STANDARD & POOR'S RATINGS SERVICES

RatingsDirect®

# RCI Banque

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# RCI Banque

| SACP | bbb- |
|---|---|

| | | |
|---|---|---|
| Anchor | bbb+ | |
| Business Position | Weak | -2 |
| Capital and Earnings | Strong | +1 |
| Risk Position | Adequate | 0 |
| Funding | Below Average | -1 |
| Liquidity | Adequate | |

\+

| Support | +1 |
|---|---|
| GRE Support | 0 |
| Group Support | 0 |
| Sovereign Support | +1 |

\+

| Additional Factors | 0 |
|---|---|

| Issuer Credit Rating |
|---|
| BBB/Negative/A-2 |

## Major Rating Factors

| Strengths: | Weaknesses: |
|---|---|
| • Moderate systemic importance in France.<br>• A regulated bank.<br>• Strong capitalization. | • Wholesale-funded business.<br>• Business concentration on car financing.<br>• Commercial dependence on parent's franchise and product cycles. |

### Outlook: Negative

Standard & Poor's Ratings Services' negative outlook on Renault S.A.'s captive finance company RCI Banque (RCI) reflects our view that there is a one-in-three possibility that the bank's growth in emerging markets, or a protracted sluggish economic environment across the eurozone could negatively affect its creditworthiness. This would lead us to revise downward our current assessment of RCI's capital position by lowering our projected risk-adjusted capital (RAC) ratio below 10%. The negative outlook also factors in the potential for deteriorating liquidity although this is a remote scenario.

We might also lower the ratings on RCI if its support from the French government in times of need became weaker than we currently anticipate, which would lead us to revise our view of RCI's systemic importance in France to "low" from "moderate." This would translate into a one-notch downgrade of RCI.

We might revise the outlook to stable if we saw RCI demonstrating that it had enough earnings generation and capital build-up capacity to maintain a capital position compatible with our current assessment.

If we lowered our long-term rating on Renault we would likely lower our ratings on RCI.

## Rationale

The starting point for our ratings on RCI is its 'bbb+' anchor, which factors in the bank's lending activities in countries with higher economic risks than France. We consider RCI's business position to be "weak," as defined in our criteria. This reflects our view of the bank's concentration on car finance and auto leasing, and is in line with our assessment of other European captive car finance companies. We assess RCI's capital and earnings as "strong" because we believe that the quality of capital is high and we anticipate that our RAC ratio will grow slightly above 10% by year-end 2014. Our assessment of RCI's risk position as "adequate" balances the low-risk nature of its exposure with its high sector concentration on auto dealers. We view funding as "below average" and liquidity as "adequate," owing to RCI's wholesale funding profile, which we see as a ratings weakness, and conservative liquidity management. The ratings also reflect our view that RCI is to some extent insulated from its parent Renault and that it would potentially benefit from government support.

### Anchor: 'bbb+' reflecting geographic diversification in countries with higher economic risks than France

RCI's 'bbb+' anchor factors in its lending activities in countries with higher economic risks than France, and the French banking system's industry risk. Our bank criteria use our Banking Industry Country Risk Assessment (BICRA) economic risk and industry risk scores to determine a bank's anchor, the starting point in assigning an issuer credit rating.

We assess the weighted-average economic risk score for RCI at around '4' on a scale of 1-10 ('1' being the lowest risk and '10' the highest). This is lower than the '3' economic risk score for a bank with 100% exposure to France. The calculation is based on the breakdown of RCI's outstanding loans, which we approximate as follows: France (35%), Germany (15%), Italy (10%), Brazil (10%), Spain (5%), the U.K. (5%), South Korea (5%), and the rest of the world (15%). RCI's industry risk score of '3' reflects that it is domiciled and primarily regulated in France. The combination of the blended economic risk and industry risk results in a 'bbb+' anchor for RCI.

Our economic risk score of '3' for France reflects our view that its economy is stable and wealthy, with low private-sector credit risk but feeble growth prospects. Our '3' industry risk score reflects our view of financial institutions' reduced ability to extract revenues from their domestic market. We view the trends for both economic risk and industry risk in France as stable.

