

TRAVEL DIARY

RENAULT DRIVE THE CHANGE - ANNUAL REPORT

2013



DRIVE THE CHANGE





CAPTUR

TCi

“

Conditions were difficult in 2013, especially in Europe.

However, thanks to the hard work and unfailing dedication of its employees, **the Group achieved its objectives for the year.”**

CARLOS GHOSN
CHAIRMAN AND CHIEF
EXECUTIVE OFFICER
OF THE RENAULT
GROUP



**An operator
in the Renault plant
at Curitiba, Brazil.**



RENAULT

The global brand of the Renault group, present in 128 countries, with 12,000 points of sale.



DACIA

A regional brand of the Group. Dacia is sold in 43 countries in Europe as well as in North Africa and Turkey.



RENAULT SAMSUNG MOTORS

A local brand of the Group, RSM is marketed in South Korea.

A robust plan carried out over six years is enabling Renault to sustainably generate value. Having reached the plan's mid-point, the Group now has everything needed to look ahead to the next three years with confidence: a sound financial structure, an attractive product plan, a balanced geographic presence, strengthened competitiveness, and productive partnerships in the Renault-Nissan Alliance, the fourth-largest automotive group in the world.

RENAULT
DRIVE THE
CHANGE



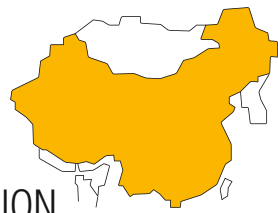
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A PROFITABLE AND INTERVIEW WITH THE CHAIRMAN SUSTAINABLE GROWTH STRATEGY

In 2013, the Group achieved its objectives, with sales increasing by 3.1% and operating margin and free cash flow in the Automotive division both positive. Strong gains for the Group in Europe were accompanied by continuing international growth despite a slowdown in some emerging countries.



CARLOS GHOSN
CHAIRMAN AND
CHIEF EXECUTIVE
OFFICER, THE
RENAULT GROUP

How would you judge the Group's results in 2013?

Conditions were still difficult in 2013, especially in Europe. Nevertheless, thanks to the hard work and unfailing dedication of its employees, the Group achieved its objectives for the year, with sales increasing by 3.1% and operating margin and free cash flow in the Automotive division both positive. In a shrinking European market, the Group posted a robust 9.5% increase in sales. Renault's international growth continued, despite the slowdown in some emerging countries and stiffer international sanctions on Iran. The first part of our Renault Drive the Change plan ended in 2013, too. The steady decline in the European market kept us from reaching the 3 million vehicles we were targeting, but we did exceed our objective of €2 billion in cumulative free cash flow over the 2011-2013 period.

How do you explain the results in Europe?

Credit goes, first of all, to the popularity of our products. For example, New Clio, which embodies our new design approach and boasts the lowest CO₂ emission rate in its category⁽¹⁾, was the best-selling vehicle in France and number three in

“

New Clio, which embodies our new design approach and boasts the lowest CO₂ emission rate in its category⁽¹⁾, was the best-selling vehicle in France and number three in Europe.”

Europe. Captur became the crossover sales leader in France as well as in its segment in Europe. Our strong performance in Europe was also due to our maintaining leadership in light commercial vehicles and to the continuing success of the Dacia brand.

Aren't you disappointed, though, by the slow start of electric vehicles?

It has indeed been slower than expected because there still aren't enough charging facilities. But Renault was number one in electric vehicle sales in Europe at end-2013. And ZOE has a record customer satisfaction rate of 98%. Another unmistakably positive sign: more and more competitors are bringing out electric vehicles. So we are very confident about the future.

And outside the Europe Region, what were the year's highlights?

Our steady growth was driven by the extension of the M0 range, which totaled over one million sales in 111 countries in 2013. The Duster success story continued. It was the number one SUV in Russia and number two in India, Brazil and Argentina. Right now, Duster is the Group's top-selling model. Today there are five emerging countries among our top-ten markets. In 2013 we began our move into Indonesia and signed the official agreement with our partner Dongfeng in China. Renault's biggest successes are in entry- and mid-range vehicles.

Renault's biggest successes are in entry- and mid-range vehicles. Have you abandoned the top-of-the-line segment?

Thirty years after bringing out the first Espace, we are going to unveil a particularly innovative fifth-generation model at the next Paris Motor Show. We are also going to launch a new premium vehicle in the D segment.

What is the outlook for 2014 and the second half of the plan (2014-2016)⁽²⁾?

We foresee stability in Europe and moderate growth outside the Europe Region. In 2014 we will be renewing Twingo in our partnership with Daimler. The entire company is working to achieve the objectives of €50 billion in revenues and an operating margin above 5% of revenues by the time the Plan ends. With our partner Nissan, with whom we intend to increase synergies, we hold all the cards needed to permanently rank among the top-three carmakers in the future.

(1) For vehicles in its category, excluding hybrids, in 2013.
(2) Learn more about the Plan on pages 6 and 7.



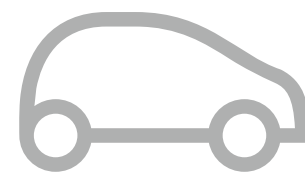
The video of Carlos Ghosn on the interactive AR

“

With our partner Nissan, we hold all the cards needed to permanently rank among the top-three carmakers in the future.”

RENAULT DRIVE THE CHANGE

Renault achieved its free cash flow objective for the first part of the Plan and is aiming for faster profitable growth.



€2.5 billion

**OF CUMULATIVE
FREE CASH FLOW**

BETWEEN 2011 AND 2013

80%

**OF FUTURE
LAUNCHES**

WILL INVOLVE SHARED
PLATFORMS AND
ARCHITECTURES (CMF).

2

OBJECTIVES AT THE END OF THE PLAN⁽¹⁾

A GROWTH OBJECTIVE:

revenues of **€50 billion⁽²⁾**, including sales of vehicles and related services and sales to partners, with a constant scope of consolidation.

A PERMANENT PROFITABILITY OBJECTIVE:

operating **margin greater than 5% of revenues** with positive free cash flow each year.

⁽¹⁾ Measured in 2017, the first year impacted by the full plan. Excluding consolidation of AVTOVAZ.

⁽²⁾ Based on exchange rate assumptions agreed upon by the banks in early 2014.





“The strategy followed in the first phase of our Drive the Change plan has produced results. With these gains, the Renault group has all the resources needed to carry out an ambitious and realistic second phase.

CARLOS GHOSN
CHAIRMAN AND
CHIEF EXECUTIVE
OFFICER, THE
RENAULT GROUP



ACCELERATE PROFITABLE GROWTH

The Renault group surpassed its objective for the 2011-2013 period, with cumulative free cash flow of €2.5 billion⁽¹⁾. The Group has set ambitious but realistic objectives to be measured in 2017, at the end of the Drive the Change plan⁽²⁾: revenues of €50 billion⁽³⁾ and an operating margin greater than 5% of revenues, with positive free cash flow each year.

ACHIEVEMENTS IN 2011-2013

The Group's new vehicles were greeted enthusiastically. The renewal of the Renault range got off to a successful start: New Clio was No. 1 in France and No. 3 in Europe. Captur was the best-selling crossover in France and No. 1 in its segment in Europe. A pioneer in zero-emissions mobility, Renault has kept its promise by bringing to market a complete range of electric vehicles. **The geographic mix is better balanced.** On the international front, the Group has increased penetration of its main markets. The proportion of total sales outside France rose from 38% in 2010 to over 50% in 2013. Brazil and Russia have become the Group's second- and third-largest markets, respectively. The unique positioning of the MO range is paying off, as demonstrated by the popularity of Duster, the Group's best-selling car in 2013.

ACTIONS IN 2014-2016

The Renault group is going to speed up the renewal of its range, starting in the autumn of 2014 with New Twingo and New Trafic, followed by the successors to Espace, a new D-segment vehicle, and the successors to Mégane and Scénic. These vehicles will be based on the common Alliance platform, with 3 million vehicles for the C and D segments. At the same time, the Group is going to increase its market coverage with a comprehensive range of crossovers and an entry range vehicle (A-entry) for India and Latin America as well as new models of light commercial vehicles (pick-ups) for international marketing.

The Group is continuing its international expansion, while setting new goals in Europe. Following a successful start, the Group is aiming for a market share above 8% in Brazil and Russia and above 5% in India. China is a priority for the coming years. A plant with a capacity of 150,000 vehicles a year is being set up at Wuhan, and a range of products based on the C- and

D-segment crossovers is planned. In Europe, Renault's aim is to reclaim its second-place ranking among full-line manufacturers with a renewed range of connected, user-friendly and environmentally responsible vehicles. Meanwhile, the Dacia brand will seek to reinforce its leadership in its category.

The Group is strengthening its competitiveness.

The Renault group is counting, first, on scale effects and a boost in competitiveness from the sharing of platforms and architectures (Common Module Family), which will apply to more than 80% of future launches; and second, on standardized modules, which will make up two-thirds of the value of future vehicles. More local sourcing and better use of industrial capacities will round out the strategy aimed at controlling vehicle costs. The Group will also reap benefits from the competitiveness plans signed in France and Spain and the additional volumes supplied by its partners. Altogether, the Group expects to achieve a 100% utilization rate for its capacities in Europe by the end of the plan (calculated on the basis of the standard definition: two shifts per day and five days per week).

Development of synergies in the Alliance will contribute to the Renault group's profitability. Convergence projects in purchasing, engineering, manufacturing/supply chain, and human resources are expected to yield at least €4.3 billion from synergies at the end of 2016.

The Group is pursuing its strategy to control capital investment. Implemented in the framework of the Alliance and the Group's partnerships, this strategy increases the number of upstream projects while keeping the ratio of R&D+CAPEX to revenues under 9%.

(1) The objective was a cumulative €2 billion between 2011 and 2013.

(2) Measured in 2017, the first year impacted by the full plan. Excluding consolidation of AVTOVAZ.

(3) Based on exchange rate assumptions agreed upon by the banks in early 2014.

WITH A FOCUS ON THE MANAGEMENT TEAM PERFORMANCE

“
JÉRÔME STOLL,
CHIEF PERFORMANCE
OFFICER

Our profitable growth strategy is validated by our continuing improvement in Europe and our increasing volumes at the global level.”



To achieve its objectives and rank at the highest level in corporate governance, Renault is especially careful to find a proper balance among management bodies, regulatory bodies and shareholders.

“What is essential for the Group is to accelerate. The recent revamping of our organization will give us a lot of help doing that.

”

THIERRY BOLLORÉ,
CHIEF COMPETITIVE
OFFICER



EXECUTIVE COMMITTEE

- 1 **CARLOS GHOSN**
Chairman and Chief Executive Officer
- 2 **JEAN-MICHEL BILLIG**
Executive Vice President, Engineering, Quality and IS/IT
- 3 **THIERRY BOLLORÉ**
Chief Competitive Officer
- 4 **MARIE-FRANÇOISE DAMESIN**
Alliance Executive Vice President, Human Resources.
Renault Executive Vice President, Human Resources
- 5 **JOSE-VICENTE DE LOS MOZOS**
Executive Vice President, Manufacturing and Supply Chain
- 6 **PHILIPPE KLEIN**
Executive Vice President, Product Planning and Programs
- 7 **STEFAN MUELLER**
Executive Vice President, Chairman of Europe Region and RRG
- 8 **MOUNA SEPEHRI**
Executive Vice President, Office of the CEO
- 9 **JÉRÔME STOLL**
Chief Performance Officer, Sales and Marketing Director
- 10 **DOMINIQUE THORMANN**
Chief Finance Officer, Chairman and CEO of RCI Banque

MANAGEMENT COMMITTEE

As of April 1, 2014, the Management Committee was made up of all the members of the Executive Committee and the following 18 people:

BRUNO ANCELIN
Senior Vice President,
Chairman of Eurasia Region,
Managing Director for Russia

DENIS BARBIER
Senior Vice President,
Chairman of Americas Region

BERNARD CAMBIER
Senior Vice President,
Sales and Marketing France

JACQUES DANIEL
Chairman and CEO of Dongfeng
Renault Automotive Company (DRAC)

CLOTILDE DELBOS
Senior Vice President,
Performance and Control

CHRISTIAN DELEPLACE
Expert Fellow

JEAN-CHRISTOPHE KUGLER
Senior Vice President,
Chairman of Euromed-Africa Region

THOMAS LANE
Senior Vice President, Product Planning

NADINE LECLAIR
Senior Vice President,
Engineering Project

CHRISTIAN MARDRUS
Alliance Executive Vice President
for Renault-Nissan BV
Alliance CEO Office

GILLES NORMAND
Senior Vice President,
Chairman of Asia-Pacific Region

JÉRÔME OLIVE
Senior Vice President,
Manufacturing and Logistics Europe

JACQUES PROST
Managing Director for Morocco

JEAN-PIERRE VALLAUDE
Deputy Director, Engineering, Quality
and IS/IT in charge of operations

LAURENS VAN DEN ACKER
Senior Vice President, Industrial Design

CHRISTIAN VANDENHENDE
Alliance Executive Vice President
for Purchasing

MICHAEL VAN DER SANDE
Senior Vice President, Global Marketing

NICOLAS WERTANS
Senior Vice President, Global Sales

KEY THE RENAULT GROUP 2013 FIGURES

RCI BANQUE

CONTRIBUTION TO THE GROUP'S
OPERATING MARGIN

€747m

MARKET SHARE

LCVS IN EUROPE - RENAULT, EUROPEAN
LEADER IN LCVS SINCE 1998

14.5%

NUMBER OF COUNTRIES

WHERE THE GROUP IS PRESENT

128

GROUP REVENUES

€40.9bn

EMPLOYEES

WORLDWIDE AT END-2013

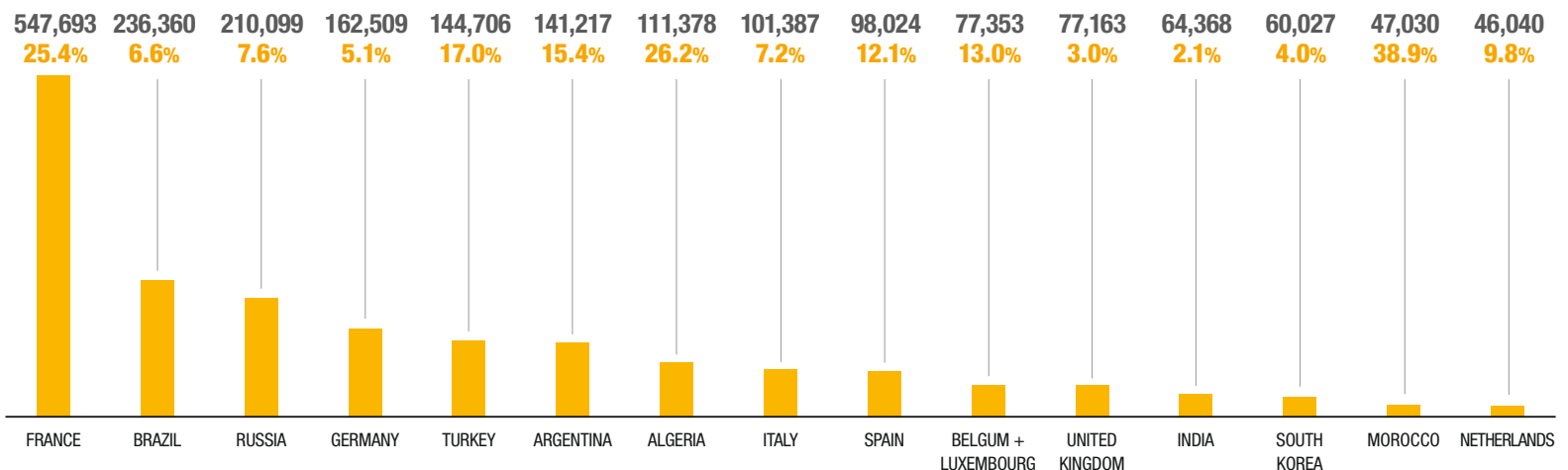
 121,807

17.6% WOMEN (OF WHOM, 19.3% IN KEY POSITIONS)

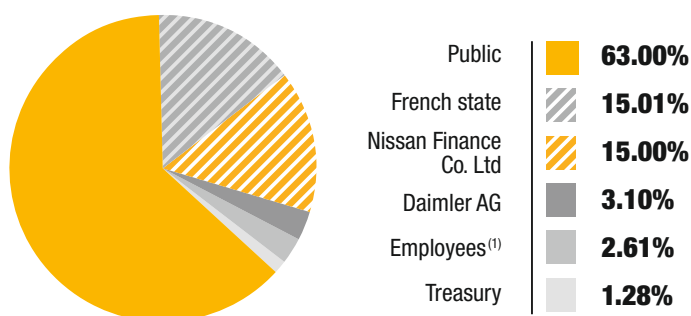


THE RENAULT GROUP'S 15 LARGEST MARKETS (RENAULT + DACIA + RSM)

volumes sold
market share

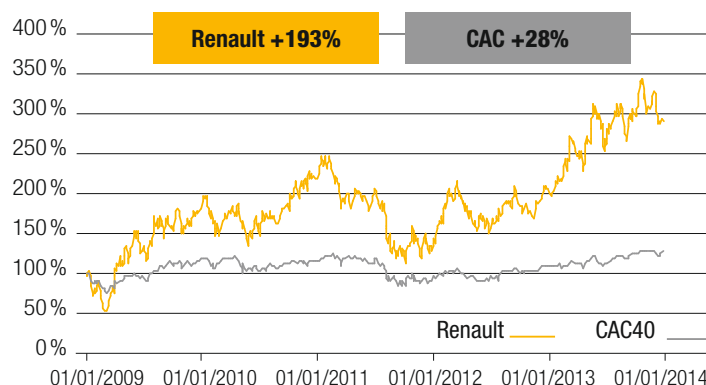


SHAREHOLDERS as of Dec. 31, 2013

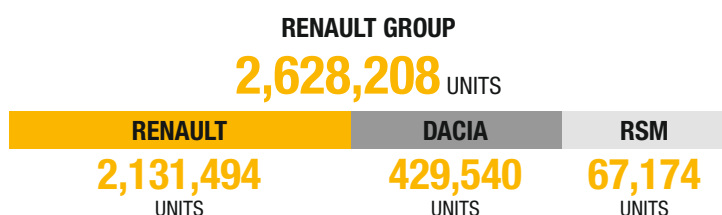


(1) The shares held by employees and former employees included in this category are shares in the employee investment fund (FCPE).

