

Earnings report

2021

Renault
Group



Earnings report - 2021

01. In brief	3
Key figures	3
Overview	3
Strategy and outlook 2022	5
Highlights	6
02. Sales performance	8
Overview	8
2.1 Automotive	9
2.1.1 Group sales worldwide by region, by brand & by type	9
2.1.2 Sales and production statistics	11
2.1.3 Geographical organization of the Renault Group by Region – countries in each Region	12
2.2 Sales financing	13
03. Financial results	14
Summary	14
3.1 Comments on the financial results	14
3.1.1 Consolidated income statement	14
3.1.2 Automotive operational free cash flow	15
3.1.3 Capex and Research & Development	16
3.1.4 Automotive net financial position at December 31, 2021	17
3.2 Condensed consolidated statements	18

Key figures

		2021	2020	Change
Worldwide Group registrations ⁽¹⁾	Million vehicles	2.70	2.82	-4.5%
Group revenues	€ million	46,213	43,474	+2,739
Group operating profit	€ million	1,663	-337	+1,999
	% revenues	3.6%	-0.8%	+4.4 pts
Group operating income	€ million	1,398	-1,999	+3,396
Contribution from associated companies	€ million	515	-5,145	+5,660
o/w Nissan	€ million	380	-4,970	+5,350
Net income	€ million	967	-8,046	+9,013
Net income, Group share	€ million	888	-8,008	+8,896
Earnings per share	€	3.26	-29.51	+32.77
Automotive operational free cash flow ⁽²⁾	€ million	1,272	-4,551	+5,823
Automotive net financial position	€ million	-1,622	-3,579	+1,957
		at Dec. 31, 2021	at Dec. 31, 2020	
Sales Financing, average performing assets	€ billion	44.8	46.9	-4.6%

(1) Sales 2020 pro-forma 2021 (without Shineray).

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

Overview

Renault Group exceeds its 2021 targets and accelerates its Renaulution strategy

2021 financial outlook largely exceeded:

- 2021 operating margin: 3.6% (vs. operating margin outlook of the same order as H1 2021 ie 2.8%) reaching, 2 years ahead of schedule, the Renaulution objective of an operating margin above 3% in 2023
- Automotive¹ operational free cash flow (FCF) before change in working capital requirement: €1.6bn (vs the positive Automotive operational FCF outlook)

Renaulution objectives achieved in advance, acceleration of the Group's strategy:

- Cash fixed cost reduction plan of €2bn compared to 2019 carried out one year ahead of schedule
- Reduction of breakeven point² by 40% compared to 2019, achieved 2 years in advance (initial reduction target of more than 30% by the end of 2023)
- Efficiency of the Renaulution commercial policy, which favors value over volumes (price effect at +5.7 points in 2021) and which will continue in 2022
- Group orderbook in Europe with more than 3 months of sales, supported by the attractiveness of the Renault E-TECH offer, Arkana, light commercial vehicles, Dacia Sandero and Dacia Spring 100% EV

- Continued improvement in 2022 in the product mix and enrichment of vehicles in particular with the launch of Renault Megane E-TECH and Austral, Dacia Jogger

2021 results:

- Group revenue at €46.2bn: +6.3% vs. 2020
- Group operating margin at €1.7bn (3.6% of revenue): up €2bn vs. 2020, reaching 4.4% in the second half of 2021
- Automotive¹ operating margin at €507m (1.2% of segment revenue): up €1.8bn vs. 2020 (+4.4 points)
- Net income at €967m
- Automotive operational free cash flow¹ after change in working capital requirement: €1.3bn, contributing to the €2bn reduction in Automotive net debt
- In 2021, Renault Group confirms it achieved its CAFE³ targets (passenger cars and light commercial vehicles) in Europe thanks in particular to the performance of its E-TECH⁴ sales, which represent nearly a third of Renault brand passenger car registrations in Europe (vs. 17% in 2020)

Group revenue reached €46,213m, up 6.3% compared to 2020. At constant scope and exchange⁵ rates, it increased by 8.0% (negative exchange rate effect mainly related to the devaluation of the Russian Ruble, the Turkish Lira, the Argentine Peso and the Brazilian Real).

¹ The "Automotive" operational scope includes AVTOVAZ.

² Cash breakeven without RCI dividend, WCR change & restructuring, excluding AVTOVAZ and China JVs.

³ These results should be consolidated and formalised by the European Commission in the coming months. CAFE = Corporate Average Fuel Economy.

⁴ The E-TECH range consists of electric vehicles and hybrid engines.

⁵ In order to analyse the variation in consolidated revenue at constant exchange rates, Renault Group recalculates the revenue for the current financial year by applying average exchange rates of the previous period.

Automotive revenue excluding AVTOVAZ amounted to €40,404m, up 7.1% compared to 2020.

The recovery of the automotive market contributed 4.4 points.

The new commercial policy, launched in the 3rd quarter of 2020 and focusing on the most profitable segments, led to a positive net price effect of 5.7 points. The success of Arkana, launched in the second quarter of 2021 and highlighting the return of Renault brand in the C segment, and the light commercial vehicles performance generated a positive product mix effect of 2.2 points. These two effects allowed to compensate for the loss of volume of 7.5 points mostly linked to the implementation of this "value over volumes" policy.

The "Other" effects, of +5.3 points, came from the decline in sales with buy back commitments in line with the policy of selecting the most profitable channels and following the disposal of several Renault Retail Group branches in 2021. The increase in aftersales contribution and the recovery of network activity, strongly impacted by the lockdown measures in 2020, also contributed positively.

AVTOVAZ's revenue increased by 10.4% to €2,850m, mainly due to strong price increases and a product mix effect of +18.4 points, more than offsetting the negative impact of currencies (-6.8 points). The LADA brand maintained its leadership in Russia with a market share of nearly 21%. LADA Vesta and LADA Granta sales ranked respectively at the 1st and 2nd place in Russia.

The Group recorded a positive operating margin of €1,663m (3.6% of revenue) compared to -€337m in 2020. It reached 4.4% of revenue in the second half of 2021.

Automotive operating margin excluding AVTOVAZ improved by €1,710m to €260m (0.6% of revenue).

The recovery of the automotive market had a positive impact of €293m.

The mix/price/enrichment effect of €1,127m was the result of the commercial policy favoring value over volumes and price increases to cover exchange rate devaluations and cost inflation. This policy more than offset the negative volume effect of €579m.

The "Productivity" effect (purchasing, warranty, R&D, manufacturing & logistics costs, G&A) was positive by €852m, mainly due to purchasing performance (€541m) and the optimization of R&D expenses.

These operational performances largely offset the rise in raw material prices, which weighed for -€468m.

The "Other" effects amounted to +€483m. The major contributors are stronger performance from parts and accessories, from our owned network and a favorable impact of sales with buy-back commitments.

AVTOVAZ's operating margin amounted to €247m, up €106m, mainly reflecting the price increases that more than offset the negative currency effect and the increase in raw material prices.

The **contribution of Sales Financing** to the Group's operating margin reached €1,185m, an increase of €178m compared to 2020. This increase is mainly the result of a sharp improvement in the cost of risk, which stood at 0.14% of average performing assets compared to 0.75% in 2020. This very good level is explained by the improvement in risk parameters and a return to normal recovery processes impacted by the lockdowns in 2020.

RCI Bank and Services posted new financing growth of 0.4% (excluding negative currency effects of -€92m) compared to 2020, helped by the strong performance of used vehicle financings and by average financed amounts up 7.2% on new and used vehicles.

Other operating income and expenses were negative at -€265m (compared to -€1,662m in 2020). Provisions for restructuring

charges of -€430m were offset by asset disposals (€487m) mainly related to the sale of several Renault Retail Group (RRG) branches in line with the announced strategy.

After taking into account other operating income and expenses, the Group's **operating income** stood at €1,398m compared to -€1,999m in 2020.

The **financial result** amounted to -€350m, an improvement of €132m compared to 2020, mainly related to the accounting revision of the carrying value of the loan guaranteed by the French State.

The **contribution of associated companies** amounted to €515m, including €380m related to Nissan's contribution, an increase of €5,660m compared to 2020. As a reminder, Nissan's contribution in 2020 included -€4,290m in impairments and restructuring costs (including -€1,934m of IFRS restatements).

Current and deferred taxes represented a charge of -€596m compared to a charge of -€420m in 2020 related to the improvement in the result.

Net income was €967m and **net income, Group share**, was €888m (+€3.26 per share compared to -€29.51 per share in 2020).

The **cash flow of the Automotive¹ business**, excluding restructuring expenses, included €1bn of RCI dividends and reached €4.8bn, an increase of €2.8bn compared to 2020.

This cash flow covered the tangible and intangible investments before asset disposals which amounted to €3.2bn (€5.1bn in 2020).

Excluding the impact of asset disposals, the Group net CAPEX and R&D rate amounted to 8.5% of revenue. It amounted to 7.3% including asset disposals compared to 11.3% in 2020.

Automotive¹ operational free cash flow was positive at €1,272m, after taking into account payments for restructuring expenses of -€602m, asset disposals of €574m and a negative impact of the change in working capital requirement of -€330m.

The Automotive operational free cash flow and the sale of shares held in Daimler for €1.1bn contributed to the €2bn reduction in **Automotive net debt** which stood at €1.6bn at December 31, 2021.

As of December 31, 2021, **total inventories** of new vehicles (including the independent dealer network) represented 336,000 vehicles compared to 486,000 at the end of December 2020, or 53 days of sales.

The Board of Directors will propose to the Assembly General Meeting, scheduled for May 25, 2022, to not pay a dividend for the 2021 financial year.

In 2022, Renault Group will make an early repayment of €1bn of the loan from a banking pool guaranteed by the French State as well as €1bn relating to the mandatory annual reimbursement. The loan will be fully reimbursed by the end of 2023 at the latest.

Decarbonization and fair transition at the heart of our ESG strategy

In 2021, Renault Group released its Corporate purpose: "Our spirit of innovation takes mobility further to bring people closer" and published its ESG strategy based on 3 pillars: carbon neutrality, safety and inclusion.

Renault Group aims to achieve carbon neutrality in Europe by 2040 and worldwide by 2050 by reducing its carbon emissions over the entire life cycle of the vehicle: materials and components purchased, production sites, vehicle emissions on the road, second life but also recycling. This Climate Strategy was presented in the Climate Report published in April 2021.

¹ The "Automotive" operational scope includes AVTOVAZ.