**Table 1**

| RCI Banque Key Figures | | | | | |
|---|---|---|---|---|---|
| | --Year-ended Dec. 31-- | | | | |
| **(Mil. €)** | **2012** | **2011** | **2010** | **2009** | **2008** |
| Adjusted assets | 28,680.0 | 27,020.0 | 24,026.0 | 24,164.0 | 23,003.0 |
| Customer loans (gross) | 27,020.0 | 25,800.0 | 22,973.0 | 21,899.0 | 21,826.0 |
| Adjusted common equity | 2,401.0 | 2,200.0 | 2,033.0 | 1,956.0 | 1,895.0 |
| Operating revenues | 1,242.0 | 1,188.0 | 1,132.0 | 1,035.0 | 1,027.0 |
| Noninterest expenses | 383.0 | 357.0 | 347.0 | 362.0 | 366.0 |
| Core earnings | 522.6 | 516.4 | 487.2 | 324.1 | 312.9 |

## Business position: A European captive auto finance company

We assess RCI's business position as weak, owing to its concentration on car finance and auto leasing. The two businesses are somewhat correlated to the highly cyclical automotive industry, in our view. This is in line with our assessment of other European captive car finance companies.

We believe that RCI's coverage of multiple brands and its international presence brings some stability to its business model. Renault wholly owns RCI, which acts as a captive finance arm for the Renault-Nissan alliance brands: Renault, Dacia, Renault Samsung Motors, Nissan, and Infiniti. The bank supports the alliance's sales in Europe, Latin America, Northern Africa, and South Korea. It is mainly present in Western Europe, with the region representing about half the alliance's total unit sales, but around three quarters of Renault's. RCI's penetration rate into the alliance's unit sales within its geographic boundary was 35.5% as of June 30, 2013, in the upper range of European captive finance companies.

In our view, RCI's credit production is still somewhat correlated with auto industry cycles. However, the bank's revenue base has remained resilient, thanks to its loan book being less volatile than car industry sales and generating interest income and credit-related fees accounting for nearly a fifth of revenues. The bank provides various financing solutions for its customers and dealer network, and ancillary services such as insurance or warranty extension.

We believe that RCI's strategy has been credible and predictable over the last few years. Management shows a low risk appetite and has posted very stable returns over the past decade. In addition, its track record during and after the 2008-2009 crisis has been satisfactory, in our view.

**Table 2**

| RCI Banque Business Position | | | | | |
|---|---|---|---|---|---|
| | --Year-ended Dec. 31-- | | | | |
| **(%)** | **2012** | **2011** | **2010** | **2009** | **2008** |
| Total revenues from business line (currency in millions) | 1,247.0 | 1,188.2 | N/A | N/A | N/A |
| Commercial banking/total revenues from business line | 19.2 | 20.9 | N.M. | N.M. | N.M. |
| Retail banking/total revenues from business line | 80.1 | 79.1 | N.M. | N.M. | N.M. |
| Commercial & retail banking/total revenues from business line | 99.3 | 100.0 | N.M. | N.M. | N.M. |
| Return on equity* | 18.7 | 19.6 | 19.7 | 14.2 | 13.6 |

*Standard & Poor's calculation. N/A--Not applicable. N.M.--Not meaningful.

## Capital and earnings: Strong capitalization and resilient earnings

We believe a high quality of capital and resilient profitability will allow RCI to maintain strong capitalization. We view RCI's capital and earnings as strong, as our criteria define this term.

We expect adequate earnings retention and moderate loan book growth to allow RCI's RAC ratio to grow slightly above 10% by year-end 2014. This capitalization level compares favorably with French banks, although it is in the low range of European captive peers that we rate. Our RAC ratio of 9.8% as of Dec. 31, 2012, is much lower than the regulatory one, notably because we apply higher risk weights than regulators. RCI posted a regulatory Core Tier 1 ratio of 13.4% on June 30, 2013, excluding a Basel I transitory floor of 80%.

We consider RCI's Total Adjusted Capital (TAC), the numerator of our RAC ratio, to be of high quality. We expect

Renault to remain supportive of strong capitalization at its bank. Until 2009, dividend distribution was high at 95% of net income, but RCI has lowered this to around 50% over the past two years. We understand that RCI tries to keep its regulatory ratio above 10%, including the Basel I floor, while maintaining an adequate return on equity. The bank's large €2.4 billion TAC is also only composed of common equity, whereas its regulatory capital comprises €125 million of subordinated debt.

