



# EARNINGS REPORT

## 2018

# EARNINGS REPORT 2018

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## KEY FIGURES

		2018 <sup>(1)</sup>	2017 restated	Change
Worldwide Group sales <sup>(2)</sup>	Million vehicles	3,884,295	3,762,077	+3.2%
Group revenues	€ million	57,419	58,770	-1,351
Group operating profit	€ million	3,612	3,854	-242
	% revenues	6.3%	6.6%	-0.3 pt
Group operating income	€ million	2,987	3,806	-819
Contribution from associated companies	€ million	1,540	2,799	-1,259
<i>o/w Nissan</i>	€ million	1,509	2,791	-1,282
Net income <sup>(3)</sup>	€ million	3,451	5,308	-1,857
Net income, Group share <sup>(3)</sup>	€ million	3,302	5,212	-1,910
Earnings per share <sup>(3)</sup>	€	12.24	19.23	-6.99
Automotive including AVTOVAZ operational free cash flow <sup>(4)</sup>	€ million	607	945	-338
Automotive including AVTOVAZ net cash position <sup>(3)</sup>	€ million	3,702	3,209	+493
Sales Financing, average performing assets	€ billion	44.4	39.6	+12.0%

(1) Application of IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from contracts with Customers" as of January 1, 2018.

(2) 2018 Group registrations include Jinbei & Huasong sales.

(3) The figures for the year 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018.

(4) Automotive operational Free cash flow including AVTOVAZ: cash flows after interest and tax (excluding dividends received from publicly listed companies) minus tangible and intangible investments net of disposals +/- change in the working capital requirement.

## OVERVIEW

In 2018, **Groupe Renault** sales increased by 3.2% while integrating the Jinbei and Huasong brands since January 1, 2018. At 2017 scope, Groupe Renault volumes declined by 1.2% in a world market down 0.3%, with stable sales in Europe, (+0.5%).

Groupe Renault is the European leader in the **electric vehicle** segment with a 22.2% market share.

In the **light commercial vehicle** segment, the Group grew by 33.7% (619,229 vehicles). Excluding Jinbei and Huasong, sales increased by 0.9% to 467,042 vehicles.

Groupe Renault is pursuing its **Drive the Future** plan by expanding internationally, now representing 50.6% of total sales (vs. 49.2% in 2017), thanks in particular to the integration of the Jinbei, Huasong brands, and despite the decline in sales in Turkey and India and the cessation of sales in Iran due to the application of American sanctions.

**Group revenues** reached €57,419 million (-2.3%), including €3,040 million for AVTOVAZ (+11.5%). Excluding currency impact, Group revenues increased by 2.5%.

**Automotive excluding AVTOVAZ revenues** decreased -4.4% to €51,171 million, including the negative impact from the change in interest rate subsidies allocation between the Automotive excluding AVTOVAZ segment and Sales Financing of €555 million. This change mainly reflects a negative currency effect of -4.1 points, lower volumes (-0.5 points) and sales to partners (-1.8 points). The downturn in sales to partners was mainly the result of the closure of the Iranian market and the decline in European demand for diesel. In contrast, the price effect

was positive +1.4 points thanks to price increases in emerging countries as well as Europe. The model mix was slightly negative at -0.2 points. The "Others" effect (+0.8 points), including the aforementioned change in allocation, was due in particular to the strong performance of the used vehicle and spare parts activities, and lower sales with buy-back commitments.

The **Group's operating margin** amounted to €3,612 million and represented 6.3% of revenues.

**Automotive excluding AVTOVAZ operating margin** was down €545 million to €2,204 million, which represented 4.3% of revenues compared to 5.1% in 2017. In addition to a negative volume effect of -€329 million, this decrease was largely explained by an unfavorable environment, both in respect of currency, with an impact of -€526 million, and raw materials (-€356 million). To offset these negative effects, the Group pursued its cost management policy resulting in a positive +€421 million from Monozukuri<sup>1</sup> and price increases leading to a positive mix/price/enrichment effect of +€261 million.

The **AVTOVAZ operating margin contribution** rose to €204 million, compared to €55 million in 2017, and marked a new stage in the company's recovery thanks to the success of its recently launched models in a recovering market and efforts to streamline costs. In addition, AVTOVAZ benefited, in 2018, from positive non-recurring effects.

**Sales Financing** contributed €1,204 million to the Group's operating margin, compared to €1,050 million in 2017. This rise of nearly 15% was notably due to the good commercial performance in recent years.

<sup>1</sup> Monozukuri: purchasing performance (excluding raw materials), warranty, R&D expenses, manufacturing and logistics costs.

## IN BRIEF

**Other operating income and expenses** amounted to -€625 million (compared to -€48 million in 2017). This sharp deterioration stemmed mainly from two factors: on the one hand, the consequences of the Argentinean crisis for more than €200 million, and on the other hand, provisions notably relating to the early retirement program in France, for nearly €300 million.

The Group's **operating income** came to €2,987 million, compared to €3,806 million in 2017.

**Financial income** amounted to -€353 million, compared to -€391 million in 2017 (after taking into account the change in the accounting method for redeemable shares). Improvements in the Group's funding cost allowed it to absorb a €31 million expense relating to the application of accounting rules linked to Argentina's hyperinflation situation.

The **contribution of associated companies**, primarily Nissan, came to €1,540 million, compared to €2,799 million in 2017. In 2017, Nissan's contribution included a non-recurring income of €1,021 million linked to the USA tax reform voted at the end of 2017 and sale of its interest in the equipment manufacturer Calsonic Kansei.

**Current and deferred taxes** showed an expense of €723 million.

**Net income** amounted to €3,451 million, and net income, Group share, to €3,302 million (€12.24 per share compared to €19.23 per share in 2017).

**Automotive operational free cash flow, including AVTOVAZ** for €115 million, was positive at €607 million after taking into account a positive change in working capital requirements excluding AVTOVAZ for €781 million and an increase in total investments excluding AVTOVAZ for €784 million.

At December 31, 2018, total inventories (including the independent network) represented 70 days of sales, compared to 57 days at end December 2017. This sharp rise primarily reflected the weak sales in the 4<sup>th</sup> quarter of 2018.

A **dividend** of €3.55 per share, stable with last year, will be submitted for approval at the Shareholders' Annual General Meeting.

## OUTLOOK 2019

In 2019, both the Global and European markets are expected to be stable\* compared to 2018.

The Russian market is expected to grow by at least 3% and the Brazilian market by 10%.

Within this context, Groupe Renault is aiming to:

- Increase revenues (at constant exchange rates and perimeter)<sup>2</sup>,
- Achieve a Group operating margin of around 6%,
- Generate a positive Automotive operational free cash flow.

\* Excluding "hard Brexit".

<sup>2</sup> In order to analyze the change in consolidated revenues at constant perimeter and exchange rates, Groupe Renault recalculates revenues for the current year by applying the average annual exchange rates of the previous year and excluding significant changes in perimeter that occurred during the year.

## OVERVIEW

- In 2018, worldwide sales of passenger cars and light commercial vehicles (PC+LCV) by **Groupe Renault** increased by 3.2%, with 3.88 million vehicles sold while integrating the Jinbei and Huasong brands since January 1, 2018 (165,603 vehicles). At 2017 scope, Groupe Renault volumes declined by 1.2% in a world market down 0.3%.
- The **Renault brand** registered 2,532,567 sales in 2018 (-5.2%). **Dacia** sales were up 7.0% at 700,798 vehicles. **Lada's** sales increased by 18.7% to 398,282 registrations and **Renault Samsung Motors'** sales fell by 14.9% to 84,954 vehicles.
- **In Europe**, sales were stable (+0.5%) in a market that grew by 0.2%. The Dacia brand posted a new sales record in Europe (+10.3%) and a record market share of 2.9% (+0.3 points). This increase is linked to the performance of the New Duster launched at the beginning of the year and Sandero.
- In the **electric vehicle segment**, Renault is the European leader with a 22.2% market share. ZOE saw its volumes increase by 26.1% (39,458 vehicles) and Kangoo Z.E. by 105.1% (8,747 vehicles).
- In the **light commercial vehicle segment**, the Group grew by 33.7% (619,229 vehicles). Excluding Jinbei and Huasong, sales increased by 0.9% to 467,042 vehicles. The Renault brand reached a new record high in 2018 despite the decline in Turkey and Argentina, two important markets for this segment.
- **Groupe Renault** is pursuing its **Drive the Future** plan by expanding internationally, with sales now representing 50.6% of total (vs. 49.2% in 2017), thanks in particular to the integration of the Jinbei and Huasong brands, and despite the decline in sales in Turkey, India and the cessation of sales in Iran due to the application of American sanctions.
- The sales of the **Jinbei and Huasong** brands are taken into account as of January 1, 2018 following the creation of a Joint Venture with Brilliance China Automotive Holdings Limited and amounted to 165,603 vehicles in 2018.
- In 2018, the number of new financing contracts by **RCI Banque** was up 1.6% compared to 2017.

### THE GROUPE RENAULT'S TOP FIFTEEN MARKETS

SALES	Ranking 2017	Volumes 2018 <sup>(1)</sup> (units)	PC + LCV market share 2018 (%)	Change in market share on 2017 (points)
1 France	1	689,788	26.2	-0.2
2 Russia	2	497,266	27.6	-0.5
3 Germany	3	235,609	6.3	+0.2
4 China <sup>(2)</sup>	14	216,699	0.8	+0.5
5 Brazil	8	214,822	8.7	+1.0
6 Italy	4	208,580	10.0	-0.0
7 Spain	5	189,480	12.3	-0.6
8 Turkey	7	115,842	18.7	-0.0
9 Argentina	10	114,348	14.8	+1.4
10 United Kingdom	9	103,607	3.8	-0.2
11 Iran	6	101,347	10.6	-2.4
12 South Korea	12	90,369	5.1	-0.6
13 Belgium-Luxemburg	13	88,663	12.9	-0.0
14 India	11	82,368	2.1	-1.0
15 Morocco	15	75,418	42.5	+0.7

(1) Preliminary figures as of end-December 2018 (excluding Twizy).

(2) Including Jinbei & Huasong.

## 1.1 AUTOMOTIVE

## 1.1.1 GROUP SALES WORLDWIDE BY REGION

	2018*	2017**	Change (%)
<b>PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)***</b>			
<b>GROUP</b>	<b>3,884,295</b>	<b>3,762,077</b>	<b>+ 3.2</b>
<b>EUROPE REGION</b>	<b>1,920,742</b>	<b>1,911,824</b>	<b>+ 0.5</b>
Renault	1,401,376	1,442,350	-2.8
Alpine	1,943	7	+++
Dacia	511,622	463,784	+10.3
Lada	5,801	5,683	+2.1
<b>AFRICA MIDDLE-EAST INDIA REGION</b>	<b>448,959</b>	<b>532,118</b>	<b>-15.6</b>
Renault	348,166	438,364	-20.6
Dacia	96,889	92,211	+5.1
Lada	3,090	1,543	+++
Jinbei & Huasong	814	-	-
<b>EURASIA REGION</b>	<b>747,602</b>	<b>732,795</b>	<b>+ 2.0</b>
Renault	267,538	308,430	-13.3
Dacia	90,838	97,402	-6.7
Lada	389,026	326,963	+19.0
Jinbei & Huasong	200	-	-
<b>AMERICAS REGION</b>	<b>437,248</b>	<b>389,420</b>	<b>+ 12.3</b>
Renault	436,330	389,206	+12.1
Lada	365	214	+70.6
Jinbei & Huasong	553	-	-
<b>ASIA-PACIFIC REGION</b>	<b>329,744</b>	<b>195,920</b>	<b>+ 68.3</b>
Renault	79,157	93,441	-15.3
Alpine	148	-	-
Dacia	1,449	1,418	+2.2
Renault Samsung Motors	84,954	99,846	-14.9
Lada	-	1,215	---
Jinbei & Huasong	164,036	-	-

\* Preliminary figures.

\*\* 2017 figures do not include Jinbei & Huasong sales.

\*\*\* Twizy is a quadricycle and therefore not included in Group automotive sales except in Bermuda, Chile, Colombia, Guatemala, Ireland, Lebanon, Malaysia, Mexico and South Korea.