FIVE-YEAR TREND IN THE RENAULT SHARE PRICE



GLOBAL SALES BY BRAND (PC + LCV)



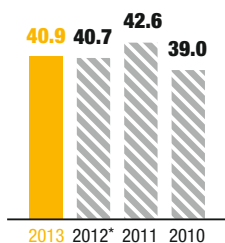
PERFORMANCE OF RENAULT SHARES

	2012	2013
High for the year (€)	347.95	420.00
Low for the year (€)	291.05	306.55
Price at year-end (€)	312.05	392.00
Number of shares traded during the year	116,918	149,827

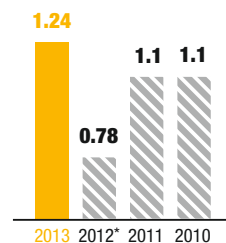
Source: Reuters

FINANCIAL RESULTS

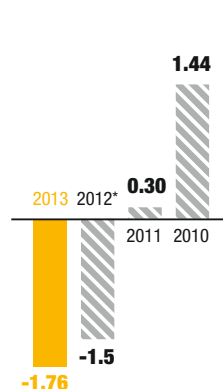
Group revenues
(€ billion)



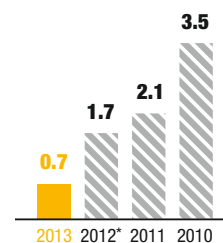
Group operating margin
(€ billion)



Net financial debt - Automotive
(€ billion)

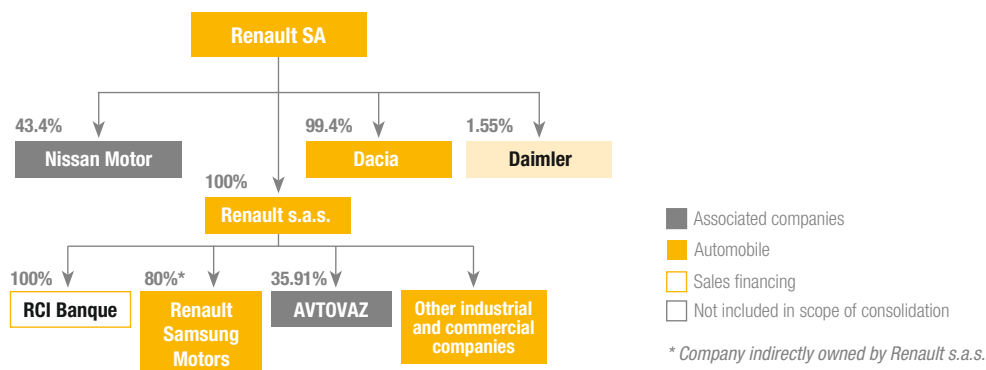


Net income
(€ billion)



(*) Restated to reflect the retroactive application of the IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.

SIMPLIFIED DIAGRAM AS OF DECEMBER 31, 2013 (% of shares issued)



Renault Atlas
March 2014
edition.



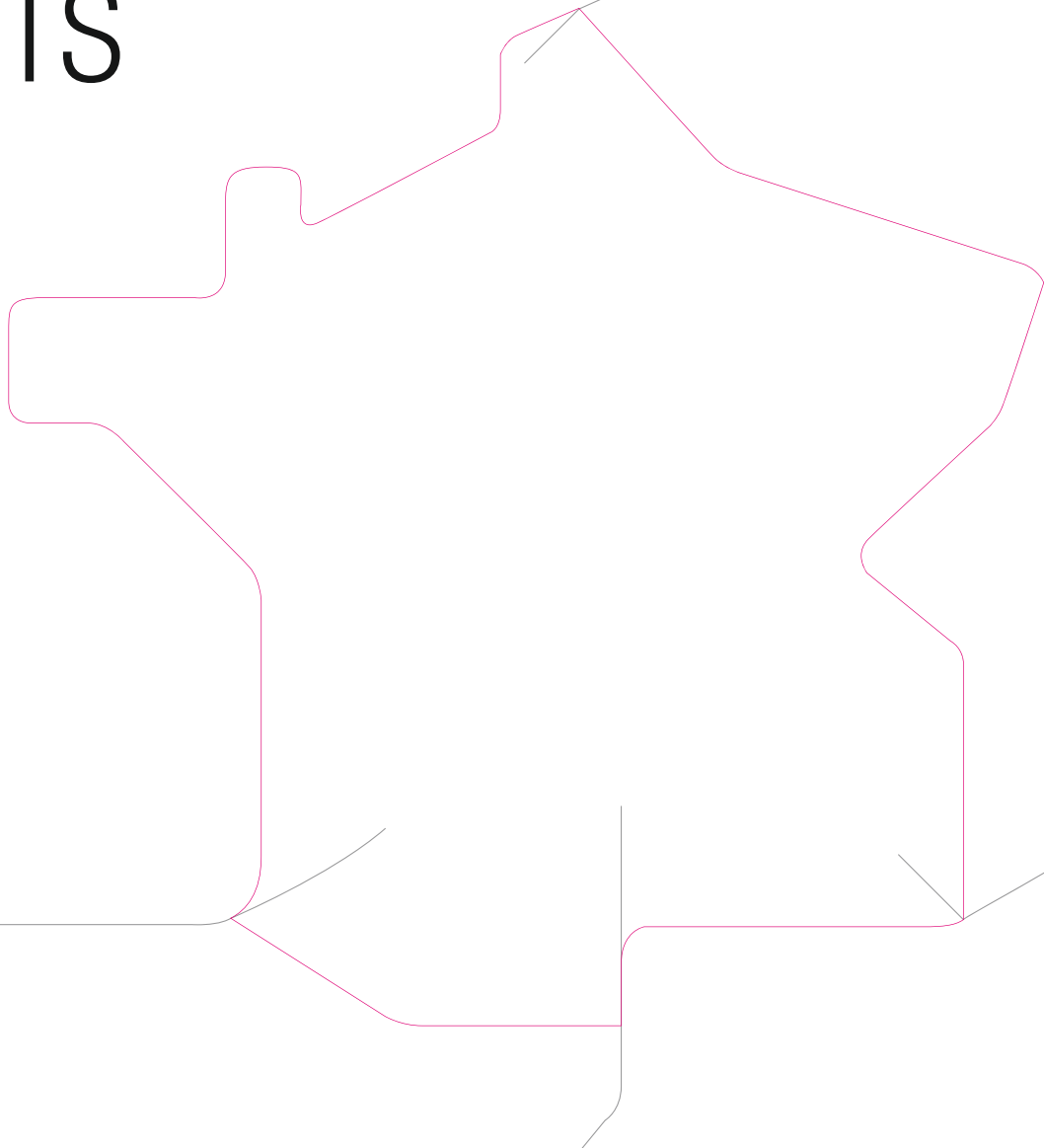
1

NEW CLIO

IS THE BEST-SELLING VEHICLE
IN THE FRENCH MARKET

RENAULT IN FRANCE

PROUD OF OUR ROOTS



48,550

THE NUMBER OF EMPLOYEES

OF THE RENAULT GROUP IN FRANCE
(39.9% OF ITS TOTAL WORKFORCE)



NEW CLIO

272,741

UNITS SOLD IN EUROPE IN 2013

NEW CLIO

119,367

UNITS SOLD IN FRANCE IN 2013



NEW CLIO: DESIGN SYNONYMOUS WITH ENERGY AND APPEAL

New Clio, whose sales in 2013 ranked it No. 3 in Europe (272,741 units) and No. 1 in France (119,367 units), exemplifies the revival in Renault styling, which Laurens Van Den Acker, senior vice president, Corporate Design, has grounded in the values of simplicity, sensuality

and warmth. Both the Sedan and Estate versions owe much of their success to this new identity directly inspired by the DeZir concept car. The range also features the latest engines, both petrol and diesel, with three or four cylinders.



Internal combustion engine and electric vehicles – New Clio and ZOE – are manufactured on the same production lines at the Flins plant.



To obtain 5 stars in the Euro NCAP tests, the chassis of ZOE, rated the top small city car by Euro NCAP in 2013, is reinforced to protect the battery under the floor. That means there are 500 more welds than on a conventional vehicle.



“So French”, the exhibition
at the Atelier Renault

A long history and deep **ROOTS IN FRANCE**

1898

The company is founded
at Boulogne-Billancourt
by Louis Renault,
the inventor of the Voiturette

The 4CV

Renault's first mass market
car got France rolling
after the war

The 4L

Over 8 million were sold,
making it the top-selling
French vehicle in the world

Renault 5

Daughter of May '68

The 1980s

“Cars for Living” embody
the link between the driver
and passengers' aspirations
and the vehicle

Over the past 115 years, Renault has helped to write some of the finest chapters in the history of French industry. France is the company's birthplace and where most of the Group's employees are found, working at its research, engineering and production sites.

FRANCE, THE VITAL CORE OF RENAULT'S DEVELOPMENT

HIGH-VALUED-ADDED MANUFACTURING CONCENTRATED IN FRANCE

Renault supports its growth by making long-term investments in competitive plants geared to each of its markets.

A full 40% of the Group's capital investment is in France (€5.7 billion between 2010 and 2013), as is no less than 70% of its R&D spending. Improving performance calls for concentrating high-value-added production in France, where most of the electric and light commercial vehicles (LCV) as well as the mid- and upper-range cars for Europe are built.

With the production of Renault ZOE at the Flins plant and Renault Kangoo Z.E. at Maubeuge, 80% of the electric vehicles sold by Renault worldwide will be manufactured in France in 2015.

With Master built at Batilly and Kangoo at Maubeuge, and with production of the future Trafic (rollout in 2014) brought back to France

and the Sandouville plant, 100% of Renault-branded LCVs sold in Europe will be made in France. Capitalizing on sharply rising sales of Renault LCVs in Europe and growth in exports, the production of Trafic in France will increase manufacturing volumes at the Sandouville plant and allow a return to a two-shift work schedule there.

DOUAI, THE MID- AND UPPER RANGE FOR EUROPE

Starting in 2014, the future Renault-branded vehicles, which will replace Laguna, Espace and Scénic, will be produced at the Douai plant using the Common Module Family (CMF) approach, or “C/D,” which is shared with Nissan. With the CMF, the two companies will benefit from substantial economies of scale.

Developments at the Cléon plant also exemplify the manufacturing know-how and



15.01%
SHARE OF THE CAPITAL
HELD BY THE STATE

No.1
FRANCE,
THE GROUP'S LARGEST MARKET

influence of French industry. A mainstay of the Renault's powertrain strategy, the Cléon plant manufactures high-end engines and gear-boxes, two-thirds of which are exported. The Group's innovativeness and excellence in powertrains are also illustrated at the plant in the third-generation electric motor (produced as of 2014) and the Energy dCi 130 engine. The engineers who developed this engine (whose design is protected by about thirty patents), some of whom come from Formula 1, opted for the best available technologies, with emphasis placed on an optimal relationship among consumption, emissions, and performance.

A MODEL FOR PASSING ON FRENCH EXPERTISE

The Global Training Centers (GTC) set up at the Flins and Cléon plants to improve skills in body assembly and powertrains, respectively, are a key element in the continual quest to improve plant performance. To carry out their mission of organizing training in production skills at the global level, they rely on the experience and know-how of the men and women in Renault Manufacturing. The GTCs thus keep up with the continual advances in manufacturing techniques and support the start-up phase of vehicle production all over the world.



Production of Renault ZOE at Flins.

The Flins plant is ready to begin production of the next generation of Nissan Micra in 2016.



In the area where doors and tailgates are manufactured, it is now possible to produce for four models: ZOE, New Clio, Clio Collection and New Clio RS.



6

VEHICLES

MADE BY THE GROUP IN THE TOP-10 BEST-SELLING CARS IN FRANCE

31.7%

RENAULT'S DOMINANT LCV

MARKET SHARE IN FRANCE



CARLOS GHOSN
CHAIRMAN AND CEO OF
THE RENAULT GROUP

The performance and competitive edge of our plants are crucial to the success of our strategic plan. They enable us to adjust industrial production capacity to global demand, without closing sites or implementing redundancy or staff departure plans.”

MANUFACTURING, A KEY TO COMPETITIVENESS...

THE FLINS PLANT: A WINNING BET ON A DUAL MANUFACTURING FACILITY

ZOE, the flagship of Renault's electric vehicle range, has been built since late 2012 at Flins, on the same production line as the IC-engine New Clio. The plant thus made a winning bet on a dual manufacturing system by successfully launching production of two strategic vehicles for the company in the same year. Renault teams have managed to do this with only minimal modifications to plant machinery by integrating the specifically electrical features of ZOE seamlessly into the manufacturing process. Setting up these manufacturing operations took two and a half years, the personnel received 50,000 hours of training, and 150 new robots were put into service.

COMPETITIVENESS AGREEMENTS ONE YEAR ON...

The competitiveness agreements signed in early 2013 have kept the company competitive while ensuring that plants will stay open and production volumes will be maintained in France. By negotiating revised weekly working hours and wage moderation, the company will not close or offshore its French plants and thus preserve jobs. Thanks to the more attractive conditions at Renault's French sites, Nissan has decided to manufacture some of its vehicles in them. This will substantially boost plant utilization rates, with an objective of reaching 85% by 2016.

A SOCIAL PACT AND DYNAMIC GROWTH

In the framework of the “Contract for a new dynamic of Renault growth and social development in France,” signed in early 2013, the Flins plant was chosen to manufacture the next-generation Nissan Micra. Production will begin in 2016, with a projected volume of 132,000 vehicles a year. As part of this agreement, Renault has committed to increasing production volumes at its French plants by 180,000 vehicles, thus bringing total production to over 710,000 vehicles a year. This agreement also calls for organizing the manufacturing and logistics sites in two regional divisions (northeast and the Seine Valley). With this arrangement, all manufacturing sites will remain in operation, while becoming less dependent on vehicle life cycles and market fluctuations affecting production of one or another vehicle.



FOCUS ON CSR

AN ENERGETIC POLICY FOR YOUNG PEOPLE

Despite the unfavorable economic conditions, Renault continued its pro-active policy in support of youth employability in 2013. Some 3,500 young people came to work in the company, and participants in the work-study program accounted for 5% of the total Renault s.a.s. workforce. To help youths without qualifications obtain the skills needed to get a job, Renault has given 3,850 young people occupational training contracts since 1992, and it has made a commitment to train 800 young people by 2016.



A GROUP STRENGTHENED BY ITS UNIQUE ALLIANCE AND PARTNERSHIPS



No.4

MANUFACTURER

OF AUTOMOBILES WORLDWIDE:
THE RENAULT-NISSAN ALLIANCE

€2.9bn

IN SAVINGS

FROM SYNERGIES IN THE ALLIANCE
(visible in 2013)



Pulse

STRONGER TOGETHER

Created in 1999, the Renault-Nissan Alliance is today the longest-running transnational partnership between two major carmakers in the automotive industry. This partnership is a flexible and pragmatic model that can be applied in new projects and with new partners on a global scale.