Over the past decade, Renault Group and the Alliance have already invested more than €10bn in electrification. This movement is accelerating: the Alliance will invest €23bn over the next five years. Thanks to the 5 common electric platforms covering most segments, Renault brand aims to become 100% electric by 2030 for passenger cars in Europe.

More than one year ago, Renault Group launched the ReFactory project to transform the Flins plant (Yvelines, France) into the first European factory dedicated to the circular economy of mobility and structured around 4 activity centers:

- RE-TROFIT with the "Factory VO" (Used Vehicles), the first factory specialized in the retrofitting and refurbishing activities of used cars on an industrial scale;
- RE-ENERGY contributing to the development of applications for the 2nd life of batteries and new energies;
- RE-CYCLE bringing together recycling and reuse of parts and materials;

- RE-START, innovation and training center project, bringing together 3 entities: an innovation center dedicated to the industry 4.0, a training campus and an incubator dedicated to research and innovation in the circular economy.

The Flins ReFactory aims to retrofit 45,000 vehicles per year by 2023 and repair 20,000 batteries per year by 2030, with 3,000 jobs on site in 2030. This global industrial project is intended to be deployed more widely, like the project launched at the Seville plant.

Finally, Renault Group is rethinking its organization to support the transformation of the automotive industry's professions and launched in 2021 the ReKnow University dedicated to the acquisition of new skills in the electrification, analysis and cybersecurity of data or the recycling of vehicles and their batteries. In France, 2,600 people were upskilled or reskilled in 2021 and more than 3,000 will be trained in 2022 with an objective of 10,000 people in 2025.

Strategy and outlook 2022

2022 outlook

In an environment still impacted by the semiconductor crisis, particularly in the 1st half of 2022 (total loss estimated at 300,000 vehicles on 2022 production), and by the increase of raw materials prices, the Group is aiming to achieve for the full year:

- a Group operating margin superior or equal to 4%;
- an Automotive operational free cash flow superior or equal to €1 bn.

Thanks to its performance, Renault Group is in a position to accelerate its Renaulution strategy by leveraging its industrial and technological assets:

- Renault Group confirms its ambition in EV with the objective for the Renault brand to be 100% EV in Europe by 2030. To this end, Renault Group is studying the opportunity to bring together its 100% electric activities and technologies within a dedicated entity in France to accelerate their growth.

- At the same time, Renault Group is also studying the opportunity to bring together its activities and technologies of ICE and hybrid engines and transmissions based outside of France within a dedicated entity, in order to strengthen the potential of Renault Group's technologies and know-how.

The results of these considerations will be shared regularly with the various representative bodies of the Group and will be the subject of information and/or consultation procedures in accordance with the regulations in force in the various countries involved.

Ahead of its Renaulution mid-term objectives and in line with the results of these strategic reflections, Renault Group will present, at a Capital Market Day in the fall of 2022, an update on its strategy in order to position the company as a competitive, tech and sustainable major player.

Highlights

- **January 11, 2021:** Renault Group & Plug Power, a world leader in turnkey hydrogen and fuel cell solutions, join forces to become leader in hydrogen light commercial vehicles.
 - **January 14, 2021:** Presentation of "Renaulution", a new strategic plan, which aims to shift Renault Group's strategy from volume to value.
 - **February 18, 2021:** Renault's Board of Directors proposes the appointment of two new independent directors, Bernard Delpit, Executive Vice President and Chief Financial Officer of the Safran Group and Frédéric Mazzella, founding Chairman of BlaBlaCar, and the entrepreneurial co-chairman of France Digitale, the largest association of start-ups in Europe.
 - **February 19, 2021:** Faurecia and Renault Group today announced their decision to collaborate on hydrogen storage systems for hydrogen light commercial vehicles.
 - **March 10, 2021:** From 2023, Mitsubishi Motors will market two "sister vehicles" produced in Renault Group factories, based on the same platforms but with differentiations, reflecting the DNA of the Mitsubishi brand.
 - **March 11, 2021:** In a radically changing automotive market, RRG is rethinking its business model to meet the new needs of its customers and improve its profitability over the long term. The plan calls for the sale of eight dealerships to reliable and robust purchasers while preserving jobs.
 - **March 12, 2021:** Renault S.A. announces the successful sale of its entire stake in Daimler AG for a total amount of €1.14 billion.
 - **March 18, 2021:** Renault Group, Veolia, global leader in optimized resource management, and Solvay, leading science-based company, join forces to recycle end-of-life EV battery metals in a closed loop.
 - **April 9, 2021:** Atos, Dassault Systèmes, Renault Group, STMicroelectronics and Thales today announced their intention to join forces to create the "Software République", a new ecosystem for innovation in intelligent mobility.
 - **April 22, 2021:** Luc Julia, world-renowned expert in artificial intelligence, and co-creator of the Siri technology, joins Renault Group as Group Chief Scientific Officer.
 - **April 23, 2021:** Renault Group unveils its purpose: "our spirit of innovation takes mobility further to bring people closer".
 - **April 26, 2021:** Renault Group outlined its CSR policy roadmap based on three major pillars that are deeply integrated into the company's business: the ecological transition, the safety of customers on the road and employees in the workplace, and inclusion by improving employability and having more women in the workforce.
- The Group aims to achieve carbon neutrality in Europe in 2040 and worldwide in 2050.
- **April 29, 2021:** Renault Group signs partnership with Iberdrola to achieve zero carbon footprint in its factories in Spain and Portugal.
 - **May 4, 2021:** BlaBlaCar, Mobilize (Renault Group), the RATP group and Uber are working together for sustainable mobility with the "mobilité360" project and are using their complementary expertise to offer simpler, greener, sustainable and shared mobility solutions for cities and citizens.
 - **June 3, 2021:** Renault Group and Plug Power Inc., a world leader in turnkey hydrogen and fuel cell solutions, are today launching HYVIA, a joint venture is equally owned by the two partners and of which activities will be carried out at 4 existing Renault facilities in France.

HYVIA expects to be first-to-market with turnkey hydrogen mobility solutions: light commercial vehicles with fuel cells, hydrogen charging stations, supply of carbon-free hydrogen, maintenance and management of fleets.

- **June 8, 2021:** In the context of the judicial investigation opened on 12 January 2017 relating to older generations of Diesel vehicles, Renault s.a.s. was placed under examination on 8 June 2021 on the charge of deceit. Renault paid a bail of €20 million, €18 million of which will be dedicated to the potential payment of damages and fines, and will have to provide a bank guarantee of €60 million dedicated to the potential compensation for losses. As per this status, the company is presumed innocent. Renault denies having committed any offence and reminds that its vehicles are not equipped with any rigging software for pollution control devices. Renault has always complied with French and European regulations. Renault vehicles have all and always been type-approved in accordance with applicable laws and regulations.
 - **June 9, 2021:** Renault Group has signed an agreement giving birth to Renault ElectriCity: the electric industrial pole of northern France. The legal entity wholly owned by Renault SAS is grouping together the industrial sites of Douai, Maubeuge and Ruitz, totalling nearly 5,000 employees.
 - **June 18, 2021:** The management and the representative trade unions CFDT, CFE-CGC and FO signed the agreement on new working methods in France. This new hybrid work organisation, implanted on a voluntary basis and will combine on-site and remote work organised around two or three days of teleworking per week starting in September 2021.
 - **June 25, 2021:** Renault Group selects STMicroelectronics as key innovation partner, securing the supply of electric and hybrid vehicle advanced power semiconductors to be produced from 2026.
 - **June 29, 2021:** Renault Group enters into a strategic partnership with Envision AESC as it sets up a gigafactory in Douai, close to Renault ElectriCity, to support manufacture of latest technology, cost-competitive, low-carbon batteries from 2024.
- Renault Group signs a Memorandum of Understanding with the French start-up Verkor to codevelop a high-performance, locally sourced, and sustainable battery by 2022 with a view of owning a more than 20% stake in Verkor.
- **June 30, 2021:** Renault eWays ElectroPop: a historic acceleration of Renault Group's EV strategy to offer competitive, sustainable & popular electric vehicles.
 - **August 9, 2021:** Geely Holding and Renault Group have signed a MoU to accelerate 'Renaulution Plan' in China and South Korea. In China, both partners will jointly introduce Renault-branded hybrid vehicles. In South Korea, Geely Holding and Renault Group will explore localization of vehicles based on Lynk & Co energy efficient platforms.
 - **August 9, 2021:** Renault Group and Vulcan Energy announce a five-year strategic partnership within the Zero Carbon Lithium™ Project, securing between 6,000 and 17,000 metric tonnes per year of battery grade lithium chemicals. This agreement is in line with Renault Group's strategy to offer competitive, sustainable and 'made in Europe' electric vehicles.
- On January 21, 2022, Geely Holding Group and Renault Group signed an agreement for joint cooperation in South Korea.
- **October 8, 2021:** Renault Group and Terrafame have signed a Memorandum of Understanding (MoU) to secure a significant annual supply of low-carbon and fully traceable nickel sulphate for electric vehicle (EV) batteries in the future.

- **October 11, 2021:** Renault S.A. informs its shareholders that the next Annual General Meeting is scheduled on Wednesday, May 25, 2022.
- **November 5, 2021:** In the presence of Juan Manuel Moreno, President of the Andalusia region, Renault Group today officially launched a Refactory project at the Seville plant. As an extension of the programme implemented at Flins (Yvelines, France), which remains the Group's circular economy strategic hub for Europe, this new Refactory will bring together circular economy activities for Spain based on the vehicle's value potential at each stage of its life cycle.
- **November 23, 2021:** Renault Group is taking a 21% minority stake in Whylot, a technology company specializing in innovative electric motors. This investment strengthens the existing collaboration between the two companies to develop and industrialize an innovative axial-flow automotive e-motor, a breakthrough technology for electrified applications.
- **November 30, 2021:** Renault Group: 1st anniversary of the Refactory, the first European factory dedicated to the circular economy of mobility and inauguration of its first used car factory (Factory VO) to refurbish vehicles on an industrial scale in Flins.
- **December 14, 2021:** Three trade unions CFE-CGC, CFDT, and FO (75,8% of all trade union representation) and Renault Group Management have agreed on a three-year trade-union agreement, 'Re-Nouveau France 2025', that will help underpin the Group's transformation and sustainable performance throughout France.

Renault Group is putting France at the heart of its industrial and technological activities by assigning nine new models to French factories and pooling together skills in electric and connected vehicles around engineering centres in France.

