



Earnings report

Full year 2022

**Renault
Group**

Earnings report – Full year 2022

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Key figures

		2022	2021 adjusted ⁽¹⁾	Change	2021 published
Worldwide Group registrations	Million vehicles	2.05	2.18	-5.9%	2.70
Group revenue	€ million	46,391	41,659	+4,732	46,213
Group operating profit	€ million	2,595	1,153	+1,442	1,663
	% revenue	5.6%	2.8%	+2.8 pts	3.6%
Group operating income	€ million	2,216	900	+1,316	1,398
Contribution from associated companies	€ million	423	515	-92	515
o/w Nissan	€ million	526	380	+146	380
Net income	€ million	-700	967	-1,667	967
o/w continuing operations	€ million	1,620	549	+1,071	N/A
o/w discontinued operations	€ million	-2,320	418	-2,738	N/A
Net income, Group share	€ million	-338	888	-1,226	888
o/w continuing operations	€ million	1,650	524	+1,126	N/A
o/w discontinued operations	€ million	-1,988	364	-2,352	N/A
Earnings per share	€	-1.24	3.25	-4.49	3.26
Automotive operational free cash flow ⁽²⁾	€ million	+2,119	+889	+1,230	+1,272
Automotive net financial position	€ million	+549	-1,100	+1,649	-1,622
		at Dec. 31, 2022	at Dec. 31, 2021		at Dec. 31, 2021
Sales Financing, average performing assets	€ billion	44.7	44.8	-0.1%	44.8

⁽¹⁾ The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

⁽²⁾ Automotive operational free cash flow: 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

Renault Group delivers: doubled profitability, record free cash flow, resumed dividend & further performance improvement expected in 2023

• 2022¹ results: exceeded 2022 FY financial outlook (upgraded in July 2022)

- Group revenue at €46.4bn: +11.4% vs 2021
- Group operating margin at €2.6bn (5.6% of revenue; vs a guidance above 5%): up €1.4bn vs 2021 (+2.8 pts), reaching 6.4% in 2022 H2 (+2.9 pts vs 2021 H2)
- Automotive operating margin at €1.4bn (3.3% of revenue): up €1.4bn vs 2021 (+3.3 pts), reaching 4.2% in 2022 H2 (+3.5 pts vs 2021 H2)
- Record Automotive operating margin per vehicle
- Net income from continuing operations at €1.6bn, up €1.1bn compared to 2021
- Net income from discontinued operations at -€2.3bn due to the non-cash adjustment related to the disposal of the Russian industrial activities announced on May 16, 2022
- Record Automotive operational free cash flow at €2.1bn (including a €800m dividend from Mobilize Financial Services) vs a guidance above €1.5bn: up €1.2bn vs 2021

- Automotive net cash: back to positive at +€549m at December 31, 2022 compared to -€1.1bn at December 31, 2021, ie an improvement of €1.6bn
- Breakeven point lowered by 50% vs 2019
- 2022 Global carbon footprint² reduction target of -25% versus 2010 achieved
- **Orderbook at record levels and success of new vehicles**
 - Group orderbook in Europe at record levels: 3.5 months of sales at the end of the year
 - Sales mix to retail customers in the 5 main European countries (France, Germany, Spain, Italy, UK): 67% (+9 pts vs 2021, +15 pts vs 2019)
 - Growing performance of E-TECH³ sales, representing 39% of Renault brand passenger cars sales in Europe (+9 pts vs 2021). Renault is the 3rd brand on pure EV market and 2nd brand on full-hybrid market in Europe
 - Success of models:
 - Renault Arkana recorded 86,000 sales in more than 50 countries in 2022. In Europe, 65% of sales are in E-TECH version, 74% on the highest versions and 56% on the retail channel
 - Renault Megane E-TECH Electric reached over 33,000 sales in 2022, since its launch at the end of 2022 Q2. It was number 1 EV in France in 2022 H2. As of today, 49,000 orders have been recorded since its launch with more than 70% of these on the highest versions and more than 80% on the most powerful engines

¹ The results presented relate to continuing operations (excluding AvtoVAZ and Renault Russia whose disposals were announced on May 16, 2022)

² Tons of CO₂ eq/vh. @150 000 km, Renault; Dacia, Alpine, Renault Korea Motors

³ E-Tech range: electric and hybrid vehicles

- Dacia Sandero, with 229,500 sales, remained the best-selling vehicle to retail customers in Europe since 2017
- Launched mid-2021, Dacia Spring 100% electric recorded 48,900 sales, up 75% vs 2021 and was number 3 EV sold to retail customers in Europe
- Dacia Jogger recorded almost 57,000 sales and was number 2 of C-segment (ex. SUV) sold to retail customers in Europe
- Alpine reached a record level of sales, up 33% versus 2021
- Product mix effect of +2.8 pts on the Automotive revenue vs 2021 thanks to new launches (Renault Arkana, Dacia Jogger and Renault Megane E-TECH Electric)
- Acceleration of the pricing effect, which reached +9.7 pts on the Automotive revenue vs 2021 (+12.1 pts in 2022 H2 after +7.4 pts in 2022 H1), thanks to the Renault commercial policy

Reminder relative to the impacts of the disposal of Russian automotive activities on financial statements:

In May 2022, the Board of Directors of Renault Group unanimously approved the signing of agreements to sell 100% of Renault Group's shares in Renault Russia to the City of Moscow and its 67.69% stake in AVTOVAZ to NAMI (the Central Institute for Research and Development of Automobiles and Engines). In addition, the agreement provides for a call option for Renault Group to buy back its stake in AVTOVAZ, exercisable at certain periods over the next 6 years.

As a result of these agreements:

- The Russian activities were deconsolidated in Renault Group's 2022 financial statements and treated as discontinued operations under IFRS 5 with retroactive effect from January 1st, 2022.
- The financial aggregates of continuing operations for 2022 therefore no longer include the Russian industrial activities and the year 2021 has been adjusted in line with this new scope of activity.
- The result of discontinued operations represents a loss of -€2.3 billion in 2022, mainly due to the impairment of the property, plant and equipment, intangible assets and goodwill of AVTOVAZ and Renault Russia as well as the impairment of specific assets held by the other entities of the Group and the result of disposals on the Russian entities sold.
- The Automotive net debt was reduced by €0.5 billion from -€1.6 billion to -€1.1 billion at December 31, 2021.

Group revenue reached €46,391 million, up 11.4% compared to 2021. At constant exchange rates¹, it increased by 12.4% (-1 point of negative exchange rates effect).

Automotive revenue stood at €43,121 million, up 11.4% compared to 2021. At constant exchange rates¹, it increased by 12.6% (-1.2 points of negative exchange rates effect mainly related to the Turkish lira and Argentinean peso devaluation).

Volume effect stood at +3.4 points thanks to the commercial success of vehicles coupled with an improved availability of EC components. Invoices outperformed sales because of delays in the delivery of vehicles ordered by and invoiced to the independent dealers to answer their customers' demand. These

delays were due to outbound logistic tensions at the end of the year.

The price effect, positive by +9.7 points, reflected the continuation of the Group's commercial policy, launched in 2020 Q3, focused on value over volume, as well as price increases to offset cost inflation, and an optimization of commercial discounts. It amounted to +12.1 points in 2022 H2 after +7.4 points in H1.

The success of Renault Megane E-TECH Electric launched at the end of 2022 Q2, Renault Arkana launched in 2021 Q2, as well as Dacia Jogger launched in 2022 Q1, evidenced the renewal and the offensive of Renault and Dacia brands in the C-segment. It generated in 2022 a +2.8 points positive product mix effect.

The impact of sales to partners, negative by -1.4 points, was mainly due to the decrease in production of diesel engines and vehicles for Renault Group's partners (end of contracts of Master for Opel and Traffic for Fiat at the end of 2021).

The "Others" effect, of -1.8 points, was due to a decrease in the contribution of sales from the Renault Retail Group (RRG) network following the disposals of branches and lower sales of used cars, partially offset by strong performance in the aftersales activity.

The **Group** recorded a positive **operating margin** of €2,595 million (5.6% of revenue) versus €1,153 million (2.8% of revenue) in 2021 (+€1,442 million and +2.8 points). It improved sequentially to 6.4% in 2022 H2 versus 4.7% in 2022 H1.

Automotive operating margin stood at €1,402 million (3.3% of Automotive revenue) versus -€3 million in 2021 (+3.3 points).

The positive mix/price/enrichment effect of +€3,539 million illustrated the success of the commercial policy focused on value over volume. It largely offset the increase in costs which amounted to -€2,288 million. The latter was mainly explained by the impact of inflation on raw materials (-€1,916 million), on purchasing costs, and on manufacturing and logistic costs, despite continuous productivity gains. The volume effect stood at +€199 million.

The contribution of **Mobilize Financial Services** (Sales Financing) to the Group's operating margin reached €1,223 million, up €38 million compared to 2021. It was positively impacted by non-recurring impacts on the swaps valuation mainly coming from the interest rate increase in Europe and by the focus on the most profitable customer channels bringing higher margins.

The 6.4% decrease of the number of new financing contracts in retail business, mainly linked to the evolution of Group's registrations, was more than offset by the 10.4% increase in the average financed amount. Thus, new financings increased by 3.3% versus 2021.

Other operating income and expenses were negative at -€379 million (versus -€253 million in 2021) and were mostly explained by restructuring provisions for -€354 million and impairments for -€257 million mainly related to a Chinese facility, partially offset by asset disposals (+€202 million) related to the sale of several commercial subsidiaries of the Group and branches of RRG, in line with the announced strategy.

After taking into account other operating income and expenses, the **Group's operating income** stood at €2,216 million versus €900 million in 2021 (+€1,316 million versus 2021).

Net financial income and expenses amounted to -€486 million compared to -€295 million in 2021. Most of this deterioration is explained by the accounting impact of hyperinflation in Argentina despite the decrease in financial interests on the net debt.

¹ In order to analyze the variation in consolidated revenue at constant exchange rates, Renault Group recalculates the revenue for the current period by applying average exchange rates of the previous period

The **contribution of associated companies** amounted to €423 million compared to €515 million in 2021. This included €526 million related to Nissan's contribution, which more than offset the negative contribution from other associates (-€103 million), notably in connection with the impairment of Renault Nissan Bank shares in Russia.

Current and deferred taxes represented a charge of -€533 million compared to a charge of -€571 million in 2021. The increase linked to the improvement of the pretax income was more than offset by net year-over-year one-offs.

Net income from continuing operations was €1,620 million, up €1,071 million compared to 2021. Net income from continuing operations, Group share, was €1,650 million (or €6.07 per share).