Staff at the RNTBCI engineering
centre at Chennai, India, leaving work
(Renault-Nissan Technology and Business
Centre India).

THE RENAULT-NISSAN ALLIANCE:

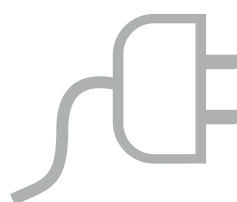
AN UNMATCHED **SUCCESS STORY**

In 2013, the Renault-Nissan Alliance sold 8.3 million vehicles in almost 200 countries under seven brands⁽¹⁾: Renault, Dacia, Renault Samsung Motors, Lada, Nissan, Infiniti and Venucia. This volume, equivalent to more than one vehicle out of every ten sold worldwide, is substantially larger than the 8.1 million sold in 2012. And the Alliance has now set a goal of selling 10 million vehicles by 2016.

8.3m

VEHICLES

SOLD IN 2013



66,809

ELECTRIC VEHICLES

SOLD BY THE ALLIANCE IN 2013

The success of the Alliance – now the world's fourth-largest automaker – has earned it close scrutiny from business schools, strategy and management researchers, and the business world in general. The Alliance's longevity, synergies, and integrated business model do in fact make it unique. Formed in March 1999, the Renault-Nissan Alliance is celebrating its 15th anniversary in 2014. It is the only alliance of automakers that has passed the test of time.

AN ESTIMATED €2.9 BILLION IN SAVINGS FROM SYNERGIES IN 2013

The Alliance has a financial structure of cross shareholdings – Renault owns 43.4% of Nissan's shares and Nissan, 15% of Renault's – and is built on synergies that are continually developed, while keeping each partner's brands and culture distinct. Sharing of technologies, platforms and modules along with joint purchasing and research have enabled each automaker to benefit from the expertise and achievements of its partner. Among the many examples: Renault supplies diesel engines and manual gearboxes to Nissan, while Nissan provides Renault with automatic

gearboxes and technologies for 4X4 vehicles. The Alliance is also the only automaker to offer a large range of all-electric vehicles. In 2013, the Alliance's global sales of zero-emission vehicles⁽²⁾ rose to 66,809 units, up 52% from 2012. Its share of the zero-emission vehicle market, including Twizy, Renault's diminutive two-seat city car, is 63%.

In 2013, synergies in the Alliance yielded €2.9 billion in savings (visible in 2013), compared with €2.69 billion in 2012. The sectors making the largest contributions were purchasing, powertrains, and vehicle engineering. The synergies are increasingly generated by activities in Asia and emerging markets like Russia, where the two partners produce vehicles and mechanical components together in the same plants.

Since 2009, all the Alliance's purchasing has been done through the Renault Nissan Purchasing Organization (RNPO). Owing to the 8.3 million vehicles produced by the Alliance, RNPO is able to negotiate lower prices than either company could obtain alone. At the end of 2013, the Common Purchasing Organisation (CPO), a joint purchasing structure for the

Alliance and its partner AVTOVAZ, was created in Russia on the model of the RNPO.

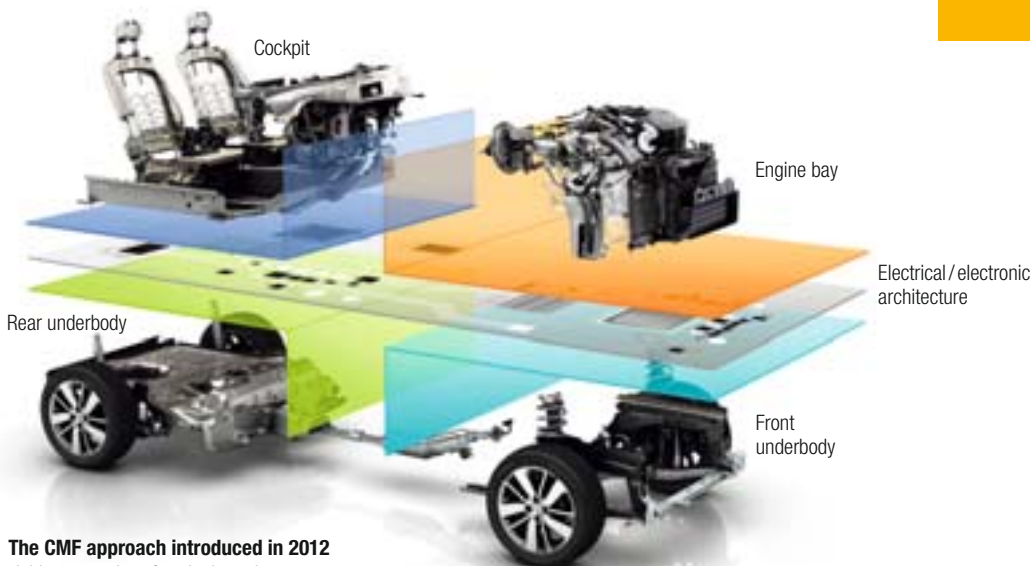
THE CMF EFFECT

Since 2012, the Alliance has profited from the synergies in a new approach, the Common Module Family (CMF), which is a source of economies of scale through standardization of parts and modules (invisible to the customer), design diversity (visible to the customer), and manufacturing flexibility. The CMF will be progressively introduced for Renault and Nissan models between 2013 and 2020, starting with compact and family cars and then moving on to the models in other segments. The Alliance expects this approach to yield an average reduction of 30% to 40% in the total outlay per model along with 20% to 30% savings on component purchases.

In addition to the synergies between Renault and Nissan, the Alliance has been set up in a way that allows new partners to be brought in when opportunities arise on the basis of the simple principles of openness, flexibility and pragmatism. Besides its partnership with AVTOVAZ, the Alliance has concluded strategic cooperation agreements with a diverse line-up of manufacturers, including Germany's Daimler, China's Dong Feng, India's Ashok Leyland, and Japan's Mitsubishi. In November 2013, the Renault-Nissan Alliance and Mitsubishi Motors laid the foundations for extensive international co-operation. The aim is to broaden the three automakers' markets geographically and capitalize on the production capacities of their plants.

(1) Datsun has been the eighth Alliance brand since March 2014.
(2) In use.

COMMON MODULE FAMILY (CMF)



The CMF approach introduced in 2012 yields economies of scale through the standardization of parts and modules that are invisible to customers.

CREATION OF FOUR JOINT DEPARTMENTS



To achieve at least €4.3 billion in synergies annually, the Renault-Nissan Alliance is carrying out major convergence plans in four key areas: Engineering, Manufacturing and Logistics, Purchasing, and Human Resources. Four new joint departments were officially created on April 1, 2014, which will have an immediate positive effect in terms of efficiency and competitiveness. They are under the responsibility of four new Alliance executives, whose mission will be to strengthen the integration process in each function: Tsuyoshi Yamaguchi, Alliance Executive Vice President, Technological Development; Shohei Kimura, Alliance Executive Vice President, Manufacturing and Logistics; Christian Vandenhende, Alliance Executive Vice President, Purchasing; and Marie-Françoise Damesin, Alliance Executive Vice President, Human Resources.



Video: Renault-Nissan Alliance, 10 years of synergies.

RENAULT-NISSAN AND DAIMLER:

FRUITFUL COOPERATION



New Twingo

After innovating with the creation of the Alliance in 1999, Renault and Nissan invented a new model of cooperation ten years later. The signing of an agreement with the German group Daimler AG on April 6, 2010, set up a framework for long-term collaboration that will allow the partners to share costs and benefit from the best technologies.

Much has already been accomplished just four years after the agreement was signed with Daimler.

For example, the light commercial vehicle Citan has been on the market since September 2012. It is built on the Renault Kangoo base and produced in the Renault plant at Maubeuge. By choosing Renault, Daimler was able to tap the expertise of the European leader in light commercial vehicles since 1998. In the words

of Dieter Zetsche, chairman and CEO of Daimler: "The Citan's architecture comes from the inventor of this segment."

Another aspect of the cooperation is the four-cylinder, direct injection, 1.5 l dCi turbo diesel engine produced by Renault that now powers the new Class A and Class B models as well as the Citan. More than 50,000 of these engines were delivered in 2013, and the number is expected to nearly double in 2014.

New jointly produced models are on the way in the cooperation between the Renault-Nissan Alliance and Daimler. They include New Twingo, unveiled at the Geneva Motor Show, and the

new smart, with other engine, gearbox and platform projects planned. The Alliance and Daimler will ultimately carry out ten projects.

The productivity of this cooperation has caught the attention of the business world. In December 2013, Renault and Daimler received the Franco-German Business Award for industrial cooperation. Given out by the Franco-German Chamber of Commerce and Industry, the prize recognizes French and German companies that are benchmarks for cooperation in four areas: industrial cooperation, the environment, innovation and new technologies, and human resources.



DIETER ZETSCHKE,
CHAIRMAN AND CEO
OF DAIMLER

**Citan's
architecture comes
from the inventor
of this segment."**

New Twingo and the new smart

will be produced at Renault's Novo Mesto plant in Slovenia.



**Built on the Kangoo
base, Citan is produced
in the Renault plant
at Maubeuge.**



THE ALLIANCE IN RUSSIA:

TARGETING 40% OF THE MARKET IN 2016

Almost one out three – that is the proportion of vehicles sold in the Russian market by the Renault-Nissan Alliance and AVTOVAZ. LADA, manufactured by AVTOVAZ, is the country's leading brand. In 2013, Renault succeeded in moving up to second place by capturing a 7.6% market share, while Nissan ranked eighth with its Infiniti.



Credit for this excellent performance goes not to good luck, but to a strategy of progressively building up the presence of Renault and then the Alliance in Russia.

In the years ahead, the Russian market is destined to overtake the largest markets in Europe, including Germany's. It was this outlook for growth that prompted Renault in 2008 to acquire 25% of AVTOVAZ, Russia's largest car manufacturer, which makes and markets the LADA brand. Following this investment by Renault, Nissan came on the scene, and the Alliance is now AVTOVAZ's partner. The next step was the creation of a joint venture in 2012, with the Alliance as the majority shareholder. The Alliance is now set to take a majority stake in AVTOVAZ in 2014, thus guarantee-

ing stability over the long term. Carlos Ghosn was appointed Chairman of the AVTOVAZ Board of Directors in June 2013, and the Swede Bo Andersson took over as CEO in January 2014.

In less than five years, first Renault and then the Alliance have accomplished a great deal in their move into Russia. In the industrial sphere, the Alliance is using the Togliatti plant, the world's largest, to produce chassis for the three partners. A production line, called B0, was set up and inaugurated in April 2012. It will ultimately manufacture five vehicles for the three partners, each with a very distinct brand identity: two LADA (Largus, PC and LCV versions), two Renault vehicles, including New Logan, and the Nissan Almera, a sedan

developed specifically for the Russian market. The partners are also going to use the K-type engine and J-type gearbox, whose production began recently. They have progressively built up a common network of suppliers, too, and in September 2013 they created a joint purchasing organization. The Alliance and AVTOVAZ are following up their initial success as partners by setting loftier goals. Their aims for 2016 are a 40% market share, production capacity of 1.7 million vehicles, and 80% local sourcing. An anniversary will also be celebrated in 2016: the company Rousski Renault was founded at Saint Petersburg one century earlier.



No.2



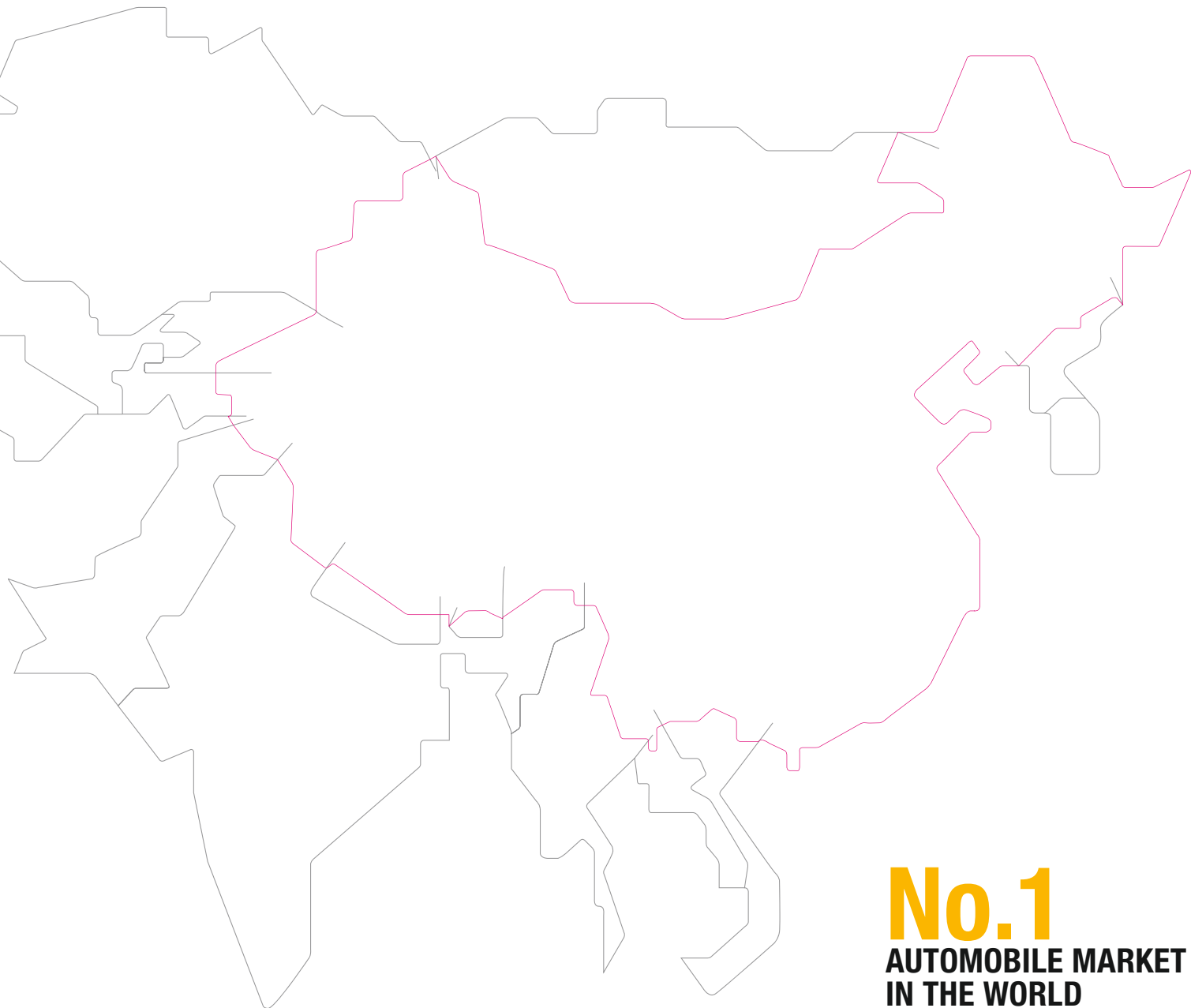
IN THE MARKET

THE RANKING OF THE RENAULT BRAND

A Nissan Almera being assembled on the B0 line in the largest plant in world, located at Togliatti.



CHINA, A NEW STEP IN INTERNATIONAL GROWTH



No.1
AUTOMOBILE MARKET
IN THE WORLD

22 MILLION VEHICLES WERE SOLD IN THE CHINESE
MARKET IN 2013

A HIGH-PROFILE AMBASSADOR FOR THE NEW KOLEOS



Renault basketball star Tony Parker, who plays with the three-time NBA champion San Antonio Spurs, sealed a global partnership in 2013. For the next two years, the captain and top scorer of the French national team, the 2013 European champions, will be the face of the new Renault Koleos SUV, the brand's top-selling vehicle in China. Renault could not ask for a better ambassador and partner for the brand to represent the new Renault Koleos all over the world. A car enthusiast himself, Parker comments: "I'm proud to be associated with Renault. I share its values – in particular simplicity, local attachments and the notion of responsibility toward society – values that are a driving force of the company."

50.5%
THE INTERNATIONAL SHARE
OF THE RENAULT GROUP'S SALES (OUTSIDE
THE EUROPE REGION)



Reception at the headquarters
of Dongfeng.



IN CHINA, RENAULT PICKS UP THE PACE

With the creation in December 2013 of the 50-50 joint venture Dongfeng Renault Automotive Company (DRAC), the Renault group has a powerful new growth driver in the world's largest automobile market (22 million vehicles in 2013). Already present in China's imported vehicle market, with more than 30,000 units sold (a majority of them Koleos), Renault has shifted into a higher gear with its decision to produce locally. The future plant being built at Wuhan will have an annual

capacity of 150,000 vehicles and will begin manufacturing a range of crossovers in 2016. The joint venture, in which the two partners are investing 7.76 billion yuans (€870 million), will benefit from significant synergies. The Group is also going to expand its sales network, with the aim of having 120 dealers in 2016, compared with 92 today. The leaders of the five regions in the increasingly international Renault group take us on a guided tour.