The Group will hire 2,500 people over the duration of the agreement in addition to 10,000 training and retraining sessions across all business lines; the plan also includes 1,700 voluntary redundancy packages.
- **December 21, 2021:** Dassault Systèmes and Renault Group today announce they are reinforcing their 20-year collaboration with a new partnership. In a first-of-a-kind deployment for an industrial company of this scale, Renault Group is adopting Dassault Systèmes' 3DEXPERIENCE platform on the cloud globally, to develop programs for new vehicles and mobility services. This enterprise platform will provide Renault with a new backbone for sharing, in real time, all product-related data throughout the product life cycle, and for managing the virtual twins of its diverse product configurations.

2 Sales performance

Overview

- **Renault Group's** worldwide sales amounted to 2,696,401 vehicles, down 4.5%.
- **Renault Group** is pursuing the sales policy initiated in the third quarter of 2020, which is leading to an increase in the share of its sales in the most profitable channels. In the five main European countries (France, Germany, Spain, Italy and the United Kingdom), the share of sales to retail customers now represents 58%, up 6 points compared to 2019, the pre-crisis situation.
- The **Renault brand** is strengthening its position in Europe on the electrified market. The E-TECH range (electric vehicles and hybrid engines) account for 30% of Renault passenger car sales in Europe in 2021 (vs. 17% in 2020). For Renault Arkana, which has enabled the brand to return to the C segment, the E-TECH versions accounts for 56% of its sales.
- The renewal of the **Dacia brand** range has been a success, driven in particular by New Sandero, which remains the best-selling vehicle among retail customers in Europe. With a 6.2% share of the retail market, the brand has climbed to the third place.
- The **Lada brand** continues to lead the Russian market with a market share close to 21%. Lada Vesta and Lada Granta occupy the first and second place in the sales ranking, respectively.
- The **Alpine brand** has announced a very strong increase in sales of over 74% with 2,659 units sold in 2021 and aims to continue its international development.
- The group's order backlog (as at 2021-12-31) in Europe has doubled compared with 2020 and amounts to more than three months of sales, supported by the attractiveness of the Renault E-TECH range, light commercial vehicles, Dacia Sandero and Dacia Spring 100% electric, while inventories have recorded an estimated decline of around 30% compared with 2020.
- **Renault Group** confirms that it will achieve its CAFE 1 targets in Europe (passenger cars and light commercial vehicles) in 2021.

RENAULT GROUP'S TOP FIFTEEN MARKETS

SALES		Volumes 2021 ⁽¹⁾ (in units)	PC / LCV market share 2021 (%)	Change in market share on 2020 (points)
1	France	521,710	24.9	-1.2
2	Russia	482,264	28.8	-1.3
3	Germany	177,795	6.1	-0.3
4	Italy	154,093	9.4	-0.7
5	Brazil	127,159	6.5	-0.3
6	Turkey	116,175	15.8	-1.4
7	Spain	115,543	11.4	-0.8
8	India	95,878	2.7	-0.2
9	Morocco	69,791	39.8	-1.3
10	United Kingdom	68,344	3.4	-0.5
11	South Korea	61,096	3.6	-1.6
12	Poland	51,595	10.0	-0.8
13	Belgium+Luxembourg	51,074	10.0	-1.8
14	Romania	48,303	34.8	-5.7
15	Colombia	47,606	20.7	-2.3

(1) Preliminary figures.

¹CAFE: Corporate Average Fuel Economy (These results should be consolidated and formalized by the European Commission in the coming months).

2.1 Automotive

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

PASSENGER CARS AND LIGHT COMMERCIAL VEHICLES ⁽³⁾ (Units)	2021 ⁽¹⁾	2020 ⁽²⁾	Change (%)
GROUP	2,696,401	2,822,326	-4.5
EUROPE	1,428,426	1,523,153	-6.2
Renault	982,391	1,078,971	-9.0
Dacia	441,984	440,688	+0.3
Alpine	2,439	1,328	+83.7
Lada	1,612	2,166	-25.6
AFRICA MIDDLE-EAST	150,782	135,115	+11.6
Renault	90,329	86,447	+4.5
Dacia	56,158	45,244	+24.1
Alpine	1	0	NM
Lada	3,468	2,526	+37.3
Jinbei&Huasong ⁽⁴⁾	826	898	-8.0
ASIA PACIFIC	194,138	218,966	-11.3
Renault	117,066	103,758	+12.8
Renault Samsung Motors	57,480	90,300	-36.3
Alpine	219	199	+10.1
Lada	133	78	+70.5
Jinbei&Huasong ⁽⁴⁾	15,072	24,631	-38.8
EVEASY	4,168	0	NM
EURASIA	659,964	684,646	-3.6
Renault	241,403	261,137	-7.6
Dacia	38,953	34,774	+12.0
Lada	379,425	378,912	+0.1
AVTOVAZ	183	9,823	-98.1
LATIN AMERICA	263,091	260,446	+1.0
Renault	262,420	258,232	+1.6
Lada	570	284	+100.7
Jinbei&Huasong ⁽⁴⁾	101	1,930	-94.8
BY BRAND			
Renault	1,693,609	1,788,545	-5.3
Dacia	537,095	520,706	+3.1
Renault Samsung Motors	57,480	90,300	-36.3
Alpine	2,659	1,527	+74.1
Lada	385,208	383,966	+0.3
AVTOVAZ	183	9,823	-98.1
Jinbei&Huasong ⁽⁴⁾	15,999	27,459	-41.7
EVEASY ⁽⁵⁾	4,168	0	NM
BY VEHICLE TYPE			
Passenger cars	2,257,595	2,430,706	-7.1
Light commercial vehicles	438,806	391,620	+12.0

(1) Preliminary figures.

(2) Sales 2020 pro-Forma 2021 (without Shineray).

(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.

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

(5) EVEASY is the JM EV's brand.

→ Renault and RSM brands

Renault delivers its rapid shift in the electrified market and strengthens its position in Europe. The E-TECH (EV and hybrid¹ powertrains) range represents 30% of Renault passenger cars sales in Europe in 2021 (vs 17% in 2020).

- In Europe, Renault is 3rd brand in the EV PC market, and **ZOE** ranks 2nd model.
- Renault EV passenger car sales in Europe represent 14%, in an EV market at 10%.
- Renault is leader in France also in electrified market (EV+ Hybrid¹).
- Successful E-TECH hybrid technology supports strong commercial figures.

Renault implements a selective sales policy favoring growth of higher value business:

- In the 2nd half of 2021, the retail mix² rose by 10 points (vs 1st half of 2021) to reach 50%.
- The C-segment re-conquest started successfully, with more than 60,000 orders of the **Renault Arkana** in Europe and 42,000 sales registered since the launch in June 2021. The innovative E-TECH powertrain continues to exceed customer expectations, representing 56% of its sales mix.

Renault reaffirms its strategy as a global brand:

- Markets outside of Europe now represent 44% of sales, (+1.3 pts vs 2020) with increased focus on profit.
- Renault recovers the leadership in the LCV European market (15.7% w/o pick-ups) with the successful launches of the all-new **Express Van** and **Kangoo Van**. The All-New Kangoo Van was rewarded "2022 International Van of The Year".

Renault has built a solid and performing base in 2021 and will benefit from it to accelerate its growth on electrification and C-segment, with two major launches: All-New **Mégane E-TECH Electric** and **All-New Austral**, to be introduced in 2022.

→ Dacia and Lada brands

Dacia grew by 3% in 2021, with sales reaching 537,095, in a market tainted by the pandemic and the electronic component crisis.

The brand experienced strong growth in the passenger car market for private customers where it reached a record-breaking market share of 6.2%, resulting in Dacia placing in the top three of European retail sales for the first time ever.

This result is driven by the successful new generations of Dacia Sandero (over 226,000 units sold across the Sandero range) and Dacia Duster (more than 186,000 units).

Sandero has remained Europe's best-selling retail model every year since 2017, while **Duster** has been Europe's best-selling retail SUV since 2018.

With sales starting in March, Dacia Spring (27,876 units sold) is already a front-runner in the EV market. Orders have reached over 46,000 units in just nine months after reveal.

Dacia's attractiveness is recognised with conquest and loyalty rates that remain very high in 2021. This trend is set to continue in 2022 with the expansion of the product line-up and first-quarter commercial launch of All-New Jogger, a seven-seat family vehicle.

In 2021, 350,714 Lada cars were sold in Russia, which is 2.1% more than at the end of 2020. The Lada Brand has maintained a confident leadership in the Russian market with a market share close to 21%.

The Lada Vesta and the Lada Granta took 1st and 2nd positions in the sales rating of the Russian automotive market.

→ Alpine brand

In the first year after announcing the Renault strategic plan, **Alpine** announced very strong growth in sales volume: +74%, with 2659 units sold in 2021.

In France, Alpine recorded a boost in sales of over 117%.

Alpine continues to develop internationally, with almost half of sales coming from outside France already, and new points of sale opening up.

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

² Retail mix for passenger cars in G5 (Metropolitan France + Germany + Spain + Italy + 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)	2021 ⁽²⁾	2020	Change (%)
WORLDWIDE PRODUCTION RENAULT GROUP PLANTS ⁽¹⁾	2,524,234	2,705,499	-6.7
<i>o/w produced for partners:</i>			
Nissan	83,675	81,953	+2.1
Mitsubishi	1,343	2,598	-48.3
Daimler	22,942	19,437	+18.0
Opel/Vauxhall	21,598	19,920	+8.4
Fiat	15,302	18,039	-15.2
Renault Trucks	18,552	14,706	+26.2
PRODUCED BY PARTNERS FOR RENAULT GROUP	2021 ⁽²⁾	2020	Change (%)
Nissan	115,114	89,071	+29.2
China ⁽³⁾	60,420	30,844	+95.9

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

(2) Preliminary figures.

(3) Chinese subsidiaries: RBJAC (49%), eGT (25%).

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

At December 31, 2021

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

2.2 Sales financing

In a context still disrupted by the Covid-19 pandemic, RCI Bank and Services new financings increased by 0.4% (excluding forex effect, negative at -€92 million) compared to 2020, helped by the strong performance of used vehicles financing contracts and the progression of the average financed amount on new and used vehicles.

RCI Bank and Services financed 1,415,841 contracts in 2021, decreasing by 6.9% compared to 2020. Used Car Financing posted an increase of 4.1% compared to 2020, with 363,711 financed contracts.

Excluding **Turkey, Russia** (RN Bank) and **India** (Equity Affiliated Companies), the finance penetration rate amounts to 46.0% versus 47.5% in 2020, in relation with a registration mix more oriented on the Fleet segment (+3 pts compared to 2020) and to a refocus on the most profitable channels.

