Operating lease transactions

In millions of euros	06/2024	12/2023
Fixed asset net value on operating lease transactions	**2 935**	**1 595**
Gross value of tangible assets	4 054	2 433
Depreciation of tangible assets	(1 119)	(838)
Receivables on operating lease transactions	**26**	**17**
Non-defaulted receivables	29	13
Defaulted receivables	17	13
Income and charges to be staggered	(20)	(9)
Impairment on operating leases	**(51)**	**(48)**
Impairment on defaulted receivables	(11)	(8)
Impairment on residual value	(40)	(40)
Total operating lease transactions, net*	**2 910**	**1 564**
(*) Of which related parties	*(5)*	*(3)*

Note 7 : Customer finance transactions by business segment

In millions of euros	Customer	Dealer financing	Other	Total 06/2024
Gross value	**47 575**	**12 430**	**684**	**60 689**
Healthy receivables	42 931	12 226	681	55 838
On % of total receivables	*90,2%*	*98,4%*	*99,6%*	*92,0%*
Receivables with a significant increase in credit risk since initial recognition	3 467	155		3 622
On % of total receivables	*7,3%*	*1,2%*		*6,0%*
Defaulted receivables	1 177	49	3	1 229
On % of total receivables	*2,5%*	*0,4%*	*0,4%*	*2,0%*
Impairment allowance	**(1 174)**	**(41)**	**(3)**	**(1 218)**
Impairment on healthy receivables	(334)	(23)	(2)	(359)
On % of total impairment	*28,4%*	*56,1%*	*66,7%*	*29,5%*
Impairment on receivables with a significant increase in credit risk since initial recognitio	(184)			(184)
On % of total impairment	*15,7%*			*15,1%*
Impairment on defaulted receivables	(656)	(18)	(1)	(675)
On % of total impairment	*55,9%*	*43,9%*	*33,3%*	*55,4%*
Coverage rate	***2,5%***	***0,3%***	***0,4%***	***2,0%***
Healthy receivables	*0,8%*	*0,2%*	*0,3%*	*0,6%*
Receivables with a significant increase in credit risk since initial recognition	*5,3%*	*0,0%*		*5,1%*
Defaulted receivables	*55,7%*	*36,7%*	*33,3%*	*54,9%*
Net value*	**46 401**	**12 389**	**681**	**59 471**
(*) Of which: related parties (excluding participation in incentives and fees paid	*21*	*588*	*271*	*880*

In millions of euros	Customer	Dealer financing	Other	Total 12/2023
Gross value	**44 182**	**11 679**	**722**	**56 583**
Healthy receivables	39 651	11 430	720	51 801
On % of total receivables	*89,7%*	*97,9%*	*99,7%*	*91,5%*
Receivables with a significant increase in credit risk since initial recognition	3 394	185		3 579
On % of total receivables	*7,7%*	*1,6%*		*6,3%*
Defaulted receivables	1 137	64	2	1 203
On % of total receivables	*2,6%*	*0,5%*	*0,3%*	*2,1%*
Impairment allowance	**(1 128)**	**(38)**	**(2)**	**(1 168)**
Impairment on healthy receivables	(316)	(18)	(1)	(335)
On % of total impairment	*28,0%*	*47,4%*	*50,0%*	*28,7%*
Impairment on receivables with a significant increase in credit risk since initial recognitio	(183)	(3)		(186)
On % of total impairment	*16,2%*	*7,9%*		*15,9%*
Impairment on defaulted receivables	(629)	(17)	(1)	(647)
On % of total impairment	*55,8%*	*44,7%*	*50,0%*	*55,4%*
Coverage rate	***2,6%***	***0,3%***	***0,3%***	***2,1%***
Healthy receivables	*0,8%*	*0,2%*	*0,1%*	*0,6%*
Receivables with a significant increase in credit risk since initial recognition	*5,4%*	*1,6%*		*5,2%*
Defaulted receivables	*55,3%*	*26,6%*	*50,0%*	*53,8%*
Net value*	**43 054**	**11 641**	**720**	**55 415**
(*) Of which: related parties (excluding participation in incentives and fees paid	*(2)*	*276*	*379*	*653*

The "Other" category mainly includes buyer and ordinary accounts with dealers and the Renault Group, Nissan and Mitsubishi brands.

A review of the Sector Forward Looking provision was carried out in June 2024. This sectoral portion, which covers customer segments deemed to be particularly at risk – and for which an individual analysis was not possible – concerns €2,125 million in outstandings, without their classification in Stage 1 being affected. As of the end of June

2024, these outstandings were now hedged by a €21.1 million provision, i.e. an €8.2 million reversal compared to the end of December 2023, explained by a decrease in exposures on risky sectors (-€4.6 million impact) and by a methodological change to the hedging rate applied (-€4.7 million impact).

For customer business, the provisioning rate for Buckets 1 and 2 remained stable, at 0.4% and 5.4% respectively. The provisioning rate for Bucket 3 rose from 55.3% at the end of December 2023 to 55.8% at the end of June 2024. This occurred in a context of a freezing of risk parameters for the G7 countries on the basis of the data of December 2023, which is also supplemented by an increase in non-performing loans in Colombia (+€14 million), plagued by an unfavorable economic context, and by the integration of the MeinAuto group (+€29 million).

This increase in non-performing outstandings was partially offset by the sale of a non-performing portfolio in Italy for €14 million.

In the dealer networks business, the Bucket 1 coverage rate was stable, and the improvement in Bucket 2 was mainly due to the positive trend in the distribution of outstandings by risk class. The countries making the most significant contribution to this improvement are France, Morocco and Spain. For Bucket 3, the coverage rate was 36.7% vs. 26.6% at the end of December 2023, an increase explained notably by the change in the mix of the portfolio in default, with a lower weighting of dealers with a recent date of default.

