

Financial report

First half 2023

Renault
Group

Financial report – First half 2023

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Key figures

		H1 2023	H1 2022 ⁽¹⁾	Change
Worldwide Group registrations	Thousand vehicles	1,134	1,001	+13.2%
Group revenues	€ million	26,849	21,089	+5,760
Group operating profit	€ million	2,040	972	+1,068
	% revenues	7.6%	4.6%	+3.0 pts
Group operating income	€ million	2,096	923	+1,173
Contribution from associated companies	€ million	566	214	+352
<i>o/w Nissan</i>	€ million	582	325	+257
Net income	€ million	2,124		+3,800
<i>o/w continuing operations</i>	€ million	2,124		+1,477
<i>o/w discontinued operations</i>	€ million	0	-2,323	+2,323
Net income, Group share	€ million	2,093		+3,460
<i>o/w continuing activities</i>	€ million	2,093		+1,469
<i>o/w discontinued operations</i>	€ million	0	-1,991	+1,991
Earnings per share	€	7.70		+12.71
Free cash flow ⁽²⁾	€ million	1,775	956	+819
Automotive net financial position	€ million	2,185	549	+1,636
		at Jun. 30, 2023	at Dec. 31, 2022	
Sales Financing, average performing assets	€ billion	49,9	43,7	+14.2%

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (see Note 2-A).

(2) 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

Record profitability & free cash flow

- 2023 H1: further upside versus guidance upgraded on June 29, 2023:

	Operating margin	Free cash flow
2023 H1 guided on June 29	>7%	~€1.5bn
2023 H1 actual	7.6%	€1.8bn
FY 2023 initial guidance	≥6%	≥€2bn
FY 2023 upgraded guidance on June 29	between 7% and 8%	≥€2.5bn

- Strong 2023 H1 results:**

- Group revenue:** €26.8 billion, +27.3% vs 2022 H1¹
- Record profitability:**
 - Group operating margin: 7.6% of revenue (+3.0 points vs 2022 H1), more than doubled in value at €2 billion vs 2022 H1
 - Automotive operating margin: 6.2% of revenue (+4.1 points vs 2022 H1), more than tripled in value at €1.5 billion vs 2022 H1
- Net income:** €2.1 billion, +€3.8 billion vs 2022 H1
- Record free cash flow:** €1.8 billion including a €0.6bn dividend from Mobilize Financial Services, +€0.8 billion vs 2022 H1 driven by a strong operational performance
- Solid Automotive net cash financial position:** €2.2 billion at June 30, 2023 (+€1.6 billion vs December 2022)
- Breakeven point lowered by 50%** vs 2019 H1

¹ The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts".

- **First benefits of an unprecedented product offensive:**

- **Worldwide Group's sales** reached 1,134,000 vehicles in 2023 H1, up 13% compared to 2022 H1. In Europe, sales were up 24% in a market up 17%.
 - Renault brand worldwide sales reached more than 772,000 units, almost +12% versus 2022 H1. In Europe, Renault brand increased its sales by 21% to more than 500,000 units and comes back on the podium, as the second best-selling brand and the first one in France.
 - Dacia recorded sales up 24% to more than 345,000 units worldwide. In Europe, Dacia sales were up 30% to 301,000 units thanks to the success of its line-up. Dacia Sandero remains the best-seller to retail customers in Europe. Dacia moves up to 2nd place on the European podium for retail sales¹.
 - Alpine continued to improve its sales with nearly 1,900 units, up 9% versus 2022 H1.
- **Strong price effect at 8.8 points and further improvement in product mix at 3.5 points** in the first half of 2023 driven by the commercial policy focused on value and the success of new products:
 - 65% of **Group sales on the retail channel** in the Group's five main countries in Europe².
 - Renault brand sales in **C-segment** in Europe improved by 42% compared to 2022 H1, thanks to the success of Megane E-TECH Electric, Arkana and Austral. C & above segments represented 42% of Renault brand sales mix in Europe over the first half.
 - Renault Megane E-TECH Electric recorded 23,000 sales in 2023 H1, with 70% on high trim versions and more than 80% on the most powerful engine.
 - Renault Austral recorded almost 40,000 sales in 2023 H1 with 65% of hybrid mix and 60% of high trim versions. Just launched, Renault Espace will broaden the offer.
- **Renault Group pursues its electrification offensive:**
 - Renault brand recorded a 18% volume increase in electrified passenger³ car sales versus 2022 H1, accounting for 37% of the brand's passenger car sales in Europe. Full electric vehicles represented 11% of the brand's passenger car sales.
 - The first hybrid version in the Dacia range was launched in January 2023 on Jogger. Dacia Jogger Hybrid 140 already represents more than 25% of its order mix despite components constraints. Jogger is a key product to attract new customer profiles and its hybrid version supports Dacia smooth electrification strategy.
 - Dacia Spring (100% electric) recorded more than 27,000 sales in Europe in 2023 H1. It was again on the podium of retail electric vehicles in Europe in H1.
 - This momentum will be supported, in second half, by Espace E-TECH Hybrid and New Clio with a hybrid engine at the core of its range. From 2024 onwards, Renault's electric line-up will further accelerate the dynamic, with Scenic and Renault 5 in particular.
- **Strong Group's orderbook in Europe** at 3.4 months of sales at the end of June. It would remain above the target of 2 months of sales through 2023, even with a market -30% below 2019.

- **Significant progress on Revolution projects**

- **Horse:**
 - Carve-out of Horse, Renault Group's dedicated entity for advanced low-emission ICE and hybrid powertrains, effective on July 1st, 2023.
 - Signing of a JV agreement on July 11, 2023 combining Renault Group and Geely entities to launch the leading powertrain technology company.
 - As already announced in March 2023, Aramco is evaluating a strategic investment in this new company.
- **Ampere:**
 - Carve-out to be completed in 2023 H2 as expected.
 - Targeting the best window for an IPO, most probably in 2024 H1.
 - Progressing towards 40% cost reduction on a car-by-car basis in next vehicles generation by 2027.
- **Alpine:** RedBird Capital Partners, Otro Capital and Maximum Effort Investments are investing €200 million in Alpine Racing Ltd (United Kingdom) capital, with a 24% equity stake to accelerate Alpine's growth strategy and sporting ambitions in Formula 1. The transaction values Alpine Racing Ltd (chassis entity only) around \$900 million following this investment.
- **Alliance:** Renault Group and Nissan concluded on July 26, 2023 the definitive agreements to reset the Alliance, to strengthen their long-standing partnership and maximize value creation for all stakeholders.

¹ Passenger car sales to retail customers in Europe (Dataforce Source, list of European countries with sales by customer channel) = 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 Passenger cars in France, Germany, Spain, Italy, United Kingdom.

³ Includes EV, Hybrid (HEV) and Plug-In Hybrid (PHEV), excludes Mild-Hybrid (MHEV).

Group revenue reached €26,849 million, up 27.3% compared to 2022 H1. At constant exchange rates¹, it increased by 30.6%.

Automotive revenue stood at €24,850 million, up 27.0% compared to 2022 H1. It includes 3.2 points of negative exchange rates effect mainly related to the Argentinean peso and the Turkish lira devaluation. At constant exchange rates¹, it increased by 30.2%.

Volume effect stood at +15.0 points thanks to the commercial success of vehicles combined with an improved availability of electronic components. Invoices outperformed sales because of the high level of vehicles still in transit between our plants and our final customers due to remaining outbound logistic tensions in the first half.

The price effect, positive by +8.8 points, continued to be very strong and reflects the Group's commercial policy focused on value over volume, as well as price increases to offset cost inflation, and an optimization of commercial discounts.

In 2023 H1, the product mix effect stood at +3.5 points mainly thanks to the success of Megane E-TECH Electric and Austral.

The impact of sales to partners was positive by +1.6 points, supported by the production of the ASX for Mitsubishi Motors since the beginning of the year as well as a dynamic LCV market driving sales to Nissan, Renault Trucks and Mercedes-Benz.

The **Group** posted a record **operating margin** at 7.6% of revenue versus 4.6% in 2022 H1, up 3.0 points. It continued to improve sequentially from 6.3% in 2022 H2 to 7.6% in 2023 H1. It stood at €2,040 million and more than doubled versus 2022 H1.

Automotive operating margin more than tripled in value and stood at €1,541 million versus €420 million in 2022 H1. It represented 6.2% of Automotive revenue, improving by 4.1 points versus 2022 H1.

The volume effect at +€763 million and the positive mix/price/enrichment effect of +€1,771 million illustrated the success of vehicles and of the commercial policy focused on value. The positive mix/price/enrichment effect more than compensated the increase in costs which amounted to -€1,181 million. The latter was mainly explained by the impact of the carry-over of raw materials and energy price increases, logistics and labor costs.

The operating margin includes, since the beginning of November 2022 and until the deconsolidation of Horse, a positive non-cash effect of the cessation of amortization for these assets held for sale. It accounted for €275 million in 2023 H1. Adjusted from Horse positive impact, the Group operating margin would have been 6.6% in 2023 H1, compared to an operating margin of 4.6% in 2022 H1.

The contribution of **Mobilize Financial Services** (Sales Financing) to the Group's operating margin reached €518 million, down €48 million compared to 2022 H1² due to non-recurring impacts of the swaps valuation linked to the interest rate increase in Europe since beginning 2022. Excluding this one-off, Mobilize Financial Services posted an operating margin up 9% compared to 2022 H1. New financings increased by 19% compared to 2022 H1, notably due to the strong increase in registrations and the 11% increase in the average financed amount.

Other operating income and expenses were positive at €56 million (versus -€49 million in 2022 H1) and were notably explained by +€227 million of asset disposals related to the sale of land in Boulogne-Billancourt and of several commercial subsidiaries of the Group and branches of Renault Retail Group, which more than compensated the restructuring costs linked to the Renault reorganization.

After taking into account other operating income and expenses, the **Group's operating income** stood at €2,096 million versus €923 million in 2022 H1 (+€1,173 million versus 2022 H1).

Net financial income and expenses amounted to -€260 million compared to -€236 million in 2022 H1. The increase is explained by the impact of hyperinflation in Argentina partially compensated by the positive impact of the rise in interest rates on the net cash position.

The **contribution of associated companies** amounted to €566 million compared to €214 million in 2022 H1. This included €582 million related to Nissan's contribution.

Current and deferred taxes represented a charge of -€278 million compared to a charge of -€254 million in 2022 H1. The increase is linked to the improvement of the pretax income.

Thus, **net income** stood at €2,124 million, up €3,800 million compared to 2022 H1 and **net income, Group share**, was €2,093 million (or €7.70 per share). As a reminder, in 2022 H1, net income from discontinued operations amounted to -€2,323 million due to the non-cash adjustment related to the disposals of the Russian industrial activities.

The **cash flow of the Automotive business** is at record level in 2023 H1 and reached €3,292 million, up around €650 million compared to 2022 H1. It includes €600 million of Mobilize Financial Services dividend versus €800 million in 2022 H1.

Excluding the impact of asset disposals, the Group's net CAPEX and R&D stood at €1,859 million i.e., 6.9% of revenue compared to 8.0% of revenue in 2022 H1. It amounted to 6.2% including asset disposals.

Free cash flow³ stood at €1,775 million taking into account a negative change in working capital requirement of -€138 million. Restated from Mobilize Financial Services dividend, it stood at €1,175 million versus €156 million in 2022 H1.

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.

² The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts".

³ 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.

As of June 30, 2023, **total inventories** of new vehicles (including the independent dealer network) represented 569,000 vehicles. This level is explained by continuing tensions on the downstream logistics which weigh on the ability to deliver vehicles to the final customers. It slightly decreased compared to 2023 Q1, which was at 580,000 units. This improvement will pursue in 2023 H2 as tensions on logistics start to ease.

The level of inventories must be observed considering the very strong orderbook at 3.4 months of sales end of June, largely beyond our optimal level of around 2 months.

The Automotive net financial position stood at €2,185 million on June 30, 2023 compared to €549 million on December 31, 2022, an improvement of €1.6 billion.

In the first half of 2023, Renault Group made, in advance, the last repayment of €1 billion for the mandatory annual repayment of the loan of a banking pool benefiting from the guarantee of the French State (PGE). This loan is now fully reimbursed.

Liquidity reserve at the end of June 2023 stood at a high level at €16.8 billion.

2023 financial outlook

Renault Group confirms its 2023 financial outlook upgraded on 29 June and expects:

- a **Group operating margin between 7% and 8%**
- a **free cash flow superior or equal to €2.5 billion**

Main risks and uncertainties for the remaining six months of the fiscal year

Renault Group operates in design, manufacture, marketing of vehicles and sales financing (through its subsidiary Mobilize Financial Services) in an environment that remains in strong evolution, particularly in terms of technology, consumption patterns and the economic context of the markets.

Renault Group does not identify, for the next 6 months of 2022, risk factors other than those described in Chapter 4.2 of the Universal Registration Document published on 16 March 2023.

Transactions with related third parties

There are no significant transactions between related parties other than those described in Note 27-D of the Appendix to the Annual Consolidated Financial Statements of the same Universal

Registration Document and in Note 20 of the Appendix to the Half-Year Consolidated Financial Statements summarized in this report.

Highlights

- **January 9, 2023:** Renault Group has successfully finalised its Renaulution Shareplan, open to all employees. More than 95,000 employees will benefit from 6 free shares. Among them, more than 40,000 have also subscribed to shares at a preferential price of 22.02 euros. Employees will hold around 4.7% of the capital after the operation, a new step in the ambition to reach 10% of employee shareholders by 2030.
- **January 10, 2023:** Renault Group and PUNCH Torino sign a strategic partnership on low-emission diesel engines. PUNCH to purchase the Renault 4-cylinder diesel engines for light commercial vehicles, produced in the Renault Clean plant. PUNCH will be able to use and sell the current and future Renault 4-cylinder Diesel engines. This partnership on low-emission diesel engines for LCVs, will be brought by Renault Group to the Horse project business.
- **January 16, 2023:** Electric vehicles: CEA and Renault Group develop a very high efficiency bidirectional on-board charger which will also allow the connected vehicle to inject energy from the battery into the electrical network. This more compact, high-efficiency charger will reduce energy losses by 30% and recharge the vehicle's battery faster. It will be deployed on Renault vehicles by the end of the decade.
- **February 6, 2023:** Renault-Nissan-Mitsubishi Alliance open a new chapter for their partnership. A three-dimension program to maximize value creation for all Alliance stakeholders will include: high-value-creation operational projects in Latin America, India and Europe; enhanced strategic agility with new initiatives that partners can join; a rebalanced Renault Group-Nissan cross-shareholding and reinforced Alliance governance.
- **February 13, 2023:** Renault and Nissan renew commitment to Indian operations through \$600m USD/₹5300 crores INR investment supporting six new models to be made in India, including two electric vehicles. Additional R&D activities to create up to 2,000 new jobs
- **March 2, 2023:** Aramco signs letter of intent with Geely and Renault Group for new powertrain company to focus on lower emission technologies. This investment would support development of synthetic fuel solutions, and next-gen hydrogen technologies
- **April 13, 2023:** Renault Group and Verkor have entered a long-term partnership to supply 12 GWh per year of high-performance, low-carbon batteries for electric vehicles, produced in the future Verkor Gigafactory in Dunkirk, France. These batteries will be used in the upper segment vehicles of the Renault Group brands, starting from 2025 with the future Alpine 100% electric C-Crossover GT which will be manufactured in Dieppe, France.
- **April 14, 2023:** HYVIA, the joint venture between Renault Group and Plug, dedicated to hydrogen mobility, has just installed its first electrolyzer in its Flins plant, in the Ile-de-France region. This 1 MW electrolyzer, with a capacity of 400 kg/day of green hydrogen production, will initially supply the plant in order to test the fuel cells of the Renault Master H2-TECH vehicles marketed by HYVIA as well as the hydrogen refueling stations.
- **May 23, 2023:** The Software République reveals, in a world premiere, its vision of the mobility of the future through its concept car called H1st vision ("Human first vision") which integrates more than 20 innovations.
- **May 23, 2023:** Renault Group and Valeo are extending their collaboration and sign a partnership in Software Defined Vehicle development.
- **June 9, 2023:** Renault Group joins the CAC 40 ESG index as of Friday, June 16, 2023, following the quarterly review of the CAC 40 ESG index.
- **June 19, 2023:** The Board of Directors of Renault approved the appointment of Luca de Meo as the future Chairman and CEO of Ampere to assure the company's launch and the success of its planned IPO, while retaining his current responsibilities as Chief Executive Officer of Renault Group.
The Board of Directors also set up an ad-hoc committee, chaired by Jean-Dominique Senard, to oversee the envisaged Initial Public Offering of Ampere.
- **June 19, 2023:** Ampere: new team for a new game
Luca de Meo, Renault Group Chief Executive Officer, personally engages in leading new Ampere executive team.
2 high potential Renault Group executives, Josep Maria Recasens and Vincent Piquet, to be appointed respectively Chief Operating Officer and Chief Finance Officer of Ampere.
Ampere designed to lead European BEV race in competitiveness and technology.
Ampere targets 40% cost reduction on a car-by-car basis in next vehicles generation by 2027+.
Ampere to hold a Capital Markets Day in H2 2023.
- **June 26, 2023:** Alpine confirms its growth and international development ambition: over €8 billion in revenue in 2030 and break-even in 2026.
The company will develop its own high-performance platform (APP) for its future 100% electric sports cars and targets net-zero carbon production in 2030.
Alpine announces for 2030 a 7-model range.
- **June 26, 2023:** Alpine Racing Ltd speeds up its development: The Group of Investor - Otro Capital, RedBird Capital Partners and Maximum Effort Investments - is investing €200 million in Alpine Racing Ltd (United Kingdom), representing a 24% equity stake, to support Alpine's growth strategy and sporting ambitions in Formula 1. The transaction values Alpine Racing Ltd around \$900 million following this investment.
- **June 29, 2023:** Renault Group upgrades its financial outlook for the full year 2023 and expects:
 - a Group operating margin between 7% and 8% (versus superior or equal to 6% previously).
 - a free cash flow superior or equal to €2.5 billion (versus superior or equal to €2 billion previously).
- **July 5, 2023:** 1 July 2023 marked the effective creation of HORSE, a new leading company in the development, the production and the supply of next generation low-emission hybrid & thermal powertrains.
- **July 11, 2023:** Renault Group and Geely sign Joint-Venture Agreement to launch Leading Powertrain Technology Company with each entity holding 50% stake in it. As announced on March 2, 2023 following the letter of intent signed between Aramco, Geely and Renault Group, Aramco is evaluating a strategic investment in this new company.
The new company will include 17 engine plants and 5 R&D centers in 3 continents with 19,000 employees in a full fledge effective organization strategically structured to provide PWT solutions for multiples OEMs and with an attractive business model to welcome new partners.
- **July 26, 2023:** Renault Group and Nissan Motor Co., Ltd announced that they have entered into the definitive agreements contemplated by the binding framework agreement executed and announced on February 6, 2023. The transactions contemplated in these definitive agreements are subject to a limited number of conditions precedent, including regulatory approvals, and completion is expected to occur in the fourth quarter of 2023.