## → Europe

In **Europe**, sales were stable (+0.5%) in a market that grew by 0.2%. The Group's growth comes mainly from the B segment (Clio, Captur, Sandero), and New Duster. Clio remains the second best-selling vehicle in Europe and Captur the first crossover in its class.

The **Dacia** brand posted a new sales record in Europe with 511,622 vehicles sold (+10.3%) and a record market share of 2.9% (+0.3 points). This increase is linked to the performance of the New Duster launched at the beginning of the year and Sandero.

In the **electric vehicle segment**, Renault is the European leader with a 22.2% market share. ZOE saw its volumes increase by 26.1% (39,458 vehicles) and Kangoo Z.E. by 105.1% (8,747 vehicles).

## → Outside Europe

**Groupe Renault** is pursuing its **Drive the Future** plan by expanding internationally, with sales now representing 50.6% of total sales (vs. 49.2% in 2017), thanks in particular to the integration of the Jinbei and Huasong brands, and despite the decline in sales in Turkey, India and the cessation of sales in Iran due to the application of American sanctions.

In **Russia**, the Group's second largest country in terms of sales volume, the market grew by 12.8%. The Group is the leader, with more than one car in four sold being a Lada or a Renault. Sales increased by 10.9%. **Renault** brand volumes were stable with 137,062 vehicles sold, pending the arrival of Arkana in 2019.

## SALES PERFORMANCE

## 1.1 AUTOMOTIVE

**Lada** recorded a 15.6% increase of its sales to 360,204 vehicles, with a 20% market share (+0.5 points) thanks to the successful renewal of its range. Lada Vesta has become the best-selling vehicle in Russia.

In **Brazil**, the Group outperformed the market recovery, which rose 13.6%. Sales increased by 28.5% to nearly 215,000 vehicles and market share reached 8.7% (+1.0 points) thanks to the good results of Kwid, which was sold to more than 67,000 units.

In **Africa**, the Group strengthened its leadership with a 18.1% market share, with 218,797 vehicles sold, thanks to its performance in Morocco, South Africa and Egypt. The market share in Morocco reached 43% with a 7% increase in sales volume. Dacia maintains its leadership with Dokker and Logan, the two best-selling vehicles.

Renault brand sales rose by 14.9% to more than 26,000 units in South Africa, representing a 4.9% market share. In Egypt, its market share reached 11.4%, up by more than 3 points with 20,504 vehicles sold.

In **India**, sales were down 26.8% in a market that grew by 8.4% pending the launch of a new vehicle scheduled for the second half of 2019.

In **China**, the Group is continuing to implement the **Drive the future** plan. Dongfeng-Renault volumes are down 26.9% pending the launch of new models in 2019. In total, by integrating the new Jinbei / Huasong brands, the group's volumes in China amounted to 216,699 units.

## 1.1.2 GROUP SALES BY BRAND AND BY TYPE

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS) ***	2018*	2017**	Change (%)
<b>GROUP</b>	<b>3,884,295</b>	<b>3,762,077</b>	<b>+ 3.2</b>
<b>BY BRAND</b>			
Renault	2,532,567	2,671,791	-5.2
Alpine	2,091	7	+++
Dacia	700,798	654,815	+7.0
Lada	398,282	335,618	+18.7
Renault Samsung Motors	84,954	99,846	-14.9
Jinbei & Huasong	165,603	-	-
<b>BY VEHICLE TYPE</b>			
Passenger cars	3,265,066	3,299,099	-1.0
Light commercial vehicles	619,229	462,978	+33.7

\* Preliminary figures.

\*\* 2017 figures do not include Jinbei & Huasong sales.

\*\*\* Twizy is a quadricycle and therefore not included in Group automotive sales except in Bermuda, Chile, Colombia, Guatemala, Ireland, Lebanon, Malaysia, Mexico and South Korea.

Sales of the **Renault** brand decreased by 5.2% compared to 2017.

With 2,532,567 units sold, the Renault brand accounted for 65% of Group's sales.

The **Dacia** brand's sales went up by 7.0% to 700,798 units, driven by the performance of the New Duster launched at the beginning of the year and Sandero.

**Renault Samsung Motors** saw sales fall 14.9% at 84,954 units owing to the lack of new models in a fiercely competitive market.

**Lada brand** posted a 18.7% rise in sales (398,282 units) thanks to the Russian market recovery and following the successful renewal of its range with, in particular, the models Lada Vesta and Lada XRAY.

The 165,603 sales of the **Jinbei and Huasong** brands are taken into account since January 1, 2018 following the creation of a Joint Venture with Brilliance China Automotive Holdings Limited.

# 1

## SALES PERFORMANCE

### 1.2 SALES FINANCING

## 1.2 SALES FINANCING

### 1.2.1 NEW FINANCING AND SERVICES

Benefiting from the growth in the world automotive market, RCI Banque once again posted an increase in its sales performance for 2018, and continues to deploy its strategic ambitions.

With over 1,798,901 contracts financed at the end of December 2018, representing an increase of 1.6% over the previous year, RCI Banque generated €20.9 billion in new financings. In a global automotive market that was up compared to 2017, the growth recorded in Europe and Africa Middle-East India offset the decline in new financing in other regions.

The Group's vehicle financing penetration rate stands at 40.7%, up 1.1 points compared to 2017. Excluding Turkey, Russia and India (companies consolidated by the equity method), this rate came to 42.9%, versus 42.6% in 2017.

The used vehicle financing business continues to grow with 355,274 contracts financed, up 11.1% compared to the previous year.

In this context, average performing assets (APA) now stand at €44.4 billion, showing a 12.0% increase compared to 2017. Of this amount, €34 billion was directly related to the Customers business, up 13.6%.

#### RCI BANQUE FINANCING PERFORMANCE

	2018	2017	Change (%)
<b>Number of financing contracts</b> (Thousands)	1,799	1,771	+1.6
- including UV contracts (Thousands)	355	320	+11.1
<b>New financing</b> (€ billion)	20.9	20.6	+1.5
<b>Average loans outstanding</b> (€ billion)	44.4	39.6	+12.0

#### PENETRATION RATE BY BRAND

	2018 (%)	2017 (%)	Change (points)
Renault	42.0	40.1	+1.9
Dacia	43.4	42.8	+0.6
Renault Samsung Motors	56.1	57.4	-1.2
Nissan	34.2	35.3	-1.2
Infiniti	22.9	27.4	-4.5
Datsun	22.9	22.7	+0.2
<b>RCI Banque</b>	<b>40.7</b>	<b>39.6</b>	<b>+1.1</b>

#### PENETRATION RATE BY REGION

	2018 (%)	2017 (%)	Change (points)
Europe	44.9	43.3	+1.6
Americas	35.0	38.8	-3.8
Asia-Pacific	56.8	57.4	-0.6
Africa Middle-East India	27.8	21.8	+6.0
Eurasia	27.0	26.7	+0.3
<b>RCI Banque</b>	<b>40.7</b>	<b>39.6</b>	<b>+1.1</b>

Building on the dynamic trend in the automotive market in new and used vehicle financing, the services business continued to develop with an increase of 11.1% in volume compared to 2017.

It stood at 4.8 million insurance and service contracts, of which 66% were customer and vehicle use-related services.



## SALES PERFORMANCE

## 1.2 SALES FINANCING

## RCI BANQUE SERVICES PERFORMANCE

	2018	2017	Change
Number of services contracts ( <i>Thousands</i> )	4,839	4,355	+11.1%
<b>Penetration rate on services</b>	<b>136.5%</b>	<b>119.1%</b>	<b>+17.4 pts</b>

## 1.2.2 INTERNATIONAL DEVELOPMENT AND NEW ACTIVITIES

After its entry into the consolidation scope in 2017, the Colombian subsidiary, RCI Colombia SA, continued to develop its activity and achieved an intervention rate of 47.5% with nearly 25,000 new financing contracts.

In a context of growth in the world automotive market, the share of RCI Banque business outside of Europe accounted for nearly 28% of the number of new vehicle financing contracts.

Since May 1, 2018, the new Mobility and Innovation Services business unit has had the task of offering innovative and tailor-made end-

to-end mobility solutions to the customers of the Alliance brands. Its creation is in line with RCI Bank and Services ambition to become a B2B mobility operator.

This year was also marked by the acquisition of a majority stake of 75% in Icabbi which is a dispatch management company for the taxi and VTC fleets. This approach is part of RCI's ambition to become a service provider for mobility professionals, by offering them a new technological brick with high added value.

## 1.3 SALES AND PRODUCTION STATISTICS

### GRUPE RENAULT WORLDWIDE REGISTRATIONS

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)		2018*	2017**	Change (%)
Model	Brand			
Sandero	Dacia / Renault	466,928	501,213	-6.8
Clio	Renault	451,537	443,254	+1.9
Duster	Dacia / Renault	352,933	323,641	+9.1
Mégane/Scenic	Renault	285,463	336,232	-15.1
Logan	Dacia / Renault	274,596	341,939	-19.7
Captur/QM3	Renault / RSM	247,239	246,253	+0.4
Kwid	Renault	170,852	125,146	+36.5
Kangoo (incl. Z.E.)	Renault	144,218	159,961	-9.8
Kadjar	Renault	134,381	155,014	-13.3
Vesta	Lada	119,150	79,102	+50.6
Granta	Lada	114,477	100,021	+14.5
Dokker	Dacia / Renault	107,697	90,285	+19.3
Master (incl. Z.E.)	Renault	104,127	97,237	+7.1
Trafic	Renault	97,657	104,907	-6.9
Twingo	Renault	90,807	82,314	+10.3
Kaptur/Captur Americas	Renault	69,656	62,169	+12.0
Koleos/QM5	Renault / RSM	68,233	76,233	-10.5
Largus	Lada	58,738	45,216	+29.9
Talisman/SM6	Renault / RSM	48,006	83,582	-42.6
Lada 4x4	Lada	42,935	37,572	+14.3
ZOE	Renault	40,508	31,916	+26.9
XRAY	Lada	37,588	33,822	+11.1
Lodgy	Dacia / Renault	37,453	43,439	-13.8
Oroch	Renault	36,732	31,353	+17.2
QM6	RSM	32,999	27,837	+18.5
Espace	Renault	12,786	18,693	-31.6
1117	Lada	12,279	16,674	-26.4
Latitude/SM5	Renault / RSM	9,497	7,470	+27.1
Priora	Lada	8,995	16,853	-46.6
Fluence (incl. Z.E.)/SM3 (incl. Z.E.)/Scala	Renault / RSM	8,260	13,806	-40.2
SM7	RSM	4,811	5,932	-18.9
Alaskan	Renault	3,737	1,753	+++
A110	Alpine	2,091	7	+++
Twizy	Renault	1,685	847	+98.9
Jinbei & Huasong	Jinbei & Huasong	165,603	-	-
Autres	Dacia / Renault / RSM / Lada	19,641	20,384	-3.6
<b>TOTAL WORLDWIDE GROUP PC + LCV SALES</b>		<b>3,884,295</b>	<b>3,762,077</b>	<b>+3.2</b>
<i>Twizy (excl. PC)***</i>		<i>2,231</i>	<i>1,752</i>	<i>+27.3</i>

RSM: Renault Samsung Motors.

\* Preliminary figures.

\*\* 2017 figures do not include Jinbei & Huasong sales.

\*\*\* Twizy is a quadricycle and therefore not included in Group automotive sales except in Bermuda, Chile, Colombia, Guatemala, Ireland, Lebanon, Malaysia, Mexico and South Korea.

