S&P Global Ratings

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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	0

ALAC Support	0
GRE Support	0
Group Support	0
Sovereign Support	0

+

Additional Factors	+1

Issuer Credit Rating
BBB/Stable/A-2

Major Rating Factors

Strengths:	Weaknesses:
• Strong and recurring risk-adjusted profitability. • A regulated bank insulated from its corporate parent. • Strong capitalization.	• Predominantly wholesale-funded. • Business concentration in car financing. • Dependence on parent's franchise and product cycles.

Outlook: Stable

S&P Global Ratings' outlook on France-based auto financer RCI Banque (RCI) and its core subsidiary DIAC S.A. is stable. This reflects our view that, over the next 18 to 24 months, RCI's financial profile will remain strong, with our risk-adjusted capital (RAC) ratio for RCI remaining above 10%. We also consider that RCI's operating profitability will continue to benefit from resilient net interest margins and business volumes on the back of good sales performance of its parent, carmaker Renault S.A. We expect this will translate into sustained outperformance relative to peers, based on our measure of risk-adjusted profitability.

We could lower the long-term rating if RCI's outperformance versus its peers weakened, for instance if credit losses substantially increased above the 30-40 basis points observed in the past three years or if margin pressure intensified in the current low-interest-rate environment. We would also lower the long-term rating if our projected RAC ratio decreased below 10% for a long period.

An upgrade of RCI is unlikely because we believe a higher assessment of RCI's stand-alone credit profile (SACP) is a remote scenario. Revising the SACP upward, and raising the long-term rating, would require a fundamental shift in RCI's capital or funding strategy. A one-notch upgrade of Renault would not be in itself sufficient to result in an improvement of RCI's SACP and, in turn, the raising of our ratings on the bank.

Rationale

The starting point for our ratings on RCI Banque is our 'bbb+' anchor. This reflects our view of the risk for an average bank domiciled in France, operating with RCI's geographic reach.

Our 'BBB' long-term rating on the bank reflects adjustments made to the anchor, to take into account risks specific to RCI.

Overall, we balance RCI's business concentration and predominantly wholesale-funded profile against its superior risk-adjusted profitability, the parent's dividend flexibility, supportive of its capitalization, and the low credit risk inherent to collateralized exposures.

We think that RCI can be rated up to two notches higher than Renault S.A. (BBB-/Positive/A-3), if its SACP merits it, reflecting our view that RCI Banque is insulated from its parent.

Anchor: 'bbb+', reflecting the creditworthiness of an average French bank operating within RCI's geographic reach

We base the anchor on our Banking Industry Country Risk Assessment (BICRA) scores, and more specifically, on the weighted-average economic risk score of the countries in which RCI operates and the French banking system's industry risk score.

We assess the weighted-average economic risk score for RCI at '4' on a scale of 1 to 10 ('1' being the lowest risk and '10' the highest). This is higher than the '3' economic risk score (same scale) for a bank with 100% exposure to France. The calculation is based on the geographic breakdown of RCI's net outstanding loans at end 2016: France (30%), Germany (15%), the U.K. (12%), Italy (11%), Spain (9%), Brazil (5%), South Korea (4%), and the rest of the world (12%).

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.

Our '3' economic risk score for France reflects our view that its economy is stable and wealthy, with low private-sector credit risk, and benefits from a growing population. In our view, the French economy's resilience to adverse external developments has decreased since the onset of the financial crisis because of a rising public debt burden, persistent high unemployment, and decreased external competitiveness of the corporate sector, although now recovering. In the context of modest economic improvements on the back of resilient domestic demand, we expect, however, still moderate single-digit growth of the outstanding loans provided by banks. Overall, we believe that the banking sector will maintain sound domestic asset quality. We see the trend in economic risk as stable.