2 Sales performance

Overview

- Renault Group **worldwide sales** amounted to 1,133,667 vehicles in the first half of 2023, up 13% versus 2022 H1. In Europe, Group sales were up 24% in a market up 17%.
- The **Renault brand** recorded a 12% growth, with more than 772,000 vehicles sold in the first half of 2023. In Europe, the Renault brand increased its sales by 21% with more than 500,000 units, back on the podium as the second best-selling brand and number one in France.
- Dacia's** sales were up 24% to more than 345,000 units in the first half of 2023, thanks to the success of its range.
- Alpine** also confirmed its growth: with about 1,900 vehicles sold, registrations were up by 9%. The last six months have been marked by the successful launches of two limited editions: the Alpine A110 San Remo 73 and the Alpine A110 R Le Mans.
- The Group's sales policy focused on value creation, is continuing to concentrate on the most profitable channels: **sales to retail customers, high trim versions** and the **C segment**.
 - The share of sales to **retail customers** represents 65% in the Group's five main European countries¹.
 - Retail sales account for more than half of the sales of the Renault brand, in Europe.
 - Dacia takes the 2nd place in the European retail market, up 29% on the first half of 2022. With c.139,000 units sold, Dacia Sandero is up 23.5% on the first half of 2022 and remains the best-selling vehicle for retail customers in Europe.
 - In the **C segment** in Europe, the Renault brand recorded growth of 42% on the first half of 2022 thanks to the success of Arkana, Austral and Megane E-TECH electric:
 - Renault Arkana recorded almost 42,000 sales, 55% of which were E-TECH versions.
 - Renault Austral recorded almost 40,000 sales, of which 65% were hybrid versions and 60% top-of-the-range versions.
 - Renault Megane E-TECH electric has recorded 23,000 sales, with 70% of sales for high trim versions and more than 80% for the most powerful engine. Megane E-TECH electric is the best-selling electric vehicle in the C segment in France.
- Renault Group pursues its **electrification offensive**:
 - Sales of Renault brand electrified passenger cars² rose by 18%³, now accounting for 37% of the brand's passenger car sales in Europe. Full electric vehicles represent 11% of passenger car sales in Europe.
 - Dacia Jogger Hybrid 140, which has been on sale since January 2023, accounts for more than 25% of the customers' orders. Dacia Spring, full electric, has sold more than 27,000 units in Europe in 2023 H1 and is still one of the best-selling electric vehicles in Europe.
- The Group's **orderbook** in Europe represents 3.4 months of sales at the end of June 2023. It would remain above the target of 2 months throughout the year, even with a market down 30% compared with 2019.

RENAULT GROUP'S TOP FIFTEEN MARKETS

SALES		Volumes H1 2023 ⁽¹⁾	PC / LCV market share	Change in market share on H1 2022
		(in units)	(%)	(points)
1	France	281,420	26.0	+0.8
2	Italy	96,960	10.4	+0.7
3	Turkey	80,130	14.4	-4.4
4	Germany	74,792	4.9	-0.5
5	Spain	68,836	11.9	+1.7
6	Brazil	52,989	5.7	-0.5
7	United Kingdom	49,004	4.4	+0.9
8	Belgium+Luxembourg	36,603	11.1	+1.1
9	Romania	32,541	39.8	+8.0
10	Morocco	31,102	38.2	-2.0
11	India	29,411	1.3	-0.8
12	Poland	25,666	9.5	-0.6
13	Argentina	25,106	11.3	+0.8
14	Mexico	22,207	3.5	+0.8
15	Netherlands	21,559	9.0	+1.6

(1) Preliminary figures.

¹ Passenger cars in France, Italy, Germany, Spain, United Kingdom.

² Includes EV, Hybrid (HEV) and Plug-In Hybrid (PHEV), excludes Mild-Hybrid (MHEV).

³ Source: DATAFORCE, scope: France, Germany, United Kingdom, Italy, Spain, Belgium, Croatia, Denmark, Finland, Luxembourg, Norway, Netherlands, Poland, Romania, Slovakia, Slovenia, Switzerland.

2.1 Automotive

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

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES ⁽²⁾ (Units)	H1 2023 ⁽¹⁾	H1 2022	Change (%)
GROUP	1,133,667	1,001,050	+13.2
EUROPE	80,321	647,390	+24.1
Renault	500,444	413,399	+21.1
Dacia	301,110	232,321	+29.6
Alpine	1,761	1,602	+9.9
Mobilize	6	68	-91.2
EURASIA, AFRICA, MIDDLE-EAST	153,436	143,903	+6.6
Renault	109,114	98,041	+11.3
Dacia	44,322	45,862	-3.4
Alpine	0	0	+++
Jinbei&Huasong ⁽³⁾	0	0	+++
ASIA PACIFIC	52,698	84,809	-37.9
Renault	38,426	55,562	-30.8
Renault Korea Motors	12,208	25,285	-51.7
Alpine	102	106	-3.8
Jinbei&Huasong ⁽³⁾	0	0	+++
EVEASY	1,962	3,856	-49.1
LATIN AMERICA	124,212	124,948	-0.6
Renault	124,212	124,881	-0.5
Jinbei&Huasong ⁽³⁾	0	67	-100.0
BY BRAND			
Renault	772,196	691,883	+11.6
Dacia	345,432	278,183	+24.2
Renault Korea Motors	12,208	25,285	-51.7
Alpine	1,863	1,708	+9.1
Jinbei&Huasong ⁽³⁾	0	67	-100.0
EVEASY ⁽⁴⁾	1,962	3,856	-49.1
Mobilize	6	68	-91.2
BY VEHICLE TYPE			
Passenger cars	944,657	845,273	+11.8
Light commercial vehicles	189,010	155,777	+21.3

(1) Preliminary figures.

(2) 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.

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

(4) EVEASY is the JMEV's brand.

→ Renault brand: RENAULT COMES BACK ON THE PODIUM, FIRST BRAND IN FRANCE AND SECOND IN EUROPE

- The Renault brand worldwide sales for H1 reached more than 772,000 units, +12% vs first half 2022. The brand increases its share of sales in the most profitable channels and value-creating segments.
- In Europe, the Renault brand increased its sales by 21% with more than 500,000 units and becomes the second best-selling brand on the European market.
- Renault is number 1 in France both on the PC market and on the LCV market.
- Renault continues to expand in the C-segment with a 42% increase in sales (passenger cars, Europe) driven by the success of New Austral, Arkana and Megane E-TECH electric.
- On the electrified market¹, Renault's sales rose by 18%, thanks to its double offer on EV and full hybrid models, accounting for 37% of the brand's passenger car sales in Europe (full electric vehicles represent 11% of the brand's passenger car sales).
- Renault keeps a healthy channel mix with more than 1 in 2 sales to retail customers in Europe.
- Renault continues to outperform on the LCV market with double-digit sales growth worldwide (+21.8%) and especially in Europe (+25.8%).

→ Dacia brand: THE SUCCESS STORY CONTINUES WITH 24% GROWTH

- Dacia sold a total of more than 345,000 vehicles (PCs+LCVs) in H1 2023, 24% more than the same period in 2022. PC sales stood at almost 343,000 units, placing the brand's market share at 4.7% in its scope, up 0.2 points year on year.
- The brand's four main models posted growth in H1 2023: Spring by 38%, Sandero by 24%, Duster by 13% and Jogger by 130%.
- The four main models powered performance:
 - Dacia Sandero sales rose 24% year on year to 138,978 vehicles. Sandero has been Europe's best-selling car among retail customers since 2017.
 - Dacia Duster sales grew 13% compared to H1 2022, reaching 111,891 units, and this model has kept its position on the podium for SUV sales to retail customers in Europe.
 - The 50,569 Dacia Jogger vehicles sold in H1 2023 have pushed the total to over 100,000 units since the model launched. The hybrid powertrain continues to thrive and still accounts for over 1 in 4 customer orders.
 - Spring sales rose 38% year on year to 27,438 vehicles. Spring held on to its position on the podium for electric vehicle sales to retail customers in Europe.
- In its longest-standing core segment – sales to retail customers, Dacia has solidified its position on the European podium, where it ranked second for the first time ever with an 8.4% share².

→ Alpine brand: ALPINE MAINTAINS ITS MOMENTUM IN THE FIRST HALF OF 2023 AFTER A RECORD-BREAKING YEAR IN 2022

- Alpine sales continue to grow by 9% in the first half of 2023 following a record year in 2022 at +33%.
- With 1,863 Alpine cars sold worldwide, the brand set an all-time sales record in June 2023 with 593 registrations.
- March and June respectively saw the success of two limited edition series: the Alpine A110 San Remo 73 and the Alpine A110 R Le Mans.
- Alpine continues to expand internationally, with the opening of new points of sales bringing the total to 144, particularly in new countries such as Israel and soon Morocco.

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

² PC sales to retail customers in Europe (Dataforce Source, list of European countries with sales by customer channel) = 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 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/>

2.1.2.2 Group worldwide production

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES (Units)	H1 2023 ⁽²⁾	H1 2022	Change (%)
WORLDWIDE PRODUCTION RENAULT GROUP PLANTS ⁽¹⁾	1,193,820	986,852	+21.0
<i>o/w produced for partners:</i>			
Nissan	38,584	40,992	-5.9
Mitsubishi	10,540	1,160	+808.6
Daimler	17,750	12,569	+41.2
Renault Trucks	17,493	10,520	+66.3
PRODUCED BY PARTNERS FOR RENAULT GROUP	H1 2023 ⁽²⁾	H1 2022	Change (%)
Nissan	48,802	57,898	-15.7
China ⁽³⁾	37,794	23,251	+62.5

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

(2) Preliminary figures.

(3) Chinese subsidiaries: eGT (25%) in the production of partners for Renault Group. JMEV (50%) in Renault Group production.

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

At June 30, 2023

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

2.2 Sales financing

Mobilize Financial Services new financings increase by 19.0% compared to the first semester 2022, thanks to the increase of the average financed amount and the Alliance registrations.

Mobilize Financial Services financed 646,739 contracts in the first half of 2023, up 7.4% compared to the first half of 2022. Used Car Financing decreased by 2.4% over the same period with 172,342 financed contracts.

The penetration rate amounts to 43.3% down 3.2 point compared on the first semester of 2022.

New financings (excluding credit cards and personal loans) stood at €10.4 billion, up 19.0% thanks to the growth of the registrations and the 10.8% increase of the average financed amount.

Average performing assets (APA) related to the Retail Activity totaled €39.6 billion on the first semester of 2023. The amount increased by 4.2%, thanks to the progression observed on the new financings.

Average performing assets linked to the Wholesale Activity amounted to €10.3 billion, up 81.3%, driven by increasing dealer inventories.

Overall, average performing assets totaled €49.9 billion, up 14.2% compared to the first semester 2022.

MOBILIZE FINANCIAL SERVICES, FINANCING PERFORMANCE

		H1 2023	H1 2022	Change (%)
Number of financing contracts	Thousands	647	602	+7.4
<i>Including Used Vehicles contracts</i>	Thousands	172	177	-2.4
New financing	€ billion	10.4	8,8	+19.0
Average performing assets	€ billion	49.9	43.7	+14.2

PENETRATION RATE BY BRAND

	H1 2023 (%)	H1 2022 (%)	Change (points)
Renault	43.8	47,0	-3,2
Alpine	22.3	n.a.	n.a.
Dacia	46.2	48,1	-1,9
Renault Korea Motors	50.4	49,2	+1,2
Mobilize	616.7	n.a.	n.a.
Nissan	36.9	41,3	-4,4
Mitsubishi	5.0	n.a.	n.a.
Mobilize Financial Services	43.3	46,5	-3,2

PENETRATION RATE BY REGION

	H1 2023 (%)	H1 2022 (%)	Change (points)
Europe	45.3	49.5	-4.3
Americas	32.5	33.1	-0.6
Africa Middle-East and Asia Pacific	35.4	39.1	-3.7
Mobilize Financial Services	43.3	46.5	-3.2

Mobilize Financial Services sold 1.9 million insurance and service contracts in the first half of 2023, up 1.3% compared to the same period of 2022.

MOBILIZE FINANCIAL SERVICES, SERVICES PERFORMANCE

		H1 2023	H1 2022	Change
Number of services contracts	Thousands	1,938	1,913	+1.3%
Penetration rate on services	%	177.3%	209.4%	-32.1 pts

3 Financial results

Summary

(€ million)	H1 2023	H1 2022 ⁽¹⁾	Change
Group revenues	26,849	21,089	+27.3%
Operating profit	2,040	972	+1,068
Operating income	2,096	923	+1,173
Net financial income & expenses	-260	-236	-24
Contribution from associated companies	566	214	+352
<i>o/w Nissan</i>	<i>582</i>	<i>325</i>	<i>+257</i>
Net income	2,124	-1,676	+3,800
<i>o/w continuing operations</i>	<i>2,124</i>	<i>647</i>	<i>+1,477</i>
<i>o/w discontinued operations</i>	<i>0</i>	<i>-2,323</i>	<i>+2,323</i>
Free cash flow⁽²⁾	1,775	956	+819
Automotive net financial position	2,185	549	+1,636
Shareholders' equity	at Jun. 30, 2023 30,333	at Dec. 31, 2022 29,690	+643
	at Jun. 30, 2023	at Dec. 31, 2022	

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (see Note 2-A).

(2) 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 REVENUES

(€ million)	2023			2022 ⁽¹⁾			Change (%)		
	Q1	Q2	H1	Q1	Q2	H1	Q1	Q2	H1
Automotive	10,515	14,335	24,850	8,109	11,465	19,574	+29.7	+25.0	+27.0
Sales financing	974	1,004	1,978	722	776	1,498	+34.9	+29.4	+32.0
Mobility Services	9	12	21	8	9	17	+12.5	+33.3	+23.5
Total	11,498	15,351	26,849	8,839	12,250	21,089	+30.1	+25.3	+27.3

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (see Note 2-A).

Group revenue reached €26,849 million, up 27.3% compared to 2022 H1. At constant exchange rates¹, it increased by 30.6%.

Automotive revenue stood at €24,850 million, up 27.0% compared to 2022 H1. It includes 3.2 points of negative exchange rates effect mainly related to the Argentinean peso and the Turkish lira devaluation. At constant exchange rates¹, it increased by 30.2%.

Volume effect stood at +15.0 points thanks to the commercial success of vehicles combined with an improved availability of electronic components. Invoices outperformed sales because of the high level of vehicles still in transit between our plants and our final customers due to remaining outbound logistic tensions in the first half.

The price effect, positive by +8.8 points, continued to be very strong and reflects the Group's commercial policy focused on value over volume, as well as price increases to offset cost inflation, and an optimization of commercial discounts.

In 2023 H1, the product mix effect stood at +3.5 points mainly thanks to the success of Megane E-TECH Electric and Austral.

The impact of sales to partners was positive by +1.6 points, supported by the production of the ASX for Mitsubishi Motors since the beginning of the year as well as a dynamic LCV market driving sales to Nissan, Renault Trucks and Mercedes-Benz.

¹In 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.

OPERATING SEGMENT CONTRIBUTION TO GROUP OPERATING PROFIT

(€ million)	H1 2023	H1 2022 ⁽¹⁾	Change
Automotive	1,541	420	+1,121
<i>% of division revenues</i>	<i>6.2%</i>	<i>2.1%</i>	<i>+4.1 pts</i>
Sales financing	518	566	-48
Mobility Services	-19	-14	-5
Total	2,040	972	+1,068
<i>% of Group revenues</i>	<i>7.6%</i>	<i>4.6%</i>	<i>+3.0 pts</i>

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (see Note 2-A)

The **Group** posted a record **operating margin** at 7.6% of revenue versus 4.6% in 2022 H1, up 3.0 points. It continued to improve sequentially from 6.3% in 2022 H2 to 7.6% in 2023 H1. It stood at €2,040 million and more than doubled versus 2022 H1.

Automotive operating margin more than tripled in value and stood at €1,541 million versus €420 million in 2022 H1. It represented 6.2% of Automotive revenue, improving by 4.1 points versus 2022 H1.

The volume effect at +€763 million and the positive mix/price/enrichment effect of +€1,771 million illustrated the success of vehicles and of the commercial policy focused on value. The positive mix/price/enrichment effect more than compensated the increase in costs which amounted to -€1,181 million. The latter was mainly explained by the impact of the carry-over of raw materials and energy price increases, logistics and labor costs.

The operating margin includes, since the beginning of November 2022 and until the deconsolidation of Horse, a positive non-cash effect of the cessation of amortization for these assets held for sale. It accounted for 275 million euros in 2023 H1. Adjusted from Horse positive impact, the Group operating margin would have been 6.6% in 2023 H1, compared to an operating margin of 4.6% in 2022 H1.

The contribution of **Mobilize Financial Services** (Sales Financing) to the Group's operating margin reached €518 million, down €48 million compared to 2022 H1¹ due to non-recurring impacts of the swaps valuation linked to the interest rate increase in Europe since beginning 2022. Excluding this one-off, Mobilize Financial Services posted an operating margin up 9% compared to 2022 H1. New financings increased by 19% compared to 2022 H1, notably due to the strong increase in registrations and the 11% increase in the average financed amount.