ASIA PACIFIC

by **GILLES NORMAND**
Senior Vice President,
Chairman of Asia-Pacific Region



Duster

Can you tell us about your region?

The Asia-Pacific region contains three of the four most populous countries on the planet – China, India and Indonesia – and sprawling metropolises bursting with activity. It is a fast-growing, dynamic region where the scale of things is immense. But it is also a region where no two markets are alike, where the quality of roadway systems varies greatly, and where transport modes are the most diverse, on two, three or four wheels. A mixture of languages, religions and ethnicities, the region also shows an appreciation for companies with strong roots and a rich history. This is a definite advantage for the Renault group.

What does the region's car market look like?

The Asia-Pacific region accounts for nearly half the global car market, all brands combined, and the Chinese market for nearly a quarter of it. When you consider that Renault sells less than 10% of its total volume in the region, you realize the potential for growth! Given the very low percentage of car owners, growth in the next few years will be driven largely by first-time car buyers.

Besides our roots and our history, Renault can count on its image as a Formula 1 competitor and on the diversity of its range, in particular the M0 platform, to succeed in emerging markets. And our future crossovers will get us off to a good start in China.

What were the highlights of 2013?

It was a year of contrasts. Our operations in Iran came to a virtual halt in the second half. Outside Iran, volume growth was robust, in excess of 28%. A strong gain in productivity boosted our profits. In China, we sealed our partnership with Dongfeng and increased our volume to 34,000 cars, most of them Koleos. In India, our market share has risen above 2% just two years after we arrived there, despite the difficulties stemming from the fluctuation of the rupee. By forming a partnership in Indonesia with Indomobil, we have opened the doors to a market of more than one million vehicles. In South Korea, we are reaping the initial benefits of the Revival Plan; our subsidiary RSM has returned to profitability, and we have launched the QM3 – the first 1,000 of which sold in just 7 minutes!

As for our growth through importers, the improvement in Australia and Israel topped 40%.

What challenges lie ahead?

First, of course, is to succeed in China, gaining strength in both manufacturing and sales. We cannot afford to fail in the world's largest market. In India, we have to bolster our performance, as the competition recently brought out a challenger to our Duster. We also have to make a fresh push in South Korea, while continuing to harvest the fruits of the Revival Plan. New Clio was launched only in late 2013, so 2014 will be its first full year on the market in Japan and Australia. Captur will arrive in our main importers' showrooms, too. It is the Year of the Horse in China. No need to say that we want to ride through it... at a gallop!

No.1

EUROPEAN

MANUFACTURER IN INDIA

INDONESIA: A NEW FRONTIER FOR RENAULT

In September 2013, Renault signed a partnership agreement in Jakarta with Indomobil, the No. 2 Indonesian automaker. With a still-low car ownership rate (80 vehicles per 1,000 inhabitants, compared with 330 in Malaysia), the automobile market in the fourth-most-populous country in the world (250 million inhabitants) is growing at a brisk 25% per year. The consulting firm Frost & Sullivan is forecasting that sales will reach of 2.3 million vehicles a year by the end of the decade. Initially, Renault will produce its highly popular Duster powered by the 1.5 dCi 110 engine, and sell Koleos and Mégane R.S. as well. The Group will bring out other selected models in 2015. With a middle class of over 80 million people that is growing by 15% a year, Indonesia is definitely an important future market for Renault.



28.9%

GROWTH

IN OUR SALES VOLUMES IN THE ASIA-PACIFIC REGION (EXCLUDING IRAN)

RENAULT TAPS INTO INDIA'S DYNAMIC GROWTH

India is a strikingly dynamic country with the world's second-largest population. Its automobile market is growing rapidly, too, even if the penetration rate is still only 15 vehicles per 1,000 inhabitants, compared with 650 in France. The plant at Oragadam, on the outskirts of Chennai, is the Alliance's first joint facility producing for the global market. Thanks to the special manufacturing process in use there, the plant can turn out up to 400,000 Renault-Nissan vehicles on the same production lines each year. In less than 18 months, five vehicles have been launched in India and are rolling out of the factory: the high-end sedan Fluence, the luxury SUV Koleos, the premium compact city car Pulse, the compact SUV Duster, and a small sedan, Scala.

DUSTER, AN ICON IN THE MAKING

In 2013, India became Renault's 12th-largest market, with sales of almost 65,000 vehicles. It is the leading market in the Asia-Pacific region, ahead of South Korea. Renault succeeded in recording very strong growth in a market where PC sales fell by 7.5%. The 83.1% increase was achieved thanks to the popularity of Duster (over 51,400 sold), which is now the best-selling SUV in the C segment. This icon in the making has won 18 awards since its launch in July 2012, including the highly coveted title of "2013 Car of the Year." The Renault brand now has a total market share of 2.1%,



nearly double its 2012 figure, making Renault the No. 1 European carmaker in this market. The dealership network has also expanded very rapidly. While Renault had only 14 outlets in May 2011, there are now 120 dealers selling the Renault range. This strong development of the distribution network combined with the range's excellent sales increased the likelihood of Renault's achieving its goal of a 5% market share in India in 2016.

FOCUS ON CSR

A GIANT PHOTOVOLTAIC PLANT IN SOUTH KOREA

Renault is the automaker with the largest solar energy program on the planet. In France, Spain and South Korea, photovoltaic panels installed at manufacturing and sales facilities are producing electricity without CO₂ emissions. In South Korea, a 20-MW solar array has been installed on the parking lots and roofs of the Busan plant. The outcome of partnerships with the energy utility Korea East-West Power and the solar panel manufacturer KC Cottrell, this installation supplies 20 million kWh of electricity annually to 8,300 households in the surrounding area.



Logan



AMERICAS

by **DENIS BARBIER**
Senior Vice President,
Chairman of Americas Region

Can you tell us about your region?

The Americas Region is a land of contrasts, which is easy to explain if you consider that the distance between the north and south of Brazil is greater than that between Spain and Norway! Nevertheless, there are some common features across the region: a creative and positive culture, warm and welcoming people, and a rising middle class. And at Renault, employees who are proud to work for a company that has been present on the continent for many decades and even more than a century in places like Uruguay. There are also a lot of Renault car clubs throughout the region.

What does the region's car market look like?

In this region, which has enjoyed strong growth in recent years and where cars are status symbols, 7 million vehicles were sold in 2013. Half of those were in Brazil, the Group's second-largest market in terms of sales. The region's markets are very different. In Argentina, where the market totals 900,000 vehicles – 50% more than four years ago – there are many old vehicles.

Mechanical gearboxes are more popular in this market, while in Mexico, drivers prefer automatic gearboxes owing to the influence of its big neighbor to the north. While Mexicans are keen on sedans, Brazilians and Argentines are still big fans of pick-ups. All nationalities like SUVs. As for Chile, where there are virtually no import duties, the market is very competitive and one of the most open in the world.

What were the highlights of 2013?

It was a very eventful year. In the manufacturing area, we increased the annual production capacity of our Curitiba plant from 280,000 to 380,000 vehicles. The two-month shutdown needed for the work and the re-start were perfectly orchestrated by the personnel there. A lot happened in 2013 in the product area, too, with the worldwide debut of Koleos phase 3 at the Buenos Aires Motor Show as well as the rollout of Master and Logan in Brazil and Argentina. Also worth noting is that Renault moved ahead of General Motors in Argentina to become the number-two brand in the country. The year also saw important progress in the field of

electric vehicles with the signing of a contract with Brazil's largest electric utility for the supply of a fleet of Twizy and Fluence as well as the signing of an MoU* for electric vehicles with the State of Rio, in Brazil.

What is the outlook for 2014?

In a region still troubled by exchange rate instability, we will continue to grow our market share and our network in Brazil and Mexico, and we will step up our efforts in the importing countries. We will keep on modernizing and adapting our range, and we will get a boost from the eagerly awaited launch of New Sandero, first in Brazil and then in Argentina. The current Sandero is indeed the top-selling Renault on the continent, ahead of Duster and Logan.

MoU* : Memorandum of Understanding. A document laying the groundwork for a future contract.



466,976

VEHICLES SOLD

IN THE WHOLE REGION

15.4%

MARKET SHARE

ATTAINED BY RENAULT IN ARGENTINA

RENAULT ARGENTINA CLIMBS A STEP ON THE PODIUM

A lot of water has flowed in the Rio Primero River since the first Renault Dauphine was assembled in the nearby Santa Isabel de Cordoba plant in 1960. In 2013, Renault moved up from number three to become the second-ranking brand in the country, edging out General Motors. Now VW, the market leader, has to worry about its diamond-trademarked rival growing larger in the rearview mirror. Renault is also the leading local automaker, accounting for 15% of the vehicles manufactured in Argentina. There was more good news in 2013, too. In October, Renault won Argentina's most important car race in front of 20,000 excited fans at the La Plata soccer stadium. Renault was first across the finish line with a V8-powered Fluence, beating Toyota, Chevrolet and Peugeot.



BRAZIL, A PILLAR OF RENAULT'S INTERNATIONAL EXPANSION

With its exceedingly fast growth over the past few years, Brazil's car market has become a driving force in the Americas region. Despite an extremely competitive environment where all the automakers are present, Renault has enjoyed steadily rising sales thanks to the success of its Sandero, Logan and Duster. With a network of 275 points of sale covering 83% of this immense country, Renault increased its market share from 3.2% in 2007 to 6.6% in 2013, with an objective of 8% for 2016.

RENAULT, ACTIVE ON ALL FRONTS

The Group has continually expanded manufacturing capabilities since the inauguration of the Curitiba plant 15 years ago. Today, the three plants in the Ayrton Senna complex (engines, light commercial vehicles and passenger cars) export all over Latin America. A major development in 2013 was the expansion of this industrial complex's capacity from 280,000 to 380,000 units a year. Over this 15-year period, the three Brazilian plants have produced nearly

1.8 million vehicles and 2.9 million engines. One reason for the Renault brand's popularity in Brazil is its design center at Sao Paulo, which creates a range of vehicles closely matched to the expectations and tastes of customers. In the social sphere, the Institut Renault do Brasil engages in a variety of initiatives related to mobility, the environment and education, thus reinforcing the ties between Renault and the Brazilian people.

MAJESTIC MASTER

In 2013, readers of the Brazilian magazine Auto-data voted New Master "Best LCV of the Year" in the under-3.5-ton category. It is the first time Renault has received this award, one of the most prestigious given out in the automotive industry. Since its launch across the entire region in March 2013, 7,000 New Master have been sold in Brazil, where its segment share is over 25%. The new LCV comes in four versions (van, cab chassis, minibus and window), with 70 options available to meet customers' specific needs.



FOCUS ON CSR

RENAULT'S FOUNDATION IN BRAZIL SUPPORTS THE BORDA VIVA COMMUNITY

Since its creation in 2010, the Renault foundation Instituto do Brasil has carried out initiatives in the fields of education, community development, road safety awareness and environmental protection. Among the foundation's actions is support for the members of the Borda Viva community, whose activities at the gates of the Curitiba plant include the setting up of a bakery, a school canteen, two day-care centers and a sewing shop that is making netting to protect the new cars on the parking lots from hail. Almost 7,000 people benefit from the foundation's assistance each year.



EURASIA

by **BRUNO ANCELIN**

Senior Vice President, Chairman of Eurasia Region,
Managing Director for Russia



Duster

Can you tell us about your region?

It is a region of extremes. The major part of it consists of the largest country on the planet, Russia, which is 31 times bigger than France. The word extreme also applies to the weather conditions. The temperature can drop to 70°C below zero in the Siberian city of Yakutsk and climb to 45°C above zero in Armenia. And because it is a region of extremes, it is... extremely engaging. Especially because of the very strong historical ties between France and Russia. Did you know that Russia was where the first Renault was sold?

What does the region's car market look like?

There are 37 million cars on the road, 50% of which are Russian brands and over ten years old. The shiny luxury sedans on the streets of Moscow are really not a typical sight in the region. With a car ownership rate about half that of the United States, this 2.7-million-car market will continue to grow to at least 4 million cars. The road network suffers from the harsh weather conditions, which is to say that car suspensions suffer, too. Vehicle reliability is crucial for car buyers. It is one of the strong points of our vehicles, which are considered spacious, comfortable, well suspended and reliable by customers, who are real car enthusiasts. Dealers have a lot of customers coming in, and when we held the World Series by Renault, 80,000 people attended!

the exceptional growth we achieved in the other countries of the region should be noted: 315% in Kazakhstan and 73% in Belarus. Duster's popularity was key to these excellent results. Its sales have gone up fivefold in Belarus and ninefold in Kazakhstan. A real block... Duster!

What challenges lie ahead?

We have to maintain our pace of production while becoming more cost-competitive and continuing to improve our quality, which is already excellent. We are also going to start mass production of new Renault vehicles at AVTOVAZ. We also already have SUV and LCV models on the drawing board that we intend to build in the years ahead. So a lot of challenges await us in this exciting region.

The entrance to the Moscow plant, which produced 198,000 vehicles in 2013.



What were the highlights of 2013?

Renault climbed into second place in the Russian market, with growth of nearly 11%, the highest among full-line brands. One important factor was the flexibility of our Moscow plant, which allowed us to follow this year's market trends. This plant holds the record in the Group for the number of hours worked, with 5,800 per year. In 2013, we have also increased our local sourcing rate. Though the initial volumes were small,

No.2

RENAULTIS THE No. 2 BRAND
IN RUSSIA

140%

GROWTHFOR RENAULT
IN THE CIS COUNTRIES**AN EXPANDING
NETWORK**

From five to 167. That is the spectacular growth in the number of points of sale in the Renault sales network in Russia between 1993 and 2013. And the brand has no intention of stopping there: its target is 230 at the end of the plan in 2016. Extending to over 100 cities across this vast country, the network has focused on improving customer satisfaction through the deployment of the Renault PERF 4 methods. This effort has paid off: the brand has ranked among the best in customer satisfaction for two years. Other advantages enjoyed by the sales network are Renault Assistance, the 24-hour technical support service, and the financing offered by the subsidiary of RN Banque. And sales is not the only network. With the creation of a joint purchasing organization in Russia in September 2013, Renault, Nissan and AVTOVAZ now have a single supplier network, providing a guarantee of better quality and lower costs.



A Renault dealership in Saint Petersburg,
one of the 167 Renault points of sale in Russia.

**RENAULT,
FROM MOSCOW
TO TOGLIATTI**

Russia was the Renault group's number-three market in 2013, and it could become its largest in future years with LADA sales added. To achieve this ambitious goal, Renault is relying on its Moscow plant – the fourth biggest in the Group in terms of production volume – while the Alliance has the Togliatti plant, the largest in the world, and production sites at Saint Petersburg and Izhevsk. In 2016, the Alliance will thus have production capacity of 1.7 million vehicles.

A MOSCOW JOINT VENTURE

Renault's Moscow plant, where 5,000 people work today (the company's total workforce is 6,000), came out of the Avtoframos (Auto Française de Moscou) joint venture set up by Renault and the city of Moscow in 1998. Originally owned 50-50 by the two partners, Renault ultimately took full control of the company in 2012. The plant, which initially produced Logan, was modernized and expanded in several stages, notably between 2009 and 2010, to increase capacity from 80,000 to 160,000 vehicles and support the launch of Sandero production. The plant has also practically doubled in area, going from 31 to 58 ha (77 to 143 acres). In 2011-2012, some €100 million was spent to boost the plant's capacity so as to start production of new vehicles, including Duster and Fluence. Altogether, nearly €500 million was invested between 2003 and 2012. Today, the Moscow plant produces five models in CKD*: Logan, Sandero, Duster, Fluence, as



well as Mégane hatch phase 2 since late 2013. In 2013, 198,000 vehicles were produced.