Note 7.1 : Change of customer finance transactions

In millions of euros	12/2023	Increase (1)	Reclas. (2)	repayment	Write off	06/2024
Healthy receivables	51 801	36 185	(1 349)	(30 799)		55 838
Receivables with a significant increase in credit risk since initial recogniti	3 579		953	(910)		3 622
Defaulted receivables	1 203		396	(258)	(112)	1 229
Customer finance transactions (GV)	**56 583**	**36 185**		**(31 967)**	**(112)**	**60 689**

(1) Increase = New production

(2) Reclassification = Transfert beetwen buckets

Note 7.2 : Change of impairments of customer finance transactions

In millions of euros	12/2023	Increase (1)	Decrease (2)	Reclas. (3)	Variations (4)	Other (5)	06/2024
Impairment on healthy receivables (*)	335	18	(14)	(156)	167	9	359
Impairment on receivables with a significant increase in cr	186	9	(5)	(20)	15	(1)	184
Impairment on defaulted receivables	647	13	(46)	176	(125)	10	675
Impairments of customer finance transactions	**1 168**	**40**	**(65)**		**57**	**18**	**1 218**

(1) Increase = Allowance due to new production

(2) Decrease = Reversal of allowance due to reimbursement, disposals or writte-off

(3) Reclassification = Transfert beetwen buckets

(4) Variations = Variation due to risk criteria adjustments (PD, LGD, ECL...)

(5) Other = Reclassification, currency translation effects, changes in scope of consolidation

(*) Impairment on performing receivables includes impairments on residual values (vehicles and batteries) for an amount of €157 million as at 30 June 2024, compared to €131 million at 31 December 2023.

Note 8 : Adjustment accounts & miscellaneous assets

In millions of euros	06/2024	12/2023
Tax receivables	**763**	**659**
Current tax assets	143	88
Deferred tax assets	244	249
Tax receivables other than on current income tax	376	322
Adjustment accounts and other assets	**1 978**	**1 583**
Social Security and employee-related receivables	1	1
Other sundry debtors	1 264	912
Adjustment accounts - Assets	130	110
Other assets	4	5
Items received on collections	579	555
Insurance and reinsurance contrats asset	**43**	**33**
Reinsurance contracts held	43	33
Total adjustment accounts – Assets and other assets*	**2 784**	**2 275**
(*) Of which related parties	*432*	*390*

Note 9 : Financial liabilities at fair value through profit or loss

In millions of euros	06/2024	12/2023
Interest-rate derivatives	6	15
Currency derivatives	15	47
Total of financial liabilities at fair value through profit or loss	**21**	**62**

Note 10 : Liabilities to credit institutions and customers & debt securities

10.1 - Central Banks

In millions of euros	06/2024	12/2023
Term borrowings	3 084	2 321
Accrued interest	84	54
Total Central Banks	**3 168**	**2 375**

At 30 June 2024, the book value of the collateral presented to the Bank of France (3G) amounted to €7,441 million, i.e. €6,590 million in securities issued by securitization vehicles, €851 million in private accounts receivable.

The group has access to the TLTRO III program set up by the Central Bank:

Two new drawdowns were made in 2021:

- €750 million maturing in September 2024

- €750 million maturing in December 2024

The group has chosen to apply IFRS 9 to the drawdowns made on the TLTRO III program, considering that the ECB rate is a market rate.

The applicable interest rate of this financing is now the European Central Bank's average deposit facility rate

TFSME program

The group was also able to avail itself of the TFSME program issued by the Bank of England in 2020 and draw down £409.3 million in 2021 with a maturity in September and October 2025.

The interest rate applicable to this financing is calculated on the basis of the Bank of England base rate (5% at 30 June 2024) plus a 0.25% spread.

The group applied IFRS 9 to its financing, considering this rate to be adjustable like a market rate applicable to all banks benefiting from the TFSME program.

10.2 - Amounts payable to credit institutions

In millions of euros	06/2024	12/2023
Sight accounts payable to credit institutions	**655**	**260**
Ordinary accounts	97	15
Other amounts owed	549	245
Accrued interest	9	
Term accounts payable to credit institutions	**2 184**	**2 015**
Term borrowings	2 079	1 920
Accrued interest	105	95
Total liabilities to credit institutions	**2 839**	**2 275**

Sight accounts are included in the “Cash and cash equivalents” line item in the cash flow statement.

10.3 - Amounts payable to customers

In millions of euros		06/2024	12/2023
Amounts payable to customers		**30 183**	**29 061**
Ordinary accounts in credit		418	341
Term accounts in credit		600	608
Ordinary saving accounts (**)		17 838	18 224
Term deposits (retail) (**)		11 327	9 888
Other amounts payable to customers and accrued interest		**354**	**251**
Other amounts payable to customers		100	171
Accrued interest on ordinary accounts in credit		49	15
Accrued interest on term accounts in credit			1
Accrued interest on ordinary saving accounts		53	31
Accrued interest on customers term accounts		152	33
Total amounts payable to customers*		**30 537**	**29 312**
(*) Of which related parties		*722*	*635*
(*) Of which covered by a specific insurance mechanism	*Meur*	*25 940*	*25 072*
	%	*88,9%*	*89,2%*

Retail deposits

In millions of euros	06/2024			12/2023		
	Saving account	Term Deposit	Total	Saving account	Term Deposit	Total
Germany	10 643	7 095	17 738	10 838	6 025	16 863
United Kingdom	2 705	2 909	5 614	2 695	2 822	5 517
Austria	1 244	613	1 857	1 334	419	1 753
France	1 478	7	1 485	1 424	24	1 448
Spain	1 203	683	1 886	1 087	463	1 550
Netherlands	618	157	775	877	143	1 020
Brazil		15	15		25	25
Total Retail deposits	**17 891**	**11 479**	**29 370**	**18 255**	**9 921**	**28 176**

Term accounts in credit include a €600 million cash warrant agreement given to RCI Banque S.A. by the manufacturer Renault, covering, without any geographical exceptions, against the risks of the Renault Retail Group defaulting.