3.1.2 Free cash flow

(€ million)	H1 2023	H1 2022	Change
Cash flow (excluding dividends received from Nissan and Mobilize Financial Services)	+2,473	+1,561	+912
Dividends received from Mobilize Financial Services	+600	+800	-200
Change in the working capital requirement	-138	-275	+137
Tangible and intangible investments net of disposals	-1,145	-1,134	-11
Leased vehicles and batteries	-15	+4	-19
Free cash flow	+1,775	+956	+819

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

In 2023 H1, the **free cash flow** is positive at +€1,775 million, resulting from the following elements:

- cash flow (excluding dividends received from publicly listed companies) of +€2,473 million, including €219 million restructuring costs (vs €278 million in 2022 H1),
- dividends received from Mobilize Financial Services for €600 million in 2023 H1 compared to €800 million in 2022 H1
- a negative change in the working capital requirement of -€138 million,
- property, plant and equipment and intangible investments net of disposals of -€1,145 million (4.3% of Group revenue, -1.1 points below 2022 H1), including asset sales for an amount of €197 million (vs €101 million in 2021),
- investments related to vehicles with buy-back commitments for -€15 million.

¹ The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts".

3.1.3 Capex and Research & Development

TANGIBLE AND INTANGIBLE INVESTMENTS NET OF DISPOSALS BY OPERATING SEGMENT

H1 2023 (€ million)	Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs)	Capitalized development costs	Total
Automotive	490	655	1,145
Sales Financing	10	0	10
Mobility Services	2	4	6
Total	502	659	1,161

H1 2022 (€ million)	Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs)	Capitalized development costs	Total
Automotive	591	543	1,134
Sales Financing	6	0	6
Mobility Services	3	3	6
Total	600	546	1,146

Total gross investment in the first half of 2023 decreased compared to 2022, with Europe accounting for 83% and the rest of the world for 17%.

- **In Europe**, the investments are mainly aimed for renewal and electrification of the C (Espace, Rafale and Austral ICE & HEV),

LCV (New Master ICE & EV) and EV (Scenic Electric) ranges as well for electric and hybrid powertrains.

- **Internationally**, the investments are realized mainly for the renewal of the Global Access range in Romania (renewal of the Duster) and in Brazil and the relaunch of the Renault Korea Motors line-up.

RESEARCH AND DEVELOPMENT EXPENSES RECORDED IN THE INCOME STATEMENT

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

(€ million)	H1 2023	H1 2022	Change
R&D expenses	-1,300	-1,149	-151
Capitalized development expenses	659	546	+113
<i>R&D capitalization rate</i>	<i>50.7%</i>	<i>47.5%</i>	<i>+3.2 pts</i>
Amortization	-488	-544	+56
Gross R&D expenses recorded in the income statement⁽¹⁾	-1,129	-1,147	+18

(1) 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).

The R&D capitalization rate at 50.7% reflects the projects developments and the deployment of the Renaulution line-up (see Note 5 of the Appendix to the Half-Year Consolidated Financial Statement).

NET CAPEX AND R&D EXPENSES IN% OF REVENUES

(€ million)	H1 2023	H1 2022	Change
Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs)	502	600	-98
CAPEX invoiced to third parties and others	-8	-22	+14
Net industrial and commercial investments excl. R&D (1)	494	578	-84
<i>% of Group revenues</i>	<i>1.8%</i>	<i>2.7%</i>	<i>-0.9 pts</i>
R&D expenses	1,300	1,149	+151
R&D expenses billed to third parties and others	-132	-148	+16
Net R&D expenses (2)	1,168	1,001	+167
<i>% of Group revenues</i>	<i>4.4%</i>	<i>4.7%</i>	<i>-0.1 pts</i>
Net CAPEX and R&D expenses (1) + (2)	1,662	1,579	+83
<i>% of Group revenues</i>	<i>6.2%</i>	<i>7.5%</i>	<i>-1.3 pts</i>
Net CAPEX and R&D expenses excluding asset sales	1,859	1,680	+179
<i>% of Group revenues</i>	<i>6.9%</i>	<i>8.0%</i>	<i>-1.0 pts</i>

Net Capital expenditures and R&D expenses amounted to 6.2% of Group revenues, down -1.3 point compared to H1 2022.

Excluding the disposal of assets, amounting €197 million, this rate amounts to 6.9%.

3.1.4 Automotive net financial position at June 30, 2023

CHANGE IN AUTOMOTIVE NET FINANCIAL POSITION (€ million)

Automotive net financial position at December 31, 2022	+549
H1 2023 operational free cash flow	+1,775
Dividends received	+116
Dividends paid to Renault's shareholders and minority shareholders	-92
Financial investments and others	-163
Automotive net financial position at June 30, 2023	+2,185

Beyond the Automotive segment reported positive operational free cash flow of +€1,775 million, Renault Group received €116 million of dividends from Nissan. The remaining change versus December 31, 2022 is due to dividends paid to Renault's

shareholders and minority shareholders for -€92 million and cash effects of currency and IFRS 5 impacts as well as financial investments for a total amount of -€163 million.

AUTOMOTIVE NET FINANCIAL POSITION

(€ million)	Jun. 30, 2023	Dec. 31, 2022
Non-current financial liabilities	-8,936	-9,845
Current financial liabilities	-3,954	-5,191
Non-current financial assets - other securities, loans and derivatives on financial operations	+227	+121
Current financial assets	+1,360	+1,237
Cash and cash equivalents	+13,488	+14,227
Automotive net financial position	+2,185	+549

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

The **Automotive** segment's liquidity reserves stood at €16.8 billion as at June 30, 2023. These reserves consisted of:

- €13.5 billion in cash and cash equivalents;
- €3.3 billion in undrawn confirmed credit lines.

At June 30, 2023, **RCI Banque** had available liquidity of €13.3 billion, consisting of:

- €4.4 billion in undrawn confirmed credit lines;
- €5.1 billion in central-bank eligible collateral;
- €3.7 billion in high quality liquid assets (HQLA);
- €0.2 billion in available cash.

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1. Consolidated income statement

<i>(€ million)</i>	<i>Notes</i>	H1 2023	H1 2022 ⁽¹⁾	Year 2022 ⁽¹⁾
Revenues	4	26,849	21,089	46,328
Cost of goods and services sold		(21,337)	(16,737)	(37,111)
Research and development expenses	5	(1,129)	(1,147)	(2,125)
Selling, general and administrative expenses		(2,343)	(2,233)	(4,522)
Other operating income and expenses	6	56	(49)	(379)
<i>Other operating income</i>		309	154	425
<i>Other operating expenses</i>		(253)	(203)	(804)
Operating income (loss)		2,096	923	2,191
Cost of net financial indebtedness		37	(124)	(181)
<i>Cost of gross financial indebtedness</i>		(181)	(164)	(349)
<i>Income on cash and financial assets</i>		218	40	168
Other financial income and expenses		(297)	(112)	(305)
Financial income (expenses)	7	(260)	(236)	(486)
Share in net income (loss) of associates and joint ventures		566	214	423
<i>Nissan</i>	11	582	325	526
<i>Other associates and joint ventures</i>	12	(16)	(111)	(103)
Pre-tax income		2,402	901	2,128
Current and deferred taxes	8	(278)	(254)	(524)
Net income from continuing operations		2,124	647	1,604
Net income from continuing operations - parent-company shareholders' share		2,093	624	1,634
Net income from continuing operations - non-controlling interests' share		31	23	(30)
Net income from discontinued operations	3	-	(2,323)	(2,320)
Net income from discontinued operations - parent-company shareholders' share		-	(1,991)	(1,988)
Net income from discontinued operations - non-controlling interests' share		-	(332)	(332)
NET INCOME		2,124	(1,676)	(716)
Net income – parent company shareholders' share		2,093	(1,367)	(354)
Net income - non-controlling interests' share		31	(309)	(362)
Basic earnings per share ⁽²⁾ (€)		7.70	(5.01)	(1.30)
<i>Basic earnings per share of continuing operations - parent-company shareholders' share (€)</i>		7.70	2.29	6.01
<i>Basic earnings per share of discontinued operations - parent-company shareholders' share (€)</i>		-	(7.30)	(7.31)
Diluted earnings per share ⁽²⁾ (€)		7.59	(5.01)	(1.30)
<i>Diluted earnings per share of continuing operations - parent-company shareholders' share (€)</i>		7.59	2.29	6.01
<i>Diluted earnings per share of discontinued operations - parent-company shareholders' share (€)</i>		-	(7.30)	(7.31)
Number of shares outstanding (thousands)				
<i>for basic earnings per share</i>	9	271,761	272,619	272,097
<i>for diluted earnings per share</i>	9	275,755	274,308	274,251

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

(2) 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 (Note 3-C).

2. Consolidated comprehensive income

<i>(€ million)</i>	H1 2023			H1 2022 ⁽¹⁾			Year 2022 ⁽¹⁾		
	Gross	Tax effect	Net	Gross	Tax effect	Net	Gross	Tax effect	Net
Net income	2,402	(278)	2,124	(1,422)	(254)	(1,676)	(192)	(524)	(716)
Other components of comprehensive income from parent company and subsidiaries									
Items that will not be reclassified subsequently to profit or loss	(14)	(53)	(67)	326	(18)	308	320	31	351
<i>Actuarial gains and losses on defined-benefit pension plans</i>	<i>(14)</i>	<i>(53)</i>	<i>(67)</i>	<i>326</i>	<i>(18)</i>	<i>308</i>	<i>320</i>	<i>31</i>	<i>351</i>
<i>Equity instruments at fair value through equity</i>	-	-	-	-	-	-	-	-	-
Items that have been or will be reclassified to profit or loss in subsequent periods	(49)	66	17	872	(41)	831	878	(73)	805
<i>Translation adjustments on foreign activities</i>	<i>53</i>	-	<i>53</i>	<i>94</i>	-	<i>94</i>	<i>(10)</i>	-	<i>(10)</i>
<i>Translation adjustments on foreign activities in hyperinflationary economies</i>	<i>(7)</i>	-	<i>(7)</i>	<i>73</i>	-	<i>73</i>	<i>71</i>	-	<i>71</i>
<i>Partial hedge of the investment in Nissan</i>	<i>149</i>	-	<i>149</i>	<i>7</i>	-	<i>7</i>	<i>(25)</i>	-	<i>(25)</i>
<i>Fair value adjustments on cash flow hedging instruments</i>	<i>(245)</i>	<i>66</i>	<i>(179)</i>	<i>177</i>	<i>(44)</i>	<i>133</i>	<i>327</i>	<i>(77)</i>	<i>250</i>
<i>Debt instruments at fair value through equity</i>	<i>1</i>	-	<i>1</i>	<i>(7)</i>	<i>3</i>	<i>(4)</i>	<i>(13)</i>	<i>4</i>	<i>(9)</i>
<i>Items that have been reclassified to profit or loss from discontinued operations⁽²⁾</i>	-	-	-	<i>528</i>	-	<i>528</i>	<i>528</i>	-	<i>528</i>
TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME FROM PARENT COMPANY AND SUBSIDIARIES (A)	(63)	13	(50)	1,198	(59)	1,139	1,198	(42)	1,156
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	50	-	50	117	-	117	196	-	196
<i>Actuarial gains and losses on defined-benefit pension plans</i>	<i>55</i>	-	<i>55</i>	<i>110</i>	-	<i>110</i>	<i>193</i>	-	<i>193</i>
<i>Other</i>	<i>(5)</i>	-	<i>(5)</i>	<i>7</i>	-	<i>7</i>	<i>3</i>	-	<i>3</i>
Items that have been or will be reclassified to profit or loss in subsequent periods	(1,238)	-	(1,238)	284	-	284	710	-	710
<i>Translation adjustments on foreign activities</i>	<i>(1,239)</i>	-	<i>(1,239)</i>	<i>429</i>	-	<i>429</i>	<i>755</i>	-	<i>755</i>
<i>Other</i>	<i>1</i>	-	<i>1</i>	<i>(145)</i>	-	<i>(145)</i>	<i>(45)</i>	-	<i>(45)</i>
TOTAL SHARE OF ASSOCIATES AND JOINT VENTURES IN OTHER COMPONENTS OF COMPREHENSIVE INCOME (B)	(1,188)	-	(1,188)	401	-	401	906	-	906
OTHER COMPONENTS OF COMPREHENSIVE INCOME (A) + (B)	(1,251)	13	(1,238)	1,599	(59)	1,540	2,104	(42)	2,062
COMPREHENSIVE INCOME	1,151	(265)	886	177	(313)	(136)	1,912	(566)	1,346
<i>Parent company shareholders' share</i>			<i>882</i>			<i>103</i>			<i>1,654</i>
<i>Non-controlling interests' share</i>			<i>4</i>			<i>(239)</i>			<i>(308)</i>

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

(2) Items 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 (Note 3-C).

3. Consolidated financial position

ASSETS (€ million)	Notes	June 30, 2023	December 31, 2022 ⁽¹⁾
Non-current assets			
Intangible assets and goodwill	10-A	4,741	4,700
Property, plant and equipment	10-B	11,709	11,705
Investments in associates and joint ventures		17,459	18,210
<i>Nissan</i>	11	16,780	17,487
<i>Other associates and joint ventures</i>	12	679	723
Non-current financial assets	15	507	413
Deferred tax assets		637	593
Other non-current assets		757	911
TOTAL NON-CURRENT ASSETS		35,810	36,532
Current assets			
Inventories	14	5,669	5,213
Sales Financing receivables		47,901	44,247
Automotive receivables		1,274	998
Current financial assets	15	1,505	1,416
Current tax assets		206	154
Other current assets		4,547	4,097
Cash and cash equivalents	15	18,944	21,774
Assets held for sale	3	4,051	3,861
TOTAL CURRENT ASSETS		84,097	81,760
TOTAL ASSETS		119,907	118,292

SHAREHOLDERS' EQUITY AND LIABILITIES (€ million)	Notes	June 30, 2023	December 31, 2022 ⁽¹⁾
Shareholders' equity			
Share capital		1,127	1,127
Share premium		3,785	3,785
Treasury shares		(257)	(208)
Revaluation of financial instruments		31	208
Translation adjustment		(3,163)	(2,146)
Reserves		26,037	26,537
Net income – parent company shareholders' share		2,093	(354)
Shareholders' equity – parent company shareholders' share		29,653	28,949
Shareholders' equity – non-controlling interests' share		680	741
TOTAL SHAREHOLDERS' EQUITY	16	30,333	29,690
Non-current liabilities			
Deferred tax liabilities		1,021	1,102
Provisions for pension and other long-term employee benefit obligations – long-term	17-A	1,038	1,029
Other provisions – long-term	17-B	1,204	1,082
Non-current financial liabilities	18	9,826	10,738
Provisions for uncertain tax liabilities – long-term		238	234
Other non-current liabilities		1,230	1,372
TOTAL NON-CURRENT LIABILITIES		14,557	15,557
Current liabilities			
Provisions for pension and other long-term employee benefit obligations – short-term	17-A	30	45
Other provisions – short-term	17-B	1,117	1,087
Current financial liabilities	18	3,277	4,605
Sales Financing debts	18	51,580	48,999
Trade payables		8,166	8,405
Current tax liabilities		393	312
Provisions for uncertain tax liabilities – short-term		20	21
Other current liabilities		9,635	8,698
Liabilities related to assets held for sale	3	799	873
TOTAL CURRENT LIABILITIES		75,017	73,045
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		119,907	118,292

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

4. Changes in consolidated shareholders' equity

(€ million)	Number of shares (thousands)	Share capital	Share premium	Treasury shares	Revaluation of financial instruments	Translation adjustment	Reserves ⁽²⁾	Net income (parent company shareholders' share)	Shareholders' equity (parent company shareholders' share)	Shareholders' equity (non-controlling interests' share)	Total shareholders' equity
BALANCE AT DECEMBER 31, 2021	295,722	1,127	3,785	(237)	5	(3,407)	25,159	888	27,320	574	27,894
Transition to IFRS 17 - Opening adjustments ⁽¹⁾							167		167	-	167
ADJUSTED BALANCE AT DECEMBER 31, 2021	295,722	1,127	3,785	(237)	5	(3,407)	25,326	888	27,487	574	28,061
Adjusted 1 st -half 2022 net income								(1,367)	(1,367)	(309)	(1,676)
Adjusted other components of comprehensive income					(10)	1,060	420		1,470	70	1,540
ADJUSTED 1st-HALF 2022 COMPREHENSIVE INCOME	-	-	-	-	(10)	1,060	420	(1,367)	103	(239)	(136)
Allocation of 2021 net income							888	(888)	-	-	-
Dividends									-	(41)	(41)
(Acquisitions) / disposals of treasury shares and impact of capital increases				54					54		54
Changes in ownership interests							(28)		(28)	238	210
Cost of share-based payments and other							(60)		(60)		(60)
ADJUSTED BALANCE AT JUNE 30, 2022	295,722	1,127	3,785	(183)	(5)	(2,347)	26,546	(1,367)	27,556	532	28,088
adjusted 2 nd -half 2022 net income								1,013	1,013	(53)	960
adjusted other components of comprehensive income					213	188	137		538	(16)	522
ADJUSTED 2nd-HALF 2022 COMPREHENSIVE INCOME	-	-	-	-	213	188	137	1,013	1,551	(69)	1,482
Dividends									-	-	-
(Acquisitions) / disposals of treasury shares and impact of capital increases				(25)					(25)		(25)
Changes in ownership interests							13	(150)	(137)	278	141
Cost of share-based payments and other							-	4	4	-	4
ADJUSTED BALANCE AT DECEMBER 31, 2022	295,722	1,127	3,785	(208)	208	(2,146)	26,537	(354)	28,949	741	29,690
1 st -half 2023 net income								2,093	2,093	31	2,124
Other components of comprehensive income					(177)	(1,017)	(17)		(1,211)	(27)	(1,238)
1st-HALF 2023 COMPREHENSIVE INCOME	-	-	-	-	(177)	(1,017)	(17)	2,093	882	4	886
Allocation of 2022 net income							(354)	354	-	-	-
Dividends							(68)		(68)	(92)	(160)
(Acquisitions) / disposals of treasury shares and impact of capital increases				(49)					(49)		(49)
Changes in ownership interests							-	1	1	27	28
Cost of share-based payments and other							-	(62)	(62)		(62)
BALANCE AT JUNE 30, 2023	295,722	1,127	3,785	(257)	31	(3,163)	26,037	2,093	29,653	680	30,333

(1) The figures for 2021 and 2022 include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

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

Details of changes in consolidated shareholders' equity in 2023 are given in Note 16.