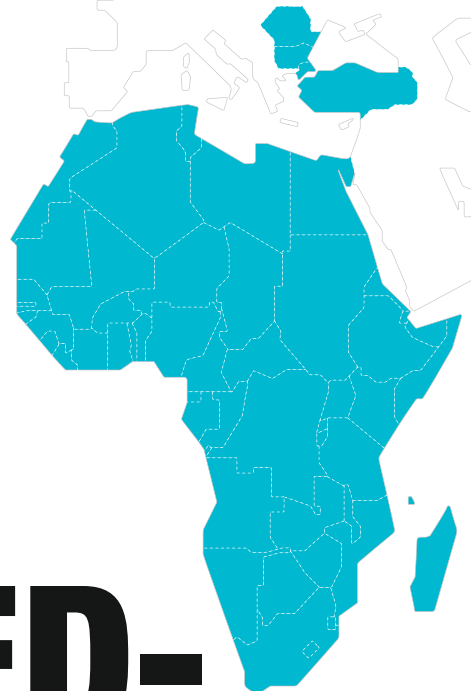
TOGLIATTI, THE WORLD'S LARGEST PLANT

A few thousand kilometers from Moscow, at Togliatti, the world's largest factory stretches along the bank of the Volga River. With some 300 km of production lines in an area of 10 sq. kilometers, the plant employs 67,000 people (nearly 10% of the population of Togliatti) and is highly integrated (foundry, stamping, plastics, chassis and powertrains). Since Nissan joined the partnership originally formed in 2008 by Renault, Rostec, and Troika Dialog Investment Ltd. (which has since sold its interest), Togliatti has been an Alliance plant that now produces LADA, Nissan and Renault vehicles. Its capacity will rise from the current 800,000 vehicles to more than one million by 2016.

*CKD (completely knocked down): all parts needed to assemble the vehicle are delivered to a foreign plant.

FOCUS ON CSR**THE WOMEN@RENAULT NETWORK COMES
TO RUSSIA**

On October 3, 2013, the social network women@renault was officially launched in Russia. Created in 2010 and progressively developed in the Group, the women@renault program encourages the sharing of experiences among women in the company and helps them to advance in their careers. The social network is one of the ways this program seeks to attract talented women to the company and to keep them. Russia is the twelfth country in which a women@renault program has been set up. It will have three priorities: career development, career conditions and benefits, and societal actions to assist local communities.



EUROMED- AFRICA

by **JEAN-CHRISTOPHE KUGLER**

Senior Vice President,
Chairman of Euromed-Africa Region



Dacia Sandero

Can you tell us about your region?

In April 2012, the Renault group revamped its organization by combining Africa with the Euromed region. The vast new region thus created features a young population, a rising middle class, and an enthusiasm for new technologies. In certain countries, Renault has a long history, excellent sales (a market share of nearly 40% in both Romania and Morocco), and large manufacturing facilities (plants at Pitesti, Bursa, Casablanca and Tangiers). As a result, in Romania, Morocco and Turkey, Renault is considered a local company. In other parts of the region – particularly in English-speaking Africa – the brand is just gaining a foothold.

What does the region's car market look like?

What is striking is the growth potential in Africa. The car market was 1.5 million vehicles in 2012. It is expected to reach 2.5 million in 2020; that is, a 70% increase in less than ten years. This is easy to understand if one considers the population of Africa,

which is over one billion today, its exponential growth – Africans will outnumber Chinese in 2050 – and its expanding middle class.

What were the highlights of 2013?

We have renewed our distribution agreements in a way that creates local partnerships with our importers. In this vast region of more than 50 countries, we decided to focus our efforts on the GNAK: Ghana, Nigeria, Angola and Kenya, where there is great potential for growth. Our plant at Tangiers was also expanded in 2013, and the Oran plant project got under way. As for sales, our market share in the region rose above 15%, up 7.7% from 2012. We capitalized on the launch of New Clio and Duster in South Africa, and we benefited from the good results of New Clio in the region – No. 2 in the PC + LCV market in Algeria and No. 3 in Turkey, for example. With the renewal of the Sandero and Logan lines, the Dacia brand continues to grow. Among its successes is Sandero's leadership in Romania, Morocco and Bulgaria.

What challenges lie ahead?

In 2014 we will need to be ready to react quickly given the uncertain political environment and fluctuating exchange rates. We will continue our growth in market share and volumes in the countries we are targeting. It will also be the year in which construction of our plant at Oran, Algeria, gets started. This is a key project for the second-largest African market and number-seven in sales volumes for Renault, with 111,400 vehicles sold in 2013.

7.7%

GROWTH

IN RENAULT'S MARKET
SHARE IN THE REGION

38.9%

MARKET SHARE

FOR THE RENAULT GROUP
IN MOROCCO

THE TURKISH MARKET

The Renault group had a great year in Turkey in 2013, its fifth-largest market after France, Brazil, Russia and Germany, with a market share of 17% (PC + LCV). Credit for this excellent performance goes in particular to the strong sales of New Symbol, New Clio and Fluence, all three of which are in the top-three of their respective segments. The Dacia brand had a 4.3% market share (up 0.5 points) thanks to the penetration of Lodgy (leader in its segment) and Dokker.



An operator
at the Tangiers plant in Morocco.

THE TANGIERS PLANT: A NEW CHAPTER IN THE DACIA STORY

Inaugurated in February 2012 by the King of Morocco, His Majesty Mohammed VI, and Carlos Ghosn, Chairman of the Renault-Nissan Alliance, the Tangiers plant is a model of industrial and environmental performance that will play a central role in Dacia's ongoing story. Spread over an area of 300 hectares (740 acres), the facility represents an investment of €1.1 billion and incorporates the two groups' best industrial practices, which make up the Alliance Production Way (APW). The first production line, Tanger 1, manufactures Dacia Lodgy, Dacia Dokker and Dacia Dokker Van.

2013: STEPPING ON THE THROTTLE

Two important milestones were reached in 2013. First, in June the plant produced its 100,000th vehicle. A few weeks later, on October 8, 2013, came the inauguration of a second production line, built at a cost of €400 million, called Tanger 2. Some 1,400 employees were hired to staff this new facility, bringing the total workforce at the site to 5,000 people. This new line, on which New Dacia Sandero and New Dacia Sandero

Stepway are being manufactured, increases the plant's capacity to 340,000 vehicles a year.

AN ENVIRONMENTAL MODEL

The entirely new Tangiers plant is a perfect example of an environmentally engineered industrial facility. In 2013, 25% of the water used in the manufacturing processes came from recycled effluents. Even more remarkable, the recycled water is superior in quality to the water coming from outside sources. The recycling rate will rise as production output increases. As for energy, the site's entire supply of electricity is generated with renewable energies, and nearly all its thermal energy is produced with a biomass boiler. Some 17,200 tons of organic waste (wood, olive pits, and argan and almond shells) are used as fuel to produce hot and superheated water. Reliance on these two renewable energies reduces CO₂ emissions by 80,000 tons compared with the same plant using natural gas. The reductions in direct CO₂ emissions have been certified under the Kyoto protocol.



FOCUS ON CSR

ROAD SAFETY IN MOROCCO

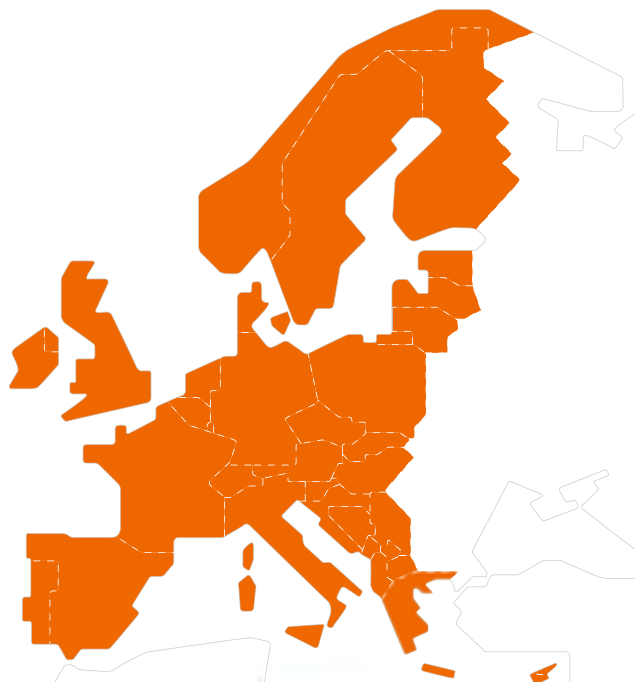
In Morocco, almost 80% of traffic accident victims in urban areas are pedestrians or people riding two-wheel vehicles. Renault Morocco began conducting road safety awareness programs in 2007. In 2013, it joined with political and educational authorities in the country in organizing a road safety initiative called "Le village Tkayes" at Tangiers. Activities included training in the driving code and first aid, practice on a simulator, and trips around a track set up to teach children about traffic hazards and risks on the road in an entertaining way.



EUROPE

by **STEFAN MUELLER**

Executive Vice President,
Chairman of Europe Region



Captur

Can you tell us about your region and its car market?

Renault's Europe Region comprises 34 countries and 44,000 employees. Well known for its rich history, the region is also drawn to what is modern. When it comes to transport, Europe is in the vanguard in the field of alternative energies – electric vehicles, hybrid vehicles – and car sharing. The European market has been in a severe slump since 2008, with a decline of 17% between 2008 and 2013, and its share of the global market has been steadily shrinking. With its very high vehicle ownership rate of nearly 600 vehicles per 1,000 inhabitants, just below the rate in United States, Europe is a mature market,



where competition among automakers is very intense. One consequence of the economic crisis is that a large share of consumers say that the purchase price and utilization cost are the most important things they consider in choosing a car. The dazzling success of the Dacia brand is evidence of this.

What were the highlights of 2013?

We have reorganized the Europe Region, bringing together upstream and downstream functions: that is, on the one hand, the 17 Renault plants in Europe, and on the other, the commercial functions, with a stronger customer focus through management of the product, marketing and network functions. We also signed a "Contract for a new dynamic of Renault growth and social development in France," which ensures that French plants are competitive. For example, the Flins plant will produce the future Nissan Micra starting in 2016.

And more specifically in the area of sales?

In 2013, the year when ZOE and Captur were launched, the Group's market share increased by 0.4 points in the region and by 1.2 points in France. Our leadership in LCVs continued

for the 16th year in a row. The Dacia brand notched up a 0.5-point gain. This was the largest increase for any car brand, with remarkable results in some markets like Spain (up 80.9%), Portugal (up 74.0%), the Netherlands (up 49.0%) and Belgium (up 32.8%). New Clio is the top-selling vehicle in France and number-three in Europe. Captur is the leader in its segment in France and Europe.

And the challenges that lie ahead?

A lot will be happening in manufacturing in the months ahead, as we come into the home stretch of the preparation of the Sandouville plant for the launch of Trafic and of the Novo Mesto plant, in Slovenia, for the Twingo replacement, in cooperation with Daimler. In late 2014, the Cléon plant will be ready to produce electric motors, a few months before the future Espace goes into production at the Douai plant. We will also be seeking to improve our competitiveness and profitability. As for sales, we foresee a stable market. The first full year of Captur and ZOE sales, the renewal of Twingo and Trafic, and the new Dacia range will help to boost our market shares and strengthen our leadership in electric vehicles. Our aim for 2017 is to see Renault rank No. 2 in Europe.

16th

CONSECUTIVE YEAR

FOR RENAULT AS THE LCV LEADER

+0.4 point

THE RENAULT GROUP'S GROWTH,

THE STRONGEST IN THE EUROPE



DOUBLE WINNER

A little quiz. What are the two very-high-value-added sectors in which Renault is the European market leader? Answer: Light commercial vehicles (LCV) and electric vehicles (EV). Renault has dominated the LCV market for 16 years in a row, with a market share of 14.5%. When it comes to EVs, Renault's dominance is naturally more recent, since the first vehicles were launched only in 2011, but it is no less absolute. With its complete EV range, which includes Fluence Z.E., Kangoo Z.E. and ZOE, the brand has staked a claim to 37% of the market in Europe, with over 15,000 units sold. And that is without counting the quadricycle Twizy, which is not included in the statistics. So far, almost 3,000 units have been sold, with especially outstanding results in Germany (over 800 sold).

CAPTUR, ONE OF THE YEAR'S SUCCESS STORIES

With more than 86,000 units sold on the continent as of end-2013, Captur, the first car in the compact crossover segment in the Renault range, was one of the revelations of the European car industry in 2013. With its feisty and friendly silhouette and appealing product features (for example, seats with removable covers, a deep storage drawer and the R-Link navigation system), Captur is riding the wave of enthusiasm for compact crossovers. The institute HIS* is even predicting that sales in the sector, which includes competitors like the Peugeot 2008, Chevrolet Trax, Opel/Vauxhall Mokka and a certain... Duster, could jump from about 310,000 units in 2013 to nearly 600,000 by 2016. Captur also has something to do with the Renault brand's excellent performance in Europe. Though launched only in April 2013, the crossover accounts for over 6% of the Renault brand's sales.

at the end of the year. Paying the price of success, Captur also received the 2014 Argus Trophy in the SUV category, beating out the Peugeot 2008 and the BMW X5. Captur is the brand's second passenger car, after New Clio in 2013, to have won the award since its creation in 2008. The jury made up of residual value experts, journalists and market study specialists choose the winner after closely evaluating a wide range of criteria: price/equipment ratio, per-kilometer running cost, residual value, fuel consumption, CO₂ emissions, and overall package. Thus, Captur is not content just to have a great look – a look that has become a familiar sight on European highways in a few short months; it is also a very polished vehicle, with an excellent relationship among quality, running costs, and features. Car buyers in Europe know when they see a winner.

THREE FAMILY MEMBERS ON THE PODIUM

Manufactured at the Valladolid plant, Captur laid claim to first place in its segment in Europe

* IHS (Information Handling Services) is an American company that provides data, including on the automotive industry.



A Captur is painted at the Valladolid plant in Spain.

FOCUS ON CSR

CONVERTED VEHICLES FROM RENAULT TECH

For people with a disability, mobility and the difficulties of joining the workforce are obstacles to social integration. Renault is striving to remove these obstacles in several ways. As an employer, the Group has implemented a proactive employment policy for over 20 years. In France, for example, this meant the signing in 2013 of the sixth agreement to assist people with disabilities. As a manufacturer, Renault offers a range of vehicles and services, mainly in Europe, adapted for the disabled through Renault Tech, the only vehicle converter fully integrated into a carmaker's operations. Renault Tech converted 121,000 vehicles in 2013, including 20% for company fleets.



12

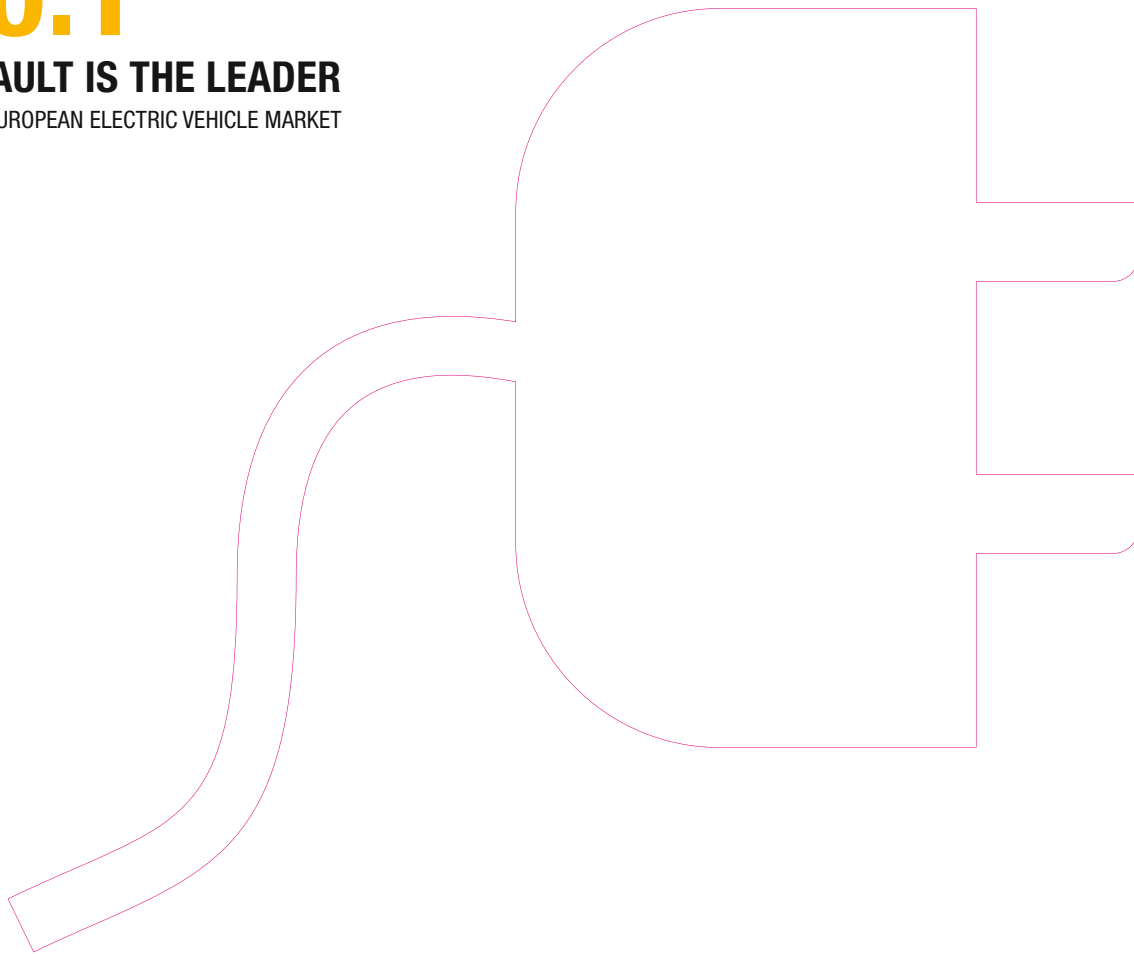
CONSTRUCTORS' TITLES

IN FORMULA 1 RACING
(ENGINE SUPPLIER OR TEAM)

No.1

RENAULT IS THE LEADER

IN THE EUROPEAN ELECTRIC VEHICLE MARKET



RENAULT, BOLD BY NATURE

“

CARLOS GHOSN
CHAIRMAN AND
CEO OF THE
RENAULT GROUP

Growth in electric-vehicle sales, which has been slower than we expected, is highly correlated with the development of infrastructures. But the competitors are arriving. That's an unmistakably positive sign.”