## SALES PERFORMANCE

### 1.3 SALES AND PRODUCTION STATISTICS

#### GRUPE RENAULT EUROPEAN SALES

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)		2018*	2017**	Change (%)
Model	Brand			
Clio	Renault	367,570	363,869	+1.0
Mégane/Scenic	Renault	235,275	279,209	-15.7
Captur	Renault	214,746	213,922	+0.4
Sandero	Dacia	208,807	194,913	+7.1
Duster	Dacia	173,672	144,996	+19.8
Kangoo (incl. Z.E.)	Renault	111,977	109,412	+2.3
Kadjar	Renault	101,680	113,673	-10.6
Trafic	Renault	91,577	97,847	-6.4
Twingo	Renault	87,202	78,285	+11.4
Master (incl. Z.E.)	Renault	82,616	75,865	+8.9
Dokker	Dacia	63,545	57,197	+11.1
ZOE	Renault	39,458	31,287	+26.1
Logan	Dacia	36,993	37,899	-2.4
Lodgy	Dacia	28,560	28,771	-0.7
Talisman	Renault	20,050	32,505	-38.3
Koleos	Renault	19,326	13,211	+46.3
Espace	Renault	12,136	18,590	-34.7
Alaskan	Renault	2,581	1,012	+++
A110	Alpine	1,943	7	+++
Autres	Dacia / Renault / Lada	21,028	19,354	+8.6
<b>TOTAL EUROPEAN GROUP PC + LCV SALES</b>		<b>1,920,742</b>	<b>1,911,824</b>	<b>+0.5</b>
Twizy (excl. PC)***		2,164	1,683	+28.6

\* Preliminary figures.

\*\*2017 figures do not include Jinbei & Huasong sales.

\*\*\* Twizy is a quadricycle and therefore not included in Group automotive sales except in Bermuda, Chile, Colombia, Guatemala, Ireland, Lebanon, Malaysia, Mexico and South Korea.

## 1

## SALES PERFORMANCE

## 1.3 SALES AND PRODUCTION STATISTICS

GROUPE RENAULT  
INTERNATIONAL REGISTRATIONS

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)		2018*	2017**	Change (%)
Model	Brand			
Sandero	Dacia / Renault	258,121	306,300	-15.7
Logan	Dacia / Renault	237,603	304,040	-21.9
Duster	Dacia / Renault	179,261	178,645	+0.3
Kwid	Renault	170,852	125,146	+36.5
Vesta	Lada	117,887	78,194	+50.8
Granta	Lada	114,303	99,518	+14.9
Clio	Renault	83,967	79,385	+5.8
Kaptur/Captur Americas	Renault	69,656	62,169	+12.0
Largus	Lada	58,738	45,216	+29.9
Mégane/Scenic	Renault	50,188	57,023	-12.0
Koleos/QM5	Renault / RSM	48,907	63,022	-22.4
Dokker	Dacia / Renault	44,152	33,088	+33.4
Lada 4x4	Lada	39,884	35,063	+13.7
XRAY	Lada	37,588	33,822	+11.1
Oroch	Renault	36,732	31,353	+17.2
QM6	RSM	32,999	27,837	+18.5
Kadjar	Renault	32,701	41,341	-20.9
Captur/QM3	Renault / RSM	32,493	32,331	+0.5
Kangoo (incl. Z.E.)	Renault	32,241	50,549	-36.2
Talisman/SM6	Renault / RSM	27,956	51,077	-45.3
Master	Renault	21,511	21,372	+0.7
1117	Lada	12,279	16,674	-26.4
Latitude/SM5	Renault / RSM	9,497	7,470	+27.1
Priora	Lada	8,995	16,846	-46.6
Lodgy	Dacia / Renault	8,893	14,668	-39.4
Fluence (incl. Z.E.)/SM3 (incl. Z.E.)/Scala	Renault / RSM	8,260	13,626	-39.4
Trafic	Renault	6,080	7,060	-13.9
SM7	RSM	4,811	5,932	-18.9
Twingo	Renault	3,605	4,029	-10.5
Twizy	Renault	1,685	846	+99.2
Alaskan	Renault	1,156	741	+56.0
ZOE	Renault	1,050	629	+66.9
Jinbei & Huasong	Jinbei & Huasong	165,603	-	-
Autres	Dacia / Renault / RSM / Lada / Alpine	3,899	5,241	-25.6
<b>TOTAL INTERNATIONAL GROUP PC + LCV SALES</b>		<b>1,963,553</b>	<b>1,850,253</b>	<b>+6.1</b>
Twizy (excl. PC) ***		67	69	-2.9

RSM: Renault Samsung Motors.

\* Preliminary figures.

\*\* 2017 figures do not include Jinbei &amp; Huasong sales

\*\*\* Twizy is a quadricycle and therefore not included in Group automotive sales except in Bermuda, Chile, Colombia, Guatemala, Ireland, Lebanon, Malaysia, Mexico and South Korea.

## SALES PERFORMANCE

## 1.3 SALES AND PRODUCTION STATISTICS

**GRUPE RENAULT  
WORLDWIDE PRODUCTION BY MODEL\***

	2018**	2017	Change (%)
<b>PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (UNITS)</b>			
Clio	457,138	437,114	+4.6
Sandero	433,815	443,592	-2.2
Duster	346,614	314,310	+10.3
Mégane/Scenic	232,372	276,531	-16.0
Captur/QM3	229,788	249,031	-7.7
Logan	219,205	229,213	-4.4
Kangoo (incl. Z.E.)	158,509	166,898	-5.0
Master	153,973	139,126	+10.7
Vesta	131,310	83,455	+57.3
Trafic	126,227	135,367	-6.8
Kadjar	114,632	126,041	-9.1
Dokker	109,324	91,881	+19.0
Granta	108,047	98,014	+10.2
Kwid (Curitiba production)	92,560	35,576	+160.2
Twingo	90,606	82,638	+9.6
Kaptur/Captur Americas	76,378	67,970	+12.4
Koleos/QM6	61,234	72,049	-15.0
Largus	58,624	47,734	+22.8
Fluence (incl. Z.E.)/SM3 (incl. Z.E.)	50,828	63,487	-19.9
ZOE	49,472	29,671	+66.7
Talisman/SM6	45,098	78,075	-42.2
Lada 4x4	41,161	39,465	+4.3
XRAY	40,421	34,087	+18.6
Oroch	39,827	31,947	+24.7
Lodgy	33,483	41,467	-19.3
Kalina	18,393	-	-
Espace	10,771	18,206	-40.8
Priora	7,224	-	-
Twizy	5,304	3,367	+57.5
SM7	4,869	6,323	-23.0
Others	299,396	386,437	-22.5
<b>GROUP GLOBAL PRODUCTION</b>	<b>3,846,603</b>	<b>3,829,072</b>	<b>+0.5</b>
<b>o/w produced for partners:</b>			
Nissan	253,949	282,262	-10.0
Daimler	71,998	76,228	-5.5
GM	24,098	21,834	+10.4
Fiat	25,035	17,930	+39.6
Renault Trucks	15,802	12,971	+21.8
<b>PRODUCED BY PARTNERS FOR RENAULT</b>	<b>2018**</b>	<b>2017</b>	<b>Change (%)</b>
Logan, Sandero (Iran) ***	91,000	160,281	-43.2
Kwid (India - Nissan)	76,190	105,788	-28.0
Koleos (China - DRAC)	31,299	48,122	-35.0
Kadjar (China - DRAC)	16,459	26,589	-38.1
Duster (India - Nissan)	11,270	15,469	-27.1
Other partners	4,774	11,055	-56.8

\* Production data concern the number of vehicles leaving the production line.

\*\* Preliminary figures.

\*\*\* Number of kits delivered to Renault's Iranian partners in 2018.

# 1

## SALES PERFORMANCE

### 1.3 SALES AND PRODUCTION STATISTICS

#### GEOGRAPHICAL ORGANIZATION OF THE GROUPE RENAULT BY REGION – COUNTRIES IN EACH REGION

At December 31, 2018

EUROPE	AMERICAS	ASIA-PACIFIC	AFRICA MIDDLE-EAST INDIA	EURASIA
Albania Austria Baltic States <b>Belgique-Lux.</b> Bosnia Croatia Cyprus Czech Rep. Denmark Finland <b>France Metropolitan</b> <b>Germany</b> Greece Hungary Iceland Ireland <b>Italy</b> Macedonia Malta Montenegro Netherlands Norway Poland Portugal Serbia Slovakia Slovenia <b>Spain</b> Sweden Switzerland <b>United Kingdom</b>	<b>Argentina</b> Bermuda Bolivia <b>Brazil</b> Cayman Islands Chile Colombia Costa Rica Ecuador Guatemala Haiti Honduras Mexico Netherlands Antilles Nicaragua Panama Paraguay Peru Rep. Dominican Salvador Trinidad & Tobago Uruguay Venezuela	Australia Brunei Cambodia <b>China</b> Hong Kong Indonesia Japan Laos Malaysia New Caledonia New Zealand Philippines Singapore <b>South Korea</b> Tahiti Thailand Viet Nam	Abu Dhabi Algeria Angola Bahrain Bangladesh Benign Burkina Faso Cameroon Cuba Djibouti Dubai Egypt Ethiopia French Guiana Gabon Ghana Green Cap Guadeloupe Guinea <b>India</b> <b>Iran</b> Iraq Israel Ivory Coast Jordan Kenya Kuwait La Réunion Lebanon Liberia Madagascar Malawi Mali Martinique Mauritania Mauritius Mayotte <b>Morocco</b> Mozambique Nepal Oman Palestine Qatar Rep. Democratic Congo Saint-Pierre & Miquelon Saudi Arabia Senegal Seychelles South Africa + Namibia Sri Lanka Sudan Tanzania Togo Tunisia Uganda Zambia Zimbabwe	Armenia Azerbaijan Belarus Bulgaria Georgia kazakhstan Kyrgyzstan Moldova Mongolia Romania <b>Russia</b> Tajikistan <b>Turkey</b> Turkmenistan Ukraine Uzbekistan

In bold, Group Top 15 markets.

## SUMMARY

(€ million)	2018 <sup>(1)</sup>	2017 published	2017 restated	Change (vs restated)
<b>Group revenues</b>	<b>57,419</b>	<b>58,770</b>	<b>58,770</b>	<b>-2.3%</b>
<b>Operating profit</b>	<b>3,612</b>	<b>3,854</b>	<b>3,854</b>	<b>-242</b>
Operating income	2,987	3,806	3,806	-819
Net financial income & expenses	-353	-504	-391	+38
<b>Contribution from associated companies</b>	<b>1,540</b>	<b>2,799</b>	<b>2,799</b>	<b>-1,259</b>
o/w Nissan	1,509	2,791	2,791	-1,282
<b>Net income</b> <sup>(2)</sup>	<b>3,451</b>	<b>5,210</b>	<b>5,308</b>	<b>-1,857</b>
<b>Automotive operational free cash flow including AVTOVAZ</b> <sup>(3)</sup>	<b>607</b>	<b>945</b>	<b>945</b>	<b>-338</b>
<b>Automotive including AVTOVAZ Net cash position</b> <sup>(2)</sup>	<b>3,702</b>	<b>2,928</b>	<b>3,209</b>	<b>+493</b>
Shareholders' equity <sup>(2)</sup>	36,145	33,442	33,679	+2,466

(1) Application of IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from contracts with Customers" as of January 1, 2018.

(2) The figures for the year 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018.

(3) Automotive operational Free cash flow including AVTOVAZ: cash flows after interest and tax (excluding dividends received from publicly listed companies) minus tangible and intangible investments net of disposals +/- change in the working capital requirement.

## 2.1 COMMENTS ON THE FINANCIAL RESULTS

## 2.1.1 CONSOLIDATED INCOME STATEMENT

From January 1, 2018 the Group applies IFRS 15 ("Revenue from Contracts with Customers"). The main impact relates to the treatment of incentives granted in the form of reduced interest on the sale of a vehicle with associated financing. These incentives are now recognized, in all circumstances, in profit and loss at the time

of the vehicle sale, instead of being recognized progressively as it was previously the case. In this framework, the Group changed the allocation of interest rate subsidies between operating segments, with no impact on consolidated revenues.

## OPERATING SEGMENT CONTRIBUTION TO GROUP REVENUES

(€ million)	2018					2017				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive excluding AVTOVAZ	11,646	15,221	10,057	14,247	51,171	11,939	15,056	10,974	15,561	53,530
AVTOVAZ	716	761	627	936	3,040	569	722	634	802	2,727
Sales Financing	793	820	800	795	3,208	621	630	610	652	2,513
<b>Total</b>	<b>13,155</b>	<b>16,802</b>	<b>11,484</b>	<b>15,978</b>	<b>57,419</b>	<b>13,129</b>	<b>16,408</b>	<b>12,218</b>	<b>17,015</b>	<b>58,770</b>

  

(%)	Change				
	Q1	Q2	Q3	Q4	Year
Automotive excluding AVTOVAZ	-2.5	+1.1	-8.4	-8.4	-4.4
AVTOVAZ	+25.8	+5.4	-1.1	+16.7	+11.5
Sales Financing	+27.6	+30.2	+31.1	+22.0	+27.7
<b>Total</b>	<b>+0.2</b>	<b>+2.4</b>	<b>-6.0</b>	<b>-6.1</b>	<b>-2.3</b>

**Group revenues** reached €57,419 million, down -2.3% compared to 2017. At constant exchange rates and perimeter<sup>1</sup>, Group revenues would have increased by +2.5%.