5. Consolidated cash flows

(€ million)	Notes	H1 2023	H1 2022 ⁽¹⁾	Year 2022 ⁽¹⁾
Net income from continuing operations		2,124	647	1,604
Cancellation of income and expenses with no impact on cash				
Depreciation, amortization and impairment		1,349	1,819	3,532
Share in net (income) loss of associates and joint ventures		(566)	(214)	(423)
Other income and expenses with no impact on cash before interest and tax	19	439	74	304
Dividends received from unlisted associates and joint ventures		43	24	23
Cash flow before interest and tax ⁽²⁾		3,389	2,350	5,040
Dividends received from listed companies ⁽³⁾		116	64	64
Net change in financing for final customers		(2,147)	(362)	(1,383)
Net change in renewable dealer financing		(1,256)	(143)	(3,677)
Decrease (increase) in Sales Financing receivables		(3,403)	(505)	(5,060)
Bond issuance by the Sales Financing segment		2,647	1,329	3,614
Bond redemption by the Sales Financing segment		(3,140)	(2,737)	(3,588)
Net change in other debts of the Sales Financing segment		2,667	1,508	4,185
Net change in other securities and loans of the Sales Financing segment		38	(310)	137
Net change in financial assets and debts of the Sales Financing segment		2,212	(210)	4,348
Change in capitalized leased assets		(276)	(119)	(217)
Change in working capital before tax	19	(695)	(511)	404
Cash flows from operating activities before interest and tax		1,343	1,069	4,579
Interest received		241	47	172
Interest paid		(194)	(174)	(345)
Current taxes (paid) / received		(340)	(226)	(479)
CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS		1,050	716	3,927
CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS	3	-	(315)	(314)
Property, plant and equipment and intangible investments	19	(1,358)	(1,247)	(2,640)
Disposals of property, plant and equipment and intangible assets		197	101	410
Acquisitions of investments involving gain of control, net of cash acquired		-	-	-
Acquisitions of other investments		(55)	(97)	(132)
Disposals of investments involving loss of control, net of cash transferred		26	(38)	(38)
Disposals of other investments		1	19	47
Net decrease (increase) in other securities and loans of the Automotive segment		(304)	(120)	(126)
CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS		(1,493)	(1,382)	(2,479)
CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS	3	-	(815)	(815)
Dividends paid to parent company shareholders	16	(73)	-	-
Transactions with non-controlling interests		(18)	16	54
Dividends paid to non-controlling interests		(92)	(41)	(41)
(Acquisitions) sales of treasury shares		(135)	(33)	(60)
Cash flows with shareholders		(318)	(58)	(47)
Bond issuance by the Automotive segment		-	-	2,062
Bond redemption by the Automotive segment		(750)	4	(240)
Net increase (decrease) in other financial liabilities of the Automotive segment		(1,386)	(1,627)	(2,575)
Net change in financial liabilities of the Automotive segment		(2,136)	(1,623)	(753)
CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS		(2,454)	(1,681)	(800)
CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS	3	-	323	322
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(2,897)	(3,154)	(159)

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

(2) The cash flow before interest and tax is presented net of dividends received from listed companies.

(3) Dividends received from Nissan (€116 million).

(€ million)	H1 2023	H1 2022	Year 2022
Cash and cash equivalents: opening balance	21,774	21,928	21,928
Increase (decrease) in cash and cash equivalents	(2,890)	(2,368)	678
Effects of change of scope	(7)	(786)	(837)
Effect of changes in exchange rate and other changes	50	248	28
Cash generated by assets held for sale	17	(15)	(23)
Cash and cash equivalents: closing balance ⁽¹⁾	18,944	19,007	21,774

(1) Cash subject to restrictions on use is described in Note 15-B.

6. Notes to the condensed consolidated financial statements

6.1. Information on operating segments

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.

In the 2022 figures, the segment previously named AVTOVAZ (which was sold in May 2022) is presented separately as Discontinued operations in the Automotive segment, in accordance with IFRS 5.

The segment result regularly reviewed by the Leadership Team (formerly 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. Consolidated income statement by operating segment

(€ million)	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
H1 2023					
External sales	24,850	1,978	21	-	26,849
Intersegment sales	60	11	1	(72)	-
Sales by segment	24,910	1,989	22	(72)	26,849
Operating margin ⁽¹⁾	1,542	518	(19)	(1)	2,040
Operating income	1,608	507	(18)	(1)	2,096
Financial income (expenses) ⁽²⁾	361	(20)	(1)	(600)	(260)
Share in net income (loss) of associates and joint ventures	576	(7)	(3)	-	566
Pre-tax income	2,545	480	(22)	(601)	2,402
Current and deferred taxes	(135)	(143)	-	-	(278)
Net income from continuing operations	2,410	337	(22)	(601)	2,124
Net income from discontinued operations	-	-	-	-	-
NET INCOME	2,410	337	(22)	(601)	2,124

(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. They amounted to €600 million in the first half-year of 2023.

(€ million)	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
H1 2022 ⁽¹⁾					
External sales	19,574	1,498	17	-	21,089
Intersegment sales	48	8	1	(57)	-
Sales by segment	19,622	1,506	18	(57)	21,089
Operating margin ⁽²⁾	419	566	(14)	1	972
Operating income	390	547	(15)	1	923
Financial income (expenses) ⁽³⁾	578	(13)	(1)	(800)	(236)
Share in net income (loss) of associates and joint ventures	311	(93)	(4)	-	214
Pre-tax income	1,279	441	(20)	(799)	901
Current and deferred taxes	(138)	(116)	-	-	(254)
Net income from continuing operations	1,141	325	(20)	(799)	647
Net income from discontinued operations	(2,323)	-	-	-	(2,323)
NET INCOME	(1,182)	325	(20)	(799)	(1,676)
YEAR 2022 ⁽¹⁾					
External sales	43,121	3,172	35	-	46,328
Intersegment sales	96	16	3	(115)	-
Sales by segment	43,217	3,188	38	(115)	46,328
Operating margin ⁽²⁾	1,401	1,198	(30)	1	2,570
Operating income	1,044	1,177	(31)	1	2,191
Financial income (expenses) ⁽³⁾	347	(31)	(2)	(800)	(486)
Share in net income (loss) of associates and joint ventures	557	(127)	(7)	-	423
Pre-tax income	1,948	1,019	(40)	(799)	2,128
Current and deferred taxes	(203)	(320)	(1)	-	(524)
Net income from continuing operations	1,745	699	(41)	(799)	1,604
Net income from discontinued operations	(2,320)	-	-	-	(2,320)
NET INCOME	(575)	699	(41)	(799)	(716)

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

(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 €800 million was paid in 2022.

B. Consolidated financial position by operating segment

(€ million)	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
June 30, 2023					
ASSETS					
Non-current assets					
Property, plant and equipment and intangible assets, and goodwill	15,422	982	46	-	16,450
Investments in associates and joint ventures	17,373	82	4	-	17,459
Non-current financial assets – equity investments	6,198	10	-	(6,158)	50
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segment	457	-	-	-	457
Deferred tax assets	406	231	-	-	637
Other non-current assets	698	59	-	-	757
TOTAL NON-CURRENT ASSETS	40,554	1,364	50	(6,158)	35,810
Current assets					
Inventories	5,640	28	1	-	5,669
Customer receivables	1,300	48,420	6	(551)	49,175
Current financial assets	1,417	996	1	(909)	1,505
Current tax assets and other current assets	6,873	6,333	8	(4,410)	8,804
Cash and cash equivalents	13,488	5,449	16	(9)	18,944
TOTAL CURRENT ASSETS	28,718	61,226	32	(5,879)	84,097
TOTAL ASSETS	69,272	62,590	82	(12,037)	119,907
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity	30,367	6,122	10	(6,166)	30,333
Non-current liabilities					
Long-term provisions	2,152	328	-	-	2,480
Non-current financial liabilities	8,936	875	15	-	9,826
Deferred tax liabilities	187	833	1	-	1,021
Other non-current liabilities	959	271	-	-	1,230
TOTAL NON-CURRENT LIABILITIES	12,234	2,307	16	-	14,557
Current liabilities					
Short-term provisions	1,119	47	-	1	1,167
Current financial liabilities	3,954	-	38	(715)	3,277
Trade payables and Sales Financing debts	8,292	52,301	11	(858)	59,746
Current tax liabilities and other current liabilities	13,306	1,813	7	(4,299)	10,827
TOTAL CURRENT LIABILITIES	26,671	54,161	56	(5,871)	75,017
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	69,272	62,590	82	(12,037)	119,907

(€ million)	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
December 31, 2022 ⁽¹⁾					
ASSETS					
Non-current assets					
Property, plant and equipment and 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	80	-	-	911
TOTAL NON-CURRENT ASSETS	41,555	1,192	47	(6,262)	36,532
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	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	60,275	80	(11,919)	118,292
SHAREHOLDERS' EQUITY AND LIABILITIES					
Shareholders' equity	29,571	6,368	18	(6,267)	29,690
Non-current liabilities					
Long-term provisions	2,039	306	-	-	2,345
Non-current financial liabilities	9,845	886	8	(1)	10,738
Deferred tax liabilities	224	876	2	-	1,102
Other non-current liabilities	1,082	288	2	-	1,372
TOTAL NON-CURRENT LIABILITIES	13,190	2,356	12	(1)	15,557
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	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	60,275	80	(11,919)	118,292

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

C. Consolidated cash flows by operating segment

<i>(€ million)</i>	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
H1 2023					
Net income from continuing operations ⁽¹⁾	2,410	337	(22)	(601)	2,124
Cancellation of income and expenses with no impact on cash					
Depreciation, amortization and impairment	1,229	116	4	-	1,349
Share in net (income) loss of associates and joint ventures	(576)	7	3	-	(566)
Other income and expenses with no impact on cash, before interest and tax	155	286	3	(5)	439
Dividends received from unlisted associates and joint ventures	43	-	-	-	43
Cash flow before interest and tax ⁽²⁾	3,261	746	(12)	(606)	3,389
Dividends received from listed companies ⁽³⁾	116	-	-	-	116
Decrease (increase) in Sales Financing receivables	-	(3,427)	-	24	(3,403)
Net change in financial assets and Sales Financing debts	-	2,146	-	66	2,212
Change in capitalized leased assets	(15)	(261)	-	-	(276)
Change in working capital before tax	(138)	(560)	2	1	(695)
Cash flows from operating activities before interest and tax	3,224	(1,356)	(10)	(515)	1,343
Interest received	251	-	-	(10)	241
Interest paid	(209)	-	(1)	16	(194)
Current taxes (paid) / received	(230)	(110)	-	-	(340)
CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS	3,036	(1,466)	(11)	(509)	1,050
CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED OPERATIONS	-	-	-	-	-
Purchases of intangible assets	(662)	(6)	(4)	-	(672)
Purchases of property, plant and equipment	(680)	(4)	(2)	-	(686)
Disposals of property, plant and equipment and intangibles	197	-	-	-	197
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired	26	-	-	-	26
Acquisitions and disposals of other investments and other	(28)	(36)	(3)	13	(54)
Net decrease (increase) in other securities and loans of the Automotive segment	(307)	-	3	-	(304)
CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS	(1,454)	(46)	(6)	13	(1,493)
CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED OPERATIONS	-	-	-	-	-
Cash flows with shareholders	(288)	(630)	13	587	(318)
Net change in financial liabilities of the Automotive segment	(2,058)	-	3	(81)	(2,136)
CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS	(2,346)	(630)	16	506	(2,454)
CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED OPERATIONS	-	-	-	-	-
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(764)	(2,142)	(1)	10	(2,897)
Cash and cash equivalents: opening balance	14,227	7,549	17	(19)	21,774
Increase (decrease) in cash and cash equivalents	(757)	(2,142)	(1)	10	(2,890)
Effects of change of scope	(7)	-	-	-	(7)
Effect of changes in exchange rate and other changes	8	42	-	-	50
Cash generated by assets held for sale	17	-	-	-	17
Cash and cash equivalents: closing balance	13,488	5,449	16	(9)	18,944

(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 €600 million in the first half-year of 2023.

(2) The cash flow before interest and tax is presented net of dividends received from listed companies.

(3) Dividends received from Nissan (€116 million).

<i>(€ million)</i>	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
H1 2022 ⁽¹⁾					
Net income from continuing operations ⁽²⁾	1,141	325	(20)	(799)	647
Cancellation of income and expenses with no impact on cash					
Depreciation, amortization and impairment	1,757	59	3	-	1,819
Share in net (income) loss of associates and joint ventures	(311)	93	4	-	(214)
Other income and expenses with no impact on cash, before interest and tax	(54)	132	1	(5)	74
Dividends received from unlisted associates and joint ventures	24	-	-	-	24
Cash flow before interest and tax ⁽³⁾	2,557	609	(12)	(804)	2,350
Dividends received from listed companies	64	-	-	-	64
Decrease (increase) in Sales Financing receivables	-	(574)	-	69	(505)
Net change in financial assets and Sales Financing debts	-	(155)	-	(55)	(210)
Change in capitalized leased assets	4	(123)	-	-	(119)
Change in working capital before tax	(275)	(229)	(3)	(4)	(511)
Cash flows from operating activities before interest and tax	2,350	(472)	(15)	(794)	1,069
Interest received	47	-	-	-	47
Interest paid	(178)	-	-	4	(174)
Current taxes (paid) / received	(65)	(164)	(1)	4	(226)
CASH FLOWS FROM OPERATING ACTIVITIES OF CONTINUING OPERATIONS	2,154	(636)	(16)	(786)	716
CASH FLOWS FROM OPERATING ACTIVITIES OF DISCONTINUED	(315)	-	-	-	(315)
Purchases of intangible assets	(595)	(5)	(6)	-	(606)
Purchases of property, plant and equipment	(640)	(1)	-	-	(641)
Disposals of property, plant and equipment and intangibles	101	-	-	-	101
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	(90)	(10)	(5)	27	(78)
Net decrease (increase) in other securities and loans of the Automotive segment	(120)	(1)	(3)	4	(120)
CASH FLOWS FROM INVESTING ACTIVITIES OF CONTINUING OPERATIONS	(1,382)	(17)	(14)	31	(1,382)
CASH FLOWS FROM INVESTING ACTIVITIES OF DISCONTINUED	(815)	-	-	-	(815)
Cash flows with shareholders	(47)	(812)	28	773	(58)
Net change in financial liabilities of the Automotive segment	(1,599)	-	8	(32)	(1,623)
CASH FLOWS FROM FINANCING ACTIVITIES OF CONTINUING OPERATIONS	(1,646)	(812)	36	741	(1,681)
CASH FLOWS FROM FINANCING ACTIVITIES OF DISCONTINUED	323	-	-	-	323
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,681)	(1,465)	6	(14)	(3,154)
Cash and cash equivalents: opening balance	13,877	8,040	14	(3)	21,928
Increase (decrease) in cash and cash equivalents	(895)	(1,465)	6	(14)	(2,368)
Effects of change of scope	(786)	-	-	-	(786)
Effect of changes in exchange rate and other changes	260	(9)	(3)	-	248
Cash generated by assets held for sale	(15)	-	-	-	(15)
Cash and cash equivalents: closing balance	12,441	6,566	17	(17)	19,007

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

(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 €800 million in the first half-year of 2022.

(3) The cash flow before interest and tax is presented net of dividends received from listed companies.

<i>(€ million)</i>	Automotive	Sales Financing	Mobility Services	Intersegment transactions	CONSOLIDATED TOTAL
Year 2022 ⁽¹⁾					
Net income from continuing operations ⁽²⁾	1,745	699	(41)	(799)	1,604
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)	362	2	(11)	304
Dividends received from unlisted associates and joint ventures	23	-	-	-	23
Cash flow before interest and tax ⁽³⁾	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 ⁽⁴⁾	(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 ⁽⁵⁾	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 ⁽⁴⁾	(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 ⁽⁶⁾	(838)	1	-	-	(837)
Effect of changes in exchange rate and other changes	106	(76)	(2)	-	28
Cash generated by assets held for sale	(23)	-	-	-	(23)
Cash and cash equivalents: closing balance	14,227	7,549	17	(19)	21,774

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

(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 €800 million in 2022.

(3) The cash flow before interest and tax is presented net of dividends received from listed companies.

(4) Reciprocal, 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, approximately €194 million, are presented net in the cash flow statement, to reflect the substance of the operation.

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

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

D. 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. Cash and cash equivalents and current financial liabilities classified as Assets and Liabilities held for sale are excluded.

Net cash position (net financial indebtedness)

<i>(€ million)</i>	June 30, 2023	December 31, 2022
Non-current financial liabilities	(8,936)	(9,845)
Current financial liabilities	(3,954)	(5,191)
Non-current financial assets – other securities, loans and derivatives on financing operations	227	121
Current financial assets	1,360	1,237
Cash and cash equivalents	13,488	14,227
Net cash position (net financial indebtedness) of the Automotive segment	2,185	549

Operational free cash flow

<i>(€ million)</i>	June 30, 2023	H1 2022	Year 2022
Cash flow (excluding dividends from Nissan and the Sales Financing segment) before interest and tax	2,661	1,757	3,753
Dividends received from the Sales Financing segment	600	800	800
Changes in working capital before tax	(138)	(275)	7
Interest received by the Automotive segment	251	47	175
Interest paid by the Automotive segment	(209)	(178)	(357)
Current taxes (paid) / received	(230)	(65)	(143)
Acquisitions of property, plant and equipment, and intangible assets net of disposals	(1,145)	(1,134)	(2,203)
Capitalized leased vehicles and batteries	(15)	4	87
Operational free cash flow of the Automotive segment	1,775	956	2,119
<i>Payments for restructuring expenses</i>	<i>(219)</i>	<i>(278)</i>	<i>(590)</i>
Operational free cash flow of the Automotive segment excluding restructuring	1,994	1,234	2,709

ROCE

ROCE (Return On Capital Employed) is an indicator that measures the profitability of capital invested. It is presented for the Automotive sector at the 2022 year-end. The ROCE for 2022 is

reported in the notes to the 2022 financial statements (page 428 of the Universal Registration Document).