98%

OF ZOE OWNERS

SAY THEY ARE SATISFIED WITH THEIR CAR,
THE NUMBER-TWO IN ELECTRIC VEHICLE
SALES IN EUROPE (21.8% MARKET SHARE)



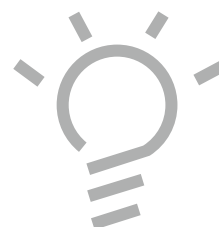
RENAULT ADVANCES ON ALL FRONTS

The battle in electric vehicles (EVs) is only beginning. The slow installation of charging facilities has held back EV development until now, but the rollout of several competing models in recent months is a sign the pace is about to quicken. Electric vehicles have clearly become

part of the automobile industry's future, Renault's future, and the Alliance's future. As Carlos Ghosn has said: "We are going to continue to promote EVs, knowing that we have a technology that will meet the challenges facing the car industry for the future."

INNOVATION, FOR A BETTER LIFE

Electric vehicles with touchscreens, seats with removable covers, internal combustion engines incorporating state-of-the-art technologies... More than ever before, innovation is at the heart of Renault's identity as a carmaker.



25%

REDUCTION

IN CONSUMPTION
FOR THE LCV ENERGY ENGINE

A SURVEY OF THE RENAULT GROUP'S TECHNOLOGIES

A CONSTANT THEME: BRING THE BENEFITS OF INNOVATION TO EVERYONE AT AN AFFORDABLE PRICE

Ranked as one of the world's fifty most innovative companies, Renault is the carmaker that has produced the steadiest flow of innovations since the dawn of automotive history.

A worthy legacy of its founder, Renault's notion of innovation is as much conceptual as technological. By marketing a range of minivans (from Espace to Twingo), by inventing a vertical tailgate for the 4L, and by creating the daring "unidentified rolling object" Twizy, Renault has put a distinctive stamp on conceptual innovation. Renault also cultivates technological innovation, as proven by ZOE (*see our Focus*), the first car designed to be 100% electrically powered, by the new range of Energy engines, developed with advanced technologies borrowed from F1 racing, and by the integrated and connected touchscreen tablet of R-Link.

THE ENERGY RANGE: THE STATE-OF-THE-ART IN INTERNAL COMBUSTION ENGINES

At Renault, innovation is helping to protect the environment through the downsizing of internal combustion engines. The aim is to achieve excellent performance and low fuel consumption by developing smaller and lighter engines. Renault has done this today with its range of

Energy engines. All are now turbocharged, and they all meet three essential requirements, whether on the road or the racetrack: reliability, high performance, and lower fuel consumption. The powertrain engineering teams that designed them have reduced the fuel consumption of the LCV Energy engines by 25% (and the 2014 Renault engine by as much as 40%!), without sacrificing an iota of performance.

R-LINK: THE CONNECTED, TOUCHSCREEN, MULTIMEDIA TABLET

The bubbling activity in the digital world is presenting carmakers with a host of opportunities. After being the first to offer steering-wheel-mounted controls and introducing HD satellite navigation (with Carminat TomTom at €490) across its entire range, Renault has innovated once again with R-LINK, a tactile, integrated, connected tablet featuring practical and community-linked apps for use on the move.

Besides combining an array of multimedia functionalities, thus sensibly eliminating the need for multiple mobile devices, R-Link offers drivers some fifty downloadable apps as well as functions to help reduce the impact of their driving on the environment.

R-Link, with its large 7-inch (18-cm) touchscreen, is available today on the entire PC range (except Espace).



An Unidentified Rolling Object, Twizy combines a spirit of fun with practicality, making it a great vehicle for both personal and professional use.

FOCUS ON CSR

LABOR RIGHTS: RENAULT REMAINS A PIONEER

On July 2, 2013, a global framework agreement, "Committing together for sustainable growth and development," was signed by Renault, the Renault Group Works Council, and IndustriALL Global Union (a global federation of unions, including ones representing workers in the metallurgical industry). With this agreement, which follows on from the Declaration of Employees' Fundamental Rights, issued in 2004, Renault undertakes to encourage social dialogue, conduct policies to improve health, safety and quality of life in the workplace, support employment, and promote diversity. In addition, the Group extends its commitments to two new areas: social responsibility and environmental protection. This agreement is applicable worldwide in all companies in which Renault s.a.s. controls more than half the capital.

The electric revolution has begun

This is no longer the age of the Swiss Army knife. Nowadays, we choose the specific tool we want". That is the image Béatrice Foucher uses to describe today's automotive world, which is sufficiently diverse that a carmaker's offering can be divided up according to the respective expectations of customers. And that is what is happening with electric vehicles (EVs), whose development Foucher is orchestrating after spending five years as the first woman to serve as Product Director. Some think EV development could be speeded up. Foucher explains why they are wrong: *"The electric revolution will not happen overnight because we cannot snap our fingers*

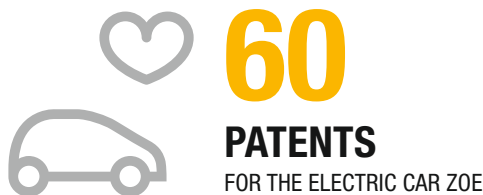
and shed reflexes bred over a century by the use of internal combustion vehicles." Convincing customers of the value delivered by EVs is the technological and societal challenge that motivates someone who has spent her entire career at Renault, from her early days in the Quality Department to her current position as head of the EV program. *"The Renault group is at its best when it deciphers emerging trends. That was the case when it spotted the growing interest in family transport and invented a family of its own – the minivans,"* points out Foucher, who was closely involved as the Espace IV product manager at that period. With EVs, Renault is once again one of the carmakers

exploring new fields of value and a different way for a growing number of customers to relate to the automobile. At the end of 2013, Renault was the EV leader in both Europe and France. It was a promising year, with the delivery of the first ZOE to the Leclerc hypermarket chain in France, the launch of SM3 Z.E. in South Korea, and the international expansion of the EV market more generally, notably to Brazil, Morocco, and the United Arab Emirates. If only one figure could be cited, it would be the 98% satisfaction rate among ZOE customers surveyed after one year of driving there EV. The electric revolution has definitely begun.



PORTRAIT

BÉATRICE FOUCHER,
VICE PRESIDENT,
ELECTRIC VEHICLE PROGRAM



IT'S SO QUIET ON THE ROAD...

Renault, the leader in the electric vehicle market in Europe and France, is the only automaker that markets four EVs at affordable prices: Kangoo Z.E., Fluence Z.E., Twizy and ZOE, the car boasting 60 patents. As the EV leader, Renault signed an agreement with the Bolloré group in September 2013 under which they will jointly market a full range of urban car-sharing solutions using electric vehicles.



SALES: RENAULT INNOVATES TO TRANSFORM THE CUSTOMER EXPERIENCE



In its C@RE (Customer Approved Renault Experience) program, the Group is moving ahead quickly to redefine its approach to customer service. To respond to the challenges of multichannel marketing, Renault is reworking how customers, both consumers and businesses, move through the various marketing channels – digital, points of sale and customer relations centers – whether they are looking for a new or pre-owned vehicle. The aim of this program is to attract customers by staying abreast of their changing expectations.

ENTRY RANGE, THE SAGA CONTINUES

IN 2013

One of the major innovations in recent decades was neither sophisticated nor high-tech. It was the Renault group's market rollout of the Entry range.



A large part of the Entry range, with more than one million vehicles sold in 2013.



Win almost 900,000 customers in three years – that was the feat achieved by the appealing 4x4 Duster, the Renault group's top-selling vehicle.

Sold under the Dacia brand in Europe and the Mediterranean basin and under the Renault brand in the rest of the world, the Entry range currently consists of seven vehicles (Sandero also comes in a Stepway version), whose positioning varies depending on the market. Since the Dacia Logan's launch in 2004 amid widespread skepticism, 2.5 million units have been sold. In 2013, sales totaled 1,082,240, up 13.5% from 953,000 in 2012. "The strength of the Entry range is well and truly its capacity to satisfy the expectations of motorists in both emerging and developed countries with a single vehicle line-up." These words of Carlos Ghosn are taken from the preface of a work with the evocative title *L'épopée Logan* (The Logan Era)⁽¹⁾. This book tells the story that began with Logan and continued and developed

with Logan MCV (the estate version of Logan), Sandero, Sandero Stepway, Duster, and Lodgy, as well as the light commercial vehicles Dokker and Dokker Van. "Logan and its line," the authors explain, "explore and illustrate possible new paths of innovation by introducing disruptions at every stage – in the strategic vision, the conditions of emergence, the project's organizational and geographic implementation, and the understanding of the changing nature of mobility in society." In 2013, the Renault group's top-selling vehicle was none other than Duster, a distinguished member of the Entry family. With indisputable credentials as a full-fledged 4x4, as attested by its crossing capabilities, Duster has attracted nearly 900,000 buyers in its three years on the market and has turned in

1.08 million
THE NUMBER OF VEHICLES
IN THE ENTRY RANGE (DACIA + RENAULT) SOLD
BY THE GROUP IN 2013

No.1
DUSTER
IS THE RENAULT GROUP'S TOP-SELLING VEHICLE,
376,618 UNITS SOLD IN 2013 (DACIA + RENAULT)

outstanding performances in famous races like the Trophée Andros in France, the Rallye des Gazelles in Morocco, and the Pike's Peak Hill Climb in the United States.

DACIA, THE FASTEST-GROWING BRAND IN EUROPE

For the Entry range, 2013 was a year of strong sales and expanding markets under both the Renault and the Dacia brands. Duster became the best-selling Renault in Russia and continued its impressive climb in popularity in South America, while in India it was crowned Vehicle of the Year.

In Europe, the entirely renewed Dacia range – it is now the youngest on the continent – rose to number-five in France, with a market share of almost 5%. It was also introduced in six more countries: the UK, Ireland, Norway, Denmark, Cyprus and Malta. Noting that Duster had chalked up the biggest market share gain

in Europe in 2013, the journalist David Jolly wrote in the *International New York Times* of December 18, 2013: "The hottest car in Europe this year was not a BMW, a Benz or a Bentley. It was Renault's low-cost brand, Dacia."

DACIA'S COMMUNITY SPIRIT

In France, the fifth big Dacia picnic broke an attendance record once again, with more than 15,000 people showing up. In Algeria,

Dacia organized "Dacia Land," an amusement park open to the public for an entire weekend. Dacia is part of the online community, too: it has over one million fans on the Facebook Dacia Monde pages and Dacia Facebook page in 21 countries.

(1) This book was written by three university professors: Bernard Jullien, a lecturer at the Université de Bordeaux, Christophe Midler, a professor at the Ecole Polytechnique, and Yannick Lung, a professor at the Université de Bordeaux.

PROJECT A-ENTRY (CMF A)



In July 2013, Carlos Ghosn announced that the Alliance was going to develop new vehicles to meet the specific requirements of a new generation of car buyers in the emerging countries. The production of these affordable vehicles based on the CMF-A modular architecture will begin in 2015 at the Alliance's plant in Chennai, India.

You've hit a gold mine. Keep going!

These exhilarating words spoken by a Turkish journalist during a Duster test drive organized for the press in November 2013 still echo in the head of Ludovic Dupont, Duster Product Manager in the Product Division. Happy to be part of the Duster success story, he also realizes he has the weighty responsibility of writing the next chapters. There can be no question of turning gold into dross! With degrees in political science and statistical analysis, this 35-year-old product manager did not necessarily think he would exercise his talents in the automobile industry. It was through his work as a market

researcher at the survey institute IFOP that he landed at Renault in 2006. His first task was to precisely analyze how customers in the Iranian and Indian markets perceived Logan's quality. As he was already familiar with the Entry range, it was only natural that he would get involved with Duster as product manager in late 2010. "With Duster, the sales pitch is no longer limited to price. Car buyers really fall in love with it. The attachment to the product is extraordinary, and so is the recommendation rate," smiles Ludovic. The trick is to improve the product without changing its basic character. Some would be tempted

to take the product up a notch, but Ludovic, in his role as guardian of the temple, is keeping an eye on things. "We must avoid the pitfall of adding equipment and making it fancier, which would change Duster's personality and its positioning as a very affordable vehicle." That is New Duster's challenge as it tackles the critical task of adding another chapter to the saga of this highly praised automobile.



PORTRAIT

LUDOVIC DUPONT,
DUSTER PRODUCT MANAGER
IN THE PROJECT DEPARTMENT

ONE GROUP, THREE BRANDS, THREE WORLDS



Renault, Dacia and Renault Samsung Motors: with their complementary positioning and strategies the Renault group's three brands are winning over a growing number of customers on five continents.

In 2013, the Renault brand celebrated its 115th anniversary. Founded at Boulogne-Billancourt in 1898, Renault has put its stamp on automotive history from the very beginning by making innovation available to everyone.

With a range of nearly 30 models in multiple versions (PC/LCV) and phases sold in 128 countries in 2013, Renault is the Group's global brand – a brand given fresh impetus by the new design identity created by Laurens Van den Acker and his design team. Simple, sensual, warm: these three words sum up Renault's styling, whose aim is to spark emotion, display automotive passion, and convey the brand's Latin culture.

The concept car DeZir heralded this new design vision, which, in the words of Axel

Breun, head of concept car design, expresses "movement, sensuality and emotion, with ideal proportions, like an object created by nature. Warm and energizing design so typical of Renault."

RENAULT, A FAMILY LIKENESS VISIBLE AT A GLANCE

From the styling standpoint, the concept cars are now very similar in design to the production vehicles they anticipate. In 2010, DeZir paved the way for New Clio. Captur, a best seller in 2013, could be easily made out in the Captur Concept, presented at the Geneva Motor Show in 2011. And Twin Run lifted the veil on one of the revelations of 2014: New Twingo. As a result of this fundamental reworking, Renault



81%

OF THE GROUP'S SALES
ARE UNDER THE RENAULT BRAND

43

COUNTRIES:
THE DACIA BRAND'S
WORLDWIDE REACH

The Renault concept car range:
a family likeness visible at a glance.



styling – from Twingo to Espace IV, and including the light commercial vehicles – is now consistent and immediately recognizable, highlighted by the Renault diamond displayed on the front end and the fluid lines. While awaiting the successor of Espace, heralded by the Initiale Paris concept car presented at the last Frankfurt Motor Show. The Dacia brand has a complementary role to play alongside the Renault brand. Acquired in 1999, Dacia is the Renault group's regional brand. Its vehicles were sold in 43 countries in Europe and the Euromed region in 2013. From Logan and Dokker to Sandero, Lodgy and Duster, Dacia continues to break the rules of the car industry by offering simple, roomy and reliable vehicles at affordable prices.

DACIA, A BRAND WITH LIVELY, DOWN-TO-EARTH DESIGN

The design teams went to work and came up with uniform styling guidelines for Dacia

vehicles so that they too would be recognizable at a glance and easily distinguishable from Renault brand vehicles.

With the arrival of the phase 2 Logan and Sandero, the styling, based on the values of robustness and a lively yet down-to-earth personality, is now consistent across the Dacia range.

RENAULT SAMSUNG MOTORS, THE LOCAL BRAND OF THE RENAULT GROUP

Sold in South Korea, its range of six vehicles enjoys a reputation for excellent quality: the SM3, a compact sedan that also comes in an all-electric version, the mid-range sedan SM5, and the SM7, a top-of-the-line sedan, along with the QM5 in the very popular 4X4 segment. The latest addition to the range is the QM3, a Captur-derived SUV. Unveiled at the Seoul Motor Show in March 2013, it went on the market late in the year. The aim is for its career to be as spectacular as its European cousin's.