Net income from discontinued operations amounted to -€2,320 million due to the non-cash adjustment related to the disposals of the Russian industrial activities.

Thus, **net income** was -€700 million and net income, Group share, was -€338 million (or -€1.24 per share).

The **cash flow of the Automotive business** reached €4,818 million, up €519 million compared to 2021 (including €800 million of Mobilize Financial Services dividend versus €1,000 million in 2021). This cash flow largely covered the tangible and intangible investments before asset disposals which amounted to €2.5 billion (€2.1 billion net of disposals) and the restructuring expenses (-€590 million).

Excluding the impact of asset disposals, the Group's net CAPEX and R&D amounted to €3,451 million in 2022 (7.4% of revenue) stable compared to 2021 (€3,579 million and 8.6% of revenue).

Automotive operational free cash flow¹ was positive at +€2,119 million taking into account a positive change in working capital requirement of +€7 million.

As of December 31, 2022, **total inventories** of new vehicles (including the independent dealer network) represented 480,000 vehicles compared to 336,000 at the end of December 2021. This increase is explained by higher independent dealers' inventories notably due to outbound logistic tensions at the end of the year. This level of inventories has to be put into perspective with the record level of the orderbook.

The **Automotive financial position** is now positive at +€549 million on December 31, 2022 compared to -€1,100 million adjusted from the operations of AVTOVAZ and Renault Russia at December 31, 2021, an improvement of €1.6 billion.

In 2022, Renault Group made an early repayment of €1 billion and reimbursed €1 billion for the mandatory annual repayment of the

loan of a banking pool benefiting from the guarantee of the French State (PGE). As announced, the entire loan will be reimbursed by the end of 2023 at the latest.

In 2022, Renault SA issued 2 Samurai bonds:

- c. €560 million Samurai bond (¥80.7 billion), on June 24, 2022, 3-year maturity with a coupon of 3.50%;
- c. €1.4 billion Samurai retail bond (¥210 billion), on December 22, 2022, maturity December 2026 with a coupon of 2.80%. This transaction represents Renault Group's first-ever issuance of retail bond targeted to individuals and stands as the second largest public offering of Samurai bond for individuals.

Liquidity reserve at the end of 2022 stood at a high level at €17.7 billion up €1 billion compared to December 31, 2021.

As announced during its Capital Market Day on November 8, 2022, Renault Group is willing to share value creation with its stakeholders through an employee shareholding plan and by reinstating a dividend.

Renault Shareplan

Renault Group has started taking steps to increase the share of employees in its capital to reach 10% by 2030.

More than 95,000 employees benefitted from 6 free shares. Among them, more than 40,000 also subscribed to shares at a preferential price of 22.02 euros per share.

In total, with nearly 2.7 million additional shares held by employees, the Renault Shareplan operation represents 0.9% of Renault Group's capital and employees hold around 4.7% of the capital after the operation.

Dividend

The proposed dividend for the financial year 2022 is €0.25 per share. It would be paid fully in cash and will be submitted for approval at the Annual General Meeting on May 11, 2023. The ex-dividend date is scheduled on May 17, 2023 and the payment date on May 19, 2023.

As announced during its Capital Market Day, the dividend policy will gradually grow, in a disciplined manner, up to 35% payout ratio of Group consolidated net income – parent share, in the mid-term. To do so, the Group must achieve its first priority: return to an "investment grade" rating.

2023 financial outlook

In a still challenging environment, the Group is aiming to improve its performance in 2023 with:

- a Group operating margin superior or equal to 6%
- an Automotive operational free cash flow superior or equal to €2bn

¹ Automotive operating free cash flow: cash flow after interest and taxes (excluding dividends received from listed companies) less tangible and intangible investments net of disposals +/- change in working capital requirement

Highlights

- **January 7, 2022:** Qualcomm and Renault Group extend their collaboration and bring the latest digital advancements to next generation vehicles with the Snapdragon digital chassis.
- **January 26, 2022:** RRG continues to transform its business model in France. The plan calls for the transfer of eight establishments in France over the next two years to reliable and robust purchasers while preserving jobs.
- **January 27, 2022:** Renault, Nissan & Mitsubishi Motors announce common roadmap Alliance 2030: Best of 3 worlds for a new future.
- **February 10, 2022:** Renault Group, Valeo and Valeo Siemens eAutomotive join forces to develop and manufacture a new-generation automotive electric motor in France.
- **March 8, 2022:** Renault unveils All-New Austral, its new electrified C-segment SUV. High-tech, efficient, and connected which embodies the spirit of the Renaulution plan.
- **March 9, 2022:** Software République (Atos, Dassault Systèmes, Orange, Renault Group, STMicroelectronics, and Thales) launches its startup incubator to accelerate sustainable, secure, and intelligent mobility.
- **March 15, 2022:** Hyvia, Renault Group and Plug Power's joint-venture, inaugurates its plant at Refactory, in France and is ready to start assembly fuel cell modules. By the end of 2022, the plant will also begin assembly of hydrogen refueling stations and the production of low carbon hydrogen.
- **March 23, 2022:** Renault industrial activities in Russia are suspended.
- **April 19, 2022:** Renault Tech, in charge of customization and transformations on the vehicles of the Group's brands, becomes Qstomize. Qstomize reveals its new strategy centered on two main axes: expansion of the product range and geographical scope.
- **May 10, 2022:** During its Capital Market Day, Mobilize sets out its ambitions in services and technology, targeting 20% of Renault Group's turnover in 2030. RCI Bank and Services becomes Mobilize Financial Services, a unique commercial brand to meet all customers car-related and mobility needs.
- **May 10, 2022:** Geely Automobile Holdings to acquire 34.02% of the shares of Renault Korea Motors. A collaboration to launch from 2024 an all-new vehicle lineup of Hybrid Electric Vehicles and Internal Combustion Engine (ICE) models to the South Korean market as well as exploring overseas sales.
- **May 12, 2022:** Renault Group studies the creation of two specialized centers of excellence: an entity dedicated to the development, production and sales of electric vehicles and an entity dedicated to the development and production of new generation E-TECH ICE and hybrid engines and transmissions.
- **May 16, 2022:** Renault Group announces the signature of agreements to sell 100% of Renault Group's shares in Renault Russia to Moscow City entity and its 67.69% interest in AVTOVAZ to NAMI (the Central Research and Development Automobile and Engine Institute). The agreement provides for an option for Renault Group to buy back its interest in AVTOVAZ, exercisable at certain times during the next 6 years.
- **May 19, 2022:** At ChangeNow 2022, Renault reveals Scénic Vision which embodies its vision of sustainable development and reflects the brand's plan to decarbonize its entire lifecycle with the aim of becoming carbon neutral in Europe by 2040 and worldwide by 2050.
- **June 1, 2022:** Renault Group and Managem Group sign an agreement for a sustainable supply of Moroccan Cobalt.
- **June 20, 2022:** Renault Group and Minth Group join forces to create a joint venture based in France to produce battery casings for electric vehicles.
- **July 1, 2022:** Renault Group announces that it has implemented a liquidity and market surveillance contract for its ordinary shares with Exane BNP Paribas for a period of one year, with tacit renewal, starting on July 1st, 2022.
- **July 5, 2022:** Renault Group inaugurates a new production line for electric motors at the Cléon plant and further accelerates its electric transformation.
- **July 12, 2022:** Renault Group and Vitesco Technologies join forces for the joint development and the production of power electronics in a so-called "One Box" for electric and hybrid powertrains.
- **July 21, 2022:** Renault Group exceeds its decarbonisation target for its freight transport activities, reducing its carbon emissions in Europe by almost 7% between 2018 and 2021, within the scope defined by FRET 21.
- **September 1, 2022:** Renault Group ahead in reducing energy consumption, reducing the energy consumption of its industrial and tertiary sites in France by almost 10% between 2021 and the first half of 2022.
- **October 10, 2022:** Mobilize Fast Charge: the new ultrafast charging network in Europe. To simplify charging on long drives, Mobilize is partnering with Renault dealerships to launch Mobilize Fast Charge, a network of ultrafast charging stations.
- **October 10, 2022:** Renault Group and Nissan Motor Co are engaged in trustful discussions around several initiatives as part of continued efforts to reinforce the cooperation and the future of the Alliance.
- **October 18, 2022:** Renault Group is creating The Future Is NEUTRAL, the first company operating across the entire automotive circular economy value chain, aiming at moving the automotive industry towards resource neutrality.
- **November 8, 2022:** Renault Group opens the 3rd chapter of its Renaulution plan: Revolution, towards a Next Gen automotive company.
- **November 8, 2022:** Geely and Renault Group sign framework agreement to create the leading powertrain technology company. Geely and Renault Group holding 50% stakes in new company.
- **November 8, 2022:** Qualcomm and Renault Group intend to extend their strategic cooperation to Renault's new electric and software company, Ampere, to co-develop a centralized platform architecture for software-defined electric vehicles powered by the Snapdragon Digital Chassis.
- **November 8, 2022:** Renault Group and Google announced an expanded partnership aimed at designing and delivering the digital architecture for the "Software Defined Vehicle" (SDV) and accelerating the Group's digitalization. The two partners will develop a set of onboard and offboard software components that are dedicated to the SDV and will grow synergies and use cases related to the Group's "Move to Cloud" strategy.
- **November 8, 2022:** Mobilize Financial Services creates Mobilize Insurance to scale its usage-based and mobility car insurance business in Europe in partnership with Accenture.

- **November 14, 2022:** Mobilize launches Mobilize Driver Solutions, its one-stop shop for ride-hailing professionals, in Paris.
- **November 16, 2022:** Renault Group was at the French trade fair for mayors and local communities to present its full range of services and solutions for French communities from Renault Pro+, Mobilize and HYVIA.
- **November 16, 2022:** Renault Group launches a shareholding plan for all its employees.
- **November 23, 2022:** Renault S.A. informs its shareholders that the next Annual General Meeting is scheduled on Thursday, May 11, 2023.
- **November 24, 2022:** Renault Group is accelerating the decarbonisation plan for its plants in France and innovating with new partners: Voltalia, ENGIE, and Dalkia.
- **November 29, 2022:** Thierry Charvet succeeds José Vicente de los Mozos as EVP, Group Industry, Renault Group.
- **November 30, 2022:** Airbus and Renault signed a partnership to help mature technologies associated with next-generation battery systems.
- **December 6, 2022:** Renault, the first brand to integrate Waze directly into its multimedia system.
- **December 7, 2022:** Fedra Ribeiro is appointed CEO of Mobilize Beyond Automotive.
- **December 13, 2022:** Mobilize Financial Services creates Mobilize Lease&Co to accelerate its operating lease offer and meet the new mobility needs. Mobilize Lease&Co's aim is to reach a fleet size of 1 million vehicles by 2030, compared to 350,000 today.
- **December 15, 2022:** the Board of Directors of Renault unanimously decided, upon the recommendation of the Governance and Compensation Committee, to propose to the Shareholders' General Meeting scheduled for May 11, 2023, the renewal the term of office of the Chairman and the appointment of the Chief Executive Officer as a Director.
- **December 22, 2022:** Renault Group successfully issues a ¥210 billion Samurai retail bond.