In the first half of 2024, the growth of the deposits activity (+€1,193 million, +4.2%) was accompanied by an increase in term products. These increased by €1,558 million / +15.7% while sight products decreased by €365 million / -2.0%, reflecting anticipation of a fall in interest rates by savers."

The Mobilize Financial Services group launched its savings business in France in February 2012, in Germany in February 2013, in Austria in April 2014, in the United Kingdom in June 2015 and in Brazil in March 2019 and Spain in November 2020 marketing both savings accounts and term deposits accounts. In July 2021 RCI Banque initiated a partnership with a Raisin, a German fintech, to offer savings accounts in the Netherlands via the raisin.nl platform.

10.4 - Debt securities

In millions of euros	06/2024	12/2023
Negotiable debt securities (1)	**1 526**	**1 808**
Certificates of deposit	1 296	1 570
Commercial paper and similar	179	184
Accrued interest on negotiable debt securities	51	54
Other debt securities (2)	**5 437**	**4 324**
Other debt securities	5 431	4 317
Accrued interest on other debt securities	6	7
Bonds and similar	**15 722**	**14 184**
Bonds	15 322	13 857
Accrued interest on bonds	400	327
Total debt securities*	**22 685**	**20 316**
(*) Of which related parties	*1*	

(1) Certificates of deposit, treasury notes and commercial paper are issued by RCI Banque S.A., Banco RCI Brasil S.A., RCI Banque S.A. Succursale Italiana, RCI Colombia S.A. Compania de Financiamiento and Diac S.A.

(2) Other debt securities consist primarily of the securities issued by the SPVs created for the German needs (RCI Banque S.A. Niederlassung Deutschland), UK (RCI Financial Services Ltd), (RCI Banque S.A. Sucursal en Espana), French (Diac S.A.) and Italian (RCI Banque Succursale Italiana).

Note 11 : Adjustment accounts & miscellaneous liabilities

In millions of euros	06/2024	12/2023
Taxes payable	**1 035**	**961**
Current tax liabilities	177	135
Deferred tax liabilities	816	772
Taxes payable other than on current income tax	42	54
Adjustment accounts and other amounts payable	**2 063**	**1 880**
Social security and employee-related liabilities	62	68
Other sundry creditors	962	887
Debt on rented asset	93	85
Adjustment accounts - liabilities	593	513
Accrued interest on other sundry creditors	335	318
Collection accounts	18	9
Total adjustment accounts - Liabilities and other liabilities*	**3 098**	**2 841**
(*) Of which related parties	*150*	*64*

Deferred tax assets are analyzed in note 27.

The item other sundry creditors includes debts on leased assets activated under IFRS 16. In addition, other sundry creditors and accruals on sundry creditors mainly concern accrued invoices, provisions for commissions payable for referral of business, insurance commissions payable by the Maltese entities and the valuation of put options on minority interests.

Note 12 : Liability on insurance contracts held

Technical insurance reserves by components

In millions of euros	Present value of cash flows	Risk adj. for non-financial risk	Contract. service margin	Total
Insurance and reinsurance contracts Assets	28	2	3	33
Insurance and reinsurance contracts Liabilities	162	(18)	(326)	(182)
Net opening balance at 01/01/2024	**190**	**(16)**	**(323)**	**(149)**
Changes that relate to current services		**1**	**93**	**94**
CSM recognised for services provided			93	93
Change in risk adjustment		1		1
Changes that relate to future services	**217**	**(2)**	**(128)**	**87**
Contracts initially recognised in the year	193	(2)	(103)	88
Changes in estimates that adjust the CSM	25		(25)	
Changes in estimates that result of losses on onerous contracts	(1)			(1)
Changes that relate to past services		**2**		**2**
Changes to liabilities for incurred claims fulfilment	(10)	(1)		(11)
Experience adjustments in claims and other expenses	10	3		13
Insurance service result	**217**	**1**	**(35)**	**183**
Net finance income or expenses on insurance contracts	**5**		**(5)**	
Other movements	5		(5)	
Other comprehensive income	**1**			**1**
Total Changes in the statement of profit or loss and OCI	**223**	**1**	**(40)**	**184**
Cash Flows	**(190)**	**1**	**(2)**	**(191)**
Premiums and premium tax received	(312)	1		(311)
Claims and other insurance service expenses paid	38			38
Insurance acquisition cash flows	84		(2)	82
Net closing balance at 30/06/2024	**223**	**(14)**	**(365)**	**(156)**
Insurance and reinsurance contracts Assets	34	2	7	43
Insurance and reinsurance contracts Liabilities	189	(16)	(372)	(199)