6.2. Accounting policies and scope of consolidation

Note 1 - Approval of the financial statements

Groupe Renault, referred to in the financial statements as "Renault Group" or "the Group", consists of Renault SA, its subsidiaries, joint operations, joint ventures and associates included in the scope of consolidation as presented in note 30 to the consolidated financial statements at December 31, 2022.

Note 2 - Accounting policies

The condensed consolidated half-year financial statements at June 30, 2023 are compliant with IAS 34 "Interim financial reporting". They do not contain all the information required for annual consolidated financial statements and should be read in conjunction with the financial statements at December 31, 2022.

Renault Group's condensed consolidated half-year financial statements at June 30, 2023 are prepared under the IFRS (International Financial Reporting Standards) issued by the IASB (International Accounting Standards Board) at June 30, 2023 and adopted by the European Union at the closing date. Except for the changes presented in paragraph A below, the accounting policies are identical to those applied in the consolidated financial statements at December 31, 2022.

2-A. Changes in accounting rules and methods

2-A1. Changes in accounting policies

Renault Group applies the accounting standards and amendments that have been published in the Official Journal of the European Union and are mandatory from January 1, 2023.

New amendments that became mandatory on January 1, 2023

IFRS 17 and amendments	Insurance contracts
Amendments to IAS 12	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction
Amendments to IAS 1	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates

Application of the amendments to IAS 12, IAS 1 and IAS 8 from January 1, 2023 has no material impact on the Group's financial statements. The impacts of application of IFRS 17 are presented in Note 2-A2.

Other standards and amendments not yet adopted by the European Union

The IASB has also published the following new standards and amendments that have not yet been adopted by the European Union.

IFRS standards and amendments not yet adopted by the European Union	Application date set by the IASB
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 12	International Tax Reform - Pillar Two Model Rules
Amendments to IAS 7	Supplier Finance Arrangements

The Group anticipate that application of these amendments will have any significant impact on the consolidated financial statements.

(€ million)	December 31, 2021 published	January 01, 2022 restated	Variation	December 31, 2022 published	December 31, 2022 restated	Variation
Assets / Other non-current assets	966	920	(46)	938	911	(27)
Liabilities / Provisions	1,291	988	(303)	1,341	1,082	(259)
Liabilities / Deferred tax liabilities	1,009	1,099	90	1,021	1,102	81
Shareholders' equity / Reserves	25,159	25,326	167	26,370	26,537	167
Shareholders' equity / Net income				(700)	(716)	(16)

Renault Group's condensed consolidated half-year financial statements at June 30, 2023 were examined at the Board of Directors' meeting of July 26, 2023.

2-A2. Changes in the financial statements resulting from first application of IFRS 17 - Insurance Contracts

IFRS 17 - Insurance Contracts, published on May 18, 2017 and modified by amendments of June 25, 2020, sets out the principles of recognition, measurement, presentation and disclosures for insurance contracts. This standard replaces IFRS 4 - Insurance Contracts and became applicable on January 1, 2023. The Sales Financing segment had already applied IFRS 9 since January 1, 2018, having decided not to use the exemption option.

Impacts for classification and measurement

For the Group, IFRS 17 mainly applies to insurance contracts issued and reinsurance agreements signed by the Sales Financing segment's insurance companies.

Contracts are now valued in groups (known as "cohorts") under the general "building block" approach which comprises: (1) estimates of discounted future cash flows weighted by the probability of occurrence, (2) an adjustment for non-financial risks, and (3) the contractual service margin. The contractual service margin is recognized in the income statement based on the coverage units provided during the period.

Impacts of the transition

As the Group considered it was not feasible to collect all the historical data required to estimate the value of the contracts in the portfolio at the transition date, it chose to use the simplified retrospective approach to record the impact of the transition on the financial statements at January 1, 2022.

Under this approach, for each annual cohort with active contracts at the transition date, the contractual service margin is defined by the estimated future cash flows discounted to the subscription date, including historical cash flows prior to January 1, 2022, and by the adjustment for non-financial risk.

The transition has a positive impact on shareholders' equity of €167 million in the opening balance sheet at January 1, 2022.

In accordance with IFRS 17, the comparative figures for 2022 have been restated to take account of the application of the standard as of January 1, 2022. The IFRS 17 technical provisions at January 1, 2022 and December 31, 2022 have been determined by applying the general model to the portfolio existing at these dates.

At June 30, 2023 and after application of IFRS 17, provisions covering the insurance activities of the Sales Financing segment represented an amount of €171 million in provisions. Assets related to reinsurance contracts held for these same activities represent an amount of €25 million in other non-current assets. The impacts of applying IFRS 17 on the Group's consolidated financial position at the transition date and at December 31, 2022 are detailed in the table below:

The first-time application of IFRS 17 impact represents a reduction in net income of €(10) million over the first half of 2022 and €(16) million over the full year 2022. The impacts of applying

IFRS 17 on the Group's consolidated income statement on the first half of 2022 and the full year 2022 are detailed in the table below:

(€ million)	H1 2022 published	H1 2022 restated	Variation	FY 2022 published	FY 2022 restated	Variation
Revenues	21,121	21,089	(32)	46,391	46,328	(63)
Operating income (loss)	939	923	(16)	2,216	2,191	(25)
Pre-tax income	917	901	(16)	2,153	2,128	(25)
Current and deferred taxes	(260)	(254)	6	(533)	(524)	9
Net income	(1,666)	(1,676)	(10)	(700)	(716)	(16)

2-B. Estimates and judgments

Estimates and judgments specific to the first half-year of 2023

Plan to sell the Horse powertrain project

Since announcing its Renaulution plan in 2020, Renault Group has worked to transform its business and its organization. At the Capital Market Day held on November 8, 2022, it announced that it would be letting go of some of its powertrain technologies (the Horse project), which will be combined into a joint venture with Geely dedicated to hybrid and low-emission powertrains. The groups of assets and liabilities concerned were therefore reclassified as assets and liabilities held for sale in the consolidated financial position at December 31, 2022, in accordance with IFRS 5, and this remains the case at June 30, 2023. Depreciation and amortization of these tangible and intangible assets ceased at the date of their classification as held for sale, i.e. November 8, 2022. The Group has verified that the net amount presented in Assets held for sale is below the market value of these assets and liabilities. In March 2023, a new partner, Aramco, announced its intent to join the new entity by taking a minority interest. On July 11, 2023, Renault Group and Geely signed a joint venture agreement (Note 22).

New foundations for the partnership with Nissan

In early 2023 Renault Group and Nissan announced the new foundations of their partnership, including operational projects, investment by Nissan in Ampere, the pure player in electric vehicles and software set up by Renault Group and transfer of 28.4% of the Nissan shares held by Renault Group to a French trust in which the Group's voting rights would be "neutralized" for most decisions but it would retain full benefit of its economic rights (to dividends and the proceeds of share sales) until the shares are sold. Ultimately Renault Group and Nissan would retain cross-shareholdings of 15% subject to a lock-up obligation and a standstill obligation. The new basis of the general agreement with Nissan had no impact on the financial statements at June 30, 2023.

Renault Group's exit from the Russian Federation

Renault Group sold its investments in Renault Russia and the AVTOVAZ Group on May 15, 2022 and presented these entities as Discontinued operations in the 2022 financial statements, in accordance with IFRS 5. At June 30, 2023, the Group has noted no significant change compared to the 2022 estimates for certain liabilities and has not recorded any adjustment to the net income from Discontinued operations reported at December 31, 2022.

The Group has an option to buy back its investment in AVTOVAZ, as stated in Note 28-B Off-balance sheet commitments given and contingent liabilities in the notes to the 2022 financial statements. This option has nil value for the Group in the current context.

In the Sales Financing segment, the Group consolidates the fully-owned entity RNL Leasing, which is included in Assets held for sale and written down, with a net asset value of €9 million. The Group is actively engaged in negotiations to sell this entity. The Group has also finalized the sale of RN Bank, a 30%-owned entity accounted for under the equity method, for RUB 7 billion (€76 million). The shares of RN Bank were fully written off at December 31, 2022.

Employee shareholding

Following on from the Renaulution Shareplan launched in 2022, Renault Group again wishes to engage all employees in the Group's strategy and future performances. This new employee shareholding operation will attribute 8 free shares to eligible employees in France and internationally. It will also offer employees the opportunity to buy shares at a 30% discount on the reference price. The cost of this plan recognized at June 30, 2023 is limited to the prorated cost of the 8 free shares. The other components of the cost will be recognized during the second half-year of 2023.

Worldwide economic context

Since 2021, the Automotive industry has faced disruptions in supplies of electronic components that have affected the worldwide automotive sector, causing in part a 4.5% decrease in sales volumes in 2021 and a 5.9% decrease in 2022, when 2,051,174 vehicles were sold. 2022 was also affected by the rising prices of significant raw materials, which have continued in 2023. Nevertheless, the Group returned to positive growth with 1,133,667 volumes sold during the first half-year of 2023, despite a crisis in the logistics sector that has reduced its supply and distribution capacities.

Sustainable development and climate considerations

Sustainable development considerations are key in Renault Group's strategy. Through the Paris Agreements and the European Green Deal, the Group has made concrete commitments to reach carbon neutrality at the Renault Electricity hub by 2025, in Europe by 2040 and worldwide by 2050.

In this context, the Group assesses the depreciation periods for its fixed assets at the end of each accounting period, and tests their recoverable value in the light of changes in its product plan and its medium-term plan.

To meet its decarbonization commitments, the Group has begun to electrify its range, and is securing its procurement through long-term contracts for purchase volumes along the electric vehicle value chain. These actions are part of the Ampere project involving new subsidiaries dedicated to electric vehicles and software, due to be formed during the second half-year of 2023. The Group also engages in green energy purchases contracts that require significant investment, including for the Group's production sites. The volumes for which the Group has given firm commitments are stated in the off-balance sheet commitments in the notes to the financial statements. At the end of each accounting period, these commitments are reviewed to ensure they are not onerous. When purchase contracts require significant investments by the supplier, which is the case for green energy purchase contracts, the Group analyzes the contract clauses to identify which party controls the assets. In every case, the conclusion has been that they should be deconsolidated.

European and foreign regulations have penalty and/or bonus mechanisms based on achievement of CO2 emissions targets by production sites or by vehicles sold. Emission levels have to be estimated at the end of each accounting period, but the final values are only confirmed one or even two years later. This is how the European CAFE (Corporate Average Fuel Economy) operates, for example. The Group has set up a Committee to identify the relevant CO2 emissions and estimate the corresponding income and expenses.

Other estimates and judgments

Renault Group often has to make estimates and assumptions that affect the book value of certain assets and liabilities, income and expenses, and disclosures made in certain notes to the financial statements. In preparing its financial statements, the Group regularly revises its estimates and assessments to take account of past experience and other factors deemed relevant in view of the economic circumstances.

The following items in the Group's consolidated financial statements that are dependent on estimates and judgements have been paid particular attention in the first half-year of 2023:

- determination of compliance with the requirements of IFRS 5 for reclassification of assets or groups of assets (liabilities) held for sale and reporting them on specific lines in the balance sheet in the current assets and current liabilities (Note 3-B),
- capitalization of research and development expenses and their amortization period (Notes 5 and 10-A),
- potential impairment of fixed assets, particularly impairment on specific assets linked to vehicles (Note 10) and investments accounted for under the equity method,
- the recoverable value of leased vehicles classified as property, plant and equipment or inventories,
- impairment for expected credit losses concerning Sales Financing receivables (Note 13),
- revenue recognition,
- determination of restructuring provisions (Notes 6-A and 17),
- determination of risks associated with financially distressed suppliers,
- recognition of deferred tax assets on tax loss carry forwards (Note 8),
- provisions, particularly warranty provisions on vehicles and batteries sold (Note 17-B), provisions for pensions and other long-term employee benefit obligations (Note 17-A), provisions for workforce adjustment measures (Note 6-A), provisions for legal risks and tax risks other than income tax risks and provisions for uncertain tax liabilities,
- valuation of lease liabilities, particularly the incremental borrowing rates and the value of renewal and termination options that are reasonably certain to be exercised (Note 18).

Note 3 - Changes in the scope of consolidation, discontinued operations and assets and liabilities held for sale

3-A. Changes in the scope of consolidation

Automotive

In February 2023 the Group sold the fully owned company Renault Nissan Bulgaria EAD to Emil Frey Holding AG for the value of €7.6 million.

3-B. Assets and liabilities held for sale

At the Capital Market Day on November 8, 2022, Renault Group announced the signature of a framework agreement with the Geely Group for the creation of a new worldwide entity to develop, manufacture and supply hybrid and low-emission engines and powertrains. The framework agreement stipulates that Renault Group and Geely will each hold 50% of the shares in this new venture. The assets and liabilities held for sale, collectively referred to as Horse below, should be deconsolidated in the second half-year of 2023.

In application of its strategic plan "Renaulution", the Group has started to sell certain real estate assets (land, industrial sites), branches (in France) and vehicle distribution subsidiaries (outside France).

At June 30, 2023, the group of assets held for sale consists of €4,051 million of assets and €(799) million of debts and other

(€ million)	Notes	June 30, 2023	Including Horse	December 31, 2022	Including Horse
Intangible assets and goodwill	10	888	874	795	795
Tangible assets	10	2,634	2,256	2,537	2,166
Inventories	14	408	386	418	338
Total cash and cash equivalents		7	6	23	8
Other		114	102	88	71
Total assets held for sale		4,051	3,624	3,861	3,378
Total liabilities associated with assets held for sale		(799)	(735)	(873)	(841)
<i>Including financial liabilities</i>		<i>(76)</i>	<i>(42)</i>	<i>(129)</i>	<i>(102)</i>

3-C. Operations discontinued in 2022

In May 2022 the Group sold its investments in Renault Russia and Lada Auto Holding (the parent company of AVTOVAZ).

The contribution by these entities to the financial statements was reported as results of discontinued operations, in accordance with IFRS 5.

Sales Financing

In June 2023 the Group finalized the sale of the Russian entity RN Bank to AVTOVAZ for RUB 7 billion (€76 million). RN Bank was a 30%-owned entity by RN SF B.V accounted for under the equity method.

liabilities. The variation in these amounts between December 31, 2022 and June 30, 2023, i.e. a €190 million increase in assets held for sale and a €(74) million decrease in the associated liabilities, is mainly explained by the evolution in the reclassification of Horse project assets and liabilities in preparation for the new joint venture dedicated to hybrid and thermal powertrains (Note 2-B). The Group stopped recording amortization on these tangible and intangible assets from November 8, 2022, the date of their reclassification as assets held for sale.

No impairment has been recognized on these assets held for sale.

The reclassification of these assets held for sale and the associated liabilities is reflected in other changes in the relevant notes.

There was no change in 2023 in the value of contributions classified as IFRS 5 Discontinued Operations at the end of 2022.

6.3. Consolidated income statement

Note 4 - Revenues

4-A. Breakdown of revenues

(€ million)	H1 2023	H1 2022 ⁽¹⁾	Year 2022 ⁽¹⁾
Sales of goods - Automotive segment	21,961	16,897	37,684
Sales to partners of the Automotive segment	1,915	1,633	3,130
Rental income on leased assets ⁽²⁾	342	323	842
Sales of other services	632	721	1,465
Sales of services - Automotive segment	974	1,044	2,307
Sales of goods - Sales Financing segment	9	12	23
Rental income on leased assets ⁽²⁾	90	62	141
Interest income on Sales Financing receivables	1,334	915	1,983
Sales of other services ⁽³⁾	545	509	1,025
Sales of services - Sales Financing segment	1,969	1,486	3,149
Sales of services - Mobility Services segment	21	17	35
Total Revenues	26,849	21,089	46,328

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

(2) Rental income recorded by the Group on vehicle sales with a buy-back commitment or fixed asset rentals.

(3) Mainly income on services comprising insurance, maintenance, and replacement vehicles under a financing contract or otherwise.

4-B. Revenues by region

Consolidated revenues are presented by location of customers.

(€ million)	H1 2023	H1 2022 ⁽¹⁾	Year 2022 ⁽¹⁾
Europe	20,951	15,841	35,622
<i>Including France</i>	<i>7,536</i>	<i>6,040</i>	<i>13,814</i>
Eurasia	1,538	1,012	1,899
Africa & Middle East	921	828	1,757
Asia Pacific	939	1,320	2,699
Americas	2,500	2,088	4,351
Total Revenues	26,849	21,089	46,328

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

Note 5 - Research and development expenses

(€ million)	H1 2023	H1 2022	Year 2022
Research and development expenses	(1,300)	(1,149)	(2,259)
Capitalized development expenses	659	546	1,110
Amortization of capitalized development expenses	(488)	(544)	(976)
TOTAL INCLUDED IN INCOME	(1,129)	(1,147)	(2,125)

Research and development expenses are reported net of research tax credits for the vehicle development activity.

The increase in research and development expenses and capitalized development expenses in 2023 in Europe is explained by renewal and electrification of the C segment range (Espace, Rafale and Austral), light commercial vehicles, and electric and hybrid engines. Internationally, this increase

was mainly due to renewal of the Global Access range in Romania and Brazil, and the relaunch of the RKM range.

Amortization of capitalized development expenses decreased compared to the first half-year of 2022 and is lower than the amount of capitalized expenses in the first half-year of 2023, notably due to the cessation of amortization of development expenses classified as Assets held for sale (€97 million).

Note 6 - Other operating income and expenses

(€ million)	H1 2023	H1 2022	Year 2022
Restructuring and workforce adjustment costs	(188)	(134)	(354)
Gains and losses on total or partial disposal of businesses or operating entities, and other gains and losses related to changes in the scope of consolidation	24	29	(14)
Gains and losses on disposal of property, plant and equipment and intangible assets (except leased asset sales)	203	27	178
Impairment of property, plant and equipment, intangible assets and goodwill (excluding goodwill of associates and joint ventures)	1	(2)	(257)
Other unusual items	16	31	68
TOTAL	56	(49)	(379)

6-A. Restructuring and workforce adjustment costs

Restructuring and workforce adjustment costs in the first half-year of 2023 principally concern France (€(152) million). They relate to the plan to reduce fixed costs announced on May 29, 2020 and cover employee departure plans, fees and other expenses relating to the Horse and Ampere projects, and the Group's digital transformation.