We expect RCI to continue posting resilient and strong profits for the next couple of years. We believe revenue should stabilize as low single-digit loan book progression and increased income from the sales of insurance and services should counteract potentially contracting net interest margins. We also expect RCI to maintain good control over its overhead expenses and credit risk. RCI has developed strong earnings capacity in recent years compared with peers, as illustrated by a core earnings-to-average adjusted assets ratio, which excludes nonrecurring items and intangibles, of an average 1.7% over 2008-2012, significantly above peers.

We consider that RCI's earnings quality is moderate. In our view, the monoline and captive to a cyclical industry nature of RCI's business is only partially mitigated by stringent cost controls. RCI posted the lowest cost-to-income ratio among the European captive peers that we rate--31% on Dec. 31, 2012, compared with an average of 47%. This is half the 50 top European banks' average cost-to-income ratio of around 64%.

In our view, the bank's loan book should continue to grow in 2013 and 2014, thanks to new financing of about €11 billion per year, similar to the last two years. We forecast that RCI will maintain a high penetration rate of around 35%, while benefiting from a somewhat supportive brand and country mix. According to LMC Automotive, a provider of auto industry data, vehicles sales of Renault-Nissan Alliance in the countries covered by the bank should contract by 3.5% in 2013 but rebound by 5.4% in 2014.

**Table 3**

| RCI Banque Capital And Earnings | | | | | |
|---|---|---|---|---|---|
| | --Year-ended Dec. 31-- | | | | |
| **(%)** | **2012** | **2011** | **2010** | **2009** | **2008** |
| Tier 1 capital ratio | 11.1 | 10.5 | 10.6 | 10.4 | 9.5 |
| S&P RAC ratio before diversification | 9.8 | 10.2 | 9.6 | 11.4 | N.M. |
| S&P RAC ratio after diversification | 11.7 | 12.0 | 11.3 | 12.9 | N.M. |
| Adjusted common equity/total adjusted capital | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |
| Net interest income/operating revenues | 79.7 | 83.2 | 85.3 | 85.3 | 83.6 |
| Fee income/operating revenues | 1.5 | 1.5 | 1.7 | 1.7 | 2.4 |
| Market-sensitive income/operating revenues | (0.4) | 0.5 | (0.1) | 0.4 | 0.4 |
| Noninterest expenses/operating revenues | 30.8 | 30.1 | 30.7 | 35.0 | 35.6 |
| Preprovision operating income/average assets | 3.1 | 3.2 | 3.2 | 2.8 | 2.7 |
| Core earnings/average managed assets | 1.9 | 2.0 | 2.0 | 1.4 | 1.3 |

N.M.--Not meaningful.

**Table 4**

**RCI Banque Risk-Adjusted Capital Framework Data**

| (Mil. €) | Exposure* | Basel II RWA | Average Basel II RW (%) | Standard & Poor's RWA | Average Standard & Poor's RW (%) |
|---|---|---|---|---|---|
| **Credit risk** | | | | | |
| Government and central banks | 953 | 125 | 13 | 128 | 13 |
| Institutions | 1,243 | 300 | 24 | 307 | 25 |
| Corporate | 10,415 | 7,063 | 68 | 8,554 | 82 |
| Retail | 16,443 | 7,650 | 47 | 10,794 | 66 |
| Of which mortgage | 0 | 0 | 0 | 0 | 0 |
| Securitization | 0 | 0 | 0 | 0 | 0 |
| Other assets | 1,234 | 450 | 36 | 1,711 | 139 |
| Total credit risk | 30,288 | 15,588 | 51 | 21,494 | 71 |
| **Market risk** | | | | | |
| Equity in the banking book¶ | 70 | 13 | 229 | 791 | 1,130 |
| Trading book market risk | -- | 0 | -- | 0 | -- |
| Total market risk | -- | 13 | -- | 791 | -- |
| **Insurance risk** | | | | | |
| Total insurance risk | -- | -- | -- | 229 | -- |
| **Operational risk** | | | | | |
| Total operational risk | -- | 1,950 | -- | 1,989 | -- |
| **(Mil. €)** | | **Basel II RWA** | | **Standard & Poor's RWA** | **% of Standard & Poor's RWA** |
| **Diversification adjustments** | | | | | |
| RWA before diversification | | 17,550 | | 24,502 | 100 |
| Total adjustments to RWA | | -- | | (3,915) | (16) |
| RWA after diversification | | 17,550 | | 20,587 | 84 |
| **(Mil. €)** | | **Tier 1 capital** | **Tier 1 ratio (%)** | **Total adjusted capital** | **Standard & Poor's RAC ratio (%)** |
| **Capital ratio** | | | | | |
| Capital ratio before adjustments | | 2,396 | 13.7 | 2,401 | 9.8 |
| Capital ratio after adjustments§ | | 2,396 | 11.1 | 2,401 | 11.7 |