In millions of euros	Present value of cash flows	Risk adj. for non-financial risk	Contract. service margin	Total
Insurance and reinsurance contracts Assets	32	3	1	36
Insurance and reinsurance contracts Liabilities	186	(19)	(333)	(166)
Net opening balance at 01/01/2023	**218**	**(16)**	**(332)**	**(130)**
Changes that relate to current services	**2**	**2**	**180**	**184**
CSM recognised for services provided			180	180
Change in risk adjustment		2		2
Experience adjustments	2			2
Changes that relate to future services	**318**	**(5)**	**(159)**	**154**
Contracts initially recognised in the year	348	(5)	(188)	155
Changes in estimates that adjust the CSM	(29)		29	
Changes in estimates that result of losses on onerous contracts	(1)			(1)
Changes that relate to past services	**20**	**4**		**24**
Changes to liabilities for incurred claims fulfilment	24	2		26
Experience adjustments in claims and other expenses	(4)	2		(2)
Insurance service result	**340**	**1**	**21**	**362**
Net finance income or expenses on insurance contracts	**(10)**		**(6)**	**(16)**
Other movements	(10)		(6)	(16)
Other comprehensive income	**(5)**			**(5)**
Total Changes in the statement of profit or loss and OCI	**325**	**1**	**15**	**341**
Cash Flows	**(353)**	**(1)**	**(6)**	**(360)**
Premiums and premium tax received	(591)			(591)
Claims and other insurance service expenses paid	54			54
Insurance acquisition cash flows	184	(1)	(6)	177
Net closing balance at 31/12/2023	**190**	**(16)**	**(323)**	**(149)**
Insurance and reinsurance contracts Assets	28	2	3	33
Insurance and reinsurance contracts Liabilities	162	(18)	(326)	(182)

Technical insurance reserves by coverages

In millions of euros	**Liabilities for remaining coverage Excl loss**	**Liabilities for remaining coverage Loss**	**Liabilities for incurred claims**	**Total**
Insurance and reinsurance contracts Assets	27		6	33
Insurance and reinsurance contracts Liabilities	(136)		(46)	(182)
Net opening balance at 01/01/2024	**(109)**		**(40)**	**(149)**
Total insurance revenue	**208**			**208**
CSM recognized for services provided	93			93
Change in risk adjustment for non-financial risk for risk expired	2			2
Expected insurance service expenses incurred - Claims	29			29
Expected insurance service expenses incurred - Expenses	8			8
Recovery of insurance acquisition cash flows	76			76
Total insurance service expenses	**12**	**(1)**	**(36)**	**(25)**
Incurred insurance services expenses - Claims			(28)	(28)
Incurred insurance services expenses - Expenses			(9)	(9)
Incurred insurance services expenses - Other movements			(1)	(1)
Amortisation of insurance acquisition cash flows	12			12
Changes that relate to past services			2	2
Losses and reversal of losses on onerous contract		(1)		(1)
Insurance service result	**220**	**(1)**	**(36)**	**183**
Other comprehensive income	**1**			**1**
Total Changes in the statement of profit or loss and OCI	**221**	**(1)**	**(36)**	**184**
Cash Flows	**(229)**		**38**	**(191)**
Premiums and premium tax received	(311)			(311)
Claims and other insurance service expenses paid			38	38
Insurance acquisition cash flows	82			82
Net closing balance at 30/06/2024	**(117)**	**(1)**	**(38)**	**(156)**
Insurance and reinsurance contracts Assets	39	(1)	5	43
Insurance and reinsurance contracts Liabilities	(156)		(43)	(199)

In millions of euros	Liabilities for remaining coverage Excl loss	Liabilities for remaining coverage Loss	Liabilities for incurred claims	Total
Insurance and reinsurance contracts Assets	21	(1)	16	36
Insurance and reinsurance contracts Liabilities	(99)		(67)	(166)
Net opening balance at 01/01/2023	**(78)**	**(1)**	**(51)**	**(130)**
Total insurance revenue	**387**			**387**
CSM recognized for services provided	180			180
Change in risk adjustment for non-financial risk for risk expired	5			5
Expected insurance service expenses incurred - Claims	49			49
Expected insurance service expenses incurred - Expenses	14			14
Recovery of insurance acquisition cash flows	139			139
Total insurance service expenses	**16**	**1**	**(42)**	**(25)**
Incurred insurance services expenses - Claims		1	(61)	(60)
Incurred insurance services expenses - Expenses		1	(4)	(3)
Incurred insurance services expenses - Other movements			1	1
Amortisation of insurance acquisition cash flows	16			16
Changes that relate to past services			22	22
Losses and reversal of losses on onerous contract		(1)		(1)
Insurance service result	**403**	**1**	**(42)**	**362**
Net finance income or expenses on insurance contracts	**(16)**			**(16)**
Other movements	(16)			(16)
Other comprehensive income	**(4)**		**(1)**	**(5)**
Total Changes in the statement of profit or loss and OCI	**383**	**1**	**(43)**	**341**
Cash Flows	**(414)**		**54**	**(360)**
Premiums and premium tax received	(591)			(591)
Claims and other insurance service expenses paid			54	54
Insurance acquisition cash flows	177			177
Net closing balance at 31/12/2023	**(109)**		**(40)**	**(149)**
Insurance and reinsurance contracts Assets	27		6	33
Insurance and reinsurance contracts Liabilities	(136)		(46)	(182)

Note 13 : Provisions

In millions of euros	12/2023	Charge	Reversals		Other (*)	06/2024
			Used	Not Used		
Provisions on banking operations	**42**	**21**	**(2)**	**(18)**	**(1)**	**42**
Provisions for signature commitments (**)	7	9		(7)	(1)	8
Provisions for litigation risks	3			(1)		2
Other provisions	32	12	(2)	(10)		32
Provisions on non-banking operations	**109**	**20**	**(12)**	**(24)**	**(2)**	**91**
Provisions for pensions liabilities and related	38	3	(6)			35
Provisions for restructuring	14	2	(4)	(1)		11
Provisions for tax and litigation risks	48	2	(2)	(23)	(2)	23
Other	9	13				22
Total provisions	**151**	**41**	**(14)**	**(42)**	**(3)**	**133**

(*) Other = Reclassification, currency translation effects, changes in scope of consolidation

(**) Provisions for signature commitments = Mainly financing commitments

Each of the known disputes in which RCI Banque or the group's companies are involved was reviewed at the closing date. On the advice of legal counsel, provisions were established when deemed necessary to cover estimated risks.