The **Automotive excluding AVTOVAZ contribution to revenues** amounted to €51,171 million, down -4.4% compared to 2017. With comparable presentation method, Automotive excluding AVTOVAZ

<sup>1</sup> In order to analyze the change in consolidated revenues at constant perimeter and exchange rates, Groupe Renault recalculates revenues for the current year by applying the average annual exchange rates of the previous year, and excluding significant changes in perimeter that occurred during the year.

# 2

## FINANCIAL RESULTS

### 2.1 COMMENTS ON THE FINANCIAL RESULTS

revenues would have been higher by €555 million (+1.0 point), offset by an equal decrease in Sales Financing revenues.

Beyond this negative -1.0 point effect mentioned above, this decrease was mainly explained by a negative currency effect of -4.1 points, due to the strong devaluation of the Group's main currencies (Argentinean peso, Brazilian real, Russian rouble and Turkish lira).

Excluding these two effects, the Automotive excluding AVTOVAZ revenues grew by +0.8%. This increase is notably due to:

- a positive price effect of 1.4 points, resulting from the impact of price increases in some emerging countries but also in Europe;
- The "Others" effect (+1.8 points) was mainly due to the good performance of the used vehicle and spare parts activities, and to lower sales with buy-back commitments.

These positive factors compensated for the decrease of volume (-0.5 points) and sales to partner (-1,8 points). The downturn in sales to partners was mainly the result of the closure of the Iranian market and the decline of European demand for diesel.

#### OPERATING SEGMENT CONTRIBUTION TO GROUP OPERATING PROFIT

(€ million)	2018	2017	Change
<b>Automotive excluding AVTOVAZ</b>	<b>2,204</b>	<b>2,749</b>	<b>-545</b>
% of division revenues	4.3%	5.1%	-0.8 pt
<b>AVTOVAZ</b>	<b>204</b>	<b>55</b>	<b>+149</b>
% of AVTOVAZ revenues	6.7%	2.0%	+0.5 pt
<b>Sales Financing</b>	<b>1,204</b>	<b>1,050</b>	<b>+154</b>
<b>Total</b>	<b>3,612</b>	<b>3,854</b>	<b>-242</b>
% of Group revenues	6.3%	6.6%	-0.3 pt

The **Group's operating margin** amounted to €3,612 million and represented 6.3% of revenues. Excluding IFRS 15 impact mentioned above, the operating margin would have reached €3,724 million (6.5% of revenues).

The **Automotive excluding AVTOVAZ operating margin** decreased by -€545 million to €2,204 million, representing 4.3% of revenues (4.5% excluding the accounting reclassification mentioned here above and the IFRS 15 impact) compared to 5.1% in 2017.

In addition to a negative volume effect of -€329 million, this contraction was largely explained by an unfavorable environment, both in respect of:

- currency, with an impact of -€526 million mainly due to the depreciation of the Argentinean peso and
- raw materials, with an impact of -€356 million largely reflecting rising steel prices.

To offset these negative effects, the Group pursued its cost management policy resulting in a positive +€421 million from Monozukuri<sup>2</sup> and price increases in emerging countries but also in Europe leading to a positive mix/price/enrichment effect of +€261 million.

The **AVTOVAZ operating margin contribution** rose to €204 million, compared to €55 million in 2017, representing 6.7% of its revenues and marked a new stage in the company's recovery thanks to the success of its recently launched models in a recovering market and its efforts to streamline costs. In addition, AVTOVAZ benefited, in 2018, from positive non-recurring impacts.

**Sales Financing** contributed €1,204 million to the Group's operating margin, compared to €1,050 million in 2017. This rise of nearly 15% was notably due to the good commercial performance in recent years.

The total cost of risk, that now includes a provision on healthy outstandings in accordance with IFRS 9 standard, reached a level of 0.33% on average performing assets (0.11% in 2017), confirming its robust underwriting and collection policy.

**Other operating income and expenses** amounted to -€625 million compared to -€48 million in 2017. This sharp deterioration stemmed mainly from two factors: on the one hand, the consequences of the Argentinean crisis for more than €200 million, and on the other hand, provisions notably relating to the early retirement program in France, of nearly €300 million.

As a result, the **Group's operating income** came to €2,987 million compared to €3,806 million in 2017.

**Net financial income and expenses** amounted to -€353 million, compared to -€391 million in 2017 (restated at comparable accounting method after changes to the method used to account for redeemable shares). Improvements in the Group's funding cost allowed it to absorb €31 million expense relating to the application of accounting rules linked to Argentina's hyperinflation situation.

The **contribution of associated companies**, primarily Nissan, came to €1,540 million, compared to €2,799 million in 2017. In 2017, Nissan's contribution included a non-recurring income of €1,021 million linked to the tax reform voted at the end of 2017 in the USA and to the sale of its interest in the equipment manufacturer Calsonic Kansei.

**Current and deferred taxes** showed a charge of €723 million.

**Net income** amounted to €3,451 million compared to €5,308 million. This decline came mainly from Nissan's contribution, down €1,282 million, which notably benefited from one-off gains for €1,021 million in 2017 as mentioned above. Net income, Group share, stood at €3,302 million (€12.24 per share, compared with €19.23 per share in 2017).

<sup>2</sup> Monozukuri: purchasing performance (excluding raw materials), warranty, R&D expenses, manufacturing and logistics costs.



## 2.1.2 AUTOMOTIVE OPERATIONAL FREE CASH FLOW

## AUTOMOTIVE OPERATIONAL FREE CASH FLOW

(€ million)	2018	2017	Change
Cash flow (excluding dividends received from publicly listed companies)	4,386	4,327	+59
Change in the working capital requirement	781	447	+334
Tangible and intangible investments net of disposals	-4,166	-3,362	-804
Leased vehicles and batteries	-509	-529	+20
<b>Operational free cash flow excluding AVTOVAZ</b>	<b>492</b>	<b>883</b>	<b>-391</b>
<b>Operational free cash flow of AVTOVAZ</b>	<b>115</b>	<b>62</b>	<b>+53</b>
<b>Operational free cash flow including AVTOVAZ</b>	<b>607</b>	<b>945</b>	<b>-338</b>

In 2018, the **Automotive including AVTOVAZ segment** reported positive **operational free cash flow** of €607 million, of which €115 million of AVTOVAZ operational free cash flow. Excluding AVTOVAZ, the change is resulting from:

- cash flow (excluding dividends received from publicly listed companies) of €4,386 million;

- a positive change in the working capital requirement of €781 million;
- property, plant and equipment and intangible investments net of disposals of €4,166 million compared to €3,362 million, an increase of €804 million compared with 2017.

## RESEARCH AND DEVELOPMENT EXPENSES

Analysis of research and development costs:

(€ million)	2018	2017	Change
R&D expenses	-3,487	-2,958	-529
Capitalized development expenses	1,695	1,193	+502
% of R&D expenses	48.6%	40.3%	+8.3 pts
Amortization	-784	-803	+19
<b>Gross R&amp;D expenses recorded in the income statement excluding AVTOVAZ</b>	<b>-2,576</b>	<b>-2,568</b>	<b>-8</b>
<b>Gross R&amp;D expenses recorded in the income statement for AVTOVAZ</b>	<b>-22</b>	<b>-22</b>	<b>0</b>
<b>Gross R&amp;D expenses recorded in the income statement including AVTOVAZ</b>	<b>-2,598</b>	<b>-2,590</b>	<b>-8</b>

The capitalization rate excluding AVTOVAZ increased from 40.3% in 2017 to 48.6% in 2018 in connection with the progress of projects.

## TANGIBLE AND INTANGIBLE INVESTMENTS NET OF DISPOSALS BY OPERATING SEGMENT

(€ million)	2018	2017
Tangible investments (excluding leased vehicles and batteries)	2,557	2,221
Intangible investments	1,735	1,285
o/w capitalized R&D	1,695	1,193
<b>Total acquisitions</b>	<b>4,292</b>	<b>3,506</b>
Disposal gains	-126	-144
<b>Total Automotive excluding AVTOVAZ</b>	<b>4,166</b>	<b>3,362</b>
<b>Total AVTOVAZ</b>	<b>83</b>	<b>79</b>
<b>Total Sales Financing</b>	<b>19</b>	<b>7</b>
<b>Total Group</b>	<b>4,268</b>	<b>3,448</b>

Total gross capital expenditure rose in 2018 compared with 2017; the breakdown was 69% in Europe and 31% for the rest for the world.

- **In Europe**, capital expenditure focused on the renewal of the A and B range (new Captur and Clio family) and its platforms, the Kangoo renewal, industrial facilities adaptation for changes in engine demand (including electrification) and application of Euro6 regulations.
- **Internationally**, investments targeted mainly the renewal of the A and B range (New Clio in Turkey), Global Access range (successor of Logan and Sandero in Romania and Morocco and of Duster in Romania and Brazil) and C range (new vehicle Arkana in Russia).

# 2

## FINANCIAL RESULTS

### 2.1 COMMENTS ON THE FINANCIAL RESULTS

#### GROUP NET CAPEX AND R&D EXPENSES

(€ million)	2018	2017
Tangible and intangible investments net of disposals (excluding capitalized leased vehicles and batteries)	4,185	3,369
Capitalized development expenses	-1,695	-1,193
Capex invoice to third parties and others	-219	-200
<b>Net industrial and commercial investments excl. R&amp;D excluding AVTOVAZ (1)</b>	<b>2,271</b>	<b>1,976</b>
% of Group revenues excluding AVTOVAZ	4.2%	3.5%
<b>R&amp;D expenses excluding AVTOVAZ</b>	<b>3,487</b>	<b>2,958</b>
<i>o/w billed to third parties</i>	-484	-373
<b>Net R&amp;D expenses excluding AVTOVAZ (2)</b>	<b>3,003</b>	<b>2,585</b>
% of Group revenues excluding AVTOVAZ	5.5%	4.6%
<b>Net CAPEX and R&amp;D expenses excluding AVTOVAZ (1) + (2)</b>	<b>5,274</b>	<b>4,561</b>
% of Group revenues excluding AVTOVAZ	9.7%	8.1%
<b>Net CAPEX and R&amp;D expenses including AVTOVAZ</b>	<b>5,373</b>	<b>4,648</b>
% of Group revenues including AVTOVAZ	9.4%	7.9%

Net Capital expenditure and R&D expenses amounted to 9.4% of Group revenues in 2018, compared with 7.9% in 2017.

### 2.1.3 AUTOMOTIVE NET CASH POSITION AT DECEMBER 31, 2018

#### CHANGE IN AUTOMOTIVE NET CASH POSITION INCLUDING AVTOVAZ (€ million)

<b>Net cash position including AVTOVAZ at December 31, 2017 (published)</b>	<b>+2,928</b>
<i>Adjustments to the acquisition price allocation of AVTOVAZ</i>	+281
<b>Net cash position including AVTOVAZ at December 31, 2017 (restated)</b>	<b>+3,209</b>
<i>Operational free cash flow for 2018</i>	+607
Dividends received	+828
Dividends paid to Renault's shareholders and its subsidiaries	-1,108
Financial investments and others including AVTOVAZ	+166
<b>Net cash position including AVTOVAZ at December 31, 2018</b>	<b>+3,702</b>

The €493 million increase in the **net cash position of the Automotive segment** compared with December 31, 2017 restated is due to:

- operational free cash flow;
- net dividends;
- various elements (treasury stocks purchase, equity investment).