Our '3' industry risk score reflects our view of financial institutions' reduced ability to extract revenues from their domestic market. The industry faces the challenges of protecting revenues from the effects of low interest rates and of continuing to improve efficiency, while investing in digitalization to meet customers' needs. Domestic funding remains underpinned by stable domestic customer deposits, stemming from a high household savings rate, and by deep domestic capital markets. We see the trend in industry risk as stable.

Table 1

RCI Banque Key Figures					
	--Year-ended Dec. 31--				
(Mil. €)	**2016**	**2015**	**2014**	**2013**	**2012**
Adjusted assets	43,228.0	36,977.0	31,925.0	29,415.0	28,680.0
Customer loans (gross)	39,307.0	32,807.0	29,400.0	27,258.0	27,020.0
Adjusted common equity	3,927.9	3,343.3	2,841.2	2,539.0	2,401.0
Operating revenues	1,473.0	1,351.0	1,200.0	1,214.0	1,242.0
Noninterest expenses	463.0	429.0	423.0	383.0	383.0
Core earnings	623.4	563.8	456.1	496.8	522.6

N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

Business position: A European captive auto finance company extending into services

Our assessment of RCI Banque's business position is constrained by its concentration in automotive finance, despite its relatively good geographic diversity and solid penetration of Renault's new vehicle sales. This is in line with our assessment of other European captive car finance companies in Europe. Car finance and auto leasing businesses are somewhat correlated to the cyclical automotive industry, in our view, with business prospects depending heavily on the fortune of the car-manufacturer parent.

Renault wholly owns RCI, which mainly acts as a captive finance arm for the Renault-Nissan alliance brands: Renault, Dacia, Renault Samsung Motors, Nissan, Infiniti, and Datsun. The bank supports the alliance's sales in Europe, Latin America, Northern Africa, South Korea, and India. The alliance is mainly present in Europe, with the region representing about one quarter of the alliance's total unit sales and 57% for Renault as of end 2016.

The bank provides various financing solutions to retail customers, corporates, and dealer networks, as well as services such as loan-related insurance, car insurance, warranty extensions and maintenance contracts, which are also offered on a stand-alone basis.

RCI's penetration rate into the Renault-Nissan alliance's unit sales within the bank's geographic spread continued to increase and reached 38% in 2016 up from 37% in 2015 and 35% in 2014, at the upper end of the range for European captive finance companies.

RCI's credit production is correlated with auto sales, but its revenues are less volatile than those of Renault, due to the inertia of the loan book.

We believe that RCI's coverage of multiple brands and its international presence bring some stability to its business. For instance, Renault-Nissan alliance car sales sharply decreased in South America (-4%) and Eurasia (-5%) in 2016 but were more than offset by strong sales in Europe (+9%). The bank launched its activities in Colombia in 2016. We expect RCI to continue expanding its activities internationally.

The bank was rebranded RCI Bank and Services in February 2016 (versus RCI Banque previously) to emphasize its push into services. The share of operating noninterest income has increased to 26% of operating revenues in 2016 from 20% in 2012, according to our calculation. Developing services aims primarily at boosting customer loyalty to the Renault-Nissan alliance while supporting the bank's profitability. It is not a response to the low interest-rate environment to which RCI is more immune than traditional banks, given its pricing power, in our view. But the increasing share of noninterest-related revenues, notably insurance, supports earnings stability through the cycle, as well as customer loyalty.

We believe that RCI's strategy has been credible and predictable over the past few years. RCI is striking a balance between growth and profitability, in our view. The bank's return on equity (ROE) has averaged a strong 16% over the past 10 years by our measure and its return on assets hovered between 1.5% and 2% over the same period. This indicates the expertise of the bank and the relevance of its strategy, despite the narrowness of its business model.

RCI's profitability has been lower for the past four years--with an ROE averaging 16% by our measure--compared with 2010-2012, when ROE revolved around 19%-20% by our measure, as a result of RCI's strategy to balance growth and profitability. In a low rate environment, competition from traditional banks in auto finance has intensified, with a push toward retail customers in addition to fleet financing. That said, RCI has remained focused on developing its offerings around services backed by partnerships with, or acquisitions of, innovative start-ups (such as companies that monitor vehicle use and costs). This should support their ability to maintain a high level of profitability.