Modeled on Captur, Renault Samsung Motors' QM3 features striking colors and seductive lines.



PORTRAIT

BÉNÉDICTE LE NINDRE,
PRODUCT MANAGER, THE ESPACE
SUCCESSOR, PRODUCT DEPARTMENT

I wanted to extend my work with sound to the other senses

At the 2013 Frankfurt Motor Show, the unveiling of Initiale Paris – the concept car prefiguring the future – followed the score note by note. Not surprising, as a glance at the résumé of Bénédicte Le Nindre, Product Manager for the Espace successor in the Product Department, reveals. After studying fundamental physics, she headed for the Institute for Research and Coordination in Acoustics/Music (IRCAM), where, she earned a degree in scientific techniques for musical creation. The Renault Research Department gave Bénédicte the opportunity to play the first measures of her career. She lent her sensitive ear to the

quality and acoustic design department to do work on engine acoustics, turn-signal noises, and the sound identity of Renault Sport, which would be the subject of her doctoral thesis. Bénédicte then broadened her field by including cross-project work in the Product Department in 2005. "I wanted to extend my work with sound to the other senses," she explains. "The idea is to make pleasure and emotion as much a part of the driving experience as possible." In March 2011, she joined the project to design the successor to Espace. Her enthusiasm is *fortissimo*: "It's absolutely ideal! What a privilege to work on such a sophisticated vehicle, which

will replace Espace, a true icon in Europe. It's an opportunity to reinterpret the top-of-the-line car by producing an innovative, prestigious crossover that can transport up to seven people." She is excited as she and her teams get ready to unveil their car at the 2014 Paris Motor Show. A premiere performed without a wrong note and a prelude to resounding success.

MOTORSPORT, PASSION AND COMMITMENT



Through its dedicated participation in motorsports, Renault is pursuing an adventure both human and technological that excites its employees and enhances its image with customers.

RENAULT SPORT TECHNOLOGIES: EXPERTISE AND A PASSION FOR AUTO RACING



The World Series by Renault (WSR) is four international championships that bring out an average of 80,000 spectators per event to Europe's finest racetracks.

- The Formula Renault 3.5 Series, a springboard to F1 or IndyCar
- The Eurocup Formula Renault 2.0 championship
- The Eurocup Mégane Trophy
- The Eurocup Clio

RENAULT: A STRONGER COMMITMENT THAN EVER TO F1

AN EXTRAORDINARY RECORD

Long gone are the days of the “yellow teapot,” the nickname the British competition bestowed on the only Renault, one powered by a 1,500-cm³ turbocharged engine, that lined up on the starting grid for the British Grand Prix. That was 35 years ago. Since then, Renault and F1 have continually shared the same challenge: to push the envelope in auto racing.

In 2011, Renault began a new chapter in its long history with F1 by returning to its core role as an engine supplier. In 2013, four teams, or one-third of the field, will rely on Renault for their engines: Infiniti Red Bull Racing, Lotus F1 Team, Caterham F1 Team and Williams F1 Team. In 2013, after the victory of Sebastian Vettel (Infiniti Red Bull Racing-Renault) in the Brazilian Grand Prix, Renault was crowned the World Constructors' Champion for the twelfth time. That is not the only impressive figure: Renault is the engine maker with the most wins under current engine rules, with 60 victories; it has also chalked up 66 pole positions and 56 fastest laps along with five constructors' titles and five drivers' titles. In over 30 years of FIA world championship racing, Renault also holds the record for pole positions with 213!

Renault is aiming to add to these numbers with its new Power Unit V6 turbo, the Renault Energy F1, which will be on the starting grids in 2014.

By renewing its commitment to F1 racing, Renault is reaffirming the importance of this competition for the brand. In addition to being a great way to build its reputation internationally, the queen of motorsport is a laboratory for the development of new technologies.

A PASSION FOR RACING BRINGS PROGRESS ON THE ROAD

The close relations between the site where the F1 engines are designed and developed at Viry-Châtillon and the nerve center of the Group's series engines at Rueil-Malmaison (both in the Paris region) foster interaction and synergies. With Renault's series engines, its customers benefit from the powertrain expertise gained in competition.

For example, the experience Renault Sport F1 has acquired in friction-reduction technologies and in the cooling systems for turbocharged engines has been applied in the Energy engine range. To share this expertise, swapping staff with high-tech skills is essential both to communicating productively and to sustaining the spirit of innovation.



FROM THE V8 TO THE POWER UNIT 2014

In 2014, Formula 1 enters a new era. After three years of research and development, the most significant technological disruption in twenty years has occurred with the introduction of the new-generation Power Unit engines. They combine a V6 1.6 turbocharged engine with an energy recovery system, thus radically improving energy efficiency by using the energy dissipated by the exhausts and brakes. The

maximum power of the new Power Unit will be greater than that of the naturally aspirated V8s used until now, while fuel consumption will be considerably lower. With just 100 kg of fuel allowed per race, the new engines will consume 35% less of it.

A NEW FORMULA E CHAMPIONSHIP

The leader in electric vehicles with its Z.E. range, and with unique expertise in auto racing, Renault is also investing in the new FIA Formula E Championship. Designed in collaboration with Renault Sport and unveiled at the 2013 Frankfurt Motor Show, the Spark-Renault SRT_01E is a single-seat racecar that will be used by the ten teams participating in the competition starting in September 2014.



THE VICTORIOUS RETURN OF ALPINE TO RACING

September 28, 2013: The last race in the World Endurance Championship and European Le Mans Series (ELMS) was held on the Paul Ricard circuit, with the Alpine Signatech team claiming the title for 2013. At the end of a season highlighted by three podium finishes in five events, including a victory at Hungaroring, in Hungary, the Alpine A450 scored a successful return to competition, 35 years after the A442B earned Alpine its first victory by winning the 24 Hours of Le Mans in 1978.



PIERRE-JEAN TARDY,
PROJECT MANAGER,
POWER UNIT 2014

PORTRAIT

F1 and series engines: more mutual benefits than ever

Formula 1: a laboratory for production cars!

With the 2014 rules for F1 engines set by the FIA, this claim has never been truer. A key player who can testify to the close relationship between the queen of automobile competitions and the cars driven by average motorists, Pierre-Jean Tardy can go on and on about the merits of the new rules. "It required a wealth of imagination to develop cars that would continue to deliver stratospheric performance with just a 1.6-liter engine. Like the one in Clio!" Pierre-Jean knows what he is talking about. With degrees from two engineering schools (Arts et Métiers and the École Nationale supérieure des Pétales et Moteurs), this amateur guitarist in his (rare) moments of spare time has worked for 19 years at Renault F1. He first used his skills on the 10-cylinder (V10) engine in the nineties. Next he focused on the engine cradle of the famous V8, which scored victory after victory between 2010 and 2013. At the end of 2009,

the FIA decided it was time to downsize, i.e. to decrease cylinder capacity in order to lower costs and consumption. Pierre-Jean led the new project at Renault F1. After a few false starts (in particular, an inline four-cylinder engine), the team finally settled on the configuration for the 2014 season: a 600 hp, six-cylinder turbocharged engine coupled with a 160 hp electric motor and a unique system for recovering energy at the exhaust. "Consumption limits, both instantaneous and for the entire race, exchanges of electric energy – the constraints in the rules offer a great opportunity to boost the performance of the internal combustion engines and electric motors for our production vehicles. F1 and series engines have never benefited each other more," says Pierre-Jean enthusiastically. "We are even using a piston segment on the F1 engine that is absolutely identical to the one on the series engine."

*Fédération Internationale de l'Automobile

A photograph of two men in business suits standing at what appears to be a conference or event. The man on the left is in profile, looking towards the right, and is smiling. He has dark hair and is wearing a dark suit with a patterned tie. The man on the right is facing forward, looking slightly to the left, and is also smiling. He has grey hair, wears glasses, and a dark suit with a striped tie. He is holding a rolled-up document or newspaper. The background is blurred, showing other people and stage lights.

PERFORMANCE SHAREHOLDERS' JOURNAL



15

EVENTS

ORGANIZED BY THE RENAULT GROUP
IN 2013 FOR THE MEMBERS OF
THE SHAREHOLDERS' CLUB

8,000

MEMBERS

OF THE RENAULT GROUP'S
SHAREHOLDERS' CLUB

“

**MOUNA
SEPEHRI,**
MEMBER OF
THE EXECUTIVE
COMMITTEE,
EXECUTIVE VICE
PRESIDENT,
OFFICE OF
THE CEO

**With the introduction
of online voting
at the 2014 General
Meeting, Renault
made it easier for
shareholders to vote,
offered them greater
flexibility and thus
made shareholding
more democratic.”**

CORPORATE GOVERNANCE

OF THE **RENAULT GROUP**



MEMBERS OF THE BOARD OF DIRECTORS

AS OF FEBRUARY 12, 2014

- 1 **CARLOS GHOSN**
Chairman and CEO, Renault SA
President and CEO, Nissan
Motor Co., Ltd.
Director, AVTOVAZ
Age: 59
255,200 shares
Date of first term: April 2002
Current term expires: 2014
- 2 **DAVID AZÉMA****
Director appointed by the State
Commissioner of government
shareholdings, Ministry of the
Economy and Finance
Member of the Audit, Risks and Ethics
Committee
Member of the Industrial Strategy
Committee
Member of the Appointments
and Governance Committee
Age: 53
Date of first term: October 2012
Current term expires: N/A
- 3 **ALAIN J. P. BELDA**
Independent Director
Executive Director, Warburg Pincus
Chairman of the Remuneration
Committee
Member of the Appointments
and Governance Committee
Member of the International
Strategy Committee
Age: 70
1,000 shares
Date of first term: May 2009
Current term expires: 2017
- 4 **CHARLES DE CROISSET**
Independent Director
International Advisor, Goldman
Sachs International
Member of the Audit, Risks
and Ethics Committee
Member of the Industrial
Strategy Committee
Age: 70
1,000 shares
Date of first term: April 2004
Current term expires: 2016
- 5 **BERNARD DELPIT**
Independent Director
Chief Financial Officer,
Crédit Agricole SA
Member of the International
Strategy Committee
Age: 49
1,000 shares
Date of first term: April 2010
Current term expires: 2014
- 6 **THIERRY DESMAREST**
Independent Director
Honorary Chairman, Total
Chairman of the International
Strategy Committee
Member of the Industrial
Strategy Committee
Member of the Remunerations
Committee
Age: 68
1,500 shares
Date of first term: April 2008
Current term expires: 2016
- 7 **PASCAL FAURE****
Director representing the State
Director General, Competitiveness,
Industry and Services (DGCIS)
Member of the Industrial
Strategy Committee
Member of the International
Strategy Committee
Age: 51
Date of first term: February 2013
Current term expires: N/A
- 8 **JEAN-PIERRE GARNIER**
Independent Director
Chairman, Actélon
Chairman of the Industrial
Strategy Committee
Member of the International
Strategy Committee
Member of the Remunerations
Committee
Age: 66
1,000 shares
Date of first term: April 2008
Current term expires: 2016



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19

9 RICHARD GENTIL

Representative elected by the employees
Technician, hydraulic and mechanical
maintenance methods, and gas
foundry manager, Renault
Member of the Industrial Strategy
Committee
Member of the International Strategy
Committee
Age: 45
1 share
Date of first term: November 2012
Current term expires: 2016

10 YURIKO KOIKE

Director representing Nissan
Member of the House
of Representatives of Japan
Age: 61
100 shares
Date of first term: April 2013
Current term expires: 2017

11 MARC LADREIT DE LACHARRIÈRE

Independent Director
Chairman and Chief Executive Officer,
Fimalac
Chairman of the Appointments
and Governance Committee
Member of the Remunerations
Committee
Age: 73
1,020 shares
Date of first term: October 2002
Current term expires: 2014

12 DOMINIQUE DE LA GARANDERIE

Independent Director
Founder and Partner, Cabinet
La Garanderie & Associés (law firm)
and former chairman of the Paris
Bar Association
Member of the Audit, Risks and Ethics
Committee
Member of the Appointments
and Governance Committee
Age: 70
1,150 shares
Date of first term: February 2003
Current term expires: 2017

13 PHILIPPE LAGAYETTE

Senior Independent Director
Chairman of the Fondation de France
Chairman of the Audit, Risks and Ethics
Committee
Member of the Appointments
and Governance Committee
Age: 70
1,000 shares
Date of first term: May 2007
Current term expires: 2015

14 BENOÎT OSTERTAG

Director representing employee
shareholders
Skills Leader, Quality System, Powertrain
Engineering and Technology, Renault
Member of the Audit, Risks and Ethics
Committee
Member of the Industrial Strategy
Committee
Age: 48
90 ESOP units
Date of first term: May 2011
Current term expires: 2017

15 ÉRIC PERSONNE

Director elected by the employees
Head of sales and quality reporting,
Renault Retail Group (RRG)
Member of the International Strategy
Committee
Member of the Remunerations
Committee
Age: 51
20 shares
Date of first term: November 2012
Current term expires: 2016

16 FRANCK RIBOUD

Independent Director
Chairman and Chief Executive Officer,
Danone SA
Age: 58
331 shares
Date of first term: December 2000
Current term expires: 2014

17 MARIETTE RIH

Director elected by the employees
Project leader, demonstration vehicles
and technological tools, Renault
Member of the International Strategy
Committee
Age: 46
8 ESOP units
Date of first term: November 2012
Current term expires: 2016

18 HIROTO SAIKAWA

Director representing Nissan
Executive Vice President,
Nissan Motor Co., Ltd.
Member of the International Strategy
Committee
Age: 60
100 shares
Date of first term: May 2006
Current term expires: 2014

19 PASCALE SOURISSE

Independent Director
Senior Executive Vice President,
International Development, Thalès;
President, Thalès International
Member of the Audit, Risks and Ethics
Committee
Age: 51
1,000 shares
Date of first term: April 2010
Current term expires: 2014

* Title at December 31, 2013.
** Administrative regulations
forbid directors representing
the French State from owning
shares in the company.

THE BOARD OF DIRECTORS

AND ITS SPECIALIZED COMMITTEES

The Renault Board of Directors met eight times in 2013. At each of these meetings, the management reported on the finances, market performance, and the industrial and technical activities of the Group in all areas and took questions from Board members.

The main subjects dealt with by the Board are outlined below.

Accounts and budget. The Board approved the Group's consolidated financial statements, the parent company accounts of Renault and the half-year financial statements for 2013. The Board adopted the budget for 2014. It voted an increase in incentive payments linked to company performance in the 2013 financial year.

Corporate governance. The Board welcomed one new member in 2013. Yuriko Koike replaced Takeshi Isayama as the Director representing Nissan. At the beginning of 2014, the Board discussed and assessed its operating methods and procedures. The Board approved the list of Independent Directors and reviewed the membership of its specialized committees. It approved a change in the organization of management following the departure of the Chief Operating Officer. It determined the remuneration of the Chairman and Chief Executive Officer based on an assessment of his achievement of performance targets applicable to his remuneration. The Board adopted the Report of the Chairman of the Board of Directors in application of Article L. 225-37 of the Commercial Code.

Group strategy. The Board reviewed the progress in the Renault – Drive the Change plan and discussed Renault's strategy in China and South Korea. The Board also monitored the development of activities in Russia and discussed the strategy for research, development and innovation as well as for the premium vehicle segment. The Board determined the strategic issues to be examined in 2014.

THE BOARD OF DIRECTORS HAS FIVE SPECIALIZED COMMITTEES

- **Audit, Risks and Ethics Committee (CARE).**

This Committee is chaired by Philippe Lagayette. Its other members are David Azéma, Charles de Croisset, Dominique de La Garanderie, Benoît Ostertag and Pascale Sourisse. Four of its six members are thus independent directors. The Committee met six times in 2013. It reviewed the Group's consolidated financial statements and Renault's financial statements for 2012 and the first half of 2013 and well as related financial disclosures. The Committee examined the external audit plan presented by the Statutory Auditors and the internal audit plan; monitored financial risks in the Group and notably the situation in Iran; and reviewed the work of the Group Ethics Department. CARE also oversaw the process for renewing the appointment of the Statutory Auditors.

- **Remunerations Committee.** This Committee is chaired by Alain J. P. Belda. Its other members are Thierry Desmarest, Jean-Pierre Garnier and Marc Ladreit de Lacharrière. Four of its members are thus independent directors. In 2013, the Committee met three times. It dealt in particular with the remuneration of the Chairman and Chief Executive Officer, including the performance criteria related to the Renault – Drive the Change plan that affect the variable portion of his remuneration. It also reviewed the performance criteria for granting stock options and performance-related shares for 2012.