Every so often, the group's companies are subject to tax audits in the countries where they are based. Uncontested deficiency notices are booked by means of tax provisions. Contested deficiency notices are recognized case by case on the basis of estimates taking into account the merit of the claims against the company concerned and the risk that it may not prevail in its case.

Provisions for restructuring are for the work exemption plan, a career development scheme funded by the company.

The provisions for litigation risks concern the expenses related to cases billed to commercial companies. The provisions for tax and litigation risks in 2024 is linked to a tax adjustment for the Italian branch regarding refinancing.

The provision related to the PIS/COFINS litigation in Brazil has been reversed due to the recent favorable evolution of case laws.

The Financial Conduct Authority (FCA) banned certain commission models for car financing in 2021, which encouraged intermediaries to increase costs for consumers. Several complaints were filed regarding commission agreements established before this ban. The financial mediation service reviewed some complaints that had been rejected by companies and ruled in favor of the complainants in two recent decisions. This is likely to lead to a significant increase in consumer complaints to both companies and the financial ombudsman. On January 11, 2024, the FCA announced that it would review commission and car financing sales agreements at several financial institutions. It also stated that it would ensure consumers receive appropriate compensation if evidence of widespread misconduct is found. Given the recent launch of the FCA’s review, Mobilize Financial Services cannot determine whether the initiated procedures are likely to have a significant adverse impact on its financial statements

Le FCA is planning to communicate about the next steps on the subject in the third quarter of 2024

Note 14 : Impairments allowances to cover counterparty risk

In millions of euros	12/2023	Charge	Reversals		Other (*)	06/2024
			Used	Not Used		
Impairments on banking operations	**1 168**	**376**	**(272)**	**(72)**	**18**	**1 218**
Customer finance transactions	1 168	376	(272)	(72)	18	1 218
Ow impairment on healthy receivables	*335*	*222*	*(171)*	*(36)*	*9*	*359*
Ow impairment on receivables with a significant increase in credit risk sinc	*186*	*49*	*(37)*	*(13)*	*(1)*	*184*
Ow Impairment on defaulted receivables	*647*	*105*	*(64)*	*(23)*	*10*	*675*
Impairment on non-banking operations	**2**	**1**				**3**
Impairment for signature commitments	2	1				3
Impairment on banking operations	**10**	**9**		**(8)**	**(1)**	**10**
Provisions for signature commitments	7	9		(7)	(1)	8
Provisions for litigation risks	3			(1)		2
Total provisions to cover counterparty risk	**1 180**	**386**	**(272)**	**(80)**	**17**	**1 231**

(*) Other = Reclassification, currency translation effects, changes in scope of consolidation

A breakdown by market segment of allowances for impairment of assets in connection with customer finance operations is provided in note 7.

Note 15 : Subordinated debt - Liabilities

In millions of euros	06/2024	12/2023
Liabilities measured at amortized cost	**871**	**882**
Subordinated securities	866	865
Accrued interest on subordinated securities	5	17
Hedged liabilities measured at fair value	**9**	**11**
Participating loan stocks	9	11
Total subordinated liabilities	**880**	**893**

Participating loan stocks of 500,000,000 Francs were issued in 1985 by Diac SA.

The system of remuneration includes:

- a fixed part equal to 60% of the AMR (Annual Monetary Rate)
- a variable part obtained by applying to 40% of the AMR the rate of increase of consolidated net income in the last fiscal year divided by that of the previous year.

Annual remuneration is between 100% and 130% of the AMR, with a floor rate of 6.5%.

It is a perpetual loan.

Note 16 : Financial assets and liabilities by remaining term to maturity

In millions of euros	Up to 3 months	3 months to 1 year	1 year to 5 years	> 5 years	Total 06/2024
Financial assets	**17 281**	**17 926**	**28 279**	**486**	**63 972**
Cash and balances at central banks	4 946	2			4 948
Derivatives	24	26	107	17	174
Financial assets	219	187	154	116	676
Amounts receivable from credit institutions	1 613				1 613
Loans and advances to customers	10 479	17 711	28 018	353	56 561
Financial liabilities	**25 171**	**11 136**	**21 164**	**2 938**	**60 409**
Central Banks	1 895	789	484		3 168
Derivatives	36	11	223	9	279
Financial liabilities	11	7	3		21
Amounts payable to credit institutions	1 110	806	923		2 839
Amounts payable to customers	19 835	5 293	4 809	600	30 537
Debt securities	2 284	4 225	14 722	1 454	22 685
Subordinated debt		5		875	880

In millions of euros	Up to 3 months	3 months to 1 year	1 year to 5 years	> 5 years	Total 12/2023
Financial assets	**16 429**	**16 849**	**27 182**	**514**	**60 974**
Cash and balances at central banks	4 729	4			4 733
Derivatives	21	57	124	23	225
Financial assets	209	108	193	116	626
Amounts receivable from credit institutions	1 539				1 539
Loans and advances to customers	9 931	16 680	26 865	375	53 851
Financial liabilities	**23 095**	**10 488**	**19 691**	**2 248**	**55 522**
Central Banks	357	1 547	471		2 375
Derivatives	15	17	257		289
Financial liabilities	35	15	12		62
Amounts payable to credit institutions	605	677	993		2 275
Amounts payable to customers	19 872	4 327	4 513	600	29 312
Debt securities	2 192	3 905	13 445	774	20 316
Subordinated debt	19			874	893

Note 17 : Fair value of assets and liabilities (in accordance with IFRS 7 & IFRS 13) and breakdown of assets and liabilities

In millions of euros - 06/2024	Book Value	Fair Value				Gap (*)
		Level 1	Level 2	Level 3	FV (*)	
Financial assets	**63 972**	**651**	**6 757**	**55 884**	**63 292**	**(680)**
Cash and balances at central banks	4 948		4 948		4 948	
Derivatives	174		174		174	
Financial assets	676	651	22	3	676	
Amounts receivable from credit institutions	1 613		1 613		1 613	
Loans and advances to customers	56 561			55 881	55 881	(680)
Financial liabilities	**60 409**	**10**	**60 568**		**60 578**	**(169)**
Central Banks	3 168		3 168		3 168	
Derivatives	279		279		279	
Financial liabilities	21		21		21	
Amounts payable to credit institutions	2 839		2 867		2 867	(28)
Amounts payable to customers	30 537		30 537		30 537	
Debt securities	22 685		22 882		22 882	(197)
Subordinated debt	880	10	814		824	56

(*) FV : Fair value - Difference : Unrealized gain or loss

Financial assets classified as Level 3 are holdings in non-consolidated companies.