#### AUTOMOTIVE NET CASH POSITION INCLUDING AVTOVAZ

(€ million)	Dec. 31, 2018	Dec. 31, 2017 restated*
Non-current financial liabilities	-6,196	-5,107
Current financial liabilities	-3,343	-4,761
Non-current financial assets – other securities, loans and derivatives on financial operations	+55	+89
Current financial assets	+1,409	+1,143
Cash and cash equivalents	+11,777	+11,845
<b>Net cash position</b>	<b>+3,702</b>	<b>+3,209</b>

\* The figures at December 31, 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018.

During 2018, Renault issued two Eurobonds of €700 million and €750 million respectively (maturity six and eight years) via its EMTN program.

**Renault** also issued a Samurai for a nominal amount of Yen 57.4 billion via its Shelf Registration program, comprising two tranches, one for Yen 39.1 billion with a three-year maturity and the other for Yen 18.3 billion with a five-year maturity.

The Automotive segment's liquidity reserves stood at €15.3 billion at December 31, 2018. These reserves consisted of:

- €11.8 billion in cash and cash equivalents;
- €3.5 billion in undrawn confirmed credit lines.

At December 31, 2018, **RCI Banque's** liquidity reserve stood at €11 billion, consisting of:

- €4.4 billion in undrawn confirmed credit lines;
- €3.8 billion in central-bank eligible collateral;
- €2.2 billion in high quality liquid assets (HQLA);
- €0.4 billion in available case

## 2.2 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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The Group's Statutory Auditors have performed their audit procedures on these financial statements and the audit report relating to the certification of the consolidated financial statements will be issued on March, 16 2019.

# 2

## FINANCIAL RESULTS

### 2.2 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

#### 2.2.1 CONSOLIDATED INCOME STATEMENT

(€ million)	Notes	2018 <sup>(1)</sup>	2017 <sup>(2)</sup>
<b>Revenues</b>	<b>4</b>	<b>57,419</b>	<b>58,770</b>
Cost of goods and services sold		(45,417)	(46,477)
Research and development expenses	10-A	(2,598)	(2,590)
Selling, general and administrative expenses		(5,792)	(5,849)
<b>Operating margin</b>	<b>5</b>	<b>3,612</b>	<b>3,854</b>
Other operating income and expenses	6	(625)	(48)
<i>Other operating income</i>	6	149	214
<i>Other operating expenses</i>	6	(774)	(262)
<b>Operating income (loss)</b>		<b>2,987</b>	<b>3,806</b>
Cost of net financial indebtedness	7	(308)	(369)
<i>Cost of gross financial indebtedness</i>	7	(373)	(441)
<i>Income on cash and financial assets</i>	7	65	72
Other financial income and expenses	7	(45)	(22)
<b>Financial income (expenses)</b>	<b>7</b>	<b>(353)</b>	<b>(391)</b>
<b>Share in net income (loss) of associates and joint ventures</b>		<b>1,540</b>	<b>2,799</b>
<i>Nissan</i>	12	1,509	2,791
<i>Other associates and joint ventures</i>	13	31	8
<b>Pre-tax income</b>		<b>4,174</b>	<b>6,214</b>
Current and deferred taxes	8	(723)	(906)
<b>Net income</b>		<b>3,451</b>	<b>5,308</b>
Net income – parent company shareholders' share		3,302	5,212
Net income - non-controlling interests' share		149	96
Basic earnings per share <sup>(3)</sup> (in €)		12.24	19.23
Diluted earnings per share <sup>(3)</sup> (in €)		12.13	19.04
Number of shares outstanding (in thousands)			
<i>For basic earnings per share</i>	9	269,850	271,080
<i>For diluted earnings per share</i>	9	272,222	273,745

(1) The figures for 2018 are established in application of IFRS9 "Financial Instruments" and IFRS15 "Revenue from contracts with Customers". The changes related to the application of these new standards are presented in note 2-A.

(2) The figures for 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018 (note 2-A3), and are thus different from those previously published (note 2-A5).

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

NB: The notes indicated refer to the Notes to the 2018 consolidated financial statements presented in chapter 4 of the 2018 registration Document.

## 2.2.2 CONSOLIDATED COMPREHENSIVE INCOME

(€ million)	2018			2017 <sup>(1)</sup>		
	Gross	Tax effect	Net	Gross	Tax effect	Net
<b>NET INCOME</b>	<b>4,174</b>	<b>(723)</b>	<b>3,451</b>	<b>6,214</b>	<b>(906)</b>	<b>5 308</b>
<b>OTHER COMPONENTS OF COMPREHENSIVE INCOME FROM PARENT-COMPANY AND SUBSIDIARIES</b>						
<b>Items that will not be reclassified subsequently to profit or loss</b>	<b>(356)</b>	<b>(3)</b>	<b>(359)</b>	<b>13</b>	<b>(25)</b>	<b>(12)</b>
Actuarial gains and losses on defined-benefit pension plans	53	(16)	37	13	(25)	(12)
Equity instruments at fair value through equity <sup>(2)</sup>	(409)	13	(396)			
<b>Items that have been or will be reclassified to profit or loss in subsequent periods</b>	<b>(483)</b>	<b>29</b>	<b>(454)</b>	<b>(142)</b>	<b>(16)</b>	<b>(158)</b>
Translation adjustments on foreign activities <sup>(3)</sup>	(213)	-	(213)	(272)	-	(272)
Translation adjustments on foreign activities in hyperinflationary economies <sup>(3)</sup>	(175)	-	(175)			
Partial hedge of the investment in Nissan	(102)	32	(70)	113	(17)	96
Fair value adjustments on cash flow hedging instruments <sup>(4)</sup>	7	(4)	3	5	-	5
Fair value adjustments on available-for-sale financial assets <sup>(2) (5)</sup>				12	1	13
Debt instruments at fair value through equity <sup>(2) (5)</sup>	-	1	1			
<b>Total other components of comprehensive income from parent-company and subsidiaries (A)</b>	<b>(839)</b>	<b>26</b>	<b>(813)</b>	<b>(129)</b>	<b>(41)</b>	<b>(170)</b>
<b>SHARE OF ASSOCIATES AND JOINT VENTURES IN OTHER COMPONENTS OF COMPREHENSIVE INCOME</b>						
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>	<b>(206)</b>	<b>-</b>	<b>(206)</b>	<b>130</b>	<b>-</b>	<b>130</b>
Actuarial gains and losses on defined-benefit pension plans	(68)	-	(68)	130	-	130
Other <sup>(2)</sup>	(138)	-	(138)			
<b>Items that have been or will be reclassified to profit or loss in subsequent periods<sup>(6)</sup></b>	<b>956</b>	<b>-</b>	<b>956</b>	<b>(1,488)</b>	<b>-</b>	<b>(1,488)</b>
Translation adjustments on foreign activities	960	-	960	(1,519)	-	(1,519)
Other	(4)	-	(4)	31	-	31
<b>Total share of associates and joint ventures in other components of comprehensive income (B)</b>	<b>750</b>	<b>-</b>	<b>750</b>	<b>(1,358)</b>	<b>-</b>	<b>(1,358)</b>
<b>OTHER COMPONENTS OF COMPREHENSIVE INCOME (A) + (B)</b>	<b>(89)</b>	<b>26</b>	<b>(63)</b>	<b>(1,487)</b>	<b>(41)</b>	<b>(1,528)</b>
<b>Comprehensive income</b>	<b>4,085</b>	<b>(697)</b>	<b>3,388</b>	<b>4,727</b>	<b>(947)</b>	<b>3,780</b>
Parent company shareholders' share			3,221			3,673
Non-controlling interests' share			167			107

(1) The figures for 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018 (note 2-A3), and are thus different from those previously published (note 2-A5).

(2) In application of IFRS 9 "Financial Instruments", the classification of financial assets is modified from January 1, 2018. The changes related to the application of this new standard are presented in note 2-A1.

(3) The impacts of the application of IAS 29 "Financial reporting in hyperinflationary economies" for foreign activities in Argentina are presented in note 2-A4. There were no reclassifications to profit or loss in 2018 and 2017.

(4) Including €6 million reclassified to profit or loss in 2018 (€(12) million in 2017).

(5) Including €2 million reclassified to profit or loss in 2018 (€3 million in 2017).

(6) There were no reclassifications to profit or loss in 2018 and in 2017.

# 2

## FINANCIAL RESULTS

### 2.2 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

#### 2.2.3 CONSOLIDATED FINANCIAL POSITION

ASSETS (€ million)	Notes	Dec. 31, 2018 <sup>(1)</sup>	Dec. 31, 2017 <sup>(2)</sup>
<b>NON-CURRENT ASSETS</b>			
Intangible assets and goodwill	10-A	5,913	5,240
Property, plant and equipment	10-B	14,304	13,582
Investments in associates and joint ventures		21,439	19,811
Nissan	12	20,583	19,135
Other associates and joint ventures	13	856	676
Non-current financial assets	22	928	1,395
Deferred tax assets	8	952	927
Other non-current assets	17	1,485	1,435
<b>Total non-current assets</b>		<b>45,021</b>	<b>42,390</b>
<b>CURRENT ASSETS</b>			
Inventories	14	5,879	6,328
Sales Financing receivables	15	42,067	39,334
Automotive receivables	16	1,399	1,753
Current financial assets	22	1,963	1,932
Current tax assets	17	111	91
Other current assets	17	3,779	4,014
Cash and cash equivalents	22	14,777	14,057
<b>Total current assets</b>		<b>69,975</b>	<b>67,509</b>
<b>Total Assets</b>		<b>114,996</b>	<b>109,899</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES (€ million)</b>			
<b>SHAREHOLDERS' EQUITY</b>			
Share capital		1,127	1,127
Share premium		3,785	3,785
Treasury shares		(400)	(494)
Revaluation of financial instruments		236	809
Translation adjustment		(2,826)	(3,376)
Reserves		30,322	26,322
Net income – parent company shareholders' share		3,302	5,212
<b>Shareholders' equity – parent company shareholders' share</b>		<b>35,546</b>	<b>33,385</b>
Shareholders' equity – non-controlling interests' share		599	294
<b>Total shareholders' equity</b>	<b>18</b>	<b>36,145</b>	<b>33,679</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities	8	135	180
Provisions for pension and other long-term employee benefit obligations – long-term	19	1,531	1,584
Other provisions – long-term	20	1,603	1,514
Non-current financial liabilities	23	6,209	5,120
Other non-current liabilities	21	1,572	1,579
<b>Total non-current liabilities</b>		<b>11,050</b>	<b>9,977</b>
<b>CURRENT LIABILITIES</b>			
Provisions for pension and other long-term employee benefit obligations – short-term	19	56	51
Other provisions – short-term	20	1,065	915
Current financial liabilities	23	2,463	3,792
Sales Financing debts	23	44,495	41,395
Trade payables		9,505	9,904
Current tax liabilities	21	289	246
Other current liabilities	21	9,928	9,940
<b>Total current liabilities</b>		<b>67,801</b>	<b>66,243</b>
<b>Total shareholders' equity and liabilities</b>		<b>114,996</b>	<b>109,899</b>

(1) The impacts of the application of IFRS9 "Financial Instruments" and IFRS 15 "Revenue from contracts with Customers" from January 1, 2018 are presented in note 2-A.

(2) The figures at December 31, 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018 (note 2-A3), and are thus different from the previously published figures (note 2-A5).