Table 2

RCI Banque Business Position					
	--Year-ended Dec. 31--				
(%)	**2016**	**2015**	**2014**	**2013**	**2012**
Total revenues from business line (mil. €)	1,484.0	1,369.0	1,219.0	1,232.0	1,247.0
Commercial banking/total revenues from business line	24.5	21.8	21.9	20.0	19.2
Retail banking/total revenues from business line	74.7	77.7	77.4	79.1	80.1
Commercial & retail banking/total revenues from business line	99.2	99.5	99.3	99.1	99.3
Other revenues/total revenues from business line	0.8	0.5	0.7	0.9	0.7
Return on equity	16.0	16.3	13.9	16.8	18.7

N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

Capital and earnings: Strong capitalization and resilient earnings

Our capital and earning assessment reflects our view that the bank's capital position supports its creditworthiness. We believe that RCI's superior risk-adjusted profitability, its pay-out ratio, and Renault's financial flexibility will enable RCI to maintain strong capital and earnings.

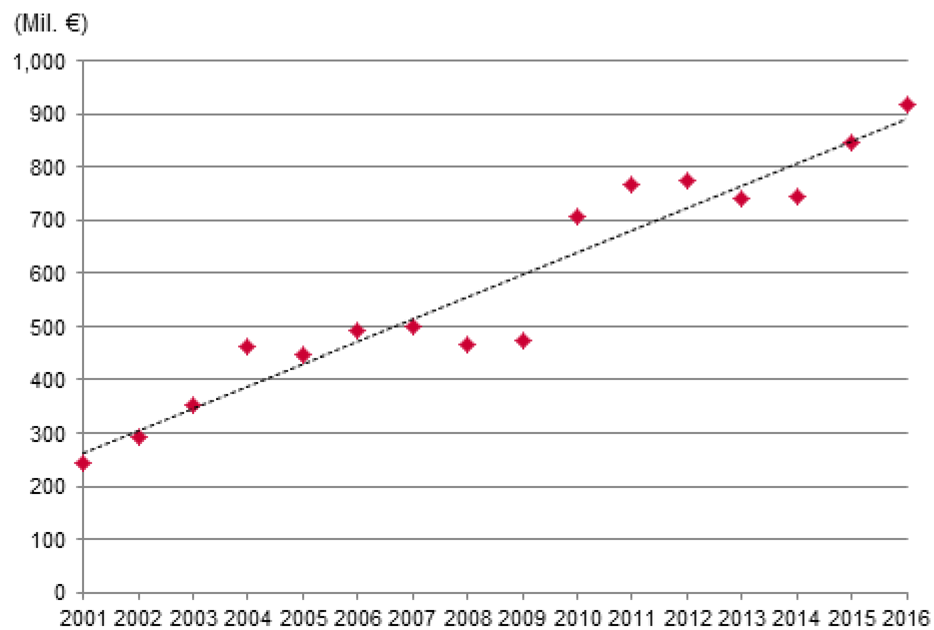
We forecast RCI's RAC ratio will remain about 10.5%-11% in the next two years, with limited downside risk, as we expect the bank to maintain a high level of profitability and its loan book to grow slower (+14% in 2017 and +10% in 2018, after +20% in 2016), reflecting slower revenue growth at Renault over the next two years in particular. This also reflects the flexible dividend payout, which the bank is using to support its RAC. This capitalization compares favorably with that of French universal banks. Our RAC ratio of 10.4% for RCI as of Dec. 31, 2016, is lower than the regulatory ratio, mainly because we apply higher risk weights than regulators (phased-in core Tier 1 ratio of 15.7% as of Dec. 31, 2016).

We consider RCI's total adjusted capital (TAC) of €