Trade receivables, classified as Level 3, are measured at amortized cost on the balance sheet. Fair value calculations are provided for information and should be interpreted as estimates only. In most cases, the values provided are not intended to be realized and generally cannot be in practice. These values are not indicators used for the purposes of managing the activities of the bank, for which the management model is based on collecting the expected cash flow.

The assumptions used to calculate the fair value of instruments at the impaired cost are presented below.

In millions of euros - 12/2023	Book Value	Fair Value				Gap (*)
		Level 1	Level 2	Level 3	FV (*)	
Financial assets	**60 974**	**596**	**6 524**	**52 925**	**60 045**	**(929)**
Cash and balances at central banks	4 733		4 733		4 733	
Derivatives	225		225		225	
Financial assets	626	596	27	3	626	
Amounts receivable from credit institutions	1 539		1 539		1 539	
Loans and advances to customers	53 851			52 922	52 922	(929)
Financial liabilities	**55 522**	**11**	**55 720**		**55 731**	**(209)**
Central Banks	2 375		2 378		2 378	(3)
Derivatives	289		289		289	
Financial liabilities	62		62		62	
Amounts payable to credit institutions	2 275		2 305		2 305	(30)
Amounts payable to customers	29 312		29 312		29 312	
Debt securities	20 316		20 564		20 564	(248)
Subordinated debt	893	11	810		821	72

(*) FV : Fair value - Difference : Unrealized gain or loss

Assumptions and methods used:

The three-level hierarchy for financial instruments recognized on the balance sheet at fair value, as required by IFRS 7 is as follows:

- Level 1: measurements based on quoted prices on active markets for identical financial instruments.
- Level 2: measurements based on quoted prices on active markets for similar financial instruments or measurements for which all significant data are based on observable market data.
- Level 3: measurement techniques for which significant data are not based on observable market data.

Estimated fair values have been determined using available market information and appropriate valuation methods for each type of instrument.

However, the methods and assumptions used are by nature theoretical, and a substantial amount of judgment comes into play in interpreting market data. Using different assumptions and/or different valuation methods could have a significant effect on the estimated values.

Fair values have been determined on the basis of information available at the closing date of each period, and thus do not reflect later changes.

As a general rule, whenever a financial instrument is traded on an active, liquid market, its most recent quoted price is used to calculate market value. For instruments without a quoted price, market value is determined by applying recognized valuation models that use observable market parameters. If the Mobilize Financial Services group does not have the necessary valuation tools, including for complex products, valuations are obtained from leading financial institutions.

The main assumptions and valuation methods used are the following:

- Financial assets

Fixed-rate loans have been estimated by discounting future cash flows at the interest rates offered by the Mobilize Financial Services group at 30 June 2024 and at 31 December 2023 for loans with similar conditions and maturities.

Level 3 securities are non-consolidated holdings for which there is no quoted price.

- Loans and advances to customers

Sales financing receivables have been estimated by discounting future cash flows at the interest rate that would have applied to similar loans.

Customer receivables with a term of less than one year are not discounted, as their fair value is not significantly different from their net book value.

- Financial liabilities

Fair value of financial liabilities has been estimated by discounting future cash flows at the interest rates offered to the Mobilize Financial Services group at 31 December 2023 and 30 June 2024 for borrowings with similar conditions and maturities. Projected cash flows are therefore discounted according to the zero-coupon yield curve, augmented by the spread specific to RCI Banque S.A. for issues on the secondary market against 3 months.

Note 18 : Netting agreements and other similar commitments

Master Agreement relating to transactions on forward financial instruments and similar agreements

The Mobilize Financial Services group negotiates its forward derivative agreements under International Swaps and Derivatives Association (ISDA) and FBF (Fédération Bancaire Française) Master Agreements.

The occurrence of an event of default entitles the non-defaulting party to suspend performance of its payment obligations and to payment or receipt of a settlement amount for all terminated transactions.

ISDA and FBF Master Agreements do not meet the criteria for offsetting in the financial statements. The Mobilize Financial Services group currently only has a legally enforceable right to offset booked amounts in the event of default or a credit event.

Synthesis of financial assets and liabilities agreements

In millions of euros - 06/2024	Gross book value before agreement	Netted gross amounts	Net amount in balance sheet	Non compensated amount			Net Exposure
				Financial instruments on the liability	Guarantees on the liability	Off-balance sheet guarantees	
Assets	**1 314**		**1 314**	**147**	**784**		**383**
Derivatives	174		174	147			27
Network financing receivables (1)	1 140		1 140		784		356
Liabilities	**279**		**279**	**147**			**132**
Derivatives	279		279	147			132

(1) The gross book value of dealer financing receivables breaks down into €797 million for the Renault Retail Group, whose exposures are hedged for up to €593 million by a cash warrant agreement given by the Renault manufacturer (see note 10.3) and €342 million for dealers financed by Banco RCI Brasil S.A, whose exposures are hedged for up to €191 million by pledge of *letras de cambio* subscribed to by the dealers.