2 Sales performance

Overview

- **Renault Group's** global sales amounted to 2,051,174 vehicles in 2022, down 5.9%¹.
- Renault Group was pursuing its sales policy focused on value creation, which led to an increase in the share of its sales in the most profitable channels. The share of sales to retail customers represented 67% in the five main European countries (France, Germany, Spain, Italy, United Kingdom), up 8.7 points compared to 2021.
- The Group's order book in Europe² remained at a record level of 3.5 months of sales as of December 31, 2022.
- The **Renault brand** was successfully developing its sales in value-creating segments in Europe and abroad.
 - In **Europe**, Renault was on the podium of electrification and became the 3rd brand in the electrified market³ (PC market) with 12% growth compared to 2021 and the 3rd brand on pure EV market. Renault improved its channel mix with more than 1 in 2 sales to private customers in Europe sales (+8 points compared to 2021). Renault sales in the C-segment also increased by 21% compared to 2021, with in particular the successes of Arkana with more than 80,000 sales and Mégane E-Tech electric with 33,000 sales.
 - Outside of Europe, Renault reaffirmed its positions and increased its presence in its key markets: Turkey (+22.6% vs. 2021), Morocco (+11.4% vs. 2021) and Latin America (+7.9% vs. 2021).
- **Dacia** recorded 573,800 sales in 2022, a 6.8% growth compared to 2021. Dacia confirmed its 3rd place on the European podium of sales to private customers with a record market share of 7.6%. A success driven by the 4 models renewed with the new identity of the brand:
 - Sandero, 1st vehicle sold to individuals in Europe since 2017;
 - Duster, 2nd vehicle sold to individuals in Europe and 1st SUV sold to individuals since 2018;
 - Jogger for its first year of marketing, 2nd vehicle in the C segment (excluding SUV) sold to individuals in Europe;
 - Spring, 3rd electric vehicle sold to individuals in Europe.
- **Alpine** confirmed its growth for the 3rd consecutive year with 3,546 units sold in 2022, an increase of 33%, driven by the success of the limited series of the iconic A110 range. At the same time, Alpine pursued its international development with the opening of new markets and the strong growth of its network of +40%.

RENAULT GROUP'S TOP FIFTEEN MARKETS

SALES		Volumes 2022 ⁽¹⁾ (units)	PC / LCV market share (%)	Change in market share on 2021 (points)
1	France	470,280	25.1	+0.1
2	Germany	161,146	5.6	-0.5
3	Italy	141,108	9.6	+0.2
4	Turkey	135,639	17.3	+1.6
5	Brazil	126,689	6.5	+0.0
6	Spain + Canary Islands	103,417	11.1	-0.3
7	India	87,118	2.0	-0.7
8	United Kingdom	76,329	4.0	+0.6
9	Morocco	65,287	40.4	+0.7
10	South Korea	52,621	3.2	-0.4
11	Romania	51,851	36.1	+1.2
12	Colombia	49,521	20.9	+0.1
13	Poland	48,062	10.0	+0.0
14	Belgium + Luxembourg	47,329	10.0	-0.0
15	Argentina	44,696	11.8	+1.8

(1) Preliminary figures.

¹ 2021 and 2022 excluding Renault Russia and AVTOVAZ

² Excluding importers

³ Electric, hybrid and plug-in hybrid vehicles, excluding mild hybridization

2.1 Automotive

2.1.1 Group sales worldwide by region, by brand & by type

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES ⁽³⁾ (Units)	2022 ⁽¹⁾	2021 ⁽²⁾ adjusted	Change (%)	2021	Change (%)
GROUP	2,051,174	2,179,562	-5.9	2,696,486	-23.9
EUROPE	1,320,875	1,426,900	-7.4	1,428,495	-7.5
Renault	830,608	982,475	-15.5	982,475	-15.5
Dacia	486,900	441,985	+10.2	441,985	+10.2
Alpine	3,292	2,440	+34.9	2,440	+34.9
LADA			N/A	1,595	-100.0
Mobilize	75		+++		+++
AFRICA MIDDLE-EAST	129,580	147,349	-12.1	150,817	-14.1
Renault	83,702	90,367	-7.4	90,367	-7.4
Dacia	45,878	56,155	-18.3	56,155	-18.3
Alpine		1	-100.0	1	-100.0
LADA			N/A	3,468	-100.0
Jinbei&Huasong ⁽⁴⁾		826	-100.0	826	-100.0
ASIA PACIFIC	165,265	193,987	-14.8	194,120	-14.9
Renault	106,941	117,048	-8.6	117,048	-8.6
Renault Korea Motors	51,083	57,480	-11.1	57,480	-11.1
Alpine	254	219	+16.0	219	+16.0
LADA			N/A	133	-100.0
Jinbei&Huasong ⁽⁴⁾		15,072	-100.0	15,072	-100.0
EVEASY ⁽⁵⁾	6,987	4,168	+67.6	4,168	+67.6
EURASIA	152,318	148,806	+2.4	659,964	-76.9
Renault	111,259	109,853	+1.3	241,403	-53.9
Dacia	41,059	38,953	+5.4	38,953	+5.4
LADA			N/A	379,425	-100.0
AVTOVAZ			N/A	183	-100.0
LATIN AMERICA	283,136	262,520	+7.9	263,090	+7.6
Renault	283,136	262,419	+7.9	262,419	+7.9
LADA			N/A	570	-100.0
Jinbei&Huasong ⁽⁴⁾		101	-100.0	101	-100.0
BY BRAND					
Renault	1,415,646	1,562,162	-9.4	1,693,712	-16.4
Dacia	573,837	537,093	+6.8	537,093	+6.8
Renault Korea Motors	51,083	57,480	-11.1	57,480	-11.1
Alpine	3,546	2,660	+33.3	2,660	+33.3
LADA			N/A	385,191	-100.0
AVTOVAZ			N/A	183	-100.0
Jinbei&Huasong ⁽⁴⁾		15,999	-100.0	15,999	-100.0
EVEASY ⁽⁵⁾	6,987	4,168	+67.6	4,168	+67.6
Mobilize	75		+++		+++
BY VEHICLE TYPE					
Passenger cars	1,719,735	1,755,261	-2.0	2,257,522	-23.8
Light commercial vehicles	331,439	424,301	-21.9	438,964	-24.5

(1) Preliminary figures.

(2) Sales 2021 pro-forma 2022 (without Russia).

(3) Twizy is a quadricycle and therefore not included in Group automotive sales except in Bermuda, Chile, Colombia, South Korea, Guatemala, Ireland, Lebanon, Malaysia and Mexico where Twizy is registered as a passenger car.

(4) Jinbei & Huasong includes the brands Jinbei JV and Huasong.

(5) EVEASY is the JMEV's brand.

→ Renault and RKM brands

In a context of constrained supply, Renault brand sales amounted to 1,466,729 units, or -9.4% vs 2021.

In **Europe**, Renault reached a market share of 6.4% (-0.7 pts vs 2021) with 832,605 units. As in 2021, the brand showed significant progress in the high value areas – the growing electrified¹ market, the C-segment, the retail market and the LCV business.

In 2022, Renault became the 3rd leading **electrified brand** (PC market) with more than 230,000 vehicles sold (+12% vs 2021). Renault was the 3rd European brand for BEV sales.

Renault has achieved its **retail** target, with more than one out of two vehicles sold to private customers. The retail mix rose by +8 points vs 2021 to reach 51%, which is +7 points vs market average. Therefore, our retail market share improved by +0.3 points vs 2021 to reach 6.1% in Europe.

The **C-segment** growth gained pace: Renault sales grew by 21% with more than 200,000 registrations. The success of Renault Arkana continued, with already more than 80,000 sales in 2022 (double vs 2021 – 41,800 sales).

On the European **LCV** market, Renault reached the 2nd position with a stable 14.4% market share.

Outside of Europe, Renault grew on its key markets. Sales volumes totaled 634,000 units and were stable vs 2021. The share of sales outside Europe reached 43.2% of total brand sales.

→ Dacia brand

Dacia sold 573,800 vehicles in 2022, registering 6.8% growth in a declining market compared with 2021. The brand reached a significant milestone, selling its 8 millionth vehicle since 2004.

Dacia achieved record-breaking market shares, accounting for:

- 3.7% of PC+LCV² sales in Europe (up 0.5 points vs 2021);
- 4.2% of PC² sales in Europe (up 0.7 points vs 2021);
- 7.6% of **Retail PC**³ sales (a key contributor to the brand's success) in Europe (up 1.4 points vs 2021), consolidating its number three spot.

This achievement was driven by a robust product plan featuring four key models:

- Dacia **Sandero**: 229,500 units sold, up 1.2% vs 2021; the bestselling vehicle in the European retail market since 2017;
- Dacia **Duster**: 197,100 units sold, up 5.8% vs 2021; the 2nd bestselling vehicle in the European retail market in 2022 and the bestselling SUV in the retail market since 2018;
- Dacia **Jogger**: 56,800 units sold in its 1st year; the 2nd bestselling non-SUV C-segment vehicle in the European retail market;
- Dacia **Spring**: 48,900 units sold, up 75% vs 2021; the 3rd bestselling electric vehicle in the European retail market.

Dacia continued to redefine the essentials, a unique positioning supported by its customers, as demonstrated by the brand's market-leading customer acquisition and retention rates.

→ Alpine brand

Another record year for Alpine, with registrations up by more than 33% for the whole of 2022.

- With the introduction of new markets, Alpine continued its international development and expanded its network with a sharp increase of +40%;
- A successful **A110** range and an already filled 2023 order portfolio over several months;
- For its 60th year, the Alpine A110 celebrated its anniversary with the arrival of several limited editions, including the A110 R and the 1st electric prototype, the Alpine E-ternité.

2.1.2 Sales and production statistics

2.1.2.1 Group sales worldwide

Consolidated global sales by brand and geographic areas as well as by model are available in the regulated information of the Finance section on Renault Group website.

<https://www.renaultgroup.com/en/finance-2/financial-information/key-figures/monthly-sales/>

¹ Includes EV, Hybrid (HEV) and Plug-In Hybrid (PHEV), excludes Mild-Hybrid (MHEV)

² PC+LCV, PC = Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Finland, France (incl. DOM-TOM), Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Republic of Cyprus, Romania, Slovakia, Slovenia, Spain + Canary Islands, Sweden, Switzerland, United Kingdom

³ Retail PC = Austria, Belgium, Croatia, Czech Republic, Denmark, Finland, France, Germany, Hungary, Italy, Luxembourg, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom

2.1.2.2 Group worldwide production

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (Units)	2022 ⁽²⁾	2021 adjusted ⁽⁴⁾	Change (%)
WORLDWIDE PRODUCTION RENAULT GROUP PLANTS⁽¹⁾	2,143,065	2,017,089	+6.2
<i>a/w produced for partners:</i>			
Nissan	87,415	73,811	+18.4
Mitsubishi	1,185	1,343	-11.8
Mercedes-Benz	26,659	22,942	+16.2
Opel / Vauxhall	0	21,598	-100.0
Fiat	0	15,302	-100.0
Renault Trucks	20,358	18,552	+9.7
PRODUCED BY PARTNERS FOR RENAULT GROUP	2022⁽²⁾	2021 adjusted⁽⁴⁾	Change (%)
Nissan	117,936	115,114	+2.5
China ⁽³⁾	62,438	60,420	+3.3

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

(2) Preliminary figures.

(3) Chinese subsidiaries: eGT (25%), RBJAC (49%), JMEV (50%). No production RBJAC in 2022.

(4) 2021 adjusted: excluding AVTOVAZ and Renault Russia production.

2.1.3 Geographical organization of the Renault Group by region – countries in each region

At December 31, 2022

EUROPE	AFRICA MIDDLE-EAST		ASIA PACIFIC	EURASIA	LATIN AMERICA
Austria	Abu Dhabi (UAE)	Namibia	Australia	Armenia	Argentina
Belgium	Algeria	Niger	Bhutan	Azerbaijan	Bermuda
Bulgaria	Angola	Nigeria	China	Belarus	Bolivia
Croatia	Bahrain	Sudan	India	Bosnia	Brazil
Czech Republic	Benin	Oman	Indonesia	Georgia	Chile
Denmark	Burkina Faso	Palestine	Japan	Kazakhstan	Colombia
Estonia	Cameroon	Qatar	Malaysia	Kosovo	Costa Rica
Finland	Cape Verde	Congo	Mongolia	Kyrgyzstan	Curacao
France	Dem. Rep. Of the Congo	Rwanda	Nepal	Moldova	Dominican Republic
French Guiana	Djibouti	Saudi Arabia	New Zealand	Montenegro	Ecuador
Germany	Dubai (UAE)	Senegal	Singapore	North Macedonia	Guatemala
Greece	Egypt	Seychelles	South Korea	Serbia	Mexico
Guadeloupe	Ethiopia	South Africa		Turkey	Panama
Hungary	Gabon	Tanzania		Ukraine	Paraguay
Iceland	Ghana	Togo		Uzbekistan	Peru
Ireland	Guinea	Tunisia			Saint Martin
Italy	Iraq	Uganda			Uruguay
Latvia	Israel	Zambia			
Lithuania	Ivory Coast	Zimbabwe			
Luxembourg	Jordan				
Malta	Kenya				
Martinique	Kuwait				
Mayotte	Lebanon				
Netherlands	Liberia				
New Caledonia	Madagascar				
Norway	Malawi				
Poland	Mali				
Portugal	Mauritania				
Republic of Cyprus	Mauritius				
Reunion	Morocco				
Romania	Mozambique				
Saint Pierre and Miquelon					
Slovakia					
Slovenia					
Spain + Canary Islands					
Sweden					
Switzerland					
Tahiti					
United Kingdom					

2.2 Sales financing

Despite an automotive market still penalized by electronic components shortage, **Mobilize Financial Services** new financings increased by +3.3% compared to 2021.

Mobilize Financial Services financed 1,195,380 contracts in 2022, down 6.4% compared to 2021. **Used Car Financing** represented a 1.2% decrease compared to 2021 with 341,655 financed contracts.

Penetration rate amounted to 44.8% down 1.3 points compared to 2021.

New financings (excluding credit cards and personal loans) stood at €18.0 billion, up 3.3%, thanks to the 10.4% increase of the average financed amount.

Average performing assets (APA) related to the **Retail** Activity totalized €38.3 billion in 2022. They increased by +1.8%, thanks to the progression observed on the new financings.

Average performing assets linked to the **Wholesale** Activity amounted to €6.4 billion, down 9.8%, due to electronic component crisis and stock optimization policy in the dealer network implemented by Renault Group. Overall, average performing assets totalized €44.7 billion, down 0.1% compared to 2021.

MOBILIZE FINANCIAL SERVICES, FINANCING PERFORMANCE

		2022	2021	Change (%)
Number of financing contracts	Thousands	1,195	1,277	-6.4
<i>Including Used Vehicles contracts</i>	<i>Thousands</i>	<i>342</i>	<i>346</i>	<i>-1.2</i>
New financing	€ billion	18.0	17.4	+3.3
Average performing assets	€ billion	44.7	44.8	-0.1

PENETRATION RATE BY BRAND

	2022 (%)	2021 (%)	Change (points)
Renault	44.7	46.4	-1.7
Dacia	47.3	48.0	-0.7
Renault Korea Motors	50.1	59.2	-9.1
Nissan	39.9	39.5	+0.3
Mobilize Financial Services	44.8	46.0	-1.3

Data for entities consolidated by global integration only.

PENETRATION RATE BY REGION

	2022 (%)	2021 (%)	Change (points)
Europe	47.7	48.2	-0.5
Latin America	32.4	35.8	-3.4
Africa Middle-East and Asia Pacific	38.5	42.6	-4.0
Mobilize Financial Services	44.8	46.0	-1.3

Data for entities consolidated by global integration only.

The number of insurances and services sold over 2022 account for 3.8 million units down -4.7% compared to 2021 especially due to the fall of registrations and number of new financing contracts.

MOBILIZE FINANCIAL SERVICES, SERVICES PERFORMANCE

		2022	2021	Change
Number of services contracts	Thousands	3,817	4,006	-4.7%
Penetration rate on services	%	200.6%	198.5%	+2.1 pts

3 Financial results

Overview

(€ million)	2022	2021 adjusted ⁽¹⁾	Change	2021 published
Group revenue	46,391	41,659	+11.4%	46,213
Operating profit	2,595	1,153	+1,442	1,663
Operating income	2,216	900	+1,316	1,398
Net financial income & expenses	-486	-295	-191	-350
Contribution from associated companies	423	515	-92	515
<i>a/w Nissan</i>	526	380	+146	380
Net income	-700	967	-1,667	967
<i>a/w continuing operations</i>	1,620	549	+1,071	N/A
<i>a/w discontinued operations</i>	-2,320	418	-2,738	N/A
Automotive operational free cash flow ⁽²⁾	+2,119	+889	+1,230	+1,272
Automotive net financial position	+549	-1,100	+1,649	-1,622
	at Dec. 31, 2022	at Dec. 31, 2021		at Dec. 31, 2021
Shareholders' equity	29,539	27,894	+1,645	27,894
	at Dec. 31, 2022	at Dec. 31, 2021		at Dec. 31, 2021

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

(2) Automotive operational Free cash flow: 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.

3.1 Comments on the financial results

3.1.1 Consolidated income statement

OPERATING SEGMENT CONTRIBUTION TO GROUP REVENUE

(€ million)	2022					2021 adjusted ⁽¹⁾					Change (%)				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive	8,109	11,465	8,950	14,597	43,121	8,191	11,333	7,355	11,821	38,700	-1.0	+1.2	+21.7	+23.5	+11.4
Sales financing	737	793	823	882	3,235	759	763	759	654	2,935	-2.9	+3.9	+8.4	+34.9	+10.2
Mobility Services	8	9	9	9	35	5	6	6	7	24	+60.0	+50.0	+50.0	+28.6	+45.8
Total	8,854	12,267	9,782	15,488	46,391	8,955	12,102	8,120	12,482	41,659	-1.1	+1.4	+20.5	+24.1	+11.4

(€ million)	2021 published				
	Q1	Q2	Q3	Q4	Year
Automotive excl. AVTOVAZ	8,566	11,773	7,685	12,380	40,404
AVTOVAZ	685	800	537	828	2,850
Sales financing	759	763	759	654	2,935
Mobility Services	5	6	6	7	24
Total	10,015	13,342	8,987	13,869	46,213

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

Group revenue reached €46,391 million, up 11.4% compared to 2021. At constant exchange rates¹, it increased by 12.4% (-1 point of negative exchange rate effect).

Automotive revenue stood at €43,121 million, up 11.4% compared to 2021. At constant exchange rates¹, it increased by 12.6% (-1.2 points of negative exchange rates effect mainly related to the Turkish lira and Argentinean peso devaluation).

Volume effect stood at +3.4 points thanks to the commercial success of vehicles coupled with an improved availability of EC components. Invoices outperformed sales because of delays in the delivery of vehicles ordered by and invoiced to the independent dealers to answer their customers' demand. These delays were due to outbound logistic tensions at the end of the year.

The price effect, positive by +9.7 points, reflected the continuation of the Group's commercial policy, launched in 2020 Q3, focused on value over volume, as well as price increases to offset cost inflation, and an optimization of commercial discounts. It amounted to +12.1 points in 2022 H2 after +7.4 points in H1.

The success of Renault Megane E-TECH Electric launched at the end of 2022 Q2, Renault Arkana launched in 2021 Q2, as well as Dacia Jogger launched in 2022 Q1, evidenced the renewal of Renault and Dacia brands' offensive in the C-segment. It generated in 2022 a +2.8 points positive product mix effect.

The impact of sales to partners, negative by -1.4 points, was mainly due to the decrease in production of diesel engines and vehicles for Renault Group's partners (end of contracts of Master for Opel and Traffic for Fiat at the end of 2021).

¹ In order to analyze the variation in consolidated revenue at constant exchange rates, Renault Group recalculates the revenue for the current period by applying average exchange rates of the previous period

The "Others" effect, of -1.8 points, was due to a decrease in the contribution of sales from the Renault Retail Group (RRG) network following the disposals of branches and lower sales of used cars, partially offset by strong performance in the aftersales activity.

OPERATING SEGMENT CONTRIBUTION TO GROUP OPERATING PROFIT

(€ million)	2022	2021 adjusted ⁽¹⁾	Change	2021 published
Automotive	1,402	-3	+1,405	260
% of Automotive revenue	3.3%	-0.0%	+3.3 pts	0.6%
AVTOVAZ				247
% of AVTOVAZ revenue				8.7%
Sales financing	1,223	1,185	+38	1,185
Mobility Services	-30	-29	-1	-29
Total	2,595	1,153	+1,442	1,663
% of Group revenue	5.6%	2.8%	+2.8 pts	3.6%

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

The **Group** recorded a positive **operating margin** of €2,595 million (5.6% of revenue) versus €1,153 million (2.8% of revenue) in 2021 (+€1,442 million and +2.8 points). It improved sequentially to 6.4% in 2022 H2 versus 4.7% in 2022 H1.

Automotive operating margin stood at €1,402 million (3.3% of Automotive revenue) versus -€3 million in 2021 (+3.3 points).

The positive mix/price/enrichment effect of +€3,539 million illustrated the success of the commercial policy focused on value over volume. It largely offset the increase in costs which amounted to -€2,288 million. The latter was mainly explained by the impact of inflation on raw materials (-€1,916 million), on purchasing costs, and on manufacturing and logistic costs, despite continuous productivity gains. The volume effect stood at +€199 million.

The contribution of **Mobilize Financial Services** (Sales Financing) to the Group's operating margin reached €1,223 million, up €38 million compared to 2021. It was positively impacted by non-recurring impacts on the swaps valuation mainly coming from the interest rate increase in Europe and by the focus on the most profitable customer channels bringing higher margins.

The 6.4% decrease of the number of new financing contracts in retail business, mainly linked to the evolution of Group's registrations, was more than offset by the 10.4% increase in the average financed amount. Thus, new financings increased by 3.3% versus 2021.

3.1.2 Automotive operational free cash flow

AUTOMOTIVE OPERATIONAL FREE CASH FLOW

(€ million)	2022	2021 adjusted ⁽¹⁾	Change	2021 published
Cash flow after interest and tax (excluding dividends received from publicly listed companies)	+4,228	+3,697	+531	+4,235
Change in the working capital requirement	+7	-483	+490	-330
Tangible and intangible investments net of disposals	-2,203	-2,107	-96	-2,415
Leased vehicles and batteries	+87	-218	+305	-218
Automotive operational free cash flow	+2,119	+889	+1,230	+1,272

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

The **Automotive operational free cash flow** was positive at +€2,119 million, resulting from the following elements:

- cash flow after interest and tax (excluding dividends received from publicly listed companies) of +€4,228 million, including €590 million restructuring costs (vs €598 million in 2021 adjusted), and a dividend from Mobilize Financial Services of €800 million (vs. €1,000 million in 2021),
- a positive change in the working capital requirement of +€7 million,

- property, plant and equipment and intangible investments net of disposals of -€2,203 million (4.7% of Group revenue, -0.3 points below 2021), including asset sales for an amount of €408 million (vs €567 million in 2021 adjusted),
- investments related to vehicles with buy-back commitments for +€87 million, versus -€218 million in 2021, due to higher returns than entries of leased vehicles.

3.1.3 Capex and Research & Development

TANGIBLE AND INTANGIBLE INVESTMENTS NET OF DISPOSALS BY OPERATING SEGMENT

2022 (€ million)	Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs)	Capitalized development costs	Total
Automotive	1,101	1,102	2,203
Sales Financing	17	0	17
Mobility Services	2	8	10
Total	1,120	1,110	2,230

2021 adjusted ⁽¹⁾ (€ million)	Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs)	Capitalized development costs	Total
Automotive	1,088	1,017	2,105
Sales Financing	8	0	8
Mobility Services	1	5	6
Total	1,097	1,022	2,119

2021 published (€ million)	Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs)	Capitalized development costs	Total
Automotive excluding AVTOVAZ	1,169	1,016	2,185
AVTOVAZ	166	63	229
Sales Financing	8	0	8
Mobility Services	1	5	6
Total	1,344	1,084	2,428

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

Total gross investment in 2022 decreased compared to 2021 published, with Europe accounting for 81% and the rest of the world for 19%.

- In **Europe**, the investments were mainly aimed for renewal and electrification of the C (Austral ICE and HEV), LCV (new Master

ICE & EV and Kangoo EV) and EV (Megane E-Tech) ranges as well for hybrid and electric powertrains.

- **Internationally**, the investments were realized mainly for the renewal of the Global Access range in Romania (Jogger ICE & HEV and renewal of the Duster), in Morocco (Sandero) and in Brazil.

RESEARCH AND DEVELOPMENT EXPENSES RECORDED IN THE INCOME STATEMENT

Analysis of research and development costs recorded in the income statement, as follows:

(€ million)	2022	2021 adjusted ⁽¹⁾	Change	2021 published
R&D expenses	-2,259	-2,265	+6	-2,361
Capitalized development expenses	1,110	1,022	+88	1,084
<i>R&D capitalization rate</i>	<i>49.1%</i>	<i>45.1%</i>	<i>+4.0 pts</i>	<i>45.9%</i>
Amortization	-976	-1,070	+94	-1,088
Gross R&D expenses recorded in the income statement ⁽²⁾	-2,125	-2,313	+188	-2,365

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

(2) Research and development expenses are reported net of research tax credits for the vehicle development activity (gross R&D expenses: R&D expenses before expenses billed to third parties and others).

In a context of renewal of the line-up, particularly electric, in the C-segment and for commercial vehicle, the moderate decrease in research and development expenses in 2022 was explained by fixed cost reduction actions. The level of capitalization of development costs increased compared to 2021 in connection with the renewal cycle of the line-up.

Amortization of capitalized development costs decreased compared to 2021 and was lower than the capitalization of development costs in 2022, mainly due to the decrease in capitalization in previous years and the extension of the life of some programs.

NET CAPEX AND R&D EXPENSES IN % OF REVENUE

(€ million)	2022	2021 adjusted ⁽¹⁾	Change	2021 published
Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs)	1,120	1,097	+23	1,344
CAPEX invoiced to third parties and others	-62	-40	-22	-40
Net industrial and commercial investments excl. R&D (1)	1,058	1,057	+1	1,304
% of Group revenue	2.3%	2.5%	-0.3 pts	2.8%
R&D expenses	2,259	2,265	-6	2,361
R&D expenses billed to third parties and others	-276	-310	+34	-312
Net R&D expenses (2)	1,983	1,955	+28	2,049
% of Group revenue	4.3%	4.7%	-0.4 pts	4.4%
Net CAPEX and R&D expenses (1) + (2)	3,041	3,012	+29	3,353
% of Group revenue	6.6%	7.2%	-0.7 pts	7.3%
Net CAPEX and R&D expenses excluding asset sales	3,451	3,579	-128	3,927
% of Group revenue	7.4%	8.6%	-1.2 pts	8.5%

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see note 3-B).

Net Capital expenditures and R&D expenses amounted to 6.6% of Group revenue, down 0.7 points compared to 2021.

Excluding the disposal of assets, amounting €410 million, this rate amounted to 7.4%.

3.1.4 Automotive net financial position at December 31, 2022

CHANGE IN AUTOMOTIVE NET FINANCIAL POSITION (€ million)

Automotive net financial position at December 31, 2021	-1,622
Adjusted Automotive net financial position at December 31, 2021 ⁽¹⁾	-1,100
2022 operational free cash flow	+2,119
Dividends received	+64
Dividends paid to Renault's shareholders and minority shareholders	-29
Financial investments and others	-505
Automotive net financial position at December 31, 2022	+549

(1) Net financial position is adjusted from the contribution of Renault Russia and AVTOVAZ.

The Automotive net debt has been adjusted on 2021-12-31 of the discontinued Russian automotive activities in 2022 for an amount of €522 million.

in the **net financial position** of the Automotive segment compared to December 31, 2021 was due to cash effects of discontinued activities (-€161 million), currency and IFRS16 impacts (-€228 million) as well as financial investments (-€117 million).

Beyond the Automotive segment reported positive operational free cash flow at +€2,119 million, the +€1,649 million improvement

AUTOMOTIVE NET FINANCIAL POSITION

(€ million)	Dec. 31, 2022	Dec. 31, 2021 adjusted ⁽¹⁾	Dec. 31, 2021 published
Non-current financial liabilities	-9,845	-11,224	-12,333
Current financial liabilities	-5,191	-4,234	-4,234
Non-current financial assets - other securities, loans and derivatives on financial operations	+121	+90	+90
Current financial assets	+1,237	+977	+978
Cash and cash equivalents	+14,227	+13,291	+13,877
Automotive net financial position	+549	-1,100	-1,622

(1) Net financial position is adjusted from the contribution of Renault Russia and AVTOVAZ.

The **Automotive** segment's liquidity reserves stood at €17.7 billion as at December 31, 2022. These reserves consisted of:

- €14.23 billion in cash and cash equivalents;
- €3.43 billion in undrawn confirmed credit lines.

At December 31, 2022, **RCI Banque** had available liquidity of €14.9 billion, consisting of:

- €4.37 billion in undrawn confirmed credit lines;
- €4.56 billion in central-bank eligible collateral;
- €5.83 billion in high quality liquid assets (HQLA);
- €0.16 billion in available cash.

3.2 Condensed consolidated financial statements

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3.2.1 Consolidated income statement

<i>(€ million)</i>	<i>Notes</i>	2022	2021⁽¹⁾
Revenues	4	46,391	41,659
Cost of goods and services sold		(37,145)	(33,720)
Research and development expenses	10-A	(2,125)	(2,313)
Selling, general and administrative expenses		(4,526)	(4,473)
Other operating income and expenses	6	(379)	(253)
<i>Other operating income</i>		425	720
<i>Other operating expenses</i>		(804)	(973)
Operating income (loss)		2,216	900
Cost of net financial indebtedness		(181)	(255)
<i>Cost of gross financial indebtedness</i>		(349)	(301)
<i>Income on cash and financial assets</i>		168	46
Other financial income and expenses		(305)	(40)
Financial income (expenses)	7	(486)	(295)
Share in net income (loss) of associates and joint ventures		423	515
<i>Nissan</i>	12	526	380
<i>Other associates and joint ventures</i>	13	(103)	135
Pre-tax income		2,153	1,120
Current and deferred taxes	8	(533)	(571)
Net income from continuing operations		1,620	549
Net income from continuing operations - parent-company shareholders' share		1,650	524
Net income from continuing operations - non-controlling interests' share		(30)	25
Net income from discontinued operations	3	(2,320)	418
Net income from discontinued operations - parent-company shareholders' share		(1,988)	364
Net income from discontinued operations - non-controlling interests' share		(332)	54
NET INCOME		(700)	967
Net income - parent company shareholders' share		(338)	888
Net income - non-controlling interests' share		(362)	79
Basic earnings per share ⁽²⁾ (€)		(1.24)	3.25
<i>Basic earnings per share of continuing operations - parent-company shareholders' share (€)</i>		6.07	1.92
<i>Basic earnings per share of discontinued operations - parent-company shareholders' share (€)</i>		(7.31)	1.33
Diluted earnings per share ⁽²⁾ (€)		(1.24)	3.24
<i>Diluted earnings per share of continuing operations - parent-company shareholders' share (€)</i>		6.07	1.91
<i>Diluted earnings per share of discontinued operations - parent-company shareholders' share (€)</i>		(7.31)	1.33
Number of shares outstanding (thousands)			
<i>for basic earnings per share</i>	9	272,097	272,102
<i>for diluted earnings per share</i>	9	274,251	273,868

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Net income from continuing operations and Net income from discontinued operations - parent-company shareholders' share, divided by the number of shares stated.

3.2.2 Consolidated comprehensive income

(€ million)	2022			2021 ⁽¹⁾		
	Gross	Tax effect	Net	Gross	Tax effect	Net
Net income	(167)	(533)	(700)	1,538	(571)	967
Other components of comprehensive income from parent company and subsidiaries						
Items that will not be reclassified subsequently to profit or loss	320	31	351	327	(23)	304
<i>Actuarial gains and losses on defined-benefit pension plans</i>	320	31	351	134	(35)	99
<i>Equity instruments at fair value through equity</i>	-	-	-	193	12	205
Items that have been or will be reclassified to profit or loss in subsequent periods	878	(73)	805	181	(27)	154
<i>Translation adjustments on foreign activities</i>	(10)	-	(10)	30	-	30
<i>Translation adjustments on foreign activities in hyperinflationary economies</i>	71	-	71	21	-	21
<i>Partial hedge of the investment in Nissan</i>	(25)	-	(25)	4	-	4
<i>Fair value adjustments on cash flow hedging instruments⁽²⁾</i>	327	(77)	250	65	(28)	37
<i>Debt instruments at fair value through equity⁽²⁾</i>	(13)	4	(9)	(5)	1	(4)
<i>Items that have been reclassified to profit or loss from discontinued operations⁽³⁾</i>	528	-	528	66	-	66
TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME FROM PARENT COMPANY AND SUBSIDIARIES (A)	1,198	(42)	1,156	508	(50)	458
Share of associates and joint ventures in other components of comprehensive income						
Items that will not be reclassified to profit or loss in subsequent periods	196	-	196	571	-	571
<i>Actuarial gains and losses on defined-benefit pension plans</i>	193	-	193	421	-	421
<i>Other</i>	3	-	3	150	-	150
Items that have been or will be reclassified to profit or loss in subsequent periods	710	-	710	634	-	634
<i>Translation adjustments on foreign activities</i>	755	-	755	580	-	580
<i>Other</i>	(45)	-	(45)	54	-	54
TOTAL SHARE OF ASSOCIATES AND JOINT VENTURES IN OTHER COMPONENTS OF COMPREHENSIVE INCOME (B)	906	-	906	1,205	-	1,205
OTHER COMPONENTS OF COMPREHENSIVE INCOME (A) + (B)	2,104	(42)	2,062	1,713	(50)	1,663
COMPREHENSIVE INCOME	1,937	(575)	1,362	3,251	(621)	2,630
<i>Parent company shareholders' share</i>			1,670			2,539
<i>Non-controlling interests' share</i>			(308)			91

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) The figures reclassified to profit and loss in 2022 are presented in Note 18-F.

(3) Items that have been reclassified to profit or loss from discontinued operations in 2022 include the reclassification to profit and loss of translation adjustments of the Russian entities that have been sold (see Note 3-B).

3.2.3 Consolidated financial position

ASSETS (€ million)	Notes	December 31, 2022	December 31, 2021
Non-current assets			
Intangible assets and goodwill	10-A	4,700	6,398
Property, plant and equipment	10-B	11,705	16,167
Investments in associates and joint ventures		18,210	16,955
<i>Nissan</i>	12	17,487	16,234
<i>Other associates and joint ventures</i>	13	723	721
Non-current financial assets	22	413	373
Deferred tax assets	8	593	550
Other non-current assets	17	938	966
TOTAL NON-CURRENT ASSETS		36,559	41,409
Current assets			
Inventories	14	5,213	4,792
Sales Financing receivables	15	44,247	39,498
Automotive receivables	16	998	788
Current financial assets	22	1,416	1,380
Current tax assets	17	154	128
Other current assets	17	4,097	3,688
Cash and cash equivalents	22	21,774	21,928
Assets held for sale	3	3,861	129
TOTAL CURRENT ASSETS		81,760	72,331
TOTAL ASSETS		118,319	113,740

SHAREHOLDERS' EQUITY AND LIABILITIES (€ million)	Notes	December 31, 2022	December 31, 2021
Shareholders' equity			
Share capital		1,127	1,127
Share premium		3,785	3,785
Treasury shares		(208)	(237)
Revaluation of financial instruments		208	5
Translation adjustment		(2,146)	(3,407)
Reserves		26,370	25,159
Net income – parent company shareholders' share		(338)	888
Shareholders' equity – parent company shareholders' share		28,798	27,320
Shareholders' equity – non-controlling interests' share		741	574
TOTAL SHAREHOLDERS' EQUITY	18	29,539	27,894
Non-current liabilities			
Deferred tax liabilities	8	1,021	1,009
Provisions for pension and other long-term employee benefit obligations – long-term	19	1,029	1,355
Other provisions – long-term	20	1,341	1,291
Non-current financial liabilities	23	10,738	13,232
Provisions for uncertain tax liabilities – long-term	21	234	217
Other non-current liabilities	21	1,372	1,457
TOTAL NON-CURRENT LIABILITIES		15,735	18,561
Current liabilities			
Provisions for pension and other long-term employee benefit obligations – short-term	19	45	85
Other provisions – short-term	20	1,087	1,550
Current financial liabilities	23	4,605	3,605
Sales Financing debts	23	48,999	45,123
Trade payables		8,405	7,975
Current tax liabilities	21	312	266
Provisions for uncertain tax liabilities – short-term	21	21	6
Other current liabilities	21	8,698	8,493
Liabilities related to assets held for sale	3	873	182
TOTAL CURRENT LIABILITIES		73,045	67,285
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		118,319	113,740

3.2.4 Changes in consolidated shareholders' equity

(€ million)	Number of shares (thousands)	Share capital	Share premium	Treasury shares	Revaluation of financial instruments	Translation adjustment	Reserves	Net income (parent – company share holders' share)	Shareholders' equity (parent – company shareholders' share)	Shareholders' equity (non-controlling interests' share)	Total shareholders' equity
BALANCE AT DECEMBER 31, 2020	295,722	1,127	3,785	(284)	384	(4,108)	31,876	(8,008)	24,772	566	25,338
2021 net income								888	888	79	967
Other components of comprehensive income ⁽¹⁾					432	701	518		1,651	12	1,663
2021 COMPREHENSIVE INCOME		-	-	-	432	701	518	888	2,539	91	2,630
Allocation of 2020 net income							(8,008)	8,008	-		-
Dividends									-	(81)	(81)
(Acquisitions)/ disposals of treasury shares and impact of capital increases				47					47		47
Changes in ownership interests								-	-	(2)	(2)
Cost of share-based payments and other ⁽²⁾					(811)		773		(38)		(38)
BALANCE AT DECEMBER 31, 2021	295,722	1,127	3,785	(237)	5	(3,407)	25,159	888	27,320	574	27,894
2022 net income								(338)	(338)	(362)	(700)
Other components of comprehensive income					203	1,248	557		2,008	54	2,062
2022 COMPREHENSIVE INCOME		-	-	-	203	1,248	557	(338)	1,670	(308)	1,362
Allocation of 2021 net income							888	(888)	-		-
Dividends									-	(41)	(41)
(Acquisitions)/ disposals of treasury shares and impact of capital increases				29					29		29
Changes in ownership interests							13	(178)	(165)	516	351
Cost of share-based payments and other								(56)	(56)	-	(56)
BALANCE AT DECEMBER 31, 2022	295,722	1,127	3,785	(208)	208	(2,146)	26,370	(338)	28,798	741	29,539

(1) Changes in the revaluation reserve correspond to the gain on sale of the Daimler shares in 2021 until the date of the sale; changes in reserves mainly correspond to actuarial gains on defined-benefit pension plans recognized during the period.

(2) Including Renault's €554 million gain on sale of the Daimler shares, reclassified in reserves and Nissan's €252 million gain on sale of its Daimler shares, reclassified in reserves.

Details of changes in consolidated shareholders' equity in 2022 are given in Note 18.

3.2.5 Consolidated cash flows

(€ million)	Notes	2022	2021 ⁽¹⁾
Net income from continuing operations		1,620	549
Cancellation of income and expenses with no impact on cash:			
Depreciation, amortization and impairment		3,532	3,894
Share in net (income) loss of associates and joint ventures		(423)	(515)
Other income and expenses with no impact on cash before interest and tax	26-A	288	240
Dividends received from unlisted associates and joint ventures		23	29
Cash flows before interest and tax⁽²⁾		5,040	4,197
Dividends received from listed companies		64	-
Net change in financing for final customers		(1,383)	47
Net change in renewable dealer financing		(3,677)	1,534
Decrease (increase) in Sales Financing receivables		(5,060)	1,581
Bond issuance by the Sales Financing segment	23-C	3,614	686
Bond redemption by the Sales Financing segment	23-C	(3,588)	(4,342)
Net change in other debts of the Sales Financing segment		4,185	1,073
Net change in other securities and loans of the Sales Financing segment		137	(219)
Net change in financial assets and debts of the Sales Financing segment		4,348	(2,802)
Change in capitalized leased assets		(217)	(413)
Change in working capital before tax	26-B	404	(307)
Cash flows from operating activities before interest and tax		4,579	2,256
Interest received		172	45
Interest paid		(345)	(248)
Current taxes (paid) / received		(479)	(335)
CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS		3,927	1,718
CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS	3	(314)	691
Property, plant and equipment and intangible investments ⁽³⁾	26-C	(2,640)	(2,686)
Disposals of property, plant and equipment and intangible assets		410	567
Acquisitions of investments involving gain of control, net of cash acquired		-	(103)
Acquisitions of other investments		(132)	(129)
Disposals of investments involving loss of control, net of cash transferred		(38)	-
Disposals of other investments ⁽⁴⁾		47	1,182
Net decrease (increase) in other securities and loans of the Automotive segment		(126)	(142)
CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS		(2,479)	(1,311)
CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS	3	(815)	(305)
Dividends paid to parent company shareholders	18-D	-	-
Transactions with non-controlling interests ⁽³⁾		54	(2)
Dividends paid to non-controlling interests	18-H	(41)	(81)
(Acquisitions) sales of treasury shares		(60)	(36)
Cash flows with shareholders		(47)	(119)
Bond issuance by the Automotive segment	23-C	2,062	2,239
Bond redemption by the Automotive segment	23-C	(240)	(829)
Net increase (decrease) in other financial liabilities of the Automotive segment		(2,575)	(1,769)
Net change in financial liabilities of the Automotive segment	23-B	(753)	(359)
CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS		(800)	(478)
CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS	3	322	(153)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(159)	162

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

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

(3) Reciprocal and interdependent cash flows corresponding to the Korean company RKM's capital increase subscribed by its minority shareholder Geely in exchange for RKM's concomitant acquisition of a technological licence from Geely for the same amount of 264 billion won (see Note 3-A), approximately €194 million, are presented net in the cash flow statement, to reflect the substance of the operation.

(4) Disposals of other investments include €1,138 million relating to the sale of the Daimler shares in 2021.

(€ million)	2022	2021 ⁽¹⁾
Cash and cash equivalents: opening balance	21,928	21,697
Increase (decrease) in cash and cash equivalents	678	162
Effects of change of scope ⁽²⁾	(837)	-
Effect of changes in exchange rate and other changes	28	88
Cash generated by discontinued operations and assets held for sale	(23)	(19)
Cash and cash equivalents: closing balance⁽³⁾	21,774	21,928

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) The effects of change of scope mainly concern the disposal of AVTOVAZ for €578 million and Renault Russia for €163 million.

(3) Cash subject to restrictions on use is described in Note 22-C.

3.2.6 Notes to the condensed consolidated financial statements

3.2.6.1 Information on operating segments and Regions

From January 1, 2022, following the disposal of Renault's investment in AVTOVAZ, the operating segments used by Renault Group are as follows:

- The **"Automotive"** segment, which comprises the production, sales, and distribution subsidiaries for passenger cars and light commercial vehicles, and the subsidiaries in charge of the segment's cash management. This segment 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 associates and joint ventures.

- The **"Mobility Services"** segment consisting of services for new mobilities.

The segment previously named AVTOVAZ, and all the discontinued operations in Russia, are now presented separately as Discontinued operations in the Automotive segment in 2022, in accordance with IFRS 5. The segment information for 2021 has been adjusted according to the same principles.

The segment result regularly reviewed by the Board of Management, identified as the "Chief Operating Decision-Maker", is the operating margin. The definition of this indicator is detailed in the consolidated financial statements at December 31, 2022 (Note 2-D Presentation of the consolidated financial statements). The operating margin excludes restructuring costs.

A. Information by operating segment

A1. Consolidated income statement by operating segment

<i>(€ million)</i>	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
2022					
External sales	43,121	3,235	35	-	46,391
Intersegment sales	96	16	3	(115)	-
Sales by segment	43,217	3,251	38	(115)	46,391
Operating margin ⁽¹⁾	1,401	1,223	(30)	1	2,595
Operating income	1,044	1,202	(31)	1	2,216
Financial income (expenses) ⁽²⁾	347	(31)	(2)	(800)	(486)
Share in net income (loss) of associates and joint ventures	557	(127)	(7)	-	423
Pre-tax income	1,948	1,044	(40)	(799)	2,153
Current and deferred taxes	(203)	(329)	(1)	-	(533)
Net income from continuing operations	1,745	715	(41)	(799)	1,620
Net income from discontinued operations	(2,320)	-	-	-	(2,320)
Net income	(575)	715	(41)	(799)	(700)

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

(2) Dividends paid by the Sales Financing segment to the Automotive segment are included in the Automotive segment's financial income and eliminated in the intersegment transactions. A dividend of €800 million was paid in 2022.

<i>(€ million)</i>	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
2021 ⁽¹⁾					
External sales	38,700	2,935	24	-	41,659
Intersegment sales	102	18	2	(122)	-
Sales by segment	38,802	2,953	26	(122)	41,659
Operating margin ⁽²⁾	(5)	1,185	(29)	2	1,153
Operating income	(227)	1,179	(54)	2	900
Financial income (expenses) ⁽³⁾	720	(14)	(1)	(1,000)	(295)
Share in net income (loss) of associates and joint ventures	501	19	(5)	-	515
Pre-tax income	994	1,184	(60)	(998)	1,120
Current and deferred taxes	(243)	(327)	(1)	-	(571)
Net income from continuing operations	751	857	(61)	(998)	549
Net income from discontinued operations	418	-	-	-	418
Net income	1,169	857	(61)	(998)	967

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

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

(3) Dividends paid by the Sales Financing segment to the Automotive segment are included in the Automotive segment's financial income and eliminated in the intersegment transactions. A dividend of €1,000 million was paid in 2021.

A2. Consolidated financial position by operating segment

<i>(€ million)</i>	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
December 31, 2022					
ASSETS					
Non-current assets					
Property, plant and equipment, intangible assets and goodwill	15,566	796	43	-	16,405
Investments in associates and joint ventures	18,141	66	3	-	18,210
Non-current financial assets – equity investments	6,313	11	-	(6,261)	63
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment	350	-	1	(1)	350
Deferred tax assets	354	239	-	-	593
Other non-current assets	831	107	-	-	938
TOTAL NON-CURRENT ASSETS	41,555	1,219	47	(6,262)	36,559
Current assets					
Inventories	5,188	24	1	-	5,213
Customer receivables	1,009	44,732	8	(504)	45,245
Current financial assets	1,294	980	-	(858)	1,416
Current tax assets and other current assets ⁽¹⁾	6,583	5,798	7	(4,276)	8,112
Cash and cash equivalents	14,227	7,549	17	(19)	21,774
TOTAL CURRENT ASSETS	28,301	59,083	33	(5,657)	81,760
TOTAL ASSETS	69,856	60,302	80	(11,919)	118,319
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity	29,571	6,217	18	(6,267)	29,539
Non-current liabilities					
Long-term provisions	2,039	565	-	-	2,604
Non-current financial liabilities	9,845	886	8	(1)	10,738
Deferred tax liabilities	224	795	2	-	1,021
Other non-current liabilities	1,082	288	2	-	1,372
TOTAL NON-CURRENT LIABILITIES	13,190	2,534	12	(1)	15,735
Current liabilities					
Short-term provisions	1,103	50	-	-	1,153
Current financial liabilities	5,191	-	36	(622)	4,605
Trade payables and Sales Financing debts	8,487	49,739	8	(830)	57,404
Current tax liabilities and other current liabilities ⁽¹⁾	12,314	1,762	6	(4,199)	9,883
TOTAL CURRENT LIABILITIES	27,095	51,551	50	(5,651)	73,045
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	69,856	60,302	80	(11,919)	118,319

(1) Current tax assets and other current assets, and current tax liabilities and other current liabilities, respectively include assets held for sale and liabilities related to those assets.

<i>(€ million)</i>	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
December 31, 2021					
ASSETS					
Non-current assets					
Property, plant and equipment, intangible assets and goodwill	21,943	581	40	1	22,565
Investments in associates and joint ventures	16,774	176	5	-	16,955
Non-current financial assets – equity investments	6,215	11	1	(6,155)	72
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment	306	-	-	(5)	301
Deferred tax assets	361	189	-	-	550
Other non-current assets	815	151	-	-	966
TOTAL NON-CURRENT ASSETS	46,414	1,108	46	(6,159)	41,409
Current assets					
Inventories	4,768	24	-	-	4,792
Customer receivables	916	40,020	4	(654)	40,286
Current financial assets	1,051	1,187	-	(858)	1,380
Current tax assets and other current assets ⁽¹⁾	2,871	5,733	5	(4,664)	3,945
Cash and cash equivalents	13,877	8,040	14	(3)	21,928
TOTAL CURRENT ASSETS	23,483	55,004	23	(6,179)	72,331
TOTAL ASSETS	69,897	56,112	69	(12,338)	113,740
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity	27,913	6,134	8	(6,161)	27,894
Non-current liabilities					
Long-term provisions	2,298	565	-	-	2,863
Non-current financial liabilities	12,333	893	11	(5)	13,232
Deferred tax liabilities	368	640	1	-	1,009
Other non-current liabilities	1,181	276	-	-	1,457
TOTAL NON-CURRENT LIABILITIES	16,180	2,374	12	(5)	18,561
Current liabilities					
Short-term provisions	1,606	35	-	-	1,641
Current financial liabilities	4,234	-	35	(664)	3,605
Trade payables and Sales Financing debts	8,094	45,843	5	(844)	53,098
Current tax liabilities and other current liabilities ⁽¹⁾	11,870	1,726	9	(4,664)	8,941
TOTAL CURRENT LIABILITIES	25,804	47,604	49	(6,172)	67,285
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	69,897	56,112	69	(12,338)	113,740

(1) Current tax assets and other current assets, and current tax liabilities and other current liabilities, respectively include assets held for sale and liabilities related to those assets.

A3. Consolidated cash flows by operating segment

<i>(€ million)</i>	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
2022					
Net income from continuing operations ⁽¹⁾	1,745	715	(41)	(799)	1,620
Cancellation of income and expenses with no impact on cash:					
Depreciation, amortization and impairment	3,391	135	6	-	3,532
Share in net (income) loss of associates and joint ventures	(557)	127	7	-	(423)
Other income and expenses with no impact on cash, before interest and tax	(49)	346	2	(11)	288
Dividends received from unlisted associates and joint ventures	23	-	-	-	23
Cash flows before interest and tax	4,553	1,323	(26)	(810)	5,040
Dividends received from listed companies	64	-	-	-	64
Decrease (increase) in Sales Financing receivables	-	(5,026)	-	(34)	(5,060)
Net change in financial assets and Sales Financing debts	-	4,370	-	(22)	4,348
Change in capitalized leased assets	87	(304)	-	-	(217)
Change in working capital before tax	7	400	(2)	(1)	404
Cash flows from operating activities before interest and tax	4,711	763	(28)	(867)	4,579
Interest received	175	-	-	(3)	172
Interest paid	(357)	-	(1)	13	(345)
Current taxes (paid)/received	(143)	(335)	(1)	-	(479)
CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS	4,386	428	(30)	(857)	3,927
CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS	(315)	-	-	-	(315)
Purchases of intangible assets ⁽²⁾	(1,216)	(15)	(12)	-	(1,243)
Purchases of property, plant and equipment	(1,395)	(2)	-	-	(1,397)
Disposals of property, plant and equipment and intangibles ⁽³⁾	408	-	2	-	410
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired	(38)	-	-	-	(38)
Acquisitions and disposals of other investments and other	(112)	(14)	(6)	47	(85)
Net decrease (increase) in other securities and loans of the Automotive segment	(121)	-	(7)	2	(126)
CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS	(2,474)	(31)	(23)	49	(2,479)
CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS	(815)	-	-	-	(815)
Cash flows with shareholders ⁽²⁾	(35)	(812)	48	752	(47)
Net change in financial liabilities of the Automotive segment	(803)	-	10	40	(753)
CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS	(838)	(812)	58	792	(800)
CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS	323	-	-	-	323
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	267	(415)	5	(16)	(159)
Cash and cash equivalents: opening balance	13,877	8,040	14	(3)	21,928
Increase (decrease) in cash and cash equivalents	1,105	(416)	5	(16)	678
Effects of change of scope ⁽⁴⁾	(838)	1	-	-	(837)
Effect of changes in exchange rate and other changes	106	(76)	(2)	-	28
Cash generated by discontinued operations and assets held for sale	(23)	-	-	-	(23)
Cash and cash equivalents: closing balance	14,227	7,549	17	(19)	21,774

(1) Dividends paid by the Sales Financing segment to the Automotive segment are included in the net income of the Automotive segment. They amounted to €800 million in 2022.

(2) Reciprocal and interdependent cash flows corresponding to the Korean company RKM's capital increase subscribed by its minority shareholder Geely in exchange for RKM's concomitant acquisition of a technological licence from Geely for the same amount of 264 billion won (see Note 3-A), approximately €194 million, are presented net in the cash flow statement, to reflect the substance of the operation.

(3) The principal gains on disposals of property, plant and equipment and intangibles (€410 million at December 31, 2022) are presented in Note 6-C.

(4) The effects of change of scope mainly concern the disposal of AVTOVAZ for €578 million and Renault Russia for €163 million.

<i>(€ million)</i>	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
2021⁽¹⁾					
Net income from continuing operations⁽²⁾	751	857	(61)	(998)	549
Cancellation of income and expenses with no impact on cash:					
Depreciation, amortization and impairment	3,710	150	34	-	3,894
Share in net (income) loss of associates and joint ventures	(502)	(18)	5	-	(515)
Other income and expenses with no impact on cash, before interest and tax	(2)	257	1	(16)	240
Dividends received from unlisted associates and joint ventures	29	-	-	-	29
Cash flows before interest and tax	3,986	1,246	(21)	(1,014)	4,197
Dividends received from listed companies	-	-	-	-	-
Decrease (increase) in Sales Financing receivables	-	2,228	-	(647)	1,581
Net change in financial assets and Sales Financing debts	-	(2,852)	-	50	(2,802)
Change in capitalized leased assets	(218)	(195)	-	-	(413)
Change in working capital before tax	(483)	181	(3)	(2)	(307)
Cash flows from operating activities before interest and tax	3,285	608	(24)	(1,613)	2,256
Interest received	45	-	-	-	45
Interest paid	(263)	-	-	15	(248)
Current taxes (paid)/received	(71)	(263)	(1)	-	(335)
CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS	2,996	345	(25)	(1,598)	1,718
CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS	691	-	-	-	691
Purchases of intangible assets	(1,103)	(6)	(5)	-	(1,114)
Purchases of property, plant and equipment	(1,571)	(1)	-	-	(1,572)
Disposals of property, plant and equipment and intangibles ⁽³⁾	567	-	-	-	567
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired	(6)	(97)	-	-	(103)
Acquisitions and disposals of other investments and other ⁽⁴⁾	1,043	(4)	(3)	17	1,053
Net decrease (increase) in other securities and loans of the Automotive segment	(162)	-	5	15	(142)
CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS	(1,232)	(108)	(3)	32	(1,311)
CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS	(305)	-	-	-	(305)
Cash flows with shareholders	(98)	(1,019)	15	983	(119)
Net change in financial liabilities of the Automotive segment	(952)	-	9	584	(359)
CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS	(1,050)	(1,019)	24	1,567	(478)
CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS	(153)	-	-	-	(153)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	947	(782)	(4)	1	162
Cash and cash equivalents: opening balance	12,949	8,738	15	(5)	21,697
Increase (decrease) in cash and cash equivalents	947	(782)	(4)	1	162
Effect of changes in exchange rate and other changes	-	84	3	1	88
Cash generated by discontinued operations and assets held for sale	(19)	-	-	-	(19)
Cash and cash equivalents: closing balance	13,877	8,040	14	(3)	21,928

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Dividends paid by the Sales Financing segment to the Automotive segment are included in the net income of the Automotive segment. They amounted to €1,000 million in 2021.

(3) The principal gains on disposals of property, plant and equipment and intangibles (€567 million at December 31, 2021) are presented in Note 6-C.

(4) Disposals of other investments include €1,138 million relating to the sale of the Daimler shares.

A4. Other information for the Automotive segment: net cash position (net financial indebtedness), Operational free cash flow and ROCE

The net cash position or net financial indebtedness, operational free cash flow and ROCE are only presented for the Automotive segment.

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)

(€ million)	December 31, 2022	December 31, 2021 ⁽¹⁾
Non-current financial liabilities	(9,845)	(11,224)
Current financial liabilities	(5,191)	(4,234)
Non-current financial assets – other securities, loans and derivatives on financing operations	121	90
Current financial assets	1,237	977
Cash and cash equivalents	14,227	13,291
Net cash position (net financial indebtedness) of the Automotive segment	549	(1,100)

(1) For this indicator, the 2021 financial statements have been adjusted due to the discontinued operations in the Russian Federation (see Note 3-B).

Operational free cash flow

(€ million)	2022	2021 ⁽¹⁾
Cash flows (excluding dividends from listed companies) before interest and tax	4,553	3,986
Changes in working capital before tax	7	(483)
Interest received by the Automotive segment	175	45
Interest paid by the Automotive segment	(357)	(263)
Current taxes (paid) / received	(143)	(71)
Acquisitions of property, plant and equipment, and intangible assets net of disposals ⁽²⁾	(2,203)	(2,107)
Capitalized leased vehicles and batteries	87	(218)
Operational free cash flow of the Automotive segment	2,119	889
<i>Payments for restructuring expenses</i>	<i>(590)</i>	<i>(598)</i>
Operational free cash flow of the Automotive segment excluding restructuring⁽³⁾	2,709	1,487

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Reciprocal and interdependent cash flows corresponding to the Korean company RKM's capital increase subscribed by its minority shareholder Geely in exchange for RKM's concomitant acquisition of a technological licence from Geely for the same amount of 264 billion won (see Note 3-A), approximately €194 million, are presented net in the cash flow statement, to reflect the substance of the operation.

(3) The amounts included in Restructuring Costs are presented in note 6-A.

ROCE

ROCE (Return On Capital Employed) is an indicator that measures the profitability of capital invested. It is reported for the Automotive segment. The ROCE for 2021, after elimination of items relating to discontinued operations in the Russian Federation, is presented below.

(€ million)	December 31, 2022	December 31, 2021 ⁽¹⁾
Operating margin	1,402	(3)
Normative tax rate	28%	28%
Operating margin after tax (A)⁽²⁾	1,009	(2)
Property, plant and equipment, intangible assets and goodwill	15,566	19,749
Investments in associates and joint ventures excluding Nissan	654	529
Non-current financial assets – equity investments excluding RCI Banque SA and Renault	52	60
Working capital	(8,272)	(11,488)
Capital employed (B)	8,000	8,850
Return on capital employed (ROCE = A/B)	12.6%	-0.0%

(1) For this indicator, the 2021 financial statements have been adjusted due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) The approach used to determine ROCE includes a theoretical tax effect based on a normative tax rate of 28%.

(€ million)	December 31, 2021 disclosed	IFRS 5 impact	December 31, 2021 ⁽¹⁾
Operating margin	507	(510)	(3)
Normative tax rate	28%		28%
Operating margin after tax (A)⁽²⁾	365	(367)	(2)
Property, plant and equipment, intangible assets and goodwill	21,943	(2,194)	19,749
Investments in associates and joint ventures excluding Nissan	540	(11)	529
Non-current financial assets – equity investments excluding RCI Banque SA and Renault M.A.I.	60	-	60
Working capital	(11,775)	287	(11,488)
Capital employed (B)	10,768	(1,918)	8,850
Return on capital employed (ROCE = A/B)	3.4%		-0.0%

(1) For this indicator, the 2021 financial statements have been adjusted due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) The approach used to determine ROCE includes a theoretical tax effect based on a normative tax rate of 28%.

Working capital is determined from the following segment reporting items. For this indicator, the 2021 financial statements have been adjusted due to the discontinued operations in the Russian Federation (see Note 3-B).

(€ million)	December 31, 2022	December 31, 2021
Other non-current assets	831	798
Inventories	5,188	4,318
Customer receivables	1,009	859
Current tax assets and other current assets ⁽²⁾	6,583	2,546
Other non-current liabilities	(1,082)	(1,176)
Trade payables	(8,487)	(7,449)
Current tax liabilities and other current liabilities ⁽²⁾	(12,314)	(11,384)
Working capital	(8,272)	(11,488)

(1) For this indicator, the 2021 financial statements have been adjusted due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Current tax assets and other current assets, and current tax liabilities and other current liabilities, respectively include assets held for sale and liabilities related to those assets.

(€ million)	December 31, 2021 disclosed	IFRS 5 impact	December 31, 2021 ⁽¹⁾
Other non-current assets	815	(17)	798
Inventories	4,768	(450)	4,318
Customer receivables	916	(57)	859
Current tax assets and other current assets ⁽²⁾	2,871	(325)	2,546
Other non-current liabilities	(1,181)	5	(1,176)
Trade payables	(8,094)	645	(7,449)
Current tax liabilities and other current liabilities ⁽²⁾	(11,870)	486	(11,384)
Working capital	(11,775)	287	(11,488)

(1) For this indicator, the 2021 financial statements have been adjusted due to the discontinued operations in the Russian Federation (see Note 3-B).

(2) Current tax assets and other current assets, and current tax liabilities and other current liabilities, respectively include assets held for sale and liabilities related to those assets.

B. Information by Region

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	Americas	Asia Pacific	Africa & Middle East	Eurasia	Consolidated total
2022						
Revenues	35,685	4,351	2,699	1,757	1,899	46,391
Including France	13,814					
Property, plant and equipment and intangible assets	14,230	471	663	663	378	16,405
Including France	10,124					
2021						
Revenues ⁽¹⁾	31,972	3,428	2,686	1,553	2,020	41,659
Including France	13,139					
Property, plant and equipment and intangible assets	17,806	561	660	770	2,768	22,565
Including France	12,857					

(1) The 2021 financial statements have been adjusted in application of IFRS 5 due to the discontinued operations in the Russian Federation (see Note 3-B)

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