## 2.2.4 CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY

	Number of shares (thousands)	Share capital	Share premium	Treasury shares	Revaluation of financial instruments	Translation adjustment	Reserves	Net income (parent – company shareholders' share)	Shareholders' equity (parent – company shareholders' share)	Shareholders' equity (non-controlling interests' share)	Total shareholders' equity
<i>(€ million)</i>											
<b>Balance at December 31, 2016 as published in the 2017 financial statements<sup>(1)</sup></b>	<b>295,722</b>	<b>1,127</b>	<b>3,785</b>	<b>(321)</b>	<b>758</b>	<b>(1,668)</b>	<b>23,643</b>	<b>3,419</b>	<b>30,743</b>	<b>181</b>	<b>30,924</b>
Change in the valuation method of the Renault SA redeemable shares <sup>(1)</sup>							139		139		139
<b>Balance at December 31, 2016<sup>(1)</sup></b>	<b>295,722</b>	<b>1,127</b>	<b>3,785</b>	<b>(321)</b>	<b>758</b>	<b>(1,668)</b>	<b>23,782</b>	<b>3,419</b>	<b>30,882</b>	<b>181</b>	<b>31,063</b>
2017 net income <sup>(1)</sup>								5,212	5,212	96	5,308
Other components of comprehensive income <sup>(2)</sup>					51	(1,708)	118		(1,539)	11	(1,528)
<b>2017 comprehensive income<sup>(1)</sup></b>					<b>51</b>	<b>(1,708)</b>	<b>118</b>	<b>5,212</b>	<b>3,673</b>	<b>107</b>	<b>3,780</b>
Allocation of 2016 net income							3,419	(3,419)			
Dividends							(855)		(855)	(133)	(988)
(Acquisitions) / disposals of treasury shares and impact of capital increases				(173)					(173)		(173)
Changes in ownership interests <sup>(3)</sup>						3	(155)		(152)	139	(13)
Cost of share-based payments and other						(3)	13		10		10
<b>Balance at December 31, 2017<sup>(1)</sup></b>	<b>295,722</b>	<b>1,127</b>	<b>3,785</b>	<b>(494)</b>	<b>809</b>	<b>(3,376)</b>	<b>26,322</b>	<b>5,212</b>	<b>33,385</b>	<b>294</b>	<b>33,679</b>
Transition to IFRS9 – Opening adjustments <sup>(4)</sup>					(21)		(73)		(94)	(2)	(96)
Transition to IFRS15 – Opening adjustments <sup>(4)</sup>							(229)		(229)	(9)	(238)
Application of IAS29 – Opening adjustments <sup>(5)</sup>						14	65		79		79
<b>Adjusted balance at January 1, 2018</b>	<b>295,722</b>	<b>1,127</b>	<b>3,785</b>	<b>(494)</b>	<b>788</b>	<b>(3,362)</b>	<b>26,085</b>	<b>5,212</b>	<b>33,141</b>	<b>283</b>	<b>33,424</b>
2018 net income								3,302	3,302	149	3,451
Other components of comprehensive income <sup>(2)</sup>					(538)	487	(30)		(81)	18	(63)
<b>2018 comprehensive income</b>					<b>(538)</b>	<b>487</b>	<b>(30)</b>	<b>3,302</b>	<b>3,221</b>	<b>167</b>	<b>3,388</b>
Allocation of 2017 net income							5,212	(5,212)			
Dividends							(958)		(958)	(94)	(1,052)
(Acquisitions) / disposals of treasury shares and impact of capital increases				94					94		94
Changes in ownership interests <sup>(3)</sup>						33	39		72	241	313
Index based-restatement adjustment in 2018 of equity items in hyperinflationary economies <sup>(5)</sup>						3	86		89	1	90
Cost of share-based payments and other <sup>(6)</sup>					(14)	13	(112)		(113)	1	(112)
<b>Balance at December 31, 2018</b>	<b>295,722</b>	<b>1,127</b>	<b>3,785</b>	<b>(400)</b>	<b>236</b>	<b>(2,826)</b>	<b>30,322</b>	<b>3,302</b>	<b>35,546</b>	<b>599</b>	<b>36,145</b>

(1) The figures for 2016 and 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018 (note 2-A3), and are thus different from the previously published figures (note 2-A5).

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

(3) Changes in ownership interests comprise the effect of acquisitions and disposals of investments, and commitments for buyouts of non-controlling interests. In 2017, they include Renault's acquisition of the shares of Alliance Rostec Auto b.v. previously held by Nissan, which took place in September 2017, and a put option for AVTOVAZ shares subscribed with a third party, giving rise to recognition of €(139) million in Shareholders' equity (parent-company shareholders' share) and €87 million in Shareholders' equity (non-controlling interests' share) (note 3-B). In 2018, they include the effects of capital increases by Alliance Rostec Auto b.v. and AVTOVAZ, and acquisitions of shares in AVTOVAZ by Alliance Rostec Auto b.v. as a result of a mandatory tender offer and a mandatory squeeze out (note 3-B).

(4) The impacts of the application of IFRS9 "Financial Instruments" and IFRS15 "Revenue from contracts with Customers" from January 1, 2018 for fully consolidated companies are presented in note 2-A.

(5) The impacts of the application of IAS29 "Financial reporting in hyperinflationary economies" for foreign activities in Argentina are presented in note 2-A4.

(6) In addition to the cost of share-based payments, this item mainly includes the effects of application of IFRS9 "Financial Instruments" and IFRS15 "Revenue from contracts with Customers" from January 1, 2018 on the investment in Nissan (note 12).

Details of changes in consolidated shareholders' equity in 2018 are given in note 18.

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## FINANCIAL RESULTS

### 2.2 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

#### 2.2.5 CONSOLIDATED CASH FLOWS

(€ million)	Notes	2018	2017 <sup>(1)</sup>
<b>Net income</b>		<b>3,451</b>	<b>5,308</b>
Cancellation of dividends received from unconsolidated listed investments		(44)	(51)
Cancellation of income and expenses with no impact on cash			
Depreciation, amortization and impairment		3,245	3,046
Share in net (income) loss of associates and joint ventures		(1,540)	(2,799)
Other income and expenses with no impact on cash before interest and tax	26-A	1,396	1,032
Dividends received from unlisted associates and joint ventures		2	3
<b>Cash flows before interest and tax <sup>(2)</sup></b>		<b>6,510</b>	<b>6,539</b>
<b>Dividends received from listed companies <sup>(3)</sup></b>		<b>828</b>	<b>761</b>
Net change in financing for final customers		(3,596)	(4,617)
Net change in renewable dealer financing		(160)	(888)
<b>Decrease (increase) in Sales Financing receivables</b>		<b>(3,756)</b>	<b>(5,505)</b>
Bond issuance by the Sales Financing segment	23-C	4,245	7,409
Bond redemption by the Sales Financing segment	23-C	(3,148)	(3,797)
Net change in other debts of the Sales Financing segment		2,435	2,353
Net change in other securities and loans of the Sales Financing segment		61	(227)
<b>Net change in financial assets and debts of the Sales Financing segment</b>		<b>3,593</b>	<b>5,738</b>
<b>Change in capitalized leased assets</b>		<b>(519)</b>	<b>(622)</b>
<b>Change in working capital before tax</b>	26-B	<b>551</b>	<b>(112)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INTEREST AND TAX</b>		<b>7,207</b>	<b>6,799</b>
Interest received		67	70
Interest paid		(332)	(451)
Current taxes (paid) / received		(657)	(716)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>6,285</b>	<b>5,702</b>
Property, plant and equipment and intangible investments	26-C	(4,407)	(3,601)
Disposals of property, plant and equipment and intangible assets		131	153
Acquisitions of investments involving gain of control, net of cash acquired		(29)	(31)
Acquisitions of other investments, net of cash acquired		(215)	(37)
Disposals of other investments, net of cash transferred and other		8	1
Net decrease (increase) in other securities and loans of the Automotive segments		(150)	(117)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(4,662)</b>	<b>(3,632)</b>
Dividends paid to parent company shareholders	18-D	(1,027)	(916)
Transactions with non-controlling interests <sup>(4)</sup>		11	(41)
Dividends paid to non-controlling interests	18-I	(94)	(133)
(Acquisitions) sales of treasury shares <sup>(5)</sup>		(41)	(226)
<b>Cash flows with shareholders</b>		<b>(1,151)</b>	<b>(1,316)</b>
Bond issuance by the Automotive segments	23-C	1,895	2,259
Bond redemption by the Automotive segments	23-C	(1,455)	(2,134)
Net increase (decrease) in other financial liabilities of the Automotive segments		(242)	(516)
<b>Net change in financial liabilities of the Automotive segments</b>	23-B	<b>198</b>	<b>(391)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>(953)</b>	<b>(1,707)</b>
<b>Increase (decrease) in cash and cash equivalents</b>		<b>670</b>	<b>363</b>

(1) The figures for 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018 (note 2-A3), and are thus different from the previously published figures (note 2-A5).

(2) Cash flows before interest and tax do not include dividends received from listed companies.

(3) Dividends received from Daimler (€44 million in 2018 and €51 million in 2017) and Nissan (€784 million in 2018 and €710 million in 2017).

(4) Principally including Renault's acquisition of the shares of Alliance Rostec Auto b.v. previously held by Nissan, which took place in September 2017 (note 3-B).

(5) In compliance with current regulations, Renault acquired Renault shares sold by the French State in November 2017 for the amount of €121 million, for a share offering reserved for current and former employees to be launched within one year. The "Share the Future" employee shareholding plan was executed in the second half-year of 2018. The shares were sold by Renault for net proceeds of €76 million (note 18-C).

(€ million)	2018	2017
<b>Cash and cash equivalents: opening balance</b>	<b>14,057</b>	<b>13,853</b>
Increase (decrease) in cash and cash equivalents	670	363
Effect of changes in exchange rate and other changes <sup>(1)</sup>	50	(159)
<b>Cash and cash equivalents: closing balance <sup>(2)</sup></b>	<b>14,777</b>	<b>14,057</b>

(1) Including an adjustment of €11 million related to the implementation of IAS 29 "Financial reporting in hyperinflationary economies" for Argentinian subsidiaries (note 2-A4).

(2) Cash subject to restrictions on use is described in note 22-C.



## 2.2.6 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 2.2.6.1 INFORMATION ON OPERATING SEGMENTS AND REGIONS

The operating segments defined by Renault are the following:

- The "Automotive excluding AVTOVAZ" segment, consisting of the Group's automotive activities as they existed before Renault acquired control of the AVTOVAZ group under IFRS 10. This segment comprises the production, sales, and distribution subsidiaries for passenger and light commercial vehicles, automobile service subsidiaries for the Renault, Dacia and Samsung brands, and the subsidiaries in charge of the segment's cash management. It also

includes investments in automotive-sector associates and joint ventures, principally Nissan.

- The "Sales Financing" segment, which the Group considers as an operating activity in its own right, carried out for the distribution network and final customers by RCI Banque, its subsidiaries and its investments in associates and joint ventures.
- The "AVTOVAZ" segment, consisting of the Russian automotive group AVTOVAZ and its parent company, the joint ventures Alliance Rostec Auto b.v., which was formed after Renault acquired control over them, as defined by IFRS 10, in December 2016.

## A. Information by operating segment

## A1. Consolidated income statement by operating segment

(€ million)	Automotive (excluding AVTOVAZ) <sup>(1)</sup>	AVTOVAZ <sup>(1)</sup>	Intra Automotive transactions	Total Automotive	Sales Financing	Intersegment transactions	Consolidated total
<b>2018<sup>(2)</sup></b>							
<b>External sales</b>	<b>51,171</b>	<b>3,040</b>	-	<b>54,211</b>	<b>3,208</b>	-	<b>57,419</b>
Intersegment sales	96	815	(815)	96	18	(114)	-
<b>Sales by segment</b>	<b>51,267</b>	<b>3,855</b>	<b>(815)</b>	<b>54,307</b>	<b>3,226</b>	<b>(114)</b>	<b>57,419</b>
<b>Operating margin<sup>(3)</sup></b>	<b>2,202</b>	<b>204</b>	-	<b>2,406</b>	<b>1,204</b>	<b>2</b>	<b>3,612</b>
<b>Operating income</b>	<b>1,583</b>	<b>209</b>	-	<b>1,792</b>	<b>1,193</b>	<b>2</b>	<b>2,987</b>
<b>Financial income (expenses)<sup>(4)</sup></b>	<b>(97)</b>	<b>(95)</b>	-	<b>(192)</b>	<b>(11)</b>	<b>(150)</b>	<b>(353)</b>
<b>Share in net income (loss) of associates and joint ventures</b>	<b>1,527</b>	<b>(3)</b>	-	<b>1,524</b>	<b>16</b>	-	<b>1,540</b>
<b>Pre-tax income</b>	<b>3,013</b>	<b>111</b>	-	<b>3,124</b>	<b>1,198</b>	<b>(148)</b>	<b>4,174</b>
Current and deferred taxes	(369)	(26)	-	(395)	(330)	2	(723)
<b>Net income</b>	<b>2,644</b>	<b>85</b>	-	<b>2,729</b>	<b>868</b>	<b>(146)</b>	<b>3,451</b>

(1) In 2018 external sales by the Automotive (excluding AVTOVAZ) segment include sales to the AVTOVAZ group, which amount to €311 million in 2018, and these sales are thus included in the AVTOVAZ segment's intersegment transactions.