In millions of euros - 12/2023	Gross book value before agreement	Netted gross amounts	Net amount in balance sheet	Non compensated amount			Net Exposure
				Financial instruments on the liability	Guarantees on the liability	Off-balance sheet guarantees	
Assets	**1 212**		**1 212**	**234**	**703**		**275**
Derivatives	225		225	234			(9)
Network financing receivables (1)	987		987		703		284
Liabilities	**289**		**289**	**234**			**55**
Derivatives	289		289	234			55

(1) The gross book value of dealer financing receivables breaks down into €498 million for the Renault Retail Group, whose exposures are hedged for up to €495 million by a cash warrant agreement given by the Renault manufacturer (see Note 10.3), and €489 million for dealers financed by Banco RCI Brasil S.A., whose exposures are hedged for up to €208 million by pledge of letras de cambio (bills of exchange) subscribed by the dealers.

Note 19 : Commitments given

In millions of euros	06/2024	12/2023
Financing commitments	**3 350**	**3 092**
Commitments to customers	3 350	3 092
Guarantee commitments	**247**	**279**
Commitments to credit institutions	161	200
Customer guarantees	86	79
Other commitments given	**347**	**66**
Commitments given for equipment leases and real estate leases	347	66
Total commitments given*	**3 944**	**3 437**
(*) Of which related parties	*6*	*1*

The line « Commitments to credit institutions» includes the commitments given by RCI Banque S.A. to minority shareholders of joint ventures when it has a contractual option to sell.

Note 20 : Commitments received

In millions of euros	06/2024	12/2023
Financing commitments	**5 491**	**4 631**
Commitments from credit institutions	5 491	4 631
Guarantee commitments	**22 860**	**21 603**
Guarantees received from credit institutions	198	206
Guarantees from customers	6 450	6 745
Commitments to take back leased vehicles at the end of the contract	16 212	14 652
Other commitments received	**345**	**64**
Other commitments received	345	64
Total commitments received*	**28 696**	**26 298**
(*) Of which related parties	*6 102*	*5 624*

At 30 June 2024, Mobilize Financial Services group had €4,741 million in unused confirmed lines of credit, as well as broadly diversified short-term and medium-term issuance programs. It also had €3,944 millions of receivables eligible as European Central Bank collateral (after haircuts and excluding securities and receivables already in use to secure financing at period-end).

Most of the commitments received from related parties concern commitments to take back vehicles agreed with manufacturers as part of finance leases.

Financing commitments include the issue of subordinated securities carried out in June with a value date of July 2024 for a total amount of €750 million

Guarantees and collateral

Guarantees and collateral offer partial or total protection against the risk of losses due to debtor insolvency (mortgages, pledges, comfort letters, bank guarantees on first demand for the granting of loans to dealers and private customers in certain cases). Guarantors are the subject of internal or external rating updated at least annually.

With a view to reducing its risk-taking, the Mobilize Financial Services group actively and rigorously manages its sureties, among other things by diversifying them (e.g. credit insurance, personal and other guarantees).

Note 21 : Interest and similar income

In millions of euros	06/2024	06/2023	12/2023
Interests and similar incomes	**2 397**	**1 979**	**4 195**
Transactions with credit institutions **	235	216	439
Customer finance transactions	1 498	1 251	2 626
Finance lease transactions	522	402	879
Accrued interest due and payable on hedging instruments	104	82	187
Accrued interest due and payable on Financial assets	38	28	64
Staggered fees paid for referral of business:	**(395)**	**(400)**	**(798)**
Customer Loans	(256)	(279)	(546)
Finance leases	(139)	(121)	(252)
Total interests and similar income*	**2 002**	**1 579**	**3 397**
(*) Of which related parties	*427*	*325*	*672*

As the receivables assigned under the securitization transactions have not been deconsolidated, interest on those receivables continues to appear under interest and similar income in customer finance transactions.

Note 22 : Interest expenses and similar charges

In millions of euros	06/2024	06/2023	12/2023
Transactions with credit institutions	(223)	(220)	(431)
Customer finance transactions	(487)	(260)	(684)
Finance lease transactions	(2)	(3)	(3)
Accrued interest due and payable on hedging instruments	(99)	(72)	(166)
Expenses on debt securities	(518)	(355)	(807)
Other interest and similar expenses	(10)	(10)	(18)
Total interest and similar expenses*	**(1 339)**	**(920)**	**(2 109)**
(*) Of which related parties	*(14)*	*(10)*	*(25)*

The increase of interests and similar charges is mostly explained by the increase of market rates since the beginning of 2022, which gradually increases the refinancing costs of our portfolio

Note 23 : Fees and commissions

In millions of euros	06/2024	06/2023	12/2023
Fees and commissions income	**434**	**376**	**765**
Commissions	17	16	31
Fees	13	10	21
Commissions from service activities	96	74	158
Insurance brokerage commission	33	30	63
Incidental insurance commissions from finance contracts	143	138	266
Incidental maintenance commissions from finance contracts	98	78	166
Other incidental commissions from finance contracts	34	30	60
Fees and commissions expenses	**(231)**	**(184)**	**(383)**
Commissions	(27)	(23)	(50)
Commissions on service activities	(75)	(58)	(118)
Incidental insurance commissions from finance contracts	(29)	(25)	(52)
Incidental maintenance commissions from finance contracts	(79)	(62)	(134)
Other incidental commissions from finance contracts	(21)	(16)	(29)
Total net commissions*	**203**	**192**	**382**
(*) Of which related parties	*8*	*10*	*17*

The services and the costs of ancillary finance contract services and the income and costs of service activities primarily concern insurance and maintenance services.