In 2022, these costs principally concerned France (€(174) million, including (€(55) million for the first half-year), Germany (€(81) million, including €(2) million for the first half-year), Romania (€(36) million, including (€(31) million for the first half-year) and Spain (€(19) million, including €(15) million for the first half-year).

6-B. Gains and losses on disposal of businesses or operating entities.

In 2023 the Group recorded a €24 million gain on the disposal of sales subsidiaries and the distribution network in Europe.

In the first-half 2022, the Group recorded a gain of €26 million on the sale of its investment in Renault Nordic AB, the distribution company which operates in the Swedish and Danish markets, to a local importer. In the second half 2022, costs associated with the sale of Fonderie de Bretagne were recognized at the total amount of €(57) million.

6-C. Gains and losses on disposal of property, plant and equipment and intangible assets (except leased asset sales)

The Group undertook real estate operations during 2023 that generated a gain of €203 million, principally in France with a sale of land and sale of an industrial site.

The Group undertook real estate operations in 2022 that generated a gain of €178 million, principally including the sale of a logistic warehouse and a real estate property in France generating a gain of €97 million, and sales of various real estate complexes in France and Europe, generating a gain of €98 million (€27 million at June 30, 2022).

6-D. Impairment of fixed assets and goodwill (excluding goodwill of associates and joint ventures)

No significant impairment was recognized in 2023.

In 2022, impairment amounting to €(257) million net of reversals was recorded, principally recognized on excess production capacity assets in China. No impairment was recorded in the first-half 2022.

6-E. Other unusual items

Other unusual items in 2023 include various amounts, all of them individually non-significant.

In 2022, the partial resumption of business activity in Algeria, which had been halted in 2020 following decisions by the Algerian government, led to recovery of €19 million (€16 million at June 30, 2022).

Note 7 - Financial income (expenses)

(€ million)	H1 2023	H1 2022	Year 2022
Cost of gross financial indebtedness	(181)	(164)	(349)
Income on cash and financial assets	218	40	168
Cost of net financial indebtedness	37	(124)	(181)
Dividends received from companies that are neither controlled nor under significant influence	1	1	2
Foreign exchange gains and losses on financial operations	40	36	74
Gain/Loss on exposure to hyperinflation ⁽¹⁾	(235)	(132)	(292)
Net interest expenses on the defined-benefit liabilities and assets corresponding to pension and other long-term employee benefit obligations	(22)	(8)	(21)
Other ⁽²⁾	(81)	(9)	(68)
Other financial income and expenses	(297)	(112)	(305)
Financial income (expenses)	(260)	(236)	(486)

(1) The loss on exposure to hyperinflation relates to Group entities in Argentina.

(2) Other items mainly comprise the effects of the +€1 million adjustment of the amortized cost of the State-guaranteed credit facility (+€29 million at December 31, 2022), expenses on assignment of receivables, bank commissions, discounts and late payment interest.

The net cash position of the Automotive segment is presented in the information by operating segment (Note 6.1-D).

Note 8 - Current and deferred taxes

As Renault SA elected to determine French income taxes under the domestic tax consolidation regime when it was formed, this is the regime applicable to the Group in which Renault SA is taxed in France.

(€ million)	H1 2023	H1 2022 ⁽¹⁾	Year 2022 ⁽¹⁾
Current income taxes	(391)	(272)	(561)
Deferred tax income (charge)	113	18	37
CURRENT AND DEFERRED TAXES	(278)	(254)	(524)

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

In 2023, €(70) million of the current income tax charge comes from French entities and from foreign entities for €(321) million (respectively €(20) million and €(252) million at June 30, 2022 and respectively €(61) million and €(500) million for year-end 2022). This charge increased in 2023, due to the favorable taxable income linked to the Group's economic activity. An exceptional tax charge of €(21) million was recorded in Turkey following the earthquake in February 2023. The French tax group is profitable, contributing €(37) million to the current tax charge.

In France, the current tax charge for tax consolidation entities amounts to €(70) million at June 30, 2023 (€(20) million at June 30, 2022).

The change in deferred taxes was positive and stands at €113 million, rising significantly in 2023 due to the recognition of deferred tax asset positions in France and abroad.

Renault Group also applies other optional tax consolidation systems in Germany, Italy, Spain, Romania, the Netherlands and the UK.

On December 15, 2022, the EU member states formally adopted the Council directive for EU-level implementation of the minimum taxation component, known as Pillar 2, of the OECD's international taxation reform. This directive has yet to be transposed into member states' tax systems, but a short-term transitional "Safe harbour" measure has been defined.

This directive aims to establish a global minimum corporate tax rate of 15% by introducing an additional "top-up tax" for multinationals and large-scale national groups in the EU, to implement the global agreement reached on October 8, 2021 under the OECD's Inclusive Framework and respond to concerns about unequal distribution of the profits and tax contributions of large multinational companies.

The Group is currently examining the implementation of these measures.

Note 9 - Basic and diluted earnings per share

(thousands of shares)	H1 2023	H1 2022	Year 2022
Shares in circulation	295,722	295,722	295,722
Treasury shares	(4,594)	(3,726)	(4,253)
Shares held by Nissan x Renault's share in Nissan	(19,367)	(19,377)	(19,372)
Number of shares used to calculate basic earnings per share	271,761	272,619	272,097

The number of shares used to calculate the basic earnings per share is the weighted average number of ordinary shares in

circulation during the period, i.e. after neutralization of treasury shares and Renault shares held by Nissan.

(thousands of shares)	H1 2023	H1 2022	Year 2022
Number of shares used to calculate basic earnings per share	271,761	272,619	272,097
Dilutive effect of stock options, performance share rights and other share-based payments	3,994	1,689	2,154
Number of shares used to calculate diluted earnings per share	275,755	274,308	274,251

The number of shares used to calculate the diluted earnings per share is the weighted average number of ordinary shares potentially in circulation during the period, i.e. the number of shares used to calculate the basic earnings per share plus the

number of stock options and rights to performance shares awarded under the relevant plans, that have a dilutive effect and fulfil the performance conditions at the reporting date when issuance is conditional.

6.4. Operating assets and liabilities, shareholders' equity

Note 10 - Intangible assets and property, plant and equipment

10-A. Intangible assets and goodwill

(€ million)	Gross value	Amortization and impairment	Net value
Value at December 31, 2022	13,723	(9,023)	4,700
Acquisitions / (amortization and impairment) ⁽¹⁾	672	(528)	144
(Disposals) / reversals	(2)	1	(1)
Translation adjustment	(20)	9	(11)
Change in scope of consolidation and other ⁽²⁾	(19)	(72)	(91)
Value at June 30, 2023	14,354	(9,613)	4,741

(1) Including € (5) million of impairment on intangible assets (Note 6-D).

(2) Including a variation of € (93) million of assets reclassified as assets held for sale (Note 3-B).

10-B. Tangible assets

(€ million)	Gross value	Depreciation and impairment	Net value
Value at December 31, 2022	40,742	(29,037)	11,705
Acquisitions / (depreciation and impairment) ⁽¹⁾	1,383	(820)	563
(Disposals) / reversals	(1,220)	703	(517)
Translation adjustment	(854)	869	15
Change in scope of consolidation and other ⁽²⁾	879	(936)	(57)
Value at June 30, 2023	40,930	(29,221)	11,709

(1) Including € 6 million of reversals on property, plant and equipment (Note 6-D).

(2) Including a variation of € (97) million of assets reclassified as assets held for sale (Note 3-B).

10-C. Impairment tests on vehicle-specific assets (including components) and the assets of certain entities

Following impairment tests of specific assets dedicated to vehicles (including components) and assets belonging to certain entities did not lead to recognition of any impairment in the first half-year of 2023. In 2022, impairment tests led to recognition of

€246 million of impairment (none of it booked during the first half-year), comprising €(41) million for intangible assets and €(205) million for property, plant and equipment.

10-D. Impairment tests of cash-generating units of the Automotive segment

Renault's market capitalization (€11,232 million at June 30, 2023, based on the number of shares outstanding less treasury shares) is lower than the value of the Group's shareholders' equity. In view of the results of the December 2022 impairment test and the results for the first half-year of 2023, it was not considered necessary to perform another impairment test at June 30, 2023. A sensitivity analysis on the test conducted in 2022 using the after-tax discount rate as updated at June 30, 2023 did not indicate any risk of impairment.

The recoverable value used for the impairment test conducted for the Automotive segment in 2022 was the value in use, determined under the discounted future cash flow method on the basis of the following assumptions:

	December 31, 2022	December 31, 2021
Growth rate to infinity	1.0 %	1.0 %
After-tax discount rate	11.6 %	8.9 %

The assumptions used for impairment testing at December 31, 2022 are derived from the medium-term plan for the period 2021-2025, which was presented in January 2021 and updated in late

2022. They incorporate assumptions concerning the negative effects of the electronic components supply crisis, inflation and increasing climate risks.

The growth rates to infinity used in the test at December 31, 2022 included the impacts of commitments made by the States that are signatories to the Paris Agreements on climate change.

At December 31, 2022, no impairment was recognized on assets of the Automotive segment as a result of the impairment test, and it was considered that a reasonably possible change in the main assumptions used should not result in a recoverable value lower than the book value of the assets tested. The recoverable value of the assets tested would remain higher than the book value in the event of the following changes in those assumptions:

- A growth rate to infinity of 0%.
- An after-tax discount rate of 12.5%.

Note 11 - Investment in Nissan

Renault's investment in Nissan in the income statement and financial position:

(€ million)	H1 2023, At June 30, 2023	H1 2022, At June 30, 2022	Year 2022, At December 31, 2022
Consolidated income statement			
Share in net income (loss) of associates accounted for under the equity method	582	325	526
Consolidated financial position			
Investments in associates accounted for under the equity method	16,780	16,888	17,487

11-A. Nissan consolidated financial statements included under the equity method in the Renault Group consolidation

The Nissan accounts included under the equity method in Renault Group's financial statements are Nissan's consolidated accounts

published in compliance with Japanese accounting standards (as Nissan is listed on the Tokyo Stock Exchange), after adjustments for the requirements of the Renault Group consolidation. At June 30, 2023, Nissan held 0.6% of its own treasury shares (0.6% at December 31, 2022). Consequently, Renault's percentage interest in Nissan is 43.7 % (43.7% at December 31, 2022).

11-B. Changes in the investment in Nissan as shown in Renault Group's statement of financial position

(€ million)	Share in net assets			Goodwill	Total
	Before neutralization	Neutralization proportional to Nissan's investment in Renault ⁽¹⁾	Net		
At December 31, 2022	17,803	(974)	16,829	658	17,487
1 st -half 2023	582	-	582	-	582
Dividend distributed	(116)	-	(116)	-	(116)
Translation adjustment	(1,163)	-	(1,163)	(69)	(1,232)
Other changes ⁽²⁾	59	-	59	-	59
At June 30, 2023	17,165	(974)	16,191	589	16,780

(1) Nissan has held 44,358 thousand Renault SA shares since 2002, corresponding to an investment of around 15%. The neutralization is based on Renault SA's percentage holding in Nissan.

(2) Other changes include the effect of Renault SA dividends received by Nissan, the change in actuarial gains and losses on pension obligations, the change in the financial instrument revaluation reserve and the change in Nissan treasury shares.

11-C. Changes in Nissan equity restated for the purposes of the Renault Group consolidation

(¥ billion)	December 31, 2022	1 st -half 2023 net income	Dividends	Translation adjustment	Other changes ⁽¹⁾	June 30, 2023
Shareholders' equity – Parent-company shareholders' share under Japanese GAAP	5,072	212	(39)	278	(31)	5,492
Restatements for compliance with IFRS:						
Provision for pension and other long-term employee benefit obligations	(12)	(20)	-	-	64	32
Capitalization of development expenses	599	52	-	2	-	653
Deferred taxes and other restatements	(82)	(26)	-	-	(20)	(128)
Net assets restated for compliance with IFRS	5,577	218	(39)	280	13	6,049
Restatements for Renault Group requirements ⁽²⁾	159	(24)	(3)	(7)	5	130
Net assets restated for Renault Group requirements	5,736	194	(42)	273	18	6,179
(€ million)						
Net assets restated for Renault Group requirements	40,775	1,333	(266)	(2,664)	136	39,314
Renault Group's percentage interest	43.7%					43.7%
Renault Group's share (before neutralization effect described below)	17,803	582	(116)	(1,163)	59	17,165
Neutralization of Nissan's investment in Renault Group ⁽³⁾	(974)					(974)
Renault Group's share in the net assets of Nissan	16,829	582	(116)	(1,163)	59	16,191

(1) Other changes include the effect of Renault SA dividends received by Nissan, the change in actuarial gains and losses on pension obligations, the change in the financial instrument revaluation reserve and the change in Nissan treasury shares.

(2) Restatements for Renault Group requirements include elimination of Nissan's investment in Renault Group accounted for under the equity method and historically the revaluation of fixed assets by Renault for the acquisitions undertaken between 1999 and 2002.

(3) Nissan has held 44,358 thousand Renault SA shares in Renault since 2002, an ownership interest of about 15%. The neutralization is based on Renault SA's percentage holding in Nissan.

11-D. Nissan net income under Japanese GAAP

Since Nissan's financial year ends at March 31, the Nissan net income included in the first-half 2023 Renault consolidation is the sum of Nissan's net income for the final quarter of its 2022 financial year and the first quarter of its 2023 financial year.

	January to March 2023		April to June 2023		January to June 2023	
	Final quarter of Nissan's 2022 financial year		First quarter of Nissan's 2023 financial year		Reference period for Renault Group's 1 st -half 2023 consolidated financial statements	
	(¥ billion)	(€ million) ⁽¹⁾	(¥ billion)	(€ million) ⁽¹⁾	(¥ billion)	(€ million) ⁽¹⁾
Net income – Parent-company shareholders' share	107	753	105	705	212	1,458

(1) Converted at the average exchange rate for each quarter.

11-E. Valuation of Renault Group's investment in Nissan at stock market prices

Based on the quoted price at June 30, 2023 of ¥588 per share, Renault's investment in Nissan is valued at €6 854 million (€5 444 million at December 31, 2022 based on the price of ¥418 per share).

11-F. Impairment test of the investment in Nissan

At June 30, 2023, the stock market value of the investment was 59.2% lower than the value of Nissan in Renault's statement of financial position (68.9% at December 31, 2022).

In application of the accounting standards, an impairment test was carried out at December 31, 2022. An after-tax discount rate of 7.73% and a growth rate to infinity (including the effect of inflation) of 1.42% were used to calculate value in use. The terminal value was calculated under profitability assumptions consistent with Nissan's past data and conservative medium and long-term prospects, incorporating new medium-term forecasts for volumes and exchange rates.

It was not considered necessary to conduct a further impairment test at June 30, 2023, as no triggering event as identified by IAS 36 was identified.

11-G. Operations between Renault Group and Nissan Group

Renault Group and Nissan follow joint actions for vehicle and component development, purchasing, production and distribution resources. This cooperation is reflected in synergies that reduce costs.

Operations between the Automotive segment and Nissan

Renault Group's Automotive segment is involved in operations with Nissan on two levels:

- Industrial production: cross-over production of vehicles and components in the Alliance's manufacturing plants:
 - In the first half-year of 2023, total sales by the Automotive segment to Nissan and purchases by the Automotive segment from Nissan amounted to around €1.0 billion and €0.7 billion respectively (€2.0 billion and €1.6 billion respectively in 2022, including €0.9 billion and €0.8 billion for the first half-year).
 - In the first half-year of 2023, the balance of Automotive segment receivables on the Nissan Group is €625 million and the balance of Automotive segment liabilities to the Nissan Group is €414 million (€504 million and €500 million respectively at December 31, 2022).
- Finance: in addition to its activity for Renault Group, Renault Finance acts as the Nissan Group's counterparty in financial instruments trading to hedge foreign exchange and interest rate risks. In the balance sheet, the derivative assets on the Nissan group amount to €255 million at June 30, 2023 (€188 million at December 31, 2022) and derivative liabilities amount to €38 million at June 30, 2023 (€54 million at December 31, 2022).

Operations between the Sales Financing segment and Nissan

Renault Group's Sales Financing segment helps to attract customers and build loyalty to Nissan brands through a range of financing products and services incorporated into the sales policy, mainly in Europe. In the first half-year of 2023, RCI Banque recorded €54 million of service revenues in the form of commission and interest received from Nissan (€89 million in 2022, of which €43 million were recorded in the first half-year). The balance of Sales Financing receivables on the Nissan group is €50 million at June 30, 2023 (€34 million at December 31, 2022) and the balance of liabilities is €128 million at June 30, 2023 (€115 million at December 31, 2022).

Note 12 - Investments in other associates and joint ventures

Details of investments in other associates and joint ventures are as follows in the Group's financial statements:

(€ million)	H1 2023, At June 30, 2023	H1 2022, At June 30, 2022	Year 2022, At December 31, 2022
Consolidated income statement			
Share in net income (loss) of other associates and joint ventures	(16)	(111)	(103)
Associates accounted for under the equity method ⁽¹⁾	1	(67)	(70)
Joint ventures accounted for under the equity method	(17)	(44)	(33)
Consolidated financial position			
Investments in other associates and joint ventures	679	644	723
Associates accounted for under the equity method ⁽²⁾	494	422	527
Joint ventures accounted for under the equity method	185	222	196

(1) At June 30, 2023, RN Bank, a Sales Financing segment company that operates in the Russian Federation has been disposed of (Note 3). The net income of associates includes the impairment of €(101) million at end of June 2022 and of €(119) million at the end of December 2022 on the assets of RN Bank.

(2) Including impairment of €46 million (€51 million at December 31, 2022) on production assets of Renault Nissan Automotive India Private Limited (RNAIPL).

