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FIRST HALF 2021 RESULTS: RCI BANK AND SERVICES CONSOLIDATES ITS OPERATING PROFIT AND ACHIEVES RECORD LEVELS OF CUSTOMER RECOMMENDATION IN A RECOVERING AUTOMOTIVE MARKET COMPARED TO THE YEAR 2020

- 716,220 new financing contracts, for a total of new financing of €8.7 billion
- 178,684 contracts for used vehicles, up 13.5% compared to the first half of 2020
- Penetration rate¹ at 44.3% of registrations at the end of June 2021, i.e. +1.3 points higher than in the first half of 2019, before the health crisis
- Growth in loyalty offers and new services dedicated to electric vehicles in several countries for retail customers
- 2.3 million service contracts, up 18.8% compared to the first half of 2020
- A record level of customer recommendation, with a Net Promoter Score² of +52 points in June 2021, 5 points higher than the previous year.
- Average performing assets of €45.5 billion, down 5.5% compared to the end of June 2020
- Net banking income of €940 million, down 6.9% compared to the end of June 2020
- Cost of risk significantly improved to 0.16% of APA³ from 0.99% in the first half of 2020
- Group pre-tax income of €599 million

"In a turbulent economic context, RCI Bank and Services has shown its resilience and kept its commercial and financial performance at robust levels. With pre-tax income of €599 million, RCI Bank and Services continues to represent a strong contribution to Renault Group's results. These sound bases and the commitment of RCI Bank and Services' teams are key assets on which the group can count during the second half of the year"," said Clotilde Delbos, Chairman of the Board of Directors of RCI Banque S.A.

"RCI Bank and Services continued its activity in a context of recovery for the automotive market compared to 2020. This first half of the year was marked by a penetration rate of 44.3%, an increase of 1.3 points compared to the day before the health crisis. In recent months, our customers have confirmed their interest in our loyalty offers and our innovative services, including those dedicated to electric vehicles. This is evidenced by a record level of customer recommendation and a strong operating margin, both of which are the result of the commitment of our employees. ", explains João Leandro, Chief Executive Officer of RCI Bank and Services.

¹ Overall penetration rate excluding companies accounted for under the equity method (Russia, Turkey and India).

² The Net Promoter Score (NPS) is the percentage of customers who rate their probability of recommending a company, product or service to a friend or colleague as 9 or 10 ("promoters") minus the percentage who rate this probability as 6 or less ("detractors") on a scale of 0 to 10. Result of a survey of retail customers of new and used vehicles who are mid-contract, in 22 countries.

³ Average performing assets (APA) correspond to average loans outstanding plus assets relating to operational leasing activities. For customers, APA corresponds to average performing assets at the end of the month. For the network, APA corresponds to daily average performing assets.

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RECORD CUSTOMER RECOMMENDATION LEVELS IN A RECOVERING GLOBAL AUTOMOTIVE MARKET

In a car market that recovered by 32.3% in countries where the RCI Bank and Services' subsidiaries operate⁴, the Alliance brands' volumes stood at 1.5 million vehicles in the first half of 2021. RCI Bank and Services' penetration¹ rate reached 44.3%, up 1.3 points compared with the first half of 2019⁵.

The volume of new vehicle financing contracts stood at 537,536 at the end of June 2021. The used vehicle financing business grew by 13.5% with 178,684 contracts at the end of June 2021. Thus, the total volume of new financing contracts amounted to 716,220 contracts in the first half of 2021, for a total amount of new financings of €8.7 billion, up from €7.7 billion in the first half of 2020. This overall increase is also due to the increase in the average financed amount (€12,200 instead of €11,800 in the first half of 2020).

In the first half of the year, RCI Bank and Services continued its offensive on leasing offers. These offers make it easier for customers to renew their vehicles while benefiting from competitive monthly payments. 44% of the group's customers have subscribed to this type of offer (+4 points compared with the first half of 2020), with this proportion exceeding 80% in the most mature markets. Customers appreciate flexible offers, such as leasing formulas in France that allow customers to stop their financing contract after six months free of charge, or allowing electric vehicle customers to have a combustion vehicle for a certain period in France and Spain. This electric vehicle service has made a significant breakthrough in France (+15% increase of the penetration rate).

Service activity saw a 18.8% increase in volumes versus the previous year. 2.3 million insurance and service contracts were sold in the first half of 2021 (more than 3.2 services per financing contract).

RCI Bank and Services concludes the first half of 2021 with a record level of customer recommendation, achieving a Net Promoter Score² of +52 points, 5 points higher than the previous year. This result reflects the main focus of the group: put customers at the heart of its actions.

RCI BANK AND SERVICES CONSOLIDATES A ROBUST OPERATING PROFIT

Excluding currency effect, customer average performing assets⁶ were stable at €37.5 billion. The reduction in dealer inventories, linked to the shortage of semi-conductors, which impacts vehicle manufacturing, and the network vehicle inventory optimization strategy implemented by Renault Group brands, led to a -23.2% drop in network average performing assets, which stood at €7.9 billion.

Overall, RCI Bank and Services' average performing assets decreased by 5.5% compared to the first half of 2020 to reach €45.5 billion.