- **Appointments and Governance Committee.** This Committee is chaired by Marc Ladreit de Lacharrière. Its other members are

Alain J. P. Belda, Philippe Lagayette and Dominique de La Garanderie. All four of its members are thus independent directors. Mr. Ghosn was a member until February, when he resigned from the Committee in compliance with the AFEP-MEDEF Code. The Committee met twice in 2013. The main subjects it dealt with were the membership of the Board of Directors and the Board committees, the renewal of directors, the introduction of rules on appointing more women to the Board, the annual Board assessment, and a review of the list of independent directors in application of the recommendations of the AFEP-MEDEF Code.

- **International Strategy Committee.** The Committee is chaired by Thierry Desmarest. Its other members are Alain J. P. Belda, Bernard Delpit, Pascal Faure, Jean-Pierre Garnier, Richard Gentil, Éric Personne, Mariette Rih and Hiroto Saikawa. Four of its nine members are thus independent directors. In 2013, the Committee met twice. It dealt in particular with the development of Renault's activities in Russia in its partnership with AVTOVAZ, Renault's activities in China and South Korea, and the development of its operations in Brazil.

- **Industrial Strategy Committee.** This Committee is chaired by Jean-Pierre Garnier. Its other members are David Azéma, Charles de Croisset, Thierry Desmarest, Richard Gentil, Pascal Faure and Benoît Ostertag. Three of its seven members are thus independent directors. In 2013, the Committee met twice. It examined the Group's industrial strategy, and in particular the impact of economic conditions on manufacturing in Europe, and followed up on the Competitiveness Agreement signed in France.

THE RENAULT GROUP

AND ITS SHAREHOLDERS

As soon as it opened its capital in 1995, Renault took steps to help shareholders become more familiar with the company, its objectives, its products, and the automotive world in general. The many meetings and discussions organized by the Group are much appreciated by the community of shareholders.

For Renault, individual shareholders are genuine partners. Many of them wish to become involved in the company in which they have invested their savings. For this reason, the Group has decided to build long-term relations with its shareholders. The key values of these relations are mutual respect and trust, based on close ties and dialogue with the shareholding community. In this spirit, a Consultative Committee made up of nine Renault shareholders, including two current or retired employees of the Renault group, makes sure that Renault provides clear information to shareholders. It meets several times a year to review Renault's communication with shareholders with the aim of making improvements and innovating in all media used for this communication.

Discussions between corporate management and the members of the Consultative Committee take place from time to time during these workshops.

THE SHAREHOLDERS' CLUB

To promote closer ties and dialogue, the Group encouraged the founding of a Shareholders' Club that would be open to all individual shareholders. Today, this Club has some 8,000 members. Every year, members are invited to events hosted by Renault experts to enable them to gain a better understanding of the company. For example, shareholders visit production sites and research centers and attend talks on specific themes. Since 2012, they have also been able to test drive electric vehicles, an opportunity that has proved hugely popular with the Club's members. Each year, members of the Finance department travel to different cities in France (Aubagne, Lyon and Strasbourg in 2013) to host meetings attended by more than

250 shareholders. These are held either in Renault network dealerships or in partnership with the Fédération Française des Clubs d'Investissement.

TOOLS AVAILABLE 24/24

Three times a year, Renault publishes the magazine *Renault Actu* to inform shareholders about important events in the company. A free telephone number with a voice server, an email address, and a Finance section on its website www.renault.com are also available to shareholders. In 2009, the Shareholders' Corner was added to the website. Accessible in the Finance section at www.renault.com, it allows Club members to sign up for events and manage their accounts online. To enable shareholders to follow key events in the Group's financial life through live and recorded coverage, Renault broadcasts the press conferences held to report annual and first-half results and the Annual General Meeting on the website www.renault.com. To make it easier for shareholders to vote at the Annual General Meeting, Renault introduced the online Votaccess service in 2014. This ecological and innovative system helps to give shareholders a greater say in corporate governance.

CLOSE RELATIONS WITH INVESTORS

Renault organizes meetings for financial analysts whenever financial results are published or for announcements relating to exceptional events. Individual meetings with investors are also organized throughout the year in France and other countries. Members of the management team also regularly take part in motor shows and press conferences held in Europe and the United States. Among the highlights of 2013 was the opportunity given to socially

responsible investors (SRI) to attend an afternoon electric vehicle workshop during which they were able to test drive the full range of zero-emission vehicles (Fluence Z.E., Kangoo Z.E., ZOE and Twizy). At another workshop on the theme of innovation, they were able to talk directly with R&D managers from Renault and try out innovative technologies that will be used in the future.



Ann Hindry, curator of Renault's contemporary art collection, shows shareholders a small selection of the some 300 works in it.

Shareholders test drive electric vehicles.



FINANCIAL RESULTS IN 2013

Group revenues were €40,932 million, up 0.5% from 2012⁽¹⁾, on 3.1% higher sales. The Automotive division's operating margin was €495 million, up from €34 million in 2012⁽¹⁾, contributing to a Group operating margin of €1,242 million (3.0% of revenues), compared with €782 million⁽¹⁾ (1.9% of revenues) in 2012. Operational free cash flow of the Automotive division was a positive €827 million (including a positive contribution from a change in the working capital requirement of €790 million).

OUTLOOK FOR 2014

The Group foresees European markets stabilizing. At the same time, market growth in the emerging countries, still driven by China, becomes more uncertain in the short term. In this context, Renault will aim to:

- increase Group sales volumes and revenues (at constant exchange rates),
- increase the value of the Group and Automotive division's operating margin, and
- generate positive operational free cash flow in the Automotive division.

In 2013, **Group revenues totaled** €40,932 million, up 0.5%⁽¹⁾. The **Automotive** division contributed €38,775 million to revenues, up 0.4% from 2012⁽¹⁾, thanks to higher sales and despite a strong negative foreign exchange effect. The Group also benefited from a positive price effect, reflecting the policy being implemented to enhance the value of the Renault brand and offset the weakness of certain currencies.

Group operating margin was €1,242 million, up from €782 million in 2012⁽¹⁾, representing 3.0% of revenues, compared with 1.9% in 2012⁽¹⁾.

The **operating margin of the Automotive** division increased by €461 million to €495 million, equivalent to 1.3% of revenues. Pricing and cost-control policies contributed to the improvement and helped offset a negative foreign exchange effect.

The **contribution of Sales Financing** to the Group's operating margin was €747 million, compared with €748 million in 2012⁽¹⁾. The cost of risk (including country risk) remained low, at 0.42% of average outstanding performing loans, compared with 0.38% in 2012.

Other **income and operating expenses** were a negative €1,276 million, owing mainly to a provision of €514 million to cover the Group's entire exposure in Iran (already recorded in the first half), a charge of €488 million for provisions and depreciation of assets, and a €423 million charge for restructuring, relating in particular to the competitiveness agreement signed in France. Operating income thus stood at a negative €34 million, compared with €183 million in 2012⁽¹⁾.

The **contribution of associated companies** (mainly Nissan) came to €1,444 million in 2013, compared with €1,475 million in 2012⁽¹⁾ (this included AB Volvo's contribution until September 2012).

Net income came to €695 million, and net income, Group share, to €586 million (€2.15 per share, compared with €6.43 per share in 2012⁽¹⁾).

Operational **free cash flow** of the Automotive division was a positive €827 million, after taking into account a positive change of €790 million in the working capital requirement over the period.

At end-December 2013, total inventories (including the independent dealer network) stood at 63 days of sales, compared with 65 days at end-December 2012.

The **net cash position** of the Automotive division was €1,761 million, up €229 million from December 31, 2012⁽¹⁾.

RCI Banque continued to diversify its financing with its savings account and term deposit business, with deposits totaling €4.3 billion at end-December 2013 in France and Germany.

A **dividend** of €1.72 per share, stable compared with 2013, will be submitted for approval at the next Annual General Meeting.

(1) Restated to reflect the retroactive application of the IFRS 11 "partnerships" and revised IAS 19 "employee benefits" standards.



CONSOLIDATED INCOME STATEMENT

(€ million)	2013	2012
Revenues (note 4)	40,932	41,270
Cost of goods and services	(33,611)	(34,092)
Research and Development expenses (note 11-A)	(1,812)	(1,915)
Selling, general and administrative expenses	(4,267)	(4,534)
Operating margin (note 5)	1,242	729
Other operating income and expenses (note 6)	(1,276)	(607)
<i>Other operating income</i>	222	224
<i>Other operating expenses</i>	(1,498)	(831)
Operating income	(34)	122
Net interest income (expense)	(267)	(267)
<i>Interest income</i>	183	184
<i>Interest expenses</i>	(450)	(451)
Other financial income and expenses	(15)	1
Financial income (note 7)	(282)	(266)
Gain on sale of AB Volvo shares (note 14)	-	924
Share in net income (loss) of associates	1,444	1,504
<i>Nissan (note 13)</i>	1,498	1,234
<i>Other associates (note 14)</i>	(54)	270
Pre-tax income	1,128	2,284
Current and deferred taxes (note 8)	(433)	(549)
NET INCOME	695	1 735
Net income – non-controlling interests' share	109	(37)
Net income – parent-company shareholders' share	586	1 772
Earnings per share ⁽¹⁾ in € (note 9)	2.15	6.51
Diluted earnings per share ⁽¹⁾ in € (note 9)	2.14	6.50
Number of shares outstanding (in thousands) (note 9)		
<i>For earnings per share</i>	272,290	272,256
<i>For diluted earning per share</i>	274,096	272,393

CONSOLIDATED FINANCIAL POSITION

(€ million)	DECEMBER 31, 2013	DECEMBER 31, 2012
ASSETS		
Non-current assets		
Intangible assets (note 11-A)	3,282	3,482
Property, plant and equipment (note 11-B)	10,973	11,534
Investments in associates	14,874	15,562
<i>Nissan (note 13)</i>	<i>14,068</i>	<i>14,788</i>
<i>Other associates (note 14)</i>	<i>806</i>	<i>774</i>
Non-current financial assets (note 22)	1,530	1,032
Deferred tax assets (note 8)	396	416
Other non-current assets (note 18)	1,076	821
TOTAL NON-CURRENT ASSETS	32,131	32,847
Current assets		
Inventories (note 15)	3,162	3,864
Sales financing receivables (note 16)	23,650	23,230
Automotive receivables (note 17)	970	1,144
Current financial assets (note 22)	1,098	989
Current tax assets	64	39
Other current assets (note 18)	2,256	2,121
Cash and cash equivalents (note 22)	11,661	11,180
TOTAL CURRENT ASSETS	42,861	42,567
TOTAL ASSETS	74,992	75,414
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	1,127	1,127
Share premium	3,785	3,785
Treasury shares	(187)	(201)
Revaluation of financial instruments	571	36
Translation adjustment	(3,674)	(1,386)
Reserves	20,629	19,159
Net income – parent-company shareholders' shares	586	1,772
Shareholders' equity – parent-company shareholders' shares	22,837	24,292
Shareholders' equity – non-controlling interests' shares	377	255
TOTAL SHAREHOLDERS' EQUITY (NOTE 19)	23,214	24,547
Non-current liabilities		
Deferred tax liabilities (note 8)	121	123
Provisions – long-term (note 20)	2,544	2,496
Non-current financial liabilities (note 23)	7,100	6,622
Other non-current liabilities (note 21)	1,119	844
TOTAL NON-CURRENT LIABILITIES	10,884	10,085
Current liabilities		
Provisions – short-term (note 20)	1,095	889
Current financial liabilities (note 23)	2,921	3,094
Sales financing debts (note 23)	23,757	23,305
Trade payables	6,171	6,558
Current tax liabilities	126	131
Other current liabilities (note 21)	6,824	6,805
TOTAL CURRENT LIABILITIES	40,894	40,782
TOTAL SHAREHOLDERS' CAPITAL AND LIABILITIES	74,992	75,414

CONSOLIDATED CASH FLOWS

(€ million)	2013	2012
Net income	695	1,735
Cancellation of dividends received from unconsolidated listed investments ⁽¹⁾	(27)	(34)
Cancellation of income and expenses with no impact on cash		
Depreciation, amortization and impairment	3,169	3,307
Share in net income (loss) of associates	(1,444)	(1,504)
Other income and expenses with no impact on cash (note 26-A)	815	(788)
Dividends received from unlisted associates	6	3
Cash flow ⁽²⁾	3,214	2,719
Dividends received from listed companies ⁽³⁾	433	507
Net change in financing for final customers	(534)	(568)
Net change in renewable dealer financing	(781)	(896)
Decrease (increase) in sales financing receivables	(1,315)	(1,464)
Bond issuance by the Sales Financing segment (note 23-A)	2,958	3,509
Bond redemption by the Sales Financing segment (note 23-A)	(2,465)	(2,765)
Net change in other sales financing debts	917	652
Net change in other securities and loans of the Sales Financing segment	(365)	(69)
Net change in sales financing financial assets and debts	1,045	1,327
Change in capitalized leased assets	(333)	(210)
Decrease (increase) in working capital (note 26-B)	528	997
CASH FLOWS FROM OPERATING ACTIVITIES	3,572	3,876
Capital expenditure (note 26-C)	(2,749)	(2,847)
Disposals of property, plant and equipment and intangibles	198	162
Acquisitions of investments with gain of control, net of cash acquired	(5)	(5)
Acquisitions of other investments, net of cash acquired	(273)	(112)
Disposals of investments with loss of control, net of cash transferred	26	-
Disposals of other investments, net of cash transferred and other ⁽⁴⁾	91	1,473
Net decrease (increase) in other securities and loans of the Automotive segment	(12)	(240)
CASH FLOWS FROM INVESTING ACTIVITIES	(2,724)	(1,569)
Transactions with non-controlling interests ⁽⁵⁾	(2)	(91)
Dividends paid to parent-company shareholders (note 19-D)	(502)	(338)
Dividends paid to non-controlling interests	(48)	(73)
(Purchases) sales of treasury shares	-	-
Cash flows with shareholders	(552)	(502)
Bond issuance by the Automotive segment (note 23-A)	1,716	1 952
Bond redemption by the Automotive segment (note 23-A)	(1 152)	(1,073)
Net increase (decrease) in other financial liabilities of the Automotive segment	(24)	132
Net change in financial liabilities of the Automotive segment	540	1,011
CASH FLOWS FROM FINANCING ACTIVITIES	(12)	509
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	836	2,816

(1) Dividends received from Daimler.

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

(3) Dividends from Daimler (€27 million) and Nissan (€406 million) in 2013. Dividends from Daimler (€34 million), AB Volvo (€47 million) and Nissan (€426 million) in 2012.

(4) AB Volvo shares were sold for €1,476 million in 2012.

(5) Via capital increases or capital reductions and acquisitions of additional investments in controlled companies (note 2-J).

(€ million)	2013	2012
Cash and cash equivalents: opening balance	11,180	8,672
Increase (decrease) in cash and cash equivalents	836	2,816
Effect of changes in exchange rate and other changes	(355)	(308)
Cash and cash equivalents: closing balance	11,661	11,180

Details of interest received and paid by the Automotive segment are given in note 26-D.

Current taxes paid by the Group are reported in note 8-A.



GROUP VEHICLE RANGES



3

BRANDS

SOLD BY THE RENAULT GROUP
(RENAULT, DACIA, RSM)

4

ELECTRIC

VEHICLES SOLD
BY THE RENAULT GROUP

A puja ceremony
at a Renault dealership
in Chennai, India.

RENAULT

PASSENGER CARS EUROPE



Koleos
sold in Europe
and elsewhere in the world



Scénic
also exists in Grand Scénic
and Xmod versions



Mégane Berline
also exists
in an Estate version



Twingo
replaced in 2014



Mégane coupé cabriolet
also exists in a Coupé version



Captur



New Clio
also exists
in an Estate version



Traffic Passenger
replaced in 2014



Kangoo



Espace
also exists
in a Grand Espace version



Laguna coupé
also exists in Sedan
and Estate versions



**See the entire
range**



Latitude

SERIES SPORTS VEHICLES



Mégane R.S. 265



Clio R.S. 200 EDC



Mégane Estate G.T. 220

RENAULT

INTERNATIONAL PASSENGER CARS



Latitude



Talisman



Pulse
sold only in India



Sandero Stepway



Fluence



Scala
sold only in India



Logan



Duster



Koleos

LIGHT COMMERCIAL VEHICLES

Kangoo Express
also exists in Compact
and Maxi versions



Master
also exists
in a Propulsion version



Trafic
replaced in 2014



ELECTRIC VEHICLES

Twizy



Kangoo Z.E.



ZOE



Fluence Z.E.



DACIA

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES



Logan MCV



Lodgy



Logan



Dokker



Sandero



Dokker Van



Sandero
Stepway version



Duster

RSM

PASSENGER CARS



SM3



SM5



SM3 Z.E.



QM5



SM7



QM3



See
the entire range

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