New financings (excluding credit cards and personal loans) amount to €17.8 billion only decreasing by 0.2% thanks to the progression of the average financed amount by 7.2%. Excluding the negative forex effect of -€92 million, new financings improve by 0.4%.

The average performing assets (APA) related to the Retail Activity totalizes €37.6 billion in 2021. Excluding -€59,1 million of negative forex impact, it slightly increases by 0.2% compared to 2020 thanks to the good trend of the new financings over the year 2021. The average performing assets linked to the Wholesale Activity represents €7.1 billion, decreasing by -23.4 %, as a consequence of the impacts of the semi-conductor shortage on the manufacturing of new cars and to the inventory optimization strategy in the dealer network for the Renault Group brands. Overall, the average performing assets totalize €44.8 billion, down -4.6% compared to 2020.

RCI BANK AND SERVICES, FINANCING PERFORMANCE

		2021	2020	Change (%)
Number of financing contracts	Thousands	1,416	1,520	-6.9
<i>Including Used Vehicles contracts</i>	<i>Thousands</i>	<i>364</i>	<i>349</i>	<i>+4.1</i>
New financing	€ billion	17.8	17.8	-0.2
Average performing assets	€ billion	44.8	46.9	-4.6

PENETRATION RATE BY BRAND

	2021 (%)	2020 (%)	Change (points)
Renault	41.7	45.7	-4.0
Dacia	46.5	47.4	-1.0
Renault Samsung Motors	59.2	66.2	-7.1
Lada	4.9	-	+4.9
Nisan	35.8	37.9	-2.1
Inifiniti	3.1	25.9	-22.8
Datsun	24.3	26.6	-2.3
RCI Bank and Services	37.5	45.3	-7.8
RCI Bank and Services (excluding EAC ⁽¹⁾)	46.0	47.5	-1.5

(1) EAC = entities consolidated under equity method: Russia, Turkey and India.

PENETRATION RATE BY REGION

	2021 (%)	2020 (%)	Change (points)
Europe	48.2	48.3	-0.2
Latin America	35.8	41.6	-5.8
Africa Middle-East and Asia Pacific	31.8	41.8	-10.0
Eurasia	14.1	35.4	-21.4
RCI Bank and Services	37.5	45.3	-7.8
RCI Bank and Services (excluding EAC ⁽¹⁾)	46.0	47.5	-1.5

(1) EAC = entities consolidated under equity method: Russia, Turkey and India.

Pillar of the group's strategy, the number of services sold in 2021 represents 4.7 million insurance and service contracts, increasing by 2.1%. 72% of the services sold are related to the customer or

the usage of the car. Excluding Turkey, Russia (RN Bank) and India (Equity Affiliated Companies), the service penetration rate amounts to 198.5% versus 184.5% in 2020.

RCI BANK AND SERVICES, SERVICES PERFORMANCE

		2021	2020	Change
Number of services contracts	Thousands	4,700	4,602	+2.1%
Penetration rate on services	%	167.7%	178.2%	-10.5 pts
Penetration rate on services (excluding EAC ⁽¹⁾)	%	198.5%	184.5%	+14.0 pts

(1) EAC = entities consolidated under equity method: Russia, Turkey and India.

3 Financial results

Summary

(€ million)	2021	2020	Change
Group revenues	46,213	43,474	+6.3%
Operating profit	1,663	-337	+1,999
Operating income	1,398	-1,999	+3,396
Net financial income & expenses	-350	-482	+132
Contribution from associated companies	515	-5,145	+5,660
<i>o/w Nissan</i>	<i>380</i>	<i>-4,970</i>	<i>+5,350</i>
Net income	967	-8,046	+9,013
Automotive operational free cash flow ⁽¹⁾	1,272	-4,551	+5,823
Automotive net financial position	-1,622	-3,579	+1,957
	at Dec. 31, 2021	at Dec. 31, 2020	
Shareholders' equity	27,894	25,338	+2,556
	at Dec. 31, 2021	at Dec. 31, 2020	

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

3.1 Comments on the financial results

3.1.1 Consolidated income statement

OPERATING SEGMENT CONTRIBUTION TO GROUP REVENUES

(€ million)	2021					2020				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Automotive excl. AVTOVAZ	8,566	11,773	7,685	12,380	40,404	8,591	7,136	8,948	13,061	37,736
AVTOVAZ	685	800	537	828	2,850	701	388	663	829	2,581
Sales financing	759	763	759	654	2,935	827	773	758	780	3,138
Mobility Services	5	6	6	7	24	6	3	5	5	19
Total	10,015	13,342	8,987	13,869	46,213	10,125	8,300	10,374	14,675	43,474

(In %)	Change				
	Q1	Q2	Q3	Q4	Year
Automotive excl. AVTOVAZ	-0.3	+65.0	-14.1	-5.2	+7.1
AVTOVAZ	-2.3	+106.2	-19.0	-0.1	+10.4
Sales financing	-8.2	-1.3	+0.1	-16.2	-6.5
Mobility Services	-16.7	+100.0	+20.0	+40.0	+23.9
Total	-1.1	+60.7	-13.4	-5.5	+6.3

Group revenue reached €46,213m, up 6.3% compared to 2020. At constant scope and exchange¹ rates, it increased by 8.0% (negative exchange rate effect mainly related to the devaluation of the Russian Ruble, the Turkish Lira, the Argentine Peso and the Brazilian Real).

Automotive revenue excluding AVTOVAZ amounted to €40,404m, up 7.1% compared to 2020.

The recovery of the automotive market contributed 4.4 points.

The new commercial policy, launched in the 3rd quarter of 2020 and focusing on the most profitable segments, led to a positive net price effect of 5.7 points. The success of Arkana, launched in the second quarter of 2021 and highlighting the return of Renault brand in the C segment, and the light commercial vehicles performance generated a positive product mix effect of 2.2 points. These two effects allowed to compensate for the loss

of volume of 7.5 points mostly linked to the implementation of this "value over volumes" policy.

The "Other" effects, of +5.3 points, came from the decline in sales with buy back commitments in line with the policy of selecting the most profitable channels and following the disposal of several Renault Retail Group branches in 2021. The increase in aftersales contribution and the recovery of network activity, strongly impacted by the lockdown measures in 2020, also contributed positively.

AVTOVAZ's revenue increased by 10.4% to €2,850m, mainly due to strong price increases and a product mix effect of +18.4 points, more than offsetting the negative impact of currencies (-6.8 points). The LADA brand maintained its leadership in Russia with a market share of nearly 21%. LADA Vesta and LADA Granta sales ranked respectively at the 1st and 2nd place in Russia.

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

OPERATING SEGMENT CONTRIBUTION TO GROUP OPERATING PROFIT

(€ million)	2021	2020	Change
Automotive division excl. AVTOVAZ	260	-1,450	+1,710
% of division revenues	0.6%	-3.8%	+4.5 pts
AVTOVAZ	247	141	+106
% of AVTOVAZ revenues	8.7%	5.5%	+3.2 pts
Sales financing	1,185	1,007	+178
Mobility Services	-29	-35	+6
Total	1,663	-337	+1,999
% of Group revenues	3.6%	-0.8%	+4.4 pts

The Group recorded a positive operating margin of €1,663m (3.6% of revenue) compared to -€337m in 2020. It reached 4.4% of revenue in the second half of 2021.

Automotive operating margin excluding AVTOVAZ improved by €1,710m to €260m (0.6% of revenue).

The recovery of the automotive market had a positive impact of €293m.

The mix/price/enrichment effect of €1,127m was the result of the commercial policy favoring value over volumes and price increases to cover exchange rate devaluations and cost inflation. This policy more than offset the negative volume effect of €579m.

The "Productivity" effect (purchasing, warranty, R&D, manufacturing & logistics costs, G&A) was positive by €852m, mainly due to purchasing performance (€541m) and the optimization of R&D expenses.

These operational performances largely offset the rise in raw material prices, which weighed for -€468m.

The "Other" effects amounted to +€483m. The major contributors are stronger performance from parts and accessories, from our owned network and a favorable impact of sales with buy-back commitments.

AVTOVAZ's operating margin amounted to €247m, up €106m, mainly reflecting the price increases that more than offset the negative currency effect and the increase in raw material prices.

The **contribution of Sales Financing** to the Group's operating margin reached €1,185m, an increase of €178m compared to 2020. This increase is mainly the result of a sharp improvement in the cost of risk, which stood at 0.14% of average performing assets compared to 0.75% in 2020. This very good level is explained by the improvement in risk parameters and a return to normal recovery processes impacted by the lockdowns in 2020.

RCI Bank and Services posted new financing growth of 0.4% (excluding negative currency effects of -€92m) compared to 2020, helped by the strong performance of used vehicle financings and by average financed amounts up 7.2% on new and used vehicles.

3.1.2 Automotive operational free cash flow

AUTOMOTIVE OPERATIONAL FREE CASH FLOW

(€ million)	2021	2020	Change
Cash flow after interest and tax (excluding dividends received from publicly listed companies)	+4,235	+1,660	+2,575
Change in the working capital requirement	-330	-1,372	+1,042
Tangible and intangible investments net of disposals	-2,415	-4,000	+1,585
Leased vehicles and batteries	-218	-839	+621
Automotive operational free cash flow	+1,272	-4,551	+5,823

In 2021, the **Automotive operational free cash flow** is positive at +€1,272 million, resulting from the following elements:

- cash flow after interest and tax (excluding dividends received from publicly listed companies) of +€4,235 million, including €602 million restructuring costs,
- a negative change in the working capital requirement of -€330 million,

- property, plant and equipment and intangible investments net of disposals of -€2,415 million, including asset sales for an amount of €574 million,
- investments related to vehicles with buy-back commitments for -€218 million, versus -€839 million in 2020, partly due the sale of RRG branches.

3.1.3 Capex and Research & Development

TANGIBLE AND INTANGIBLE INVESTMENTS NET OF DISPOSALS BY OPERATING SEGMENT

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

2020 (€ million)	Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs)	Capitalized development costs	Total
Automotive excluding AVTOVAZ	2,522	1,305	3,827
AVTOVAZ	98	74	172
Sales Financing	10	0	10
Mobility Services	1	11	12
Total	2,631	1,390	4,021

Total gross investment in 2021 decreased by -40% compared to 2020, with Europe accounting for 73 % and the rest of the world for 27%.

In Europe, the investments made are mainly aimed at renewing the LCV (Kangoo and Trafic), EV (Mégane) and C (Austral) ranges, as well as the adaptation of the industrial tool for electric and hybrid engines.