Net banking income (NBI) reached €940 million, down by almost 7% compared to the end of June 2020, correlated with the drop in average performing assets. The contribution of service activities to NBI increased slightly compared to the first half of 2020 and now represents more than one third of NBI.

⁴ RCI Bank and Services operates in 36 countries.

⁵ The penetration rate is down by 3.4 percentage points compared to the first half of 2020 due to the distortion of the mix during this period as a result of containment measures.

⁶ Customer average performing assets were down slightly (-0.7% vs. end of June 2020) to €37.5 bn compared to 1st half of 2020.

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The cost of risk on the Customer business (retail customer and corporate customer financing) improved significantly to 0.32% of APA in the first half of 2021 compared to 1.15% of APA last year. This improvement is explained by the reversal of provisions following a significant improvement in the amounts recovered from lockdowns in the various countries where the group operates. The coverage rate of our customer exposures at risk increased slightly to 2.2%.

In the Dealership network business (dealer financing), the decline in performing assets at the end of June 2021 (-18.0%) led to reversals of provisions. The cost of risk for the first half of the year is an income corresponding to -0.56% of the APA against a charge of 0.38% the previous year.

The total cost of risk is therefore 0.16% of APA compared to 0.99% in the first half of 2020.

The operating costs amounted to €305 million against €308 million in the first half of 2020, showing RCI Bank and Services' capacity to adjust to its operating costs. Operating costs represent 1.35% of APA.

Supported by the net improvement in the cost of risk, the pre-tax income amounted to €599 million, an increase of 26.6% compared to 2020 over the same period.

DEPOSITS INCREASE SLIGHTLY IN A CONTEXT OF LOW FINANCING NEEDS

Funding requirements remained modest and the group took a number of initiatives to reduce its liquidity reserve which had reached an all-time high at the end of 2020. In this context, RCI Bank and Services has not issued on the bond market and has sought to slow the pace of growth in customer savings, which have increased by €0.6 billion since 31 December 2020 to €21.1 billion, representing growth of 3% compared with 15% in 2020.

RCI BANK AND SERVICES IS ALREADY COMMITTED TO ACHIEVING ITS OBJECTIVES IN 2021

In 2021, RCI Bank and Services has affirmed that the satisfaction of its four customers (end customers, Alliance manufacturers, dealers and employees) is central to its ambitions. In the space of six months, the RCI Bank and Services group has already completed major projects in line with its **four priorities**:

- Several offers make it possible to **propose more digital paths to customers, via a "phygital" approach with an ultra-personalised purchasing path**, drawing on the strengths of e-commerce. For example, Renault Easy Lease is implementing a fully omnichannel path in Italy such as Renault On Demand in Brazil. In France, a 100% digital path applies to the stock of new Renault vehicles, as well as to RRG's online catalogue. The share of contracts taken out online has jumped in South Korea.
- With the aim of **moving from selling cars to selling kilometres**, RCI Bank and Services has launched even more flexible usage-based offers packaged with services, in particular for Renault and Dacia in France, but also experiments based on the subscription principle in several countries, leading to the acquisition of the car subscription company Bipi in July.

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- With the improvement of its cost of risk, the control of its consolidated operating profit, and the launch of collecting savings in the Netherlands at the beginning of July in cooperation with the fintech Raisin.nl, RCI Bank and Services is pursuing one of its ambitions: **to consolidate and optimise its business model, maintaining a high level of profitability**, applying strict control of its structural costs and making the best possible use of its main sources of financing and its capital. To this end, RCI Bank and Services has chosen to steer its profitability using the RORWA⁷, a standard indicator in the banking industry that measures the bank's profitability in relation to its risk-weighted assets and aims to achieve a minimum RORWA of at least 1.9%.
- RCI Bank and Services is developing **new working methods and organisations**, by relying both on collective intelligence and the expertise of each employee and their ability to take risks. With more than 150 employees already involved in tribes and *squads* dedicated to subjects as varied as CSR, customer onboarding and compliance, RCI Bank and Services also aligned with the Renault Group's brand organisation in order to integrate ever more closely with the commercial strategies of the carmaker brands.

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About RCI Banque S.A.:

Created and wholly owned by Renault Group, RCI Banque S.A. is a French bank specializing in automotive financings and services for the customers and dealership networks of Renault Group (Renault, Dacia, Alpine, Renault Samsung Motors and Lada) worldwide, the Nissan group (Nissan, Infiniti and Datsun) mainly in Europe, Brazil, Argentina and South Korea and through joint ventures in Russia and India, and Mitsubishi Motors in the Netherlands.

RCI Bank and Services has been the new commercial identity of RCI Banque S.A. since February 2016.

With 3,800 employees in 36 countries, the group financed over 1.5 million contracts (for new and used vehicles) in 2020 and sold more than 4.6 million services.

At end-December 2020, average performing assets stood at €46.9 billion in financing and pre-tax income at €1.003 million.

RCI Bank and Services has rolled out a deposits collection business in seven countries since 2012. At end-December 2020, net collected deposits totaled €20.5 billion, or 43% of the company's net assets.

Find out more about RCI Bank and Services: www.rcibs.com

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⁷ Return on Risk Weighted Assets, calculated as the result after tax divided by the average risk-weighted assets.