(2) The figures for 2018 are established in application of IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from contracts with Customers". The changes related to the application of these new standards are presented in note 2-A.

(3) Details of amortization, depreciation and impairment are provided in the statement of consolidated cash flows by operating segment.

(4) Dividends paid by the Sales Financing segment to the Automotive segments are included in the Automotive segments' financial income and eliminated in the intersegment transactions.

(€ million)	Automotive (excluding AVTOVAZ) <sup>(1)</sup>	AVTOVAZ <sup>(1)</sup>	Intra Automotive transactions	Total Automotive	Sales Financing	Intersegment transactions	Consolidated total
<b>2017<sup>(2)</sup></b>							
<b>External sales</b>	<b>53,530</b>	<b>2,727</b>	-	<b>56,257</b>	<b>2,513</b>	-	<b>58,770</b>
Intersegment sales	(379)	765	(765)	(379)	532	(153)	-
<b>Sales by segment</b>	<b>53,151</b>	<b>3,492</b>	<b>(765)</b>	<b>55,878</b>	<b>3,045</b>	<b>(153)</b>	<b>58,770</b>
<b>Operating margin<sup>(3)</sup></b>	<b>2,630</b>	<b>57</b>	<b>(2)</b>	<b>2,685</b>	<b>1,050</b>	<b>119</b>	<b>3,854</b>
<b>Operating income</b>	<b>2,617</b>	<b>23</b>	<b>(2)</b>	<b>2,638</b>	<b>1,049</b>	<b>119</b>	<b>3,806</b>
<b>Financial income (expenses)</b>	<b>(279)</b>	<b>(112)</b>	-	<b>(391)</b>	-	-	<b>(391)</b>
<b>Share in net income (loss) of associates and joint ventures</b>	<b>2,808</b>	<b>(24)</b>	-	<b>2,784</b>	<b>15</b>	-	<b>2,799</b>
<b>Pre-tax income</b>	<b>5,146</b>	<b>(113)</b>	<b>(2)</b>	<b>5,031</b>	<b>1,064</b>	<b>119</b>	<b>6,214</b>
Current and deferred taxes	(543)	(2)	-	(545)	(325)	(36)	(906)
<b>Net income</b>	<b>4,603</b>	<b>(115)</b>	<b>(2)</b>	<b>4,486</b>	<b>739</b>	<b>83</b>	<b>5,308</b>

(1) In 2017 external sales by the Automotive (excluding AVTOVAZ) segment include sales to the AVTOVAZ group, which amount to €276 million for the year 2017, and these sales are thus included in the AVTOVAZ segment's intersegment transactions.

(2) The figures for 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018 (note 2-A3), and are thus different from those previously published (note 2-A5).

(3) Details of amortization, depreciation and impairment are provided in the statement of consolidated cash flows by operating segment.

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## FINANCIAL RESULTS

### 2.2 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

#### A2. Consolidated financial position by operating segment

DECEMBER 31, 2018 <sup>(1)</sup>	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive transactions	Total Automotive	Sales Financing	Intersegment transactions	Consolidated total
<b>ASSETS</b> (€ million)							
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment and intangible assets and goodwill	18,448	1,422	-	19,870	347	-	20,217
Investments in associates and joint ventures	21,314	11	-	21,325	114	-	21,439
Non-current financial assets – equity investments	6,907	-	(855)	6,052	2	(5,201)	853
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segments	75	-	-	75	-	-	75
Deferred tax assets and other non-current assets	1,738	342	(107)	1,973	464	-	2,437
<b>Total non-current assets</b>	<b>48,482</b>	<b>1,775</b>	<b>(962)</b>	<b>49,295</b>	<b>927</b>	<b>(5,201)</b>	<b>45,021</b>
<b>CURRENT ASSETS</b>							
Inventories	5,515	321	-	5,836	43	-	5,879
Customer receivables	1,295	205	(80)	1,420	42,854	(808)	43,466
Current financial assets	1,415	-	(6)	1,409	1,369	(815)	1,963
Current tax assets and other current assets	2,764	157	(4)	2,917	5,028	(4,055)	3,890
Cash and cash equivalents	11,691	89	(3)	11,777	3,094	(94)	14,777
<b>Total current assets</b>	<b>22,680</b>	<b>772</b>	<b>(93)</b>	<b>23,359</b>	<b>52,388</b>	<b>(5,772)</b>	<b>69,975</b>
<b>Total assets</b>	<b>71,162</b>	<b>2,547</b>	<b>(1,055)</b>	<b>72,654</b>	<b>53,315</b>	<b>(10,973)</b>	<b>114,996</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b> (€ million)							
<b>SHAREHOLDERS' EQUITY</b>	<b>36,061</b>	<b>908</b>	<b>(859)</b>	<b>36,110</b>	<b>5,249</b>	<b>(5,214)</b>	<b>36,145</b>
<b>NON-CURRENT LIABILITIES</b>							
Long-term provisions	2,529	27	-	2,556	578	-	3,134
Non-current financial liabilities	5,508	688	-	6,196	13	-	6,209
Deferred tax liabilities and other non-current liabilities	1,070	34	(106)	998	709	-	1,707
<b>Total non-current liabilities</b>	<b>9,107</b>	<b>749</b>	<b>(106)</b>	<b>9,750</b>	<b>1,300</b>	<b>-</b>	<b>11,050</b>
<b>CURRENT LIABILITIES</b>							
Short-term provisions	1,046	44	-	1,090	31	-	1,121
Current financial liabilities	3,258	94	(9)	3,343	-	(880)	2,463
Trade payables and Sales Financing debts	9,279	495	(78)	9,696	45,311	(1,007)	54,000
Current tax liabilities and other current liabilities	12,411	257	(3)	12,665	1,424	(3,872)	10,217
<b>Total current liabilities</b>	<b>25,994</b>	<b>890</b>	<b>(90)</b>	<b>26,794</b>	<b>46,766</b>	<b>(5,759)</b>	<b>67,801</b>
<b>Total shareholders' equity and liabilities</b>	<b>71,162</b>	<b>2,547</b>	<b>(1,055)</b>	<b>72,654</b>	<b>53,315</b>	<b>(10,973)</b>	<b>114,996</b>

(1) The impacts of the application of IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from contracts with Customers" from January 1, 2018 are presented in note 2-A.

## FINANCIAL RESULTS

## 2.2 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2017 <sup>(1)</sup>	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive transactions	Total Automotive	Sales Financing	Intersegment transactions	Consolidated total
<b>ASSETS</b> (€ million)							
<b>NON-CURRENT ASSETS</b>							
Property, plant and equipment and intangible assets and goodwill	16,818	1,616	-	18,434	388	-	18,822
Investments in associates and joint ventures	19,694	15	-	19,709	102	-	19,811
Non-current financial assets – equity investments	6,241	-	(303)	5,938	2	(4,634)	1,306
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segments	139	-	(50)	89	-	-	89
Deferred tax assets and other non-current assets	1,709	477	(146)	2,040	411	(89)	2,362
<b>Total non-current assets</b>	<b>44,601</b>	<b>2,108</b>	<b>(499)</b>	<b>46,210</b>	<b>903</b>	<b>(4,723)</b>	<b>42,390</b>
<b>CURRENT ASSETS</b>							
Inventories	5,939	344	-	6,283	45	-	6,328
Customer receivables	2,238	214	(435)	2,017	39,972	(902)	41,087
Current financial assets	1,181	-	(38)	1,143	1,610	(821)	1,932
Current tax assets and other current assets	2,853	139	(6)	2,986	4,761	(3,642)	4,105
Cash and cash equivalents	11,718	130	(3)	11,845	2,354	(142)	14,057
<b>Total current assets</b>	<b>23,929</b>	<b>827</b>	<b>(482)</b>	<b>24,274</b>	<b>48,742</b>	<b>(5,507)</b>	<b>67,509</b>
<b>Total assets</b>	<b>68,530</b>	<b>2,935</b>	<b>(981)</b>	<b>70,484</b>	<b>49,645</b>	<b>(10,230)</b>	<b>109,899</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b> (€ million)							
<b>SHAREHOLDERS' EQUITY</b>	<b>33,684</b>	<b>(99)</b>	<b>(138)</b>	<b>33,447</b>	<b>4,672</b>	<b>(4,440)</b>	<b>33,679</b>
<b>NON-CURRENT LIABILITIES</b>							
Long-term provisions	2,549	18	-	2,567	531	-	3,098
Non-current financial liabilities	4,111	1,211	(215)	5,107	13	-	5,120
Deferred tax liabilities and other non-current liabilities	1,147	83	(146)	1,084	675	-	1,759
<b>Total non-current liabilities</b>	<b>7,807</b>	<b>1,312</b>	<b>(361)</b>	<b>8,758</b>	<b>1,219</b>	<b>-</b>	<b>9,977</b>
<b>CURRENT LIABILITIES</b>							
Short-term provisions	868	87	-	955	11	-	966
Current financial liabilities	4,270	532	(41)	4,761	-	(969)	3,792
Trade payables and Sales Financing debts	9,595	824	(400)	10,019	42,248	(968)	51,299
Current tax liabilities and other current liabilities	12,306	279	(41)	12,544	1,495	(3,853)	10,186
<b>Total current liabilities</b>	<b>27,039</b>	<b>1,722</b>	<b>(482)</b>	<b>28,279</b>	<b>43,754</b>	<b>(5,790)</b>	<b>66,243</b>
<b>Total shareholders' equity and liabilities</b>	<b>68,530</b>	<b>2,935</b>	<b>(981)</b>	<b>70,484</b>	<b>49,645</b>	<b>(10,230)</b>	<b>109,899</b>

(1) The figures at December 31, 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018 (note 2-A3), and are thus different from the previously published figures (note 2-A5).

## A3. Consolidated cash flows by operating segment

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive transactions	Total Automotive	Sales Financing	Intersegment transactions	Consolidated total
<b>2018</b>							
<b>Net income</b>	<b>2,644</b>	<b>85</b>	-	<b>2,729</b>	<b>868</b>	<b>(146)</b>	<b>3,451</b>
Cancellation of dividends received from unconsolidated listed investments	(44)	-	-	(44)	-	-	(44)
Cancellation of income and expenses with no impact on cash							
Depreciation, amortization and impairment	3,066	109	-	3,175	70	-	3,245
Share in net (income) loss of associates and joint ventures	(1,527)	3	-	(1,524)	(16)	-	(1,540)
Other income and expenses with no impact on cash, before interest and tax	825	90	(1)	914	503	(21)	1,396
Dividends received from unlisted associates and joint ventures	2	-	-	2	-	-	2
<b>Cash flows before interest and tax<sup>(1)</sup></b>	<b>4,966</b>	<b>287</b>	<b>(1)</b>	<b>5,252</b>	<b>1,425</b>	<b>(167)</b>	<b>6,510</b>
<b>Dividends received from listed companies<sup>(2)</sup></b>	<b>828</b>	-	-	<b>828</b>	-	-	<b>828</b>
Decrease (increase) in sales financing receivables	-	-	-	-	(3,586)	(170)	(3,756)
Net change in financial assets and Sales Financing debts	-	-	-	-	3,593	-	3,593
Change in capitalized leased assets	(509)	-	-	(509)	(10)	-	(519)
Change in working capital before tax	781	16	6	803	(331)	79	551
<b>CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INTEREST AND TAX</b>	<b>6,066</b>	<b>303</b>	<b>5</b>	<b>6,374</b>	<b>1,091</b>	<b>(258)</b>	<b>7,207</b>
Interest received	71	5	(2)	74	-	(7)	67
Interest paid	(263)	(95)	2	(356)	-	24	(332)
Current taxes (paid)/received	(388)	(14)	-	(402)	(255)	-	(657)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>5,486</b>	<b>199</b>	<b>5</b>	<b>5,690</b>	<b>836</b>	<b>(241)</b>	<b>6,285</b>
Purchases of intangible assets	(1,735)	(32)	-	(1,767)	(4)	-	(1,771)
Purchases of property, plant and equipment	(2,557)	(83)	19	(2,621)	(15)	-	(2,636)
Disposals of property, plant and equipment and intangibles	126	31	(24)	133	-	(2)	131
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired	(15)	(2)	-	(17)	(12)	-	(29)
Acquisitions and disposals of other investments and other	(159)	-	-	(159)	(48)	-	(207)
Net decrease (increase) in other securities and loans of the Automotive segments	(156)	-	6	(150)	-	-	(150)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(4,496)</b>	<b>(86)</b>	<b>1</b>	<b>(4,581)</b>	<b>(79)</b>	<b>(2)</b>	<b>(4,662)</b>
Cash flows with shareholders	(1,149)	-	-	(1,149)	(153)	151	(1,151)
Net change in financial liabilities of the Automotive segments	233	(139)	(7)	87	-	111	198
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(916)</b>	<b>(139)</b>	<b>(7)</b>	<b>(1,062)</b>	<b>(153)</b>	<b>262</b>	<b>(953)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>74</b>	<b>(26)</b>	<b>(1)</b>	<b>47</b>	<b>604</b>	<b>19</b>	<b>670</b>

(1) Cash flows before interest and tax do not include dividends received from listed companies.