Note 24 : Net income or expense of other activities

In millions of euros	06/2024	06/2023	12/2023
Other income from banking operations	**600**	**347**	**785**
Income related to non-doubtful lease contracts	300	165	406
of which reversal of impairment on residual values	*149*	*61*	*203*
Income from operating lease transactions	281	164	340
Other income from banking operations	19	18	39
of which reversal of charge to reserve for banking risks	*12*	*4*	*9*
Other expenses of banking operations	**(586)**	**(336)**	**(739)**
Expenses related to non-doubtful lease contracts	(303)	(168)	(381)
of which allowance for impairment on residual values	*(169)*	*(77)*	*(190)*
Distribution costs not treatable as interest expense	(65)	(34)	(81)
Expenses related to operating lease transactions	(194)	(115)	(239)
Other expenses of banking operations	(24)	(19)	(38)
of which charge to reserve for banking risks	*(13)*	*(6)*	*(10)*
Other operating income and expenses	**2**	**5**	**8**
Other operating income	16	12	28
Other operating expenses	(14)	(7)	(20)
Total net income (expense) of other activities*	**16**	**16**	**54**
(*) Of which related parties	*5*	*4*	*10*

The products and costs of service activities include the revenue and expenses recognized for insurance contracts issued by the group's insurance captives.

Note 25 : General operating expenses and personnal costs

In millions of euros	06/2024	06/2023	12/2023
Personnel costs	**(209)**	**(175)**	**(372)**
Employee pay	(142)	(118)	(255)
Expenses of post-retirement benefits - Defined-contribution pension plan	(16)	(15)	(27)
Expenses of post-retirement benefits - Defined-benefit pension plan	3	3	4
Other employee-related expenses	(45)	(37)	(81)
Other personnel expenses	(9)	(8)	(13)
Other administrative expenses	**(159)**	**(177)**	**(321)**
Taxes other than current income tax	(8)	(49)	(58)
Rental charges	(5)	(5)	(7)
Other administrative expenses	(146)	(123)	(256)
Total general operating expenses*	**(368)**	**(352)**	**(693)**
(*) Of which related parties	*(1)*	*4*	*(1)*

Note 26 : Cost of risk by customer category

In millions of euros	06/2024	06/2023	12/2023
Cost of risk on customer financing	**(110)**	**(93)**	**(154)**
Impairment allowances	(193)	(182)	(447)
Reversal of impairment	174	154	421
Losses on receivables written off	(111)	(82)	(160)
Amounts recovered on loans written off	20	17	32
Cost of risk on dealer financing	**(3)**		**9**
Impairment allowances	(22)	(23)	(43)
Reversal of impairment	19	23	54
Losses on receivables written off			(2)
Other cost of risk	**1**	**(7)**	**(8)**
Change in allowance for impairment of other receivables	2	(1)	
Other valuation adjustments	(1)	(6)	(8)
Total cost of risk	**(112)**	**(100)**	**(153)**

This item includes the net increase (decrease) in impairment allowances, losses on receivables written off, and amounts recovered on receivables written off.

At the end of June 2024, the total cost of risk was a net provision of 112M€ of which 110M€ on customer financing (i.e 0,50% of Average Productive Assets), 3M€ on dealers network financing, and a reversal of -1M€ on other activities.

In customer activity, the main movements in the cumulative cost of risk at the end of June 2024 are as follows:

In millions of euros	**30/06/2024**	**31/12/2023**
Performing loans		
Allocation following increase in B1 and B2 outstandings	18	38
Allocation/reversal on change in mix by bucket and risk parameter	-22	29
Forward-looking reversal	-13	-20
Reversal for provisions based on expert opinion	-8	-56
Non-performing loans		
Allocation on B3 outstandings	24	55
Losses on receivables written off	111	159
Amounts recovered on loans written off	-20	-32
Forward-looking allocation	6	3
Allocation/reversal for provisions based on expert opinion	14	-22
Total cost of risk	**110**	**154**

The reversal of the appraisal provision observed in the first half of 2024 on performing loans (-€8 million) is mainly due to the gradual reversal of the provision for inflation risk for the entire scope of Mobilize Financial Services, considering the return of indexes to their 2021 level.

On non-performing loans, the amount of the appraisal provision (+€14 million) is explained by the update of the negative appraisal aimed at correcting the bias in the calculation of statistical provisions in Colombia.

For the Dealer Network business (dealer financing), the cost of risk (allocation of €3.0 million) includes:

- a €3.3 million allocation on performing loans, explained notably by an allocation of forward-looking provisions, in the amount of €2.9 million

- a €0.7 million provision on non-performing loans mainly explained by the entry into default of two dealers in Germany and the allocation of forward-looking provisions in Morocco.

Note 27 : Income tax

In millions of euros	06/2024	06/2023	12/2023
Current tax expense	**(90)**	**(158)**	**(312)**
Current tax expense	(90)	(158)	(312)
Deferred taxes	**3**	**13**	**78**
Income (expense) of deferred taxes, gross	3	12	77
Change in allowance for impairment of deferred tax assets		1	1
Total income tax	**(87)**	**(145)**	**(234)**

The Group's effective tax rate was 15,7% at 30/06/24, against 29,8% at 30/06/23 and 22,7% at 31/12/23

The amount of the French CVAE tax (*Cotisation sur la Valeur Ajoutée des Entreprises*, a tax computed on the added value generated by the company) includes in current income tax is €0.5 million.

Current tax expense is equal to the amount of income tax due and payable to tax authorities for the year, under the rules and tax rates applicable in each country.

Certain differences between companies' income for tax purposes and their income for consolidated financial reporting purposes give rise to the recognition of deferred taxes. These differences result mainly from rules for accounting for lease-purchase and long-term rental transactions and for recognizing impairment on doubtful receivables.

Note 28 : Events after the end of the reporting period

No other events subsequent to the closing date are to be noted.