*Exposure at default. €Securitization exposure includes the securitization tranches deducted from capital in the regulatory framework. ¶Exposure and Standard & Poor's risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. §Adjustments to Tier 1 ratio are additional regulatory requirements (e.g. transitional floor or Pillar 2 add-ons). RWA--Risk-weighted assets. RW--Risk weight. RAC--Risk-adjusted capital. Sources: Company data as of Dec. 31, 2012, Standard & Poor's.

## Risk position: Low risk but high sector concentration on auto dealers

We assess RCI's risk position as adequate, balancing the low risk nature of its exposure with its high sector concentration on auto dealers.

We believe RCI has low credit risk, given the collateralized nature of its credit exposure. The bank has a track record of low credit losses, which have been below the European captive peers' average since 2010. Over the past five years, there has been a net reduction in cost of risk, notably due to the bank's reinforced recovery procedures and origination policy. Stricter acceptances criteria and the implementation of stringent measures, especially in more vulnerable countries such as Spain, should continue to stabilize asset quality indicators. In a still-weak economic environment, we believe cost of risk will trend back toward, but remain below, its historical average of 60 basis points (bps) at 50 bps for 2013 and 2014.

Given the nature of its business, RCI has a strong sector concentration on auto dealers, but the exposure remains low risk, in our view. We believe that this exposure is by nature highly correlated to the cycles of the auto industry. However, it is also highly collateralized as the bank has either recourse on assets financed (95% of the exposure as of year-end 2012) or benefits from financial collateral (17%). In addition, loans to dealers have short maturities, reserving policy is adequate, and cost of risk has been historically much lower than exposure to individuals. We understand that the credit quality of RCI's network of dealers did not deteriorate in 2012, and that it has actually improved since 2008.

RCI's adequate customer diversification is in line with its rated European captive peers, and has similar granularity. Over half the bank's exposure is a portfolio of highly granular loans to individuals. Another 30%, approximately, are Renault or Nissan dealers. The rest are small and medium enterprises and blue chip corporates. The dealers and corporate portfolios entail some single-name exposure, but represent around a low half of RCI's TAC.

We view RCI's adequate geographic spread as neutral for its ratings. Although the bank's presence spans 36 countries, more than a third of its loan book is located in France and nearly half in other Western European countries. Overall, around 80% of RCI's exposure is in eurozone countries, which we believe are politically and economically correlated.

Growth in countries with higher economic risks than some of RCI's current core markets cancels out the geographic diversification benefits the bank gets from expanding outside Western Europe. We believe that the Western European share of RCI's loan portfolio should gradually decrease as the bank is growing in emerging markets, where it is more involved than its European captive peers. RCI has significant exposure in Brazil (10%) and South Korea (5%), and strong ambitions in Russia and Turkey. We understand credit risk in those countries remains low and well covered.

**Table 5**

**RCI Banque Risk Position**

| | --Year-ended Dec. 31-- | | | | |
|---|---|---|---|---|---|
| **(%)** | **2012** | **2011** | **2010** | **2009** | **2008** |
| Growth in customer loans | 4.7 | 12.3 | 4.9 | 0.3 | (10.2) |
| Total diversification adjustment / S&P RWA before diversification | (16.0) | (14.6) | (15.7) | (11.7) | N.M. |
| Total managed assets/adjusted common equity (x) | 12.0 | 12.3 | 11.9 | 12.4 | 12.2 |
| New loan loss provisions/average customer loans | 0.3 | 0.2 | 0.4 | 0.9 | 0.9 |
| Net charge-offs/average customer loans | 0.6 | 0.6 | 0.8 | 0.5 | 0.2 |
| Gross nonperforming assets/customer loans + other real estate owned | 3.5 | 3.5 | 4.8 | 6.1 | 5.3 |
| Loan loss reserves/gross nonperforming assets | 85.1 | 95.0 | 86.7 | 76.7 | 78.4 |