(2) Dividends received from Daimler (€44 million) and Nissan (€784 million).

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive transactions	Total Automotive	Sales Financing	Intersegment transactions	Consolidated total
<b>2018</b>							
<b>Cash and cash equivalents: opening balance</b>	<b>11,718</b>	<b>130</b>	<b>(3)</b>	<b>11,845</b>	<b>2,354</b>	<b>(142)</b>	<b>14,057</b>
Increase (decrease) in cash and cash equivalents	74	(26)	(1)	47	604	19	670
Effect of changes in exchange rate and other changes	(101)	(15)	1	(115)	136	29	50
<b>Cash and cash equivalents: closing balance</b>	<b>11,691</b>	<b>89</b>	<b>(3)</b>	<b>11,777</b>	<b>3,094</b>	<b>(94)</b>	<b>14,777</b>

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## 2.2 CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive transactions	Total Automotive	Sales Financing	Intersegment transactions	Consolidated total
<b>2017<sup>(1)</sup></b>							
<b>Net income</b>	<b>4,603</b>	<b>(115)</b>	<b>(2)</b>	<b>4,486</b>	<b>739</b>	<b>83</b>	<b>5,308</b>
Cancellation of dividends received from unconsolidated listed investments	(51)	-	-	(51)	-	-	(51)
Cancellation of income and expenses with no impact on cash							
Depreciation, amortization and impairment	2,852	109	-	2,961	85	-	3,046
Share in net (income) loss of associates and joint ventures	(2,808)	24	-	(2,784)	(15)	-	(2,799)
Other income and expenses with no impact on cash, before interest and tax	499	139	-	638	372	22	1,032
Dividends received from unlisted associates and joint ventures	3	-	-	3	-	-	3
<b>Cash flows before interest and tax<sup>(2)</sup></b>	<b>5,098</b>	<b>157</b>	<b>(2)</b>	<b>5,253</b>	<b>1,181</b>	<b>105</b>	<b>6,539</b>
<b>Dividends received from listed companies<sup>(3)</sup></b>	<b>761</b>	<b>-</b>	<b>-</b>	<b>761</b>	<b>-</b>	<b>-</b>	<b>761</b>
Decrease (increase) in sales financing receivables	-	-	-	-	(5,568)	63	(5,505)
Net change in financial assets and Sales Financing debts	-	-	-	-	5,871	(133)	5,738
Change in capitalized leased assets	(529)	-	-	(529)	(93)	-	(622)
Change in working capital before tax	447	98	5	550	(613)	(49)	(112)
<b>CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INTEREST AND TAX</b>	<b>5,777</b>	<b>255</b>	<b>3</b>	<b>6,035</b>	<b>778</b>	<b>(14)</b>	<b>6,799</b>
Interest received	68	17	(4)	81	1	(12)	70
Interest paid	(352)	(128)	4	(476)	-	25	(451)
Current taxes (paid)/received	(487)	(6)	-	(493)	(220)	(3)	(716)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>5,006</b>	<b>138</b>	<b>3</b>	<b>5,147</b>	<b>559</b>	<b>(4)</b>	<b>5,702</b>
Purchases of intangible assets	(1,285)	(24)	-	(1,309)	(2)	-	(1,311)
Purchases of property, plant and equipment	(2,221)	(81)	17	(2,285)	(5)	-	(2,290)
Disposals of property, plant and equipment and intangibles	144	29	(20)	153	-	-	153
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired	(16)	-	-	(16)	(15)	-	(31)
Acquisitions and disposals of other investments and other	(37)	1	-	(36)	-	-	(36)
Net decrease (increase) in other securities and loans of the Automotive segments	(228)	-	-	(228)	-	111	(117)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>(3,643)</b>	<b>(75)</b>	<b>(3)</b>	<b>(3,721)</b>	<b>(22)</b>	<b>111</b>	<b>(3,632)</b>
Cash flows with shareholders	(1,267)	-	-	(1,267)	(49)	-	(1,316)
Net change in financial liabilities of the Automotive segments	(54)	(194)	(3)	(251)	-	(140)	(391)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>(1,321)</b>	<b>(194)</b>	<b>(3)</b>	<b>(1,518)</b>	<b>(49)</b>	<b>(140)</b>	<b>(1,707)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>42</b>	<b>(131)</b>	<b>(3)</b>	<b>(92)</b>	<b>488</b>	<b>(33)</b>	<b>363</b>

(1) The figures for 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018 (note 2-A3), and are thus different from the previously published figures (note 2-A5).

(2) Cash flows before interest and tax do not include dividends received from listed companies.

(3) Dividends received from Daimler (€51 million) and Nissan (€710 million).

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive Transactions	Total Automotive	Sales Financing	Intersegment transactions	Consolidated total
<b>2017</b>							
<b>Cash and cash equivalents: opening balance</b>	<b>11,820</b>	<b>277</b>	<b>-</b>	<b>12,097</b>	<b>1,894</b>	<b>(138)</b>	<b>13,853</b>
Increase (decrease) in cash and cash equivalents	42	(131)	(3)	(92)	488	(33)	363
Effect of changes in exchange rate and other changes	(144)	(16)	-	(160)	(28)	29	(159)
<b>Cash and cash equivalents: closing balance</b>	<b>11,718</b>	<b>130</b>	<b>(3)</b>	<b>11,845</b>	<b>2,354</b>	<b>(142)</b>	<b>14,057</b>

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#### A4. Other information for the Automotive segments: net cash position or net financial indebtedness and operational free cash flow

The net cash position or net financial indebtedness and operational free cash flow are only presented for the Automotive segments, since these indicators are not relevant for monitoring Sales Financing activity.

The net cash position or net financial indebtedness includes all non-operating interest-bearing financial liabilities and commitments less cash and cash equivalents and other non-operating financial assets such as marketable securities or the segment's loans.

#### Net cash position (net financial indebtedness)

	Automotive (excluding AVTOVAZ)	AVTOVAZ <sup>(1)</sup>	Intra- Automotive transactions	Total Automotive
<b>DECEMBER 31, 2018</b> (€ million)				
Non-current financial liabilities	(5,508)	(688)	-	(6,196)
Current financial liabilities	(3,258)	(94)	9	(3,343)
Non-current financial assets – other securities, loans and derivatives on financing operations	55	-	-	55
Current financial assets	1,415	-	(6)	1,409
Cash and cash equivalents	11,691	89	(3)	11,777
<b>Net cash position (net financial indebtedness) of the Automotive segments</b>	<b>4,395</b>	<b>(693)</b>	<b>-</b>	<b>3,702</b>

(1) The decline in the net financial indebtedness of the AVTOVAZ segment mainly results from capitalization of a debt to Russian Technologies amounting to 30.7 billion roubles, loans from Renault to AVTOVAZ amounting to 6 billion roubles, and long-term liabilities of Alliance Rostec b.v. amounting to 11.5 billion roubles (i.e. a total of €694 million at the exchange rate of December 31, 2017), which were converted into shares.

	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive transactions	Total Automotive
<b>DECEMBER 31, 2017</b> <sup>(1)</sup> (€ million)				
Non-current financial liabilities	(4,111)	(1,211)	215	(5,107)
Current financial liabilities	(4,270)	(532)	41	(4,761)
Non-current financial assets – other securities, loans and derivatives on financing operations	139	-	(50)	89
Current financial assets	1,181	-	(38)	1,143
Cash and cash equivalents	11,718	130	(3)	11,845
Capitalizable loans from Renault s.a.s. to AVTOVAZ	(87)	-	87	-
<b>Net cash position (net financial indebtedness) of the Automotive segments</b>	<b>4,570</b>	<b>(1,613)</b>	<b>252</b>	<b>3,209</b>

(1) The figures at December 31, 2017 include adjustments due to the change in the accounting treatment of redeemable shares in 2018 (note 2-A3), and are thus different from the previously published figures (note 2-A5).

#### Operational free cash flow

	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive transactions	Total Automotive
<b>2018</b> (€ million)				
Cash flows (excluding dividends from listed companies) before interest and tax	4,966	287	(1)	5,252
Changes in working capital before tax	781	16	6	803
Interest received by the Automotive segments	71	5	(2)	74
Interest paid by the Automotive segments	(263)	(95)	2	(356)
Current taxes (paid) / received	(388)	(14)	-	(402)
Acquisitions of property, plant and equipment, and intangible assets net of disposals	(4,166)	(84)	(5)	(4,255)
Capitalized leased vehicles and batteries	(509)	-	-	(509)
<b>Operational free cash flow of the Automotive segments</b>	<b>492</b>	<b>115</b>	<b>-</b>	<b>607</b>

	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive transactions	Total Automotive
<b>2017</b> (€ million)				
Cash flows (excluding dividends from listed companies) before interest and tax	5,098	157	(2)	5,253
Changes in working capital before tax	447	98	5	550
Interest received by the Automotive segments	68	17	(4)	81
Interest paid by the Automotive segments	(352)	(128)	4	(476)
Current taxes (paid)/received	(487)	(6)	-	(493)
Acquisitions of property, plant and equipment, and intangible assets net of disposals	(3,362)	(76)	(3)	(3,441)
Capitalized leased vehicles and batteries	(529)	-	-	(529)
<b>Operational free cash flow of the Automotive segments</b>	<b>883</b>	<b>62</b>	<b>-</b>	<b>945</b>

**B. Information by Region**

The Regions presented correspond to the geographic divisions used for Group management. The Regions are defined in section 1.3.1.3 of the Registration Document.

Consolidated revenues are presented by location of customers.

Property, plant and equipment and intangibles are presented by location of subsidiaries and joint operations.

(€ million)	Europe <sup>(1)</sup>	Americas <sup>(2)</sup>	Asia-Pacific <sup>(2)</sup>	Africa Middle-East India	Eurasia	Consolidated total
<b>2018</b>						
Revenues	36,704	4,684	4,566	3,903	7,562	<b>57,419</b>
Including AVTOVAZ	39	2	-	18	3,292	3,351
Property, plant and equipment and intangibles	14,800	821	519	661	3,416	<b>20,217</b>
Including AVTOVAZ	-	-	-	-	1,422	1,422
<b>2017</b>						
Revenues	36,249	5,114	5,297	4,512	7,598	<b>58,770</b>
Including AVTOVAZ	44	5	-	2	2,951	3,002
Property, plant and equipment and intangibles	12,956	1,073	522	706	3,565	<b>18,822</b>
Including AVTOVAZ	-	-	-	-	1,533	1,533

(1) Including the following for France :

(€ million)	2018	2017
Revenues	13,533	12,670
Property, plant and equipment and intangibles	11,735	10,325

(2) The Asia-Pacific Region comprises sales to Nissan of vehicles made in Korea for the United States market. These sales were previously classified as belonging to the Americas Region. The figures for the year 2017 have been restated in the amount of €1,659 million.

**DIRECTION DES RELATIONS FINANCIERES**

investor.relations@renault.com  
13-15, quai Le Gallo  
92513 Boulogne-Billancourt Cedex  
Tél. : + 33 (0)1 76 84 53 09

[group.renault.com](http://group.renault.com)