Internationally, the investments are realized mainly for the renewal of the Global Access (Logan, Sandero and Jogger in Romania, Sandero in Morocco, and Duster and Sandero in Russia) and the C range (Arkana ICE & HEV in Korea).

RESEARCH AND DEVELOPMENT EXPENSES RECORDED IN THE INCOME STATEMENT

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

(€ million)	2021	2020	Change
R&D expenses	-2,361	-2,749	+388
Capitalized development expenses	1,084	1,390	-306
R&D capitalization rate	45.9%	50.6%	-4.7 pts
Amortization	-1,088	-1,210	+122
Gross R&D expenses recorded in the income statement⁽¹⁾	-2,365	-2,569	+204
of which AVTOVAZ	-15	-1	-14

(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 capitalization rate amounted to 45.9% of Group Revenues, down -4.7 points compared to 2020, in relation to projects developments.

The decrease in research and development costs in 2021 is explained by the end of a first cycle of the product range

renewal, by the decline in activity and by significant actions to reduce fixed costs, particularly in the areas of subcontracting and prototyping.

NET CAPEX AND R&D EXPENSES IN% OF REVENUES

(€ million)	2021	2020
Tangible investments net of disposals (excluding capitalized leased vehicles and batteries) and intangible (excluding capitalized development costs)	1,344	2,631
CAPEX invoiced to third parties and others	-40	-83
Net industrial and commercial investments excl. R&D (1)	1,304	2,548
<i>% of Group revenues</i>	<i>2.8%</i>	<i>5.9%</i>
R&D expenses	2,361	2,749
R&D expenses billed to third parties and others	-312	-366
Net R&D expenses (2)	2,049	2,383
<i>% of Group revenues</i>	<i>4.4%</i>	<i>5.5%</i>
Net CAPEX and R&D expenses (1) + (2)	3,353	4,931
<i>% of Group revenues</i>	<i>7.3%</i>	<i>11.3%</i>
Net CAPEX and R&D expenses excluding asset sales	3,927	5,084
<i>% of Group revenues</i>	<i>8.5%</i>	<i>11.7%</i>

Net Capital expenditures and R&D expenses amounted to 7.3% of Group revenues, down -4.0 points compared to 2020.

Excluding the disposal of assets, amounting €574 million, this rate amounts to 8.5%.

3.1.4 Automotive net financial position at December 31, 2021

CHANGE IN AUTOMOTIVE NET FINANCIAL POSITION (€ million)

Automotive net financial position at December 31, 2020	-3,579
2021 operational free cash flow	+1,272
Dividends received	+0
Dividends paid to Renault's shareholders and minority shareholders	-61
Financial investments and others	+685
Automotive net financial position at December 31, 2021	-1,622

Beyond the Automotive segment reported positive operational free cash flow of +€1,272 million, the €1,957 million improvement in the **net financial position** of the Automotive segment compared

with December 31, 2020 is mainly due to the sale of Daimler shares for €1,138 million during the first half 2021.

AUTOMOTIVE NET FINANCIAL POSITION

(€ million)	Dec. 31, 2021	Dec. 31, 2020
Non-current financial liabilities	-12,333	-12,519
Current financial liabilities	-4,234	-5,147
Non-current financial assets - other securities, loans and derivatives on financial operations	+90	+118
Current financial assets	+978	+1,020
Cash and cash equivalents	+13,877	+12,949
Automotive net financial position	-1,622	-3,579

The **Automotive** segment's liquidity reserves stood at €17.3 billion as at December 31, 2021. These reserves consisted of:

- €13.9 billion in cash and cash equivalents;
- €3.4 billion in undrawn confirmed credit lines ¹.

At December 31, 2021, **RCI Banque** had available liquidity of €14.4 billion, consisting of:

- €4.3 billion in undrawn confirmed credit lines;
- €3.3 billion in central-bank eligible collateral;
- €6.6 billion in high quality liquid assets (HQLA);
- €0.2 billion in available cash.

¹ Perimeter Renault SA, excluding the AVTOVAZ confirmed credit lines (€117 million at end December 31, 2021).

3.2 Consolidated financial statements

3.2.1 Consolidated income statement	19
3.2.2 Consolidated comprehensive income	20
3.2.3 Consolidated financial position	21
3.2.4 Changes in consolidated shareholders' equity	22
3.2.5 Consolidated cash flows	23
3.2.6 Notes to the condensed consolidated financial statements	24
3.2.6.1 Information on operating segments and regions	24
A. Information by operating segment	25
A1. Consolidated income statement by operating segment	25
A2. Consolidated financial position by operating segment	26
A3. Consolidated cash flows by operating segment	28
A4. Other information for the Automotive segments: net cash position (net financial indebtedness), Operational free cash flow and ROCE	30
B. Informations by Regions	32

3.2.1 Consolidated income statement

(€ million)	Notes	2021	2020
Revenues	4	46,213	43,474
Cost of goods and services sold		(37,526)	(36,257)
Research and development expenses	10-A	(2,365)	(2,569)
Selling, general and administrative expenses		(4,659)	(4,985)
Other operating income and expenses	6	(265)	(1,662)
<i>Other operating income</i>	6	728	181
<i>Other operating expenses</i>	6	(993)	(1,843)
Operating income (loss)		1,398	(1,999)
Cost of net financial indebtedness	7	(308)	(337)
<i>Cost of gross financial indebtedness</i>	7	(381)	(355)
<i>Income on cash and financial assets</i>	7	73	18
Other financial income and expenses	7	(42)	(145)
Financial income (expenses)	7	(350)	(482)
Share in net income (loss) of associates and joint-ventures		515	(5,145)
<i>Nissan</i>	12	380	(4,970)
<i>Other associates and joint-ventures</i>	13	135	(175)
Pre-tax income		1,563	(7,626)
Current and deferred taxes	8	(596)	(420)
NET INCOME		967	(8,046)
Net income – parent-company shareholders' share		888	(8,008)
Net income - non-controlling interests' share		79	(38)
Basic earnings per share ⁽¹⁾ in €		3.26	(29.51)
Diluted earnings per share ⁽¹⁾ in €		3.24	(29.51)
Number of shares outstanding (thousands)			
<i>for basic earnings per share</i>	9	272,102	271,349
<i>for diluted earnings per share</i>	9	273,868	271,349

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

3.2.2 Consolidated comprehensive income

(€ million)	2021			2020 ⁽¹⁾		
	Gross	Tax effect	Net	Gross	Tax effect	Net
NET INCOME	1,563	(596)	967	(7,626)	(420)	(8,046)
OTHER COMPONENTS OF COMPREHENSIVE INCOME FROM PARENT COMPANY AND SUBSIDIARIES						
Items that will not be reclassified subsequently to profit or loss	327	(23)	304	76	(66)	10
<i>Actuarial gains and losses on defined-benefit pension plans</i>	<i>134</i>	<i>(35)</i>	<i>99</i>	<i>(62)</i>	<i>(62)</i>	<i>(124)</i>
<i>Equity instruments at fair value through equity</i>	<i>193</i>	<i>12</i>	<i>205</i>	<i>138</i>	<i>(4)</i>	<i>134</i>
Items that have been or will be reclassified to profit or loss in subsequent periods	181	(27)	154	(665)	(1)	(666)
<i>Translation adjustments on foreign activities</i>	<i>96</i>	<i>-</i>	<i>96</i>	<i>(652)</i>	<i>-</i>	<i>(652)</i>
<i>Translation adjustments on foreign activities in hyperinflationary economies</i>	<i>21</i>	<i>-</i>	<i>21</i>	<i>(21)</i>	<i>-</i>	<i>(21)</i>
<i>Partial hedge of the investment in Nissan</i>	<i>4</i>	<i>-</i>	<i>4</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Fair value adjustments on cash flow hedging instruments ⁽¹⁾</i>	<i>65</i>	<i>(28)</i>	<i>37</i>	<i>8</i>	<i>(1)</i>	<i>7</i>
<i>Debt instruments at fair value through equity ⁽¹⁾</i>	<i>(5)</i>	<i>1</i>	<i>(4)</i>			
TOTAL OTHER COMPONENTS OF COMPREHENSIVE INCOME FROM PARENT COMPANY AND SUBSIDIARIES (A)	508	(50)	458	(589)	(67)	(656)
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	571	-	571	146	-	146
<i>Actuarial gains and losses on defined-benefit pension plans</i>	<i>421</i>	<i>-</i>	<i>421</i>	<i>94</i>	<i>-</i>	<i>94</i>
<i>Other</i>	<i>150</i>	<i>-</i>	<i>150</i>	<i>52</i>	<i>-</i>	<i>52</i>
Items that have been or will be reclassified to profit or loss in subsequent periods	634	-	634	(1,268)	-	(1,268)
<i>Translation adjustments on foreign activities</i>	<i>580</i>	<i>-</i>	<i>580</i>	<i>(1,228)</i>	<i>-</i>	<i>(1,228)</i>
<i>Other</i>	<i>54</i>	<i>-</i>	<i>54</i>	<i>(40)</i>	<i>-</i>	<i>(40)</i>
TOTAL SHARE OF ASSOCIATES AND JOINT-VENTURES IN OTHER COMPONENTS OF COMPREHENSIVE INCOME (B)	1,205	-	1,205	(1,122)	-	(1,122)
OTHER COMPONENTS OF COMPREHENSIVE INCOME (A) + (B)	1,713	(50)	1,663	(1,711)	(67)	(1,778)
Comprehensive income	3,276	(646)	2,630	(9,337)	(487)	(9,824)
<i>Parent company shareholders' share</i>			<i>2,539</i>			<i>(9,760)</i>
<i>Non-controlling interests' share</i>			<i>91</i>			<i>(64)</i>

(1) The figures reclassified to profit and loss in 2021 are presented in note 18-F.

3.2.3 Consolidated financial position

ASSETS (€ million)	Notes	December 31, 2021	December 31, 2020
NON-CURRENT ASSETS			
Intangible assets and goodwill	10-A	6,398	6,347
Property, plant and equipment	10-B	16,167	17,135
Investments in associates and joint ventures		16,955	15,120
<i>Nissan</i>	12	16,234	14,618
<i>Other associates and joint ventures</i>	13	721	502
Non-current financial assets	22	373	1,253
Deferred tax assets	8	550	651
Other non-current assets	17	966	956
Total non-current assets		41,409	41,462
CURRENT ASSETS			
Inventories	14	4,792	5,640
Sales Financing receivables	15	39,498	40,820
Automotive receivables	16	788	910
Current financial assets	22	1,380	1,181
Current tax assets	17	128	153
Other current assets	17	3,688	3,874
Cash and cash equivalents	22	21,928	21,697
Assets held for sale	3	129	-
Total current assets		72,331	74,275
Total assets		113,740	115,737

SHAREHOLDERS' EQUITY AND LIABILITIES (€ million)	Notes	December 31, 2021	December 31, 2020
SHAREHOLDERS' EQUITY			
Share capital		1,127	1,127
Share premium		3,785	3,785
Treasury shares		(237)	(284)
Revaluation of financial instruments		5	384
Translation adjustment		(3,407)	(4,108)
Reserves		25,159	31,876
Net income – parent company shareholders' share		888	(8,008)
Shareholders' equity – parent company shareholders' share		27,320	24,772
Shareholders' equity – non-controlling interests' share		574	566
Total shareholders' equity	18	27,894	25,338
NON-CURRENT LIABILITIES			
Deferred tax liabilities	8	1,009	922
Provisions for pension and other long-term employee benefit obligations – long-term	19	1,355	1,544
Other provisions – long-term	20	1,291	1,356
Non-current financial liabilities	23	13,232	13,423
Provisions for uncertain tax liabilities – long-term	21	217	179
Other non-current liabilities	21	1,457	1,685
Total non-current liabilities		18,561	19,109
CURRENT LIABILITIES			
Provisions for pension and other long-term employee benefit obligations – short-term	19	85	103
Other provisions – short-term	20	1,550	1,570
Current financial liabilities	23	3,605	3,924
Sales Financing debts	23	45,123	47,547
Trade payables		7,975	8,277
Current tax liabilities	21	266	221
Provisions for uncertain tax liabilities – short-term	21	6	6
Other current liabilities	21	8,493	9,642
Liabilities related to assets held for sale	3	182	-
Total current liabilities		67,285	71,290
Total shareholders' equity and liabilities		113,740	115,737

3.2.4 Changes in consolidated shareholders' equity

(€ million)	Number of shares (thousands)	Share capital	Share premium	Treasury shares	Revaluation of financial instruments	Translation adjustment	Reserves	Net income (parent - company shareholders' share)	Shareholders' equity (parent - company shareholders' share)	Shareholders' equity (non-controlling interests' share)	Total shareholders' equity
BALANCE AT DECEMBER 31, 2019	295,722	1,127	3,785	(344)	232	(2,235)	32,140	(141)	34,564	767	35,331
2020 net income								(8,008)	(8,008)	(38)	(8,046)
Other components of comprehensive income					152	(1,873)	(31)		(1,752)	(26)	(1,778)
2020 COMPREHENSIVE INCOME					152	(1,873)	(31)	(8,008)	(9,760)	(64)	(9,824)
Allocation of 2019 net income							(141)	141	-		-
Dividends										(21)	(21)
(Acquisitions) / disposals of treasury shares and impact of capital increases				60					60		60
Changes in ownership interests							(23)		(23)	(119)	(142)
Cost of share-based payments and other							(69)		(69)	3	(66)
BALANCE AT DECEMBER 31, 2020	295,722	1,127	3,785	(284)	384	(4,108)	31,876	(8,008)	24,772	566	25,338
2021 net income								888	888	79	967
Other components of comprehensive income ⁽¹⁾					432	701	518		1,651	12	1,663
2021 COMPREHENSIVE INCOME					432	701	518	888	2,539	91	2,630
Allocation of 2020 net income							(8,008)	8,008	-		-
Dividends										(81)	(81)
(Acquisitions) / disposals of treasury shares and impact of capital increases				47					47		47
Changes in ownership interests							-		-	(2)	(2)
Cost of share-based payments and other ⁽²⁾					(811)		773		(38)		(38)
BALANCE AT DECEMBER 31, 2021	295,722	1,127	3,785	(237)	5	(3,407)	25,159	888	27,320	574	27,894

(1) Changes in the revaluation reserve correspond to the gain on sale of the Daimler shares in 2021 until the date of the sale (note 22-B); changes in reserves mainly correspond to actuarial gains on defined-benefit pension plans recognized during the period.

(2) Including Renault's €554 million gain on sale of the Daimler shares, reclassified in reserves (note 22-B) and Nissan's €252 million gain on sale of its Daimler shares, reclassified in reserves (note 12-D).

Details of changes in consolidated shareholders' equity in 2021 are given in note 18.

3.2.5 Consolidated cash flows

(€ million)	Notes	2021	2020
Net income		967	(8,046)
Cancellation of dividends received from unconsolidated listed investments		-	(11)
Cancellation of income and expenses with no impact on cash			
Depreciation, amortization and impairment		4,043	4,750
Share in net (income) loss of associates and joint-ventures		(515)	5,145
Other income and expenses with no impact on cash before interest and tax	26-A	298	1,513
Dividends received from unlisted associates and joint-ventures		29	5
Cash flows before interest and tax ⁽¹⁾		4,822	3,356
Dividends received from listed companies ⁽²⁾		-	11
Net change in financing for final customers		47	287
Net change in renewable dealer financing		1,534	2,820
Decrease (increase) in Sales Financing receivables		1,581	3,107
Bond issuance by the Sales Financing segment	23-C	686	1,598
Bond redemption by the Sales Financing segment	23-C	(4,342)	(2,621)
Net change in other debts of the Sales Financing segment		1,073	2,195
Net change in other securities and loans of the Sales Financing segment		(219)	884
Net change in financial assets and debts of the Sales Financing Segment		(2,802)	2,056
Change in capitalized leased assets		(413)	(929)
Change in working capital before tax	26-B	(154)	(1,192)
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INTEREST AND TAX		3,034	6,409
Interest received		72	71
Interest paid		(342)	(352)
Current taxes (paid) / received		(355)	(375)
CASH FLOWS FROM OPERATING ACTIVITIES		2,409	5,753
Property, plant and equipment and intangible investments	26-C	(3,001)	(4,208)
Disposals of property, plant and equipment and intangible assets		574	187
Acquisitions of investments involving gain of control, net of cash acquired		(103)	-
Acquisitions of other investments		(126)	(129)
Disposals of investments involving loss of control, net of cash transferred		-	-
Disposals of other investments ⁽³⁾		1,186	(146)
Net decrease (increase) in other securities and loans of the Automotive segments		(146)	57
CASH FLOWS FROM INVESTING ACTIVITIES		(1,616)	(4,239)
Dividends paid to parent-company shareholders	18-D	-	-
Transactions with non-controlling interests		(4)	10
Dividends paid to non-controlling interests	18-H	(81)	(21)
(Acquisitions) sales of treasury shares		(36)	(44)
Cash flows with shareholders		(121)	(55)
Bond issuance by the Automotive segments	23-C	2,241	1,000
Bond redemption by the Automotive segments	23-C	(829)	(590)
Net increase (decrease) in other financial liabilities of the Automotive segments		(1,922)	5,250
Net change in financial liabilities of the Automotive segments	23-B	(510)	5,660
CASH FLOWS FROM FINANCING ACTIVITIES		(631)	5,605
Increase (decrease) in cash and cash equivalents		162	7,119

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

(2) In 2020, dividends received from Daimler (€11 million).

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

(€ million)	2021	2020
Cash and cash equivalents: opening balance	21,697	14,982
Increase (decrease) in cash and cash equivalents	162	7,119
Effect of changes in exchange rate and other changes	88	(404)
Cash generated by assets held for sale	(19)	-
Cash and cash equivalents: closing balance ⁽¹⁾	21,928	21,697

(1) Cash subject to restrictions on use is described in note 22-D.

3.2.6 Notes to the condensed consolidated financial statements

3.2.6.1 Information on operating segments and regions

The operating segments defined by Renault Group are the following:

- The **"Automotive"** segments, which in practice consist of two segments:
 - The **"Automotive excluding AVTOVAZ"** segment, consisting of the Group's automotive activities as they existed before Renault acquired control of the AVTOVAZ group under IFRS 10. This segment comprises the production, sales, and distribution subsidiaries for passenger cars and light commercial vehicles, automotive service subsidiaries for the Renault, Dacia and Samsung brands, and the subsidiaries in charge of the segment's cash management. It also includes investments in automotive-sector associates and joint ventures, principally Nissan.
 - The **"AVTOVAZ"** segment, consisting of the Russian automotive group AVTOVAZ and its parent company Lada Auto Holding OOO (previously Alliance Rostec B.V., see note 3). This segment was formed at the end of 2016, after Renault acquired control, as defined by IFRS 10, over these entities in December 2016.

- The **"Sales Financing"** segment, which the Group considers as an operating activity in its own right, carried out for the distribution network and final customers by RCI Banque, its subsidiaries and its investments in associates and joint ventures.
- The **"Mobility Services"** segment consisting of services for new mobilities brought together in the holding company Renault M.A.I. (Mobility As an Industry).

The segment result regularly reviewed by the Board of Management (which replaces the Group Executive Committee from 2021), identified as the **"Chief Operating Decision-Maker"**, is the operating margin. The definition of this indicator is unchanged from previous years and is detailed in note 2-D Presentation of the consolidated financial statements.

The operating margin excludes restructuring costs.

The new brand-based organization announced by Luca de Meo, effective from 2021, did not affect the operating segments defined above. The presentation of business results by segment to the Board of Management continues to use the same segments as at December 31, 2020.

A. Information by operating segment

A1. Consolidated income statement by operating segment

(€ million)	Automotive (excluding AVTOVAZ) ⁽¹⁾	AVTOVAZ ⁽¹⁾	Intra- Automotive Transactions	Total automotive	Sales Financing	Mobility services	Intersegment transactions	Consolidated total
2021								
External sales	40,404	2,850	-	43,254	2,935	24	-	46,213
Intersegment sales	102	715	(715)	102	18	2	(122)	-
Sales by segment	40,506	3,565	(715)	43,356	2,953	26	(122)	46,213
Operating margin ^{(2) (3)}	258	249	(2)	505	1,185	(29)	2	1,663
Operating income	36	237	(2)	271	1,179	(54)	2	1,398
Financial income (expenses) ⁽⁴⁾	716	(51)	-	665	(14)	(1)	(1,000)	(350)
Share in net income (loss) of associates and joint-ventures	501	-	-	501	19	(5)	-	515
Pre-tax income	1,253	186	(2)	1,437	1,184	(60)	(998)	1,563
Current and deferred taxes	(248)	(20)	-	(268)	(327)	(1)	-	(596)
NET INCOME	1,005	166	(2)	1,169	857	(61)	(998)	967

(1) External sales by the Automotive (excluding AVTOVAZ) segment include sales to the AVTOVAZ group, which amount to €280 million for 2021, and these sales are thus included in the AVTOVAZ segment's intersegment transactions.

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

(3) The Automotive (excluding AVTOVAZ) segment's contribution to the operating margin after elimination of intersegment transactions amounts to €260 million in 2021.

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

(€ million)	Automotive (excluding AVTOVAZ) ⁽¹⁾	AVTOVAZ ⁽¹⁾	Intra- Automotive Transactions	Total automotive	Sales Financing	Mobility services	Intersegment transactions	Consolidated total
2020								
External sales	37,736	2,581	-	40,317	3,138	19	-	43,474
Intersegment sales	95	651	(651)	95	21	1	(117)	-
Sales by segment	37,831	3,232	(651)	40,412	3,159	20	(117)	43,474
Operating margin ^{(2) (3)}	(1,452)	140	1	(1,311)	1,007	(35)	2	(337)
Operating income	(3,061)	129	1	(2,931)	990	(60)	2	(1,999)
Financial income (expenses) ⁽⁴⁾	(414)	(52)	-	(466)	(15)	(1)	-	(482)
Share in net income (loss) of associates and joint-ventures	(5,161)	-	-	(5,161)	19	(3)	-	(5,145)
Pre-tax income	(8,636)	77	1	(8,558)	994	(64)	2	(7,626)
Current and deferred taxes	55	(273)	-	(218)	(205)	1	2	(420)
NET INCOME	(8,581)	(196)	1	(8,776)	789	(63)	4	(8,046)

(1) External sales by the Automotive (excluding AVTOVAZ) segment include sales to the AVTOVAZ group, which amount to €218 million in 2020, and these sales are thus included in the AVTOVAZ segment's intersegment transactions.

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

(3) The Automotive (excluding AVTOVAZ) segment's contribution to the operating margin after elimination of intersegment transactions amounts to €(1,450) million in 2020.

(4) Dividends paid by the Sales Financing segment to the Automotive segments are included in the Automotive segments' financial income and eliminated in the intersegment transactions. No dividend was paid in 2020.

A2. Consolidated financial position by operating segment

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive Transactions	Total automotive	Sales Financing	Mobility services	Intersegment transactions	Consolidated total
December 31, 2021								
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment and intangible assets	20,127	1,816	-	21,943	581	40	1	22,565
Investments in associates and joint-ventures	16,763	11	-	16,774	176	5	-	16,955
Non-current financial assets – equity investments	7,051	-	(836)	6,215	11	1	(6,155)	72
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segments	306	-	-	306	-	-	(5)	301
Deferred tax assets	351	10	-	361	189	-	-	550
Other non-current assets	875	17	(77)	815	151	-	-	966
Total non-current assets	45,473	1,854	(913)	46,414	1,108	46	(6,159)	41,409
CURRENT ASSETS								
Inventories	4,395	373	-	4,768	24	-	-	4,792
Customer receivables	934	118	(136)	916	40,020	4	(654)	40,286
Current financial assets	1,052	-	(1)	1,051	1,187	-	(858)	1,380
Current tax assets and other current assets	2,642	233	(4)	2,871	5,733	5	(4,664)	3,945
Cash and cash equivalents	13,478	535	(136)	13,877	8,040	14	(3)	21,928
Total current assets	22,501	1,259	(277)	23,483	55,004	23	(6,179)	72,331
Total assets	67,974	3,113	(1,190)	69,897	56,112	69	(12,338)	113,740
SHAREHOLDERS' EQUITY AND LIABILITIES								
SHAREHOLDERS' EQUITY	27,851	901	(839)	27,913	6,134	8	(6,161)	27,894
NON-CURRENT LIABILITIES								
Long-term provisions	2,277	21	-	2,298	565	-	-	2,863
Non-current financial liabilities	11,235	1,098	-	12,333	893	11	(5)	13,232
Deferred tax liabilities	344	24	-	368	640	1	-	1,009
Other non-current liabilities	1,181	77	(77)	1,181	276	-	-	1,457
Total non-current liabilities	15,037	1,220	(77)	16,180	2,374	12	(5)	18,561
CURRENT LIABILITIES								
Short-term provisions	1,564	42	-	1,606	35	-	-	1,641
Current financial liabilities	4,337	34	(137)	4,234	-	35	(664)	3,605
Trade payables and Sales Financing debts	7,604	619	(129)	8,094	45,843	5	(844)	53,098
Current tax liabilities and other current liabilities	11,581	297	(8)	11,870	1,726	9	(4,664)	8,941
Total current liabilities	25,086	992	(274)	25,804	47,604	49	(6,172)	67,285
Total shareholders' equity and liabilities	67,974	3,113	(1,190)	69,897	56,112	69	(12,338)	113,740

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive Transactions	Total automotive	Sales Financing	Mobility services	Intersegment transactions	Consolidated total
December 31, 2020								
ASSETS								
NON-CURRENT ASSETS								
Property, plant and equipment and intangible assets	21,432	1,569	-	23,001	415	66	-	23,482
Investments in associates and joint-ventures	14,981	2	-	14,983	129	7	1	15,120
Non-current financial assets – equity investments	7,908	-	(670)	7,238	3	-	(6,244)	997
Non-current financial assets – other securities, loans and derivatives on financing operations of the Automotive segments	257	-	-	257	-	-	(1)	256
Deferred tax assets	416	21	-	437	214	-	-	651
Other non-current assets	795	5	(32)	768	188	-	-	956
Total non-current assets	45,789	1,597	(702)	46,684	949	73	(6,244)	41,462
CURRENT ASSETS								
Inventories	5,337	262	-	5,599	41	-	-	5,640
Customer receivables	1,053	130	(113)	1,070	41,983	2	(1,325)	41,729
Current financial assets	1,065	-	(4)	1,061	943	-	(823)	1,181
Current tax assets and other current assets	2,667	274	(2)	2,939	6,122	5	(5,039)	4,027
Cash and cash equivalents	12,524	558	(133)	12,949	8,738	15	(5)	21,697
Total current assets	22,646	1,224	(252)	23,618	57,827	22	(7,192)	74,274
Total assets	68,435	2,821	(954)	70,302	58,776	95	(13,436)	115,737
SHAREHOLDERS' EQUITY AND LIABILITIES								
SHAREHOLDERS' EQUITY	25,346	678	(671)	25,353	6,195	48	(6,258)	25,338
NON-CURRENT LIABILITIES								
Long-term provisions	2,454	21	-	2,475	604	-	-	3,079
Non-current financial liabilities	11,489	1,030	-	12,519	890	15	(1)	13,423
Deferred tax liabilities	314	34	(1)	347	573	2	-	922
Other non-current liabilities	1,408	37	(32)	1,413	270	2	-	1,685
Total non-current liabilities	15,665	1,122	(33)	16,754	2,337	19	(1)	19,109
CURRENT LIABILITIES								
Short-term provisions	1,575	56	-	1,631	49	-	(1)	1,679
Current financial liabilities	5,145	139	(137)	5,147	(1)	18	(1,240)	3,924
Trade payables and Sales Financing debts	8,025	452	(108)	8,369	48,298	2	(845)	55,824
Current tax liabilities and other current liabilities	12,679	374	(5)	13,048	1,898	8	(5,091)	9,863
Total current liabilities	27,424	1,021	(250)	28,195	50,244	28	(7,177)	71,290
Total shareholders' equity and liabilities	68,435	2,821	(954)	70,302	58,776	95	(13,436)	115,737

A3. Consolidated cash flows by operating segment

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive Transactions	Total automotive	Sales Financing	Mobility services	Intersegment transactions	Consolidated total
2021								
Net income ⁽¹⁾	1,005	166	(2)	1,169	857	(61)	(998)	967
Cancellation of dividends received from unconsolidated listed investments	-	-	-	-	-	-	-	-
Cancellation of income and expenses with no impact on cash								
Depreciation, amortization and impairment	3,764	94	1	3,859	150	34	-	4,043
Share in net (income) loss of associates and joint-ventures	(502)	-	-	(502)	(18)	5	-	(515)
Other income and expenses with no impact on cash, before interest and tax	9	47	-	56	257	1	(16)	298
Dividends received from unlisted associates and joint-ventures	28	1	-	29	-	-	-	29
Cash flows before interest and tax	4,304	308	(1)	4,611	1,246	(21)	(1,014)	4,822
Dividends received from listed companies	-	-	-	-	-	-	-	-
Decrease (increase) in Sales Financing receivables	-	-	-	-	2,228	-	(647)	1,581
Net change in financial assets and Sales Financing debts	-	-	-	-	(2,852)	-	50	(2,802)
Change in capitalized leased assets	(218)	-	-	(218)	(195)	-	-	(413)
Change in working capital before tax	(370)	34	6	(330)	181	(3)	(2)	(154)
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INTEREST AND TAX	3,716	342	5	4,063	608	(24)	(1,613)	3,034
Interest received	46	32	(6)	72	-	-	-	72
Interest paid	(276)	(87)	6	(357)	-	-	15	(342)
Current taxes (paid)/received	(77)	(14)	-	(91)	(263)	(1)	-	(355)
CASH FLOWS FROM OPERATING ACTIVITIES	3,409	273	5	3,687	345	(25)	(1,598)	2,409
Purchases of intangible assets	(1,102)	(64)	-	(1,166)	(6)	(5)	-	(1,177)
Purchases of property, plant and equipment	(1,651)	(167)	(5)	(1,823)	(1)	-	-	(1,824)
Disposals of property, plant and equipment and intangibles ⁽²⁾	567	7	-	574	-	-	-	574
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired	(6)	-	-	(6)	(97)	-	-	(103)
Acquisitions and disposals of other investments and other ⁽³⁾	1,042	8	-	1,050	(4)	(3)	17	1,060
Net decrease (increase) in other securities and loans of the Automotive segments	(162)	-	(4)	(166)	-	5	15	(146)
CASH FLOWS FROM INVESTING ACTIVITIES	(1,312)	(216)	(9)	(1,537)	(108)	(3)	32	(1,616)
Cash flows with shareholders	(93)	(7)	-	(100)	(1,019)	15	983	(121)
Net change in financial liabilities of the Automotive segments	(1,005)	(108)	10	(1,103)	-	9	584	(510)
CASH FLOWS FROM FINANCING ACTIVITIES	(1,098)	(115)	10	(1,203)	(1,019)	24	1,567	(631)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	999	(58)	6	947	(782)	(4)	1	162
Cash and cash equivalents: opening balance	12,524	558	(133)	12,949	8,738	15	(5)	21,697
Increase (decrease) in cash and cash equivalents	999	(58)	6	947	(782)	(4)	1	162
Effect of changes in exchange rate and other changes	(45)	35	(9)	(19)	84	3	1	69
Cash and cash equivalents: closing balance	13,478	535	(136)	13,877	8,040	14	(3)	21,928

(1) Dividends paid by the Sales Financing segment to the Automotive segments are included in the net income of the Automotive (excluding Avtovaz) segment. They amount to €1,000 million in 2021 (no dividend was paid in 2020).

(2) The principal gains on disposals of property, plant and equipment and intangibles (€574 million at December 31, 2021) are presented in note 6-C.

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

(€ million)	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra- Automotive Transactions	Total automotive	Sales Financing	Mobility services	Intersegment transactions	Consolidated total
2020								
Net income ⁽¹⁾	(8,581)	(196)	1	(8,776)	789	(63)	4	(8,046)
Cancellation of dividends received from unconsolidated listed investments	(11)	-	-	(11)	-	-	-	(11)
Cancellation of income and expenses with no impact on cash								
Depreciation, amortization and impairment	4,571	80	-	4,651	83	16	-	4,750
Share in net (income) loss of associates and joint-ventures	5,160	-	-	5,160	(19)	4	-	5,145
Other income and expenses with no impact on cash, before interest and tax	754	317	-	1,071	452	14	(24)	1,513
Dividends received from unlisted associates and joint-ventures	3	2	-	5	-	-	-	5
Cash flows before interest and tax ⁽²⁾	1,896	203	1	2,100	1,305	(29)	(20)	3,356
Dividends received from listed companies ⁽³⁾	11	-	-	11	-	-	-	11
Decrease (increase) in Sales Financing receivables	-	-	-	-	2,837	-	270	3,107
Net change in financial assets and Sales Financing debts	-	-	-	-	2,154	-	(98)	2,056
Change in capitalized leased assets	(839)	-	-	(839)	(90)	-	-	(929)
Change in working capital before tax	(1,527)	233	(78)	(1,372)	180	2	(2)	(1,192)
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE INTEREST AND TAX	(459)	436	(77)	(100)	6,386	(27)	150	6,409
Interest received	51	22	(4)	69	-	2	-	71
Interest paid	(297)	(81)	4	(374)	-	-	22	(352)
Current taxes (paid)/received	(127)	(8)	-	(135)	(240)	-	-	(375)
CASH FLOWS FROM OPERATING ACTIVITIES	(832)	369	(77)	(540)	6,146	(25)	172	5,753
Purchases of intangible assets	(1,412)	(74)	-	(1,486)	(3)	(11)	-	(1,500)
Purchases of property, plant and equipment	(2,602)	(182)	83	(2,701)	(7)	-	-	(2,708)
Disposals of property, plant and equipment and intangibles	187	6	(6)	187	-	-	-	187
Acquisitions and disposals of investments involving gain or loss of control, net of cash acquired	-	-	-	-	-	-	-	-
Acquisitions and disposals of other investments and other	(281)	-	-	(281)	-	(23)	29	(275)
Net decrease (increase) in other securities and loans of the Automotive segments	42	2	(2)	42	-	(2)	17	57
CASH FLOWS FROM INVESTING ACTIVITIES	(4,066)	(248)	75	(4,239)	(10)	(36)	46	(4,239)
Cash flows with shareholders	(44)	-	-	(44)	(11)	29	(29)	(55)
Net change in financial liabilities of the Automotive segments	5,476	437	(143)	5,770	-	23	(133)	5,660
CASH FLOWS FROM FINANCING ACTIVITIES	5,432	437	(143)	5,726	(11)	52	(162)	5,605
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	534	558	(145)	947	6,125	(9)	56	7,119
Cash and cash equivalents: opening balance	12,231	70	(3)	12,298	2,762	-	(78)	14,982
Increase (decrease) in cash and cash equivalents	534	558	(145)	947	6,125	(9)	56	7,119
Effect of changes in exchange rate and other changes	(241)	(70)	15	(296)	(149)	24	17	(404)
Cash and cash equivalents: closing balance	12,524	558	(133)	12,949	8,738	15	(5)	21,697

(1) Dividends paid by the Sales Financing segment to the Automotive segments are included in the net income of the Automotive (excluding AVTOVAZ) segment. No dividend was paid in 2020.

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

(3) Dividends received from Daimler (€11 million).

A4. Other information for the Automotive segments: 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 segments.

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

NET CASH POSITION (NET FINANCIAL INDEBTEDNESS)

(€ million)	December 31, 2021			Total automotive
	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra-Automotive Transactions	
Non-current financial liabilities	(11,235)	(1,098)	-	(12,333)
Current financial liabilities	(4,337)	(34)	137	(4,234)
Non-current financial assets – other securities, loans and derivatives on financing operations	90	-	-	90
Current financial assets	979	-	(1)	978
Cash and cash equivalents	13,478	535	(136)	13,877
Net cash position (net financial indebtedness) of the Automotive segments	(1,025)	(597)	-	(1,622)

(€ million)	December 31, 2020			Total automotive
	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra-Automotive Transactions	
Non-current financial liabilities	(11,489)	(1,030)	-	(12,519)
Current financial liabilities	(5,145)	(139)	137	(5,147)
Non-current financial assets – other securities, loans and derivatives on financing operations	118	-	-	118
Current financial assets	1,024	-	(4)	1,020
Cash and cash equivalents	12,524	558	(133)	12,949
Net cash position (net financial indebtedness) of the Automotive segments	(2,968)	(611)	-	(3,579)

OPERATIONAL FREE CASH FLOW

(€ million)	2021			Total automotive
	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra-Automotive Transactions	
Cash flows (excluding dividends from listed companies) before interest and tax	4,304	308	(1)	4,611
Changes in working capital before tax ⁽¹⁾	(370)	34	6	(330)
Interest received by the Automotive segments	46	32	(6)	72
Interest paid by the Automotive segments	(276)	(87)	6	(357)
Current taxes (paid) / received	(77)	(14)	-	(91)
Acquisitions of property, plant and equipment, and intangible assets net of disposals	(2,186)	(224)	(5)	(2,415)
Capitalized leased vehicles and batteries	(218)	-	-	(218)
Operational free cash flow of the Automotive segments	1,223	49	-	1,272
<i>Payments for restructuring expenses</i>	<i>(593)</i>	<i>(9)</i>	<i>-</i>	<i>(602)</i>
Operational free cash flow of the Automotive segments excluding restructuring ⁽²⁾	1,816	58	-	1,874

(1) Settlements of supplier payables covered by a reverse factoring program that are analysed as financing operations are not included in the change in working capital, but in cash flows from financing activities (see note 2-P). No cash flow from financing activities in 2021, (€173 million in 2020, classified in the change in working capital).

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

(€ million)	2020			Total automotive
	Automotive (excluding AVTOVAZ)	AVTOVAZ	Intra-Automotive Transactions	
Cash flows (excluding dividends from listed companies) before interest and tax	1,896	203	1	2,100
Changes in working capital before tax ⁽¹⁾	(1,527)	233	(78)	(1,372)
Interest received by the Automotive segments	51	22	(4)	69
Interest paid by the Automotive segments	(297)	(81)	4	(374)
Current taxes (paid) / received	(127)	(8)	-	(135)
Acquisitions of property, plant and equipment, and intangible assets net of disposals	(3,827)	(250)	77	(4,000)
Capitalized leased vehicles and batteries	(839)	-	-	(839)
Operational free cash flow of the Automotive segments	(4,670)	119	-	(4,551)
<i>Payments for restructuring expenses</i>	<i>(325)</i>	<i>(14)</i>	<i>-</i>	<i>(339)</i>
Operational free cash flow of the Automotive segments excluding restructuring ⁽²⁾	(4,345)	133	-	(4,212)

(1) Settlements of supplier payables covered by a reverse factoring program that are analysed as financing operations are not included in the change in working capital, but in cash flows from financing activities. In 2020, such payments gave rise to an amount of €173 million.

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

ROCE

ROCE (Return On Capital Employed) is an indicator that measures the profitability of capital invested. It is reported for the Automotive segments. The shares in Sales Financing and Mobility

Services entities, Nissan, and Daimler (which was sold in 2021, see note 22-B) are not included in the definition of capital employed by the Automotive segments.

(€ million)	December 31, 2021	December 31, 2020
Operating margin	507	(1,311)
Normative tax rate	28%	28%
Operating margin after tax (A) ⁽¹⁾	365	(944)
Property, plant and equipment, intangible assets and goodwill	21,943	23,001
Investments in associates and joint-ventures excluding Nissan	540	365
Non-current financial assets – equity investments excluding RCI Banque SA, Renault M.A.I and Daimler	60	43
Working capital	(11,775)	(12,454)
Capital employed (B)	10,768	10,955
Return on capital employed (ROCE = A/B)	3.4%	(8.6)%

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

Working capital is determined from the following segment reporting items:

(€ million)	December 31, 2021	December 31, 2020
Other non-current assets	815	768
Inventories	4,768	5,599
Customer receivables	916	1,070
Current tax assets and other current assets	2,871	2,939
Other non-current liabilities	(1,181)	(1,413)
Trade payables	(8,094)	(8,369)
Current tax liabilities and other current liabilities	(11,870)	(13,048)
Working capital	(11,775)	(12,454)

B. Informations by Regions

Consolidated revenues are presented by location of customers.

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

(€ million)	Europe ⁽¹⁾	Americas	Asia Pacific	Africa & Middle East	Eurasia	Consolidated total
2021						
Revenues	31,975	3,432	2,688	1,573	6,545	46,213
- AVTOVAZ	3	4	-	20	3,103	3,130
Property, plant and equipment and intangible assets	17,806	561	660	770	2,768	22,565
- AVTOVAZ	1	-	-	-	1,815	1,816
2020						
Revenues	30,427	2,486	3,185	1,314	6,062	43,474
- AVTOVAZ	2	2	1	10	2,784	2,799
Property, plant and equipment and intangible assets	18,782	600	705	821	2,574	23,482
- AVTOVAZ	1	-	-	-	1,568	1,569

⁽¹⁾ France:

(€ million)	2021	2020
Revenues	13,139	12,019
Property, plant and equipment and intangible assets	12,857	13,869

In 2021 the Group modified its international organization. The Africa - Middle East - India - Asia Pacific region has been split into two new regions:

- Africa & Middle East,
- Asia Pacific.

The China region as presented at December 31, 2020 is now included in the Asia Pacific region.

Romania, Bulgaria and French overseas territories are now included in the Europe region.

The figures for 2020 correspond to the regions adopted in 2021.

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