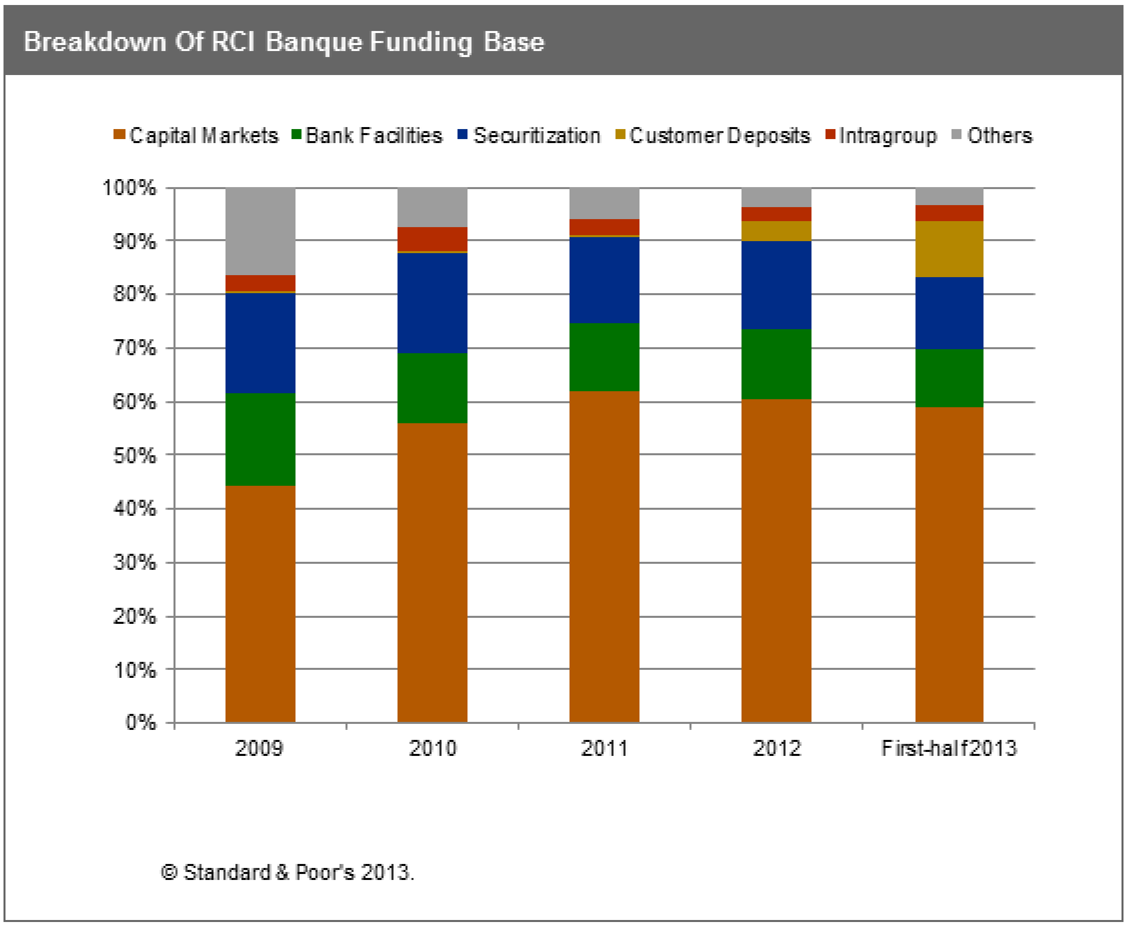
N.M.--Not meaningful.

### Funding and liquidity: A below-average funding profile mitigated by conservative liquidity management

We view RCI's funding as below average and its liquidity as adequate, as our criteria define these terms.

We view RCI's wholesale funding profile as a ratings weakness. The bank needs to regularly tap the wholesale debt market to finance new loans and maintain an at-least-stable loan book. It has a strong bias toward highly confidence-sensitive capital market funds, which formed 59% of its funding base, excluding equity, as of June 30, 2013 (see chart 1). We view positively the bank's ongoing efforts to diversify its funding sources, including the collection of deposits, and lengthen their maturities, as this gives it more flexibility and options in the event of market turbulence. We therefore expect RCI's stable funding ratio to gradually improve in the next two years from a low 69% on June 30, 2013, but to still remain well below 100%.