Note 13 - Sales Financing receivables

13-A. Sales Financing receivables by nature

(€ million)	June 30, 2023	December 31, 2022
Dealership receivables	11,302	10,003
Financing for end-customers	24,841	23,519
Leasing and similar operations	12,926	11,836
Gross value	49,069	45,358
Impairment	(1,168)	(1,111)
Net value	47,901	44,247

13-B. Breakdown of Sales Financing receivables by level of risk

In 2021 the Sales Financing segment finalized its compliance programme for the new definition of default for countries whose solvency ratio is calculated by the advanced approach (France, Italy, Spain, Germany, the United Kingdom and South Korea) and the standard approach (Brazil and non-G7 countries).

The provisioning parameters (Probability of Default, Loss Given Default) are now based on methods applicable for the new definition of default (reconstruction of calculation history, adapted days-past-due counter, etc.) Since June 2022, the Loss Given Default is being updated monthly for all countries.

(€ million)	Financing for final customers	Dealer financing	June 30, 2023
Gross value	37,766	11,303	49,069
Healthy receivables	33,479	11,077	44,556
Receivables showing higher credit risk since initial recognition	3,242	176	3,418
Receivables in default	1,045	50	1,095
% of total receivables in default	2.8%	0.4%	2.2%
Impairment	(1,120)	(48)	(1,168)
Impairment in respect of healthy receivables	(337)	(22)	(359)
Impairment in respect of receivables showing higher credit risk since initial recognition	(205)	(5)	(210)
Impairment in respect of receivables in default	(578)	(21)	(599)
Total net value	36,646	11,255	47,901

(€ million)	Financing for final customers	Dealer financing	December 31, 2022
Gross value	35,355	10,003	45,358
Healthy receivables	31,283	9,787	41,070
Receivables showing higher credit risk since initial recognition	3,093	167	3,260
Receivables in default	979	49	1,028
% of total receivables in default	2.8%	0.5%	2.3%
Impairment	(1,063)	(48)	(1,111)
Impairment in respect of healthy receivables	(323)	(20)	(343)
Impairment in respect of receivables showing higher credit risk since initial recognition	(179)	(6)	(185)
Impairment in respect of receivables in default	(561)	(22)	(583)
Total net value	34,292	9,955	44,247

Note 14 - Inventories

(€ million)	June 30, 2023			December 31, 2022		
	Gross value	Impairment	Net value	Gross value	Impairment	Net value
Raw materials and supplies	1,746	(228)	1,518	1,701	(216)	1,485
Work in progress	277	(4)	273	252	(7)	245
Used vehicles	1,062	(86)	976	946	(93)	853
Finished products and spare parts	3,030	(128)	2,902	2,751	(121)	2,630
TOTAL	6,115	(446)	5,669	5,650	(437)	5,213

Note 15 - Financial assets – cash and cash equivalents

15-A. Current / non-current breakdown

(€ million)	June 30, 2023			December 31, 2022		
	Non-current	Current	Total	Non-current	Current	Total
Investments in non-controlled entities	50		50	63		63
Marketable securities and negotiable debt instruments	-	567	567	-	587	587
Derivatives on financing operations by the Automotive segment	60	404	464	85	410	495
Loans and other	397	534	931	265	419	684
TOTAL FINANCIAL ASSETS	507	1,505	2,012	413	1,416	1,829
<i>Gross value</i>	<i>531</i>	<i>1,509</i>	<i>2,040</i>	<i>437</i>	<i>1,420</i>	<i>1,857</i>
<i>Impairment</i>	<i>(24)</i>	<i>(4)</i>	<i>(28)</i>	<i>(24)</i>	<i>(4)</i>	<i>(28)</i>
Cash equivalents ⁽¹⁾	-	8,712	8,712	-	10,713	10,713
Cash	-	10,232	10,232	-	11,061	11,061
TOTAL CASH AND CASH EQUIVALENTS	-	18,944	18,944	-	21,774	21,774

(1) Cash equivalents mainly consist of term deposits with maturities of 3 months or less and a low risk of change in the minimum payments receivable, totalling €6,013 million (€6,377 million at December 31, 2022), and euro investment funds with "monetary fund" approval that meet the criteria for classification as cash equivalents, totalling €2,366 million (€3,629 million at December 31, 2022).

15-B. Cash not available to the Group

The Group has liquidities in countries where repatriation of funds can be complex for regulatory or political reasons. In most of these countries, such funds are used locally for industrial or sales financing purposes.

Some current bank accounts held by the Sales Financing Securitization Fund are used to increase credit on securitized receivables, and consequently act as guarantees in the event of default on payment of receivables. These current bank accounts amount to €961 million at June 30, 2023 (€1169 million at December 31, 2022).

Note 16 - Shareholders' equity

16-A. Share capital

The total number of ordinary shares issued and fully paid at June 30, 2023 is 295,722 thousand, with par value of €3.81 per share (unchanged since December 31, 2022).

Treasury shares do not bear dividends. They account for 2.21% of Renault's share capital at June 30, 2023 (1.80% at December 31, 2022).

16-B. Renault treasury shares

In application of decisions approved at General Shareholders' Meetings, Renault treasury shares consist of shares allocated to performance share plans and other share-based payment agreements awarded to Group managers and executives, and shares purchased for the purposes of the liquidity agreement signed in May 2022 with investment bank Exane. Under that

The Nissan Group holds approximately 15% of Renault Group through its wholly owned subsidiary Nissan Finance Co. Ltd (no voting rights are attached to these shares).

agreement, Renault SA is progressively making a deposit of a maximum €25 million with BNP, and Exane's annual fee for monitoring operations amounts to €80,000. Renault SA has purchased 4 816 809 shares for an average price of €36.95 and sold 4 898 720 shares for the average price of €36.90, in application of this agreement

	Plan	liquidity contract	June 30, 2023	December 31, 2022
Total value of treasury plans (€ million)	256	1	257	208
Total number of treasury shares	6,519,706	29,589	6,549,295	5,310,961

16-C. Distributions

At the General and Extraordinary Shareholders' Meeting of May 11, 2023, it was decided to distribute a dividend of €0.25 per share representing a total amount of €72.6 million (no dividends distributed in 2022).

16-D. Performance share plans and other share-based payment arrangements

During the first half-year of 2023 performance share plan 30 was introduced, concerning 1 670 thousand shares with initial total value of €50 million. The vesting period for shares is 3 years, and there is no minimum holding period.

The Group has announced that its employees will be granted eight free shares with a vesting period during 2023, and no minimum holding period. An expense of €7 million was recognized in this respect at June 30, 2023.

Changes in the number of share rights held by personnel and other share-based payments

	Rights not yet vested at January 1, 2023	Granted	Vested rights ⁽¹⁾	Rights expired and other adjustments	Rights not yet vested at June 30, 2023
Share rights	4,473,701	4,514,215	(3,628,513)	(318,445)	5,040,958

(1) Performance shares rights were awarded under plan 27 granted in 2020 and Renault shareplan 2022 granted in 2023.

Note 17 - Provisions

17-A. Provisions for pensions and other long-term employee benefit obligations

Provisions for pensions and other long-term employee benefit obligations amount to €1,068 million at June 30, 2023 (€1,074 million at December 31, 2022). These provisions decreased by €6 million in the first half-year of 2023. The consequences of the pension reforms in France and Turkey are analysed as a change of plan and recognized in the net income in the financial statements at June 30, 2023 (€12 million). The financial discount

rate most frequently used to value the Group's obligations in France is 3.54% at June 30, 2023 (3.74% at December 31, 2022) and the salary increase rate for the first half-year of 2023 is 2.4% (2.4% at December 31, 2022).

17-B. Changes in provisions

(€ million)	Restructuring provisions	Warranty provisions	Provisions for litigation and risks concerning other taxes	Provisions for insurance activities ⁽²⁾	Provisions for commitments given and other	Total
At December 31, 2022 ⁽¹⁾	369	874	171	200	555	2,169
Increases	58	353	45	110	178	744
Reversals of provisions for application	(90)	(324)	(18)	(100)	(58)	(590)
Reversals of unused balance of provisions	(7)	38	(9)	-	(30)	(8)
Changes in scope of consolidation	-	-	1	-	(4)	(3)
Translation adjustments and other changes	-	5	(6)	(2)	12	9
At June 30, 2023 ⁽³⁾	330	946	184	208	653	2,321

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

(2) Technical reserves established by the Sales Financing segment's insurance companies.

(3) Short-term portion of provisions: €1,117 million; long-term portion of provisions: €1,204 million.

All known litigation in which Renault or Group companies are involved is examined at each closing. After seeking the opinion of legal advisors, any provisions deemed necessary are set aside to cover the estimated risk. During 2023, the Group recorded no provision in connection with significant new litigation. Information on contingent liabilities is provided in Note 21.

Increases to restructuring provisions essentially comprise the effect of workforce adjustment measures in the Europe Region (Note 6-A).

At June 30, 2023, other provisions include €135 million of provisions established in application of environmental regulations (€107 million at December 31, 2022). These include provisions to cover expenses relating to end-of-life vehicles and batteries, environmental compliance costs for industrial land in the Europe Region and for industrial sites in the Americas and Eurasia Regions.

Note 18 - Financial liabilities and Sales Financing debts

18-A. Current/non-current breakdown

(€ million)	June 30, 2023			December 31, 2022		
	Non-current	Current	Total	Non-current	Current	Total
Renault SA redeemable shares	265	-	265	253	-	253
Bonds	7,675	1,096	8,771	8,674	1,218	9,892
Other debts represented by a certificate	-	888	888	-	930	930
Borrowings from credit institutions	250	518	768	300	1,556	1,856
- France	250	156	406	300	1,112	1,412
- Brazil	-	47	47	-	130	130
- Morocco	-	151	151	-	270	270
Lease liabilities	437	100	537	446	107	553
Other financial liabilities ⁽¹⁾	123	238	361	73	373	446
Financial liabilities of the Automotive segment (excluding derivatives)	8,750	2,840	11,590	9,746	4,184	13,930
Derivatives on financing operations of the Automotive segment	186	434	620	99	419	518
Financial liabilities of the Automotive segment	8,936	3,274	12,210	9,845	4,603	14,448
Financial liabilities of the Mobility Services segment ⁽²⁾	15	3	18	7	2	9
Subordinated loans and Diac redeemable shares ⁽³⁾	875	-	875	886	-	886
Financial liabilities	9,826	3,277	13,103	10,738	4,605	15,343
Bonds	-	13,206	13,206	-	13,570	13,570
Other debts represented by a certificate	-	5,318	5,318	-	4,539	4,539
Borrowings from credit institutions	-	5,521	5,521	-	5,727	5,727
Other interest-bearing borrowings, including lease liabilities ⁽⁴⁾	-	27,145	27,145	-	24,810	24,810
Debts of the Sales Financing segment (excluding derivatives)	-	51,190	51,190	-	48,646	48,646
Derivatives on financing operations of the Sales Financing segment	-	390	390	-	353	353
Sales Financing debts	-	51,580	51,580	-	48,999	48,999
Total financial liabilities and sales financing debts	9,826	54,857	64,683	10,738	53,604	64,342

(1) The financial liability recognized at June 30, 2023 in application of IAS 16 for leases analysed in substance as purchases amounts to €74 million (€16 million at December 31, 2022).

(2) Financial liabilities of the Mobility Services segment, including internal financing, amount to €53 million (€44 million at December 31, 2022).

(3) Including subordinated loans of RCI Banque, amounting to €856 million at June 30, 2023 (€856 million at December 31, 2022).

(4) Including lease liabilities of the Sales Financing segment, amounting to €66 million at June 30, 2023 (€69 million at December 31, 2022).

18-B. Changes in Automotive financial liabilities and derivative assets on financing operations

(€ million)	December 31, 2022	Change in cash flows	Change resulting from acquisition or loss of control over subsidiaries and other operating units	Foreign exchange changes with no effect on cash flows	Other changes with no effect on cash flows	June 30, 2023
Renault SA redeemable shares	253	-	-	-	12	265
Bonds	9,892	(750)	-	(348)	(23)	8,771
Other debts represented by a certificate	930	(47)	-	4	1	888
Borrowings from credit institutions	1,856	(1,180)	-	11	81	768
Lease liabilities	553	(53)	(1)	1	37	537
Other financial liabilities	446	(40)	25	(37)	(33)	361
Financial liabilities of the Automotive segment (excluding derivatives)	13,930	(2,070)	24	(369)	75	11,590
Derivatives on financing operations of the Automotive segment	518	(97)	-	195	4	620
Total financial liabilities of the Automotive segment (A)	14,448	(2,167)	24	(174)	79	12,210
Derivative assets on Automotive financing operations (B)	495	(28)	-	-	(3)	464
Net change in Automotive financial liabilities in consolidated cash flows by segment (section 2.2.6) (A) - (B)		(2,139)				
Financial liabilities of the Mobility Services segment	9	3	-	-	6	18
Net change in Automotive financial liabilities in consolidated cash flows		(2,136)				

18-C. Changes in financial liabilities and Sales Financing debts

Changes in redeemable shares of the Automotive segment

The redeemable shares issued in October 1983 and April 1984 by Renault SA are subordinated perpetual shares listed on the Paris Stock Exchange. They earn a minimum annual return of 9% comprising a 6.75% fixed portion and a variable portion that depends on consolidated revenues and is calculated based on identical Group structure and methods.

Redeemable shares are stated at amortized cost, calculated by discounting the forecast interest coupons at the effective interest rate of the borrowing.

These shares are traded for €308.00 at June 30, 2023 (€270.58 at December 31, 2022). The financial liability based on the stock market value of the redeemable shares at June 30, 2023 is €246 million (€216 million at December 31, 2022).

Changes in bonds and other debts of the Automotive segment

During the first half-year of 2023, bonds repayments amounted to €750 million.

Repayment of the State-guaranteed credit facility of the Automotive segment

In 2020, Renault Group opened a credit line with a pool of five banks, for the maximum amount of €5 billion covered by a French State guarantee for up to 90% of the amount borrowed. At December 31, 2020, €4 billion had been drawn on this credit line.

The initial maturity for each drawing was 12 months, and Renault had the option to extend the maturity by a further three years, with repayment of one third each year. The Group exercised the extension options on all these drawings except for the drawing maturing in August 2021, of which €1 billion was repaid.

The Group made three early repayments in half-year 2023 totalling €990 million, corresponding to the final instalments (August, September and December 2023) of the three drawings. The change of intent was treated as a modification of a financial liability in compliance with IFRS 9, paragraph B5.4.6. This led to a decrease in the financial liability with recognition of a corresponding amount of €1 million in financial income at June 30, 2023. The total amount was repaid in 2023.

Changes in Sales Financing debts

During the first half-year of 2023, the Sales Financing segment issued the equivalent of €2,5 billion of debt and launched its first green bond of €750 million. It also placed a CHF200 million 5-year

bond and undertook two €750 million bond issues, with respective maturities of 3,5 and 4 years.

The Sales Financing segment had access to the TLTRO III program (targeted long-term refinancing operations) set up by the European Central Bank (ECB). Three drawings were made during 2020, €750 million has been redeemed in June 2023 and €1,000 million maturing in the second semester of 2023. Two other drawings were made during 2021, for a total of €1,500 million, maturing in 2024.

The interest rate applicable to TLTRO drawings is calculated based on the average deposit facility rate "DFR" of the European Central Bank (ECB).

New savings collected rose by €2,243 million during the year (€1,054 million of sight deposits and € 1,190 million of term deposits) to €26,684 million (€18,715 million of sight deposits and €7,969 million of term deposits), and are classified as other interest-bearing borrowings. 89.3% of these deposits are covered by a deposit guarantee scheme at 30 June 2023, compared to 89.2% at December 31, 2022.

To hedge certain floating-rate liabilities (savings collected and TLTRO financing), the Sales Financing segment set up interest rate derivatives that do not qualify as hedging derivatives under IFRS 9. The operating income was negatively affected by a €37 million increase in the value of these swaps.

Changes in financial liabilities of the Mobility Services segment

The financial liabilities of the Mobility Services segment consist of internal Group financing issued by Renault SA in the form of interest-bearing loans.

Automotive segment financing by assignment of receivables - financing for the independent dealer network

Some of the Automotive segment's external financing comes from assignment of commercial receivables to non-Group financial establishments and intragroup assignments to the Sales Financing segment. The Sales Financing segment also contributes to the financing of inventories sold by the Automotive segment to the independent dealer network.

All receivables assigned by the Automotive segment are derecognized.

Details of financing by assignment of commercial receivables and financing of the dealer network by the Sales Financing segment are as follows:

	June 30, 2023		June 30, 2022		December 31, 2022	
	To non-group entities	To Sales Financing	To non-group entities	To Sales Financing	To non-group entities	To Sales Financing
(€ million)						
Assignment of Automotive receivables	1,581	479	1,299	389	1,555	244
Automotive independent dealer financing	-	8,760	-	4,949	-	7,662
Total assigned	1,581	9,239	1,299	5,338	1,555	7,906

In the first half-year of 2023, the total amount of tax receivables assigned and derecognized is €439.6 million, corresponding to €128.1 million of the "CIR" Research Tax Credit and €311.4 million of VAT (€136 million of CIR receivables and €100 million of VAT receivables in 2022).

French tax receivables assigned outside the Group (the "CIR" Research Tax Credit), with transfer of substantially all the risks and benefits associated with ownership of the receivables, are only derecognized if the risk of dilution is deemed to be non-existent. This is notably the case when the assigned receivables have already been subject to a tax inspection or preliminary audit. No assigned tax receivables remained in the balance sheets at June 30, 2023.

The assigned receivables are derecognized when the associated risks and benefits are substantially transferred, as described in note 2-P to the 2022 consolidated financial statements.

The Automotive segments assigns its dealership receivables to the Sales financing segment. The total dealership receivables transferred to the Sales financing segment principally concerns Renault group. The amounts are presented in Note 13-B.

6.5. Cash flows and other information

Note 19 - Cash flows

19-A. Other income and expenses with no impact on cash before interest and tax of continuing operations

(€ million)	H1 2023	H1 2022 ⁽¹⁾	Year 2022 ⁽¹⁾
Net allocation to provisions	151	(240)	(311)
Net effects of Sales Financing credit losses	38	43	93
Net (gain) loss on asset disposals	(258)	(111)	(273)
Change in fair value of other financial instruments	12	(32)	(28)
Net financial indebtedness	(37)	124	181
Deferred taxes	(113)	(18)	(37)
Current taxes	391	272	561
Other	255	36	118
Other income and expenses with no impact on cash before interest and tax	439	74	304

(1) The 2022 figures include restatements following the first application of IFRS 17 "Insurance contracts" in 2023 (Note 2-A).

19-B. Change in working capital before tax of continuing operations

(€ million)	H1 2023	H1 2022	Year 2022
Decrease (increase) in net inventories	(466)	(914)	(1,368)
Decrease (increase) in net receivables	(258)	(161)	(283)
Decrease (increase) in other assets	(592)	(283)	(481)
Increase (decrease) in trade payables	(146)	1,071	1,752
Increase (decrease) in other liabilities	767	(224)	784
Increase (decrease) in working capital before tax	(695)	(511)	404

19-C. Capital expenditure of continuing operations

(€ million)	H1 2023	H1 2022	Year 2022
Purchases of intangible assets	(672)	(606)	(1,243)
Purchases of property, plant and equipment ⁽¹⁾	(581)	(506)	(1,441)
Total purchases for the period	(1,253)	(1,112)	(2,684)
Deferred payments	(105)	(135)	44
Total capital expenditure	(1,358)	(1,247)	(2,640)

(1) Excluding capitalized leased assets and right-of-use assets

Note 20 - Related parties

20-A. Remuneration of directors and executives and Board of Leadership Team

Apart from the points described in section 3.2 of the 2022 Universal Registration Document, there has been no significant change in the principles for remuneration and related benefits of Directors and Executives and members of the Leadership Team (which replaced the Board of Management and the Corporate Management Committee on February 1, 2023).

The Leadership Team had 20 members at June 30, 2023.

20-B. Renault's investments in associates

Details of Renault's investments in Nissan and in other companies accounted for under the equity method are provided in note 11 and 12.

20-C. Transactions with the French State and public companies

In the course of its business the Group undertakes transactions with the French State and public companies such as UGAP, EDF, and La Poste. These transactions, which take place under normal market conditions, represent sales of €160 million in first-half 2023, an Automotive receivable of €70 million, a Sales Financing receivable of €102 million and no financing commitment.

In 2020 the Group benefited from a State-guaranteed credit facility, issued by a pool of banks as described in note 18. This borrowing was fully repaid at June 30, 2023.

Note 21 - Off-balance sheet commitments and contingent assets and liabilities

In the course of its business, Renault enters into a certain number of commitments, and is involved in litigations or subject to investigations by competition and automotive regulation authorities. Any liabilities resulting from these situations (e.g. pensions and other employee benefits, litigation costs, etc.) are covered by provisions. Details of other commitments that

constitute off-balance sheet commitments and contingent liabilities are provided below (note 21-A).

Renault also receives commitments from customers (deposits, mortgages, etc.) and may benefit from credit lines with credit institutions (note 21-B).

21-A. Off-balance sheet commitments given and contingent liabilities

21-A1. Ordinary operations

The Group is committed for the following amounts:

(€ million)	June 30, 2023	December 31, 2022
Assets pledged as collateral by Sales Financing segment ⁽¹⁾	9,623	9,710
Financing commitments in favour of customers ⁽²⁾ - Sales Financing segment	4,138	4,208
Financial guarantees given by Sales Financing segment ⁽³⁾	255	305
Other financial guarantees given ⁽⁴⁾	655	425
Commitments related to supply contracts ⁽⁵⁾	6,616	4,280
Firm investment orders	1,530	1,126
Lease commitments ⁽⁶⁾	312	97
Other financing commitments ⁽⁷⁾	336	354
Other commitments ⁽⁸⁾	1,111	993
Other assets pledged as collateral	41	43

- (1) Assets pledged as guarantees by the Sales Financing segment for management of its liquidity reserve are presented in Note 21-A4.
- (2) Financing commitments in favor of customers by the Sales Financing segment will give rise to cash outflows mostly during less than 6 months following the year-end.
- (3) Financial guarantees given by the Sales Financing segment will give rise to cash outflows amounting to €255 million during the 5 years following the year-end.
- (4) Other financial guarantees given mainly concern administrations.
- (5) Commitments related to supply contracts include minimum payment obligations to suppliers when the Group has made a firm commitment for collection and payment. The principal new commitments in 2023 aim to secure battery supplies for electric vehicles.
- (6) Lease commitments comprise commitments relating to leases signed but not yet effective at the year-end which cannot be included in the statement of financial position as assets in progress, leases that are outside the scope of IFRS 16 and leases exempt from the accounting treatment prescribed by IFRS 16 (Note 2).
- (7) Other financing commitments comprise commitments taken as a part of lithium and nickel supply agreements.
- (8) Other commitments include commitments made in contracts signed as part of the new partnership to design and produce the digital architecture for the Software Defined Vehicle, commitments concerning acceleration of the Group's digitization, and share subscription commitments.

Multi-year supply commitments will give rise to cash outflows over a period of 16 years starting from the 2023 year-end. The maximum payable within one year is €557 million at June 30, 2023 (€485 million at December 31, 2022). Irrevocable

commitments at June 30, 2023 were essentially made to secure raw material and battery supplies for electric vehicles.

21-A2. Contingent liabilities

Group companies are periodically subject to tax inspections in the countries in which they operate. Accepted tax adjustments are recorded as provisions in the financial statements. Contested tax adjustments are recognized on a case-by-case basis, taking into account the risk that the proceedings or appeals undertaken may be unsuccessful. Tax liabilities are recognized via provisions when there are uncertainties over the determination of taxes.

On December 19, 2019 Renault SAS. received notification, interrupting the limitation period, of a tax reassessment on transfer prices in 2016, and an additional notification was received on June 24, 2021 concerning the years 2017 and 2018. On December 21, 2022, the French tax authorities issued a proposed reassessment for the year 2019 relating to a further inspection covering the period 2019-2020, also interrupting the relevant limitation period. Renault Group is challenging the most significant amounts of these notifications, and no provision has been recognized in the financial statements at June 30, 2023 in connection with this matter (nor at December 31, 2022).

RESA (Renault España SA) was notified in late 2020 of a €213 million tax reassessment for transfer prices concerning the years 2013 to 2016 and of a €84 million tax reassessment for transfer prices in June 2023 concerning the years 2017 and 2019. No provision has been recognized in connection to these notifications, since Renault Group considers that it has good chances of winning its case. A procedure for amicable settlement between France and Spain was began in 2021. A deposit of €213 million was paid to the Spanish tax authorities (€135 million in 2020 and €78 million in 2021), recognized in non-current financial assets.

Disposals of subsidiaries or businesses by the Group generally include representations and warranties in the buyer's favour. At June 30, 2023, the Group has not identified any significant risk in connection with these operations.

Group companies are periodically subject to investigations by the authorities in the countries in which they operate. When the resulting financial consequences are accepted, they are recognized in the financial statements via provisions. When they are contested, they are recognized on a case-by-case basis, based on estimates that take into account the risk that the proceedings or appeals undertaken may be unsuccessful.

The main investigations by the competition and automotive regulations authorities in progress at June 30, 2023 concern illegal agreements and the level of vehicle emissions in Europe.

In the ongoing "emissions" affair in France, in which a formal legal investigation was opened on January 12, 2017 at the request of the Paris public prosecution office, Renault SAS. was officially placed under investigation for deceit on June 8, 2021.

In July 2021 Renault Group paid bail of €20 million (included in the balance sheet) to guarantee its representation throughout the proceedings and to cover payment of any damages and fines. It also issued a €60 million bank guarantee on October 8, 2021 to cover compensation for any prejudice identified. Renault Group denies having committed any offence. All Renault Group vehicles are, and always have been, type-approved in accordance with applicable laws and regulations. The potential consequences of the next steps in these ongoing proceedings cannot be reliably estimated at this stage, and no provision was recognized in

connection with this matter at June 30, 2023 (nor at December 31, 2022 and 2021).

More than 80% of the Group's sales are subject to CO2 emission regulations, principally in the European Union but also notably in the United Kingdom, South Korea and Brazil.

In 2020, 2021 and 2022, the three members of the Alliance - Renault, Nissan and Mitsubishi Motors Corp. - signed agreements to pool their CAFE (Corporate Average Fuel Economy) targets for the European Union. The potential noncompliance penalties payable to the authorities concerned are determined at the level of the group formed by the Alliance's three automakers. Renault did not recognize any provision in connection with the EU CAFE regulation at June 30, 2023 (nor at December 31, 2022).

A provision of €2 million was recognized for CAFE penalties payable for 2023 in South Korea (€10 million in 2022), raising the total provision for the years 2019 to 2023 to €45 million.

Group companies are also subject to the applicable regulations regarding pollution, notably of soil and ground water. These regulations vary depending on the country of location. Some of the associated environmental liabilities are potential and will only be recognized in the accounts if the activity is discontinued or the site closed. It is also sometimes difficult to determine the amount of the obligation reliably. Provisions are only established for liabilities that correspond to a legal or constructive obligation at the closing date, and can be estimated with reasonable reliability.

The Group establishes provisions for the recycling of its products based on regulatory requirements, once the practical organization of recycling operations is defined. In France, the "AGEC" law of February 10, 2020 to fight waste and promote a circular economy was adopted to extend industrial operators' legal responsibility for management of their waste. Renault Group's obligation was increased by this law and its implementing decree 2022-1495 which applies to all vehicles on the road. A study is in progress to assess whether the obligation is onerous. On 15 March 2022, the European Commission conducted inspections at the premises of companies and associations active in the automotive sector located in several EU Member States. In parallel, the European Commission has sent out formal requests for information to several companies active in the automotive sector. The investigation concerns possible anticompetitive collusion in relation to the collection, treatment and recovery of end-of-life (ELV) cars and vans, relating in particular to (i) the compensation of ELV collection, treatment, and recovery companies, and (ii) the use of data relating to the recyclability or recoverability of ELVs in advertising materials. Renault was one of the companies visited on 15 March 2022. In parallel, Renault has received a request for information from the UK Competition and Markets Authority (CMA), which is investigating similar conduct. Renault has replied to the European Commission's and the CMA's requests for information. The possible consequences of the ongoing investigation cannot be reliably estimated at this stage and no provision in connection with this matter has been recorded at June 30, 2023.

1-A1. Share purchase commitments given

When the Group grants put options to minority shareholders to sell their investments in fully consolidated companies, a liability corresponding to the option is recognized, with a reduction in shareholders' equity - non-controlling interests' share.

Put options granted by the Group to minority shareholders concern Banco RCI Brasil SA, Rombo Compania Financiera, RCI Colombia SA and RCI Financial Services SRO. The consequences for the financial statements are explained in Note 18-H of 2022 consolidated financial statements.

Partnership agreements were signed in 2018 with Oyak in Turkey, including perfectly symmetrical put and call options for non-controlling investments, entitling Renault SAS, subject to certain conditions, to purchase Oyak's shares in Oyak Renault (call) and to sell its shares in MAIS (put), and entitling Oyak to sell its shares in Oyak Renault (put) and purchase Renault SAS's shares in MAIS (call). The exercise price for the put option, if exercised, will be determined by three independent experts who would be appointed at the exercise date. Analysis of the contracts did not identify any circumstances beyond the control of Renault Group that could lead to Oyak exercising its put option without Renault Group being able to object. Consequently, no liability is recognized at June 30, 2023 in connection with these options (nor at December 31, 2022).

1-A2. Assets pledged as guarantees for management of the liquidity reserve

For management of its liquidity reserve, the Sales Financing segment has access to the monetary policy operations of the European Central Bank (ECB) and the Bank of England (BOE).

To benefit from European Central Bank monetary policy operations, the segment has provided guarantees to the Banque de France (under France's central collateral management system 3G - Gestion Globale des Garanties) in the form of assets with book value of €8,720 million at June, 2023 (€8,907 million at December 31, 2022). These assets comprise €7,372 million of shares in securitization vehicles and €1,348 million of sales financing receivables (€7,647 million of shares in securitization vehicles and €1,260 million of sales financing receivables at December 31, 2022). The financing provided by the Banque de France against these guarantees amounts to €2,523 million at June, 2023 (€3,250 million at December 31, 2022).

To benefit from Bank of England monetary policy operations, the Sales Financing segment has provided guarantees to the Bank of England's in the form of assets with book value of £775 million (€903 million) consisting of a self-subscribed securitization program and a bond. The financing received from the Bank of England against these guarantees amounts to €482 million at June 30, 2023. All assets provided as guarantees to the Banque de France and the Bank of England remain in the balance sheet.

21-B. Off-balance sheet commitments received and contingent assets

(€ million)	June 30, 2023	December 31, 2022
Buy-back commitments received by the Sales Financing segment ⁽¹⁾	8,168	6,506
Financial guarantees received	3,848	3,390
<i>Including Sales Financing segment ⁽²⁾</i>	<i>3,565</i>	<i>3,250</i>
Assets received as collateral	2,852	2,811
<i>Including Sales Financing segment ⁽²⁾</i>	<i>2,784</i>	<i>2,736</i>
Other commitments received ⁽³⁾	342	162

- (1) Commitments received by the Sales Financing segment for dealership sales by Nissan and other entities for repurchase of leased vehicles at the end of the lease.
- (2) In the course of its sales financing activity for new or used vehicles, the Sales Financing segment has received financial guarantees from its customers amounting to €3,565 million and assets pledged by customers as collateral amounting to €2,784 million at June 30, 2023 (€ 3,250 million and € 2,736 million respectively at December 31, 2022).
- (3) Other commitments received include €200 million of commitments concerning the acquisition of a 24% stake in Alpine Racing Ltd by a group of investors consisting of Otro Capital, RedBird Capital Partners and Maximum Effort Investments.

Off-balance sheet commitments received concerning confirmed opened credit lines and a bond issue are presented in note 18.

Commitments received - share purchase options

The Group had a call option to increase its investment in Whylot to 70% and take control of the company by 2023. In view of the development prospects for Whylot, which will require revenue diversification beyond the automotive segment, when its financing strategy was defined the parties agreed to suspend this call option temporarily.

The Group holds derivative instruments to subscribe to future capital increases by Verkor, without taking control of the company. No liability is recognized in connection with this commitment.

The agreement for the sale by Renault Group of its investments in Renault Russia and the AVTOVAZ Group, which took place on May 15, 2022, gives Renault Group an option to buy back its investment in Lada Auto holding (the parent company of AVTOVAZ), exercisable during three 90-day periods starting on

May 15, 2024, 2026 and 2028. The exercise price of this option is one rouble, plus a commitment by Renault Group to make a cash contribution to AVTOVAZ over 4 years, of an amount to be determined at Renault Group's discretion by reference to the sum of non-refundable subsidies received from the Russian State, cash contributions to assets and/or the share capital of AVTOVAZ, and the accumulated profits of the AVTOVAZ Group calculated under IFRS between the date of Renault's sale of its investment in AVTOVAZ and the date at which the repurchase option is exercised.

The amount of this contribution will determine the ownership interest acquired by Renault Group (between 51% and 67.69%). A €400 million contribution will automatically give the Group a 51% investment.

The derivative corresponding to this option has nil value at June 30, 2023 (as at December 31, 2022).

Note 22 - Subsequent events

On July, 11th 2023, following the framework agreement announced in November 2022, Geely Holding Group (Geely Holding), Geely Automobile Holdings Limited (Geely Auto HK.0175) (collectively "Geely") and Renault Group signed a binding 50/50 joint venture agreement for a new powertrain technology company, with the aim of becoming the world leader in development, production and supply of state-of-the-art hybrid and thermal powertrain solutions. Aramco, which signed a letter of intent with Renault Group and Geely on March 2, 2023, is considering making a strategic investment in this new company. The group of assets and liabilities concerned being classified in assets and liabilities held for sale in the consolidated statement of financial position since December 31, 2022, in accordance with IFRS 5 (Note 3).

On July, 13th 2023, Mobilize Lease&Co, subsidiary of Mobilize Financial Services, has announced the acquisition of Mobility Concept and MeinAuto. This transaction will accelerate the growth and development of long-term leasing offers in Germany.

On July, 26th 2023, Renault Group and Nissan Motor Co., Ltd today announced that they have entered into the definitive agreements contemplated by the binding framework agreement executed and announced on February 6, 2023. The transactions contemplated in these definitive agreements are subject to a limited number of conditions precedent, including regulatory approvals, and completion is expected to occur in the fourth quarter of 2023.

These announcements have no impact on the consolidated financial statements as of June 30, 2023.

4 Statutory Auditors' Review Report on the condensed half-yearly consolidated financial statements

KPMG S.A.

Commissaire aux comptes
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Statutory Auditors' Review Report on the Half-yearly Financial Information 2023 (For the six-month period ended June 30, 2023)

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

To the Shareholders,

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

- the review of the accompanying condensed half-yearly consolidated financial statements of Renault S.A., for the period from January 1st to June 30th, 2023,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors and were approved on July 26, 2023. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 standard of the IFRSs as adopted by the European Union applicable to interim financial information.

Without qualifying our conclusion, we draw your attention to the matter set out in note 2-A2 to the condensed half-yearly consolidated financial statements regarding the changes resulting from the first application of IFRS 17 "Insurance Contracts".

II. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris La Défense, July 27, 2023
The statutory auditors
French original signed by

KPMG S.A.

Bertrand Pruvost

MAZARS

Loïc Wallaert

5 Person responsible for the document

This is a free translation into English of the certification by the person responsible for the interim financial report and is provided solely for the convenience of English-speaking readers.

I certify that, to the best of my knowledge, the condensed consolidated financial statements for the first half-year have been prepared in accordance with the applicable accounting standards and give a true and fair view of the assets and liabilities, the financial position and results of the company and of its consolidated subsidiaries, and that the attached half-yearly management report fairly presents the material events which occurred during the first six months of the financial year, their impact on the financial statements, the main related party transactions, and describes the main risks and uncertainties for the remaining six months of the fiscal year.

Boulogne-Billancourt, on July 27, 2023

Luca de Meo
Chief Executive Officer