**Chart 1**




We believe that the stability of RCI's deposits has yet to be demonstrated, given their short history and untested resilience. RCI has raised retail deposits via direct channels since February 2012 in France and February 2013 in Germany. These deposits are spread over a narrower range of products than larger French banks, are strongly biased toward call balances, are significantly dependent on top-quartile interest rates, and, only in France, promotional periods. We take comfort from our understanding that the bank applies conservative deposit outflow assumptions to manage its liquidity, and that nearly all of its deposits are covered by deposit insurance. We understand that the bank expects retail deposits to represent 20%-25% of its funding base in 2016, up from 10% on June 30, 2013. This would be much lower than the average for large French banks.

We view RCI's liquidity as adequate because:

- We assess that RCI could withstand a debt market closure for at least six months while continuing to produce loans. RCI negotiated undrawn committed bank credit lines totaling €4.0 billion on June 30, 2013 that mature beyond one year and that cover most of its 12-month liquidity needs.
- We believe that dependence on the European Central Bank (ECB) would represent less than 25% of RCI's liquidity needs after the first six months if RCI used all available undrawn committed credit lines and liquid assets. RCI maintains a sizeable portfolio of ECB eligible collateral that amounted to €2.2 billion after haircut on June 30, 2013.
- We assume that RCI would reduce its loan book in times of liquidity stress on a going-concern basis. Its business model is less dependent on customer relationships than traditional retail banks. In our view, decreasing parental sales would generally translate into a slowdown of new financings, and hence lower RCI's funding needs.

Our assessment of RCI's liquidity as adequate takes thus into account qualitative factors that are not captured into our calculation of the bank's broad liquid assets to short-term wholesale funding ratio. RCI's ratio stood at 15% on June 30, 2013, which compares unfavorably to banks globally. The ratio implies that, for the consolidated balance sheet, there is a €7.0 billion shortfall of on-balance-sheet broad liquid assets to cover the run off of short-term wholesale funds. RCI manages its liquidity around a "centralized refinancing perimeter," (CRP) which represents around 85% of its consolidated balance sheet. We assume that the bank bears little liquidity risk for the remaining 15%. We understand that RCI manages the liquidity over this perimeter the same way as on the CRP and that, in general, shareholders agreements' commit RCI's bank partners to cover the liquidity needs of local subsidiaries, which are mainly joint ventures, in case of liquidity stress.

Our assessment of liquidity is also supported by the shorter average tenor of customer loans and receivables compared with the average tenor of debt. Debt redemptions are also well spread across time, in our view. We also observe that the bank has retained good investor access to date and, based on market indicators, is not an outlier compared to banks within the same rating category.

RCI's refinancing is completely independent from Renault, one of our prerequisites for our rating differentiation between the bank and its parent.

**Table 7**

| RCI Banque Funding And Liquidity | | | | | |
|---|---|---|---|---|---|
| | --Year-ended Dec. 31-- | | | | |
| **(%)** | **2012** | **2011** | **2010** | **2009** | **2008** |
| Core deposits/funding base | 6.7 | 3.1 | 3.3 | 3.2 | 3.4 |
| Customer loans (net)/customer deposits | 1,619.5 | 3,473.0 | 3,357.3 | 3,139.8 | 3,169.2 |
| Long term funding ratio | 64.9 | 57.1 | 52.7 | 51.1 | 53.4 |
| Stable funding ratio | 64.5 | 56.5 | 52.3 | N/A | N/A |
| Short-term wholesale funding/funding base | 38.9 | 47.5 | 52.8 | 54.1 | 51.7 |
| Broad liquid assets/short-term wholesale funding (x) | 0.1 | 0.1 | 0.1 | N/A | N/A |
| Net broad liquid assets/short-term customer deposits | (761.9) | (5,812.4) | (8,771.0) | N/A | N/A |

**Table 7**

| RCI Banque Funding And Liquidity (cont.) | | | | | |
|---|---|---|---|---|---|
| Short-term wholesale funding/total wholesale funding | 41.6 | 49.1 | 54.6 | 55.9 | 53.5 |
| Narrow liquid assets/3-month wholesale funding (x) | 0.3 | 0.2 | 0.3 | N/A | N/A |

N/A--Not applicable.

### External support: To some extent insulated from parent Renault and potentially benefiting from government support

We believe RCI is to some extent insulated from its 100%-owner Renault due to its regulatory and legal status as a bank, higher stand-alone credit profile (SACP), and fully independent refinancing strategy.

We cap the rating on RCI two notches above that on its parent, given our view that RCI is of moderate systemic importance in France and our assessment of the French government as supportive of its banking system. For regulated subsidiaries, and under our captive finance operations criteria, we generally cap the long-term rating on captive finance subsidiaries one notch above the long-term rating on the parent. However, we believe that possible extraordinary government support in times of need would further insulate RCI from potential distress at the parent company level.

### Additional rating factors: None

No additional factors affect this rating.

## Related Criteria And Research


- France-Based RCI Banque Outlook Revised To Negative On France's Rising Economic Risks; 'BBB/A-2' Ratings Affirmed, Nov. 5, 2012
- Banks: Rating Methodology And Assumptions, Nov. 9, 2011
- Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011
- Group Rating Methodology And Assumptions, Nov. 9, 2011
- Bank Hybrid Capital Methodology And Assumptions, Nov. 1, 2011
- Bank Capital Methodology And Assumptions, Dec. 6, 2010
- Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Captive Finance Operations, April 17, 2007
- Regulation Benefits Ratings On European Automakers' Captive Finance Subsidiaries, May 18, 2006

## Anchor Matrix

| Industry Risk | Economic Risk | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | **4** | 5 | 6 | 7 | 8 | 9 | 10 |
| 1 | a | a | a- | bbb+ | bbb+ | bbb | - | - | - | - |
| 2 | a | a- | a- | bbb+ | bbb | bbb | bbb- | - | - | - |
| **3** | a- | a- | bbb+ | **bbb+** | bbb | bbb- | bbb- | bb+ | - | - |
| 4 | bbb+ | bbb+ | bbb+ | bbb | bbb | bbb- | bb+ | bb | bb | - |
| 5 | bbb+ | bbb | bbb | bbb | bbb- | bbb- | bb+ | bb | bb- | b+ |
| 6 | bbb | bbb | bbb- | bbb- | bbb- | bb+ | bb | bb | bb- | b+ |
| 7 | - | bbb- | bbb- | bb+ | bb+ | bb | bb | bb- | b+ | b+ |
| 8 | - | - | bb+ | bb | bb | bb | bb- | bb- | b+ | b |
| 9 | - | - | - | bb | bb- | bb- | b+ | b+ | b+ | b |
| 10 | - | - | - | - | b+ | b+ | b+ | b | b | b- |

## Ratings Detail (As Of October 29, 2013)

| | |
|---|---|
| **RCI Banque** | |
| Counterparty Credit Rating | BBB/Negative/A-2 |
| Certificate Of Deposit | BBB/A-2 |
| Senior Unsecured | BBB |
| Short-Term Debt | A-2 |
| Subordinated | BB+ |
| **Counterparty Credit Ratings History** | |
| 25-Oct-2012 | BBB/Negative/A-2 |
| 03-Nov-2010 | BBB/Stable/A-2 |
| 08-Oct-2010 | BBB-/Watch Pos/A-3 |
| 19-Jun-2009 | BBB-/Stable/A-3 |
| 06-Mar-2009 | BBB/Negative/A-2 |
| 03-Feb-2009 | BBB+/Watch Neg/A-2 |
| **Sovereign Rating** | |
| France (Republic of) (Unsolicited Ratings) | AA+/Negative/A-1+ |
| **Related Entities** | |
| **Cofiren Renault et Cie** | |
| Issuer Credit Rating | --/--/B |
| **DIAC S.A.** | |
| Issuer Credit Rating | BBB/Negative/A-2 |
| Certificate Of Deposit | BBB/A-2 |
| Senior Unsecured | BBB |
| **RCI Banque Sucursal Argentina** | |
| Issuer Credit Rating | |
| *Argentina National Scale* | raAAA/Stable/raA-1+ |
| **Renault S.A.** | |
| Issuer Credit Rating | BB+/Stable/B |

| Ratings Detail (As Of October 29, 2013) (cont.) | |
|---|---|
| Commercial Paper | |
| *Local Currency* | B |
| Senior Unsecured<br>*Greater China Regional Scale* | cnBBB+ |
| Senior Unsecured | BB+ |
| Short-Term Debt | B |

*Unless otherwise noted, all ratings in this report are global scale ratings. Standard & Poor's credit ratings on the global scale are comparable across countries. Standard & Poor's credit ratings on a national scale are relative to obligors or obligations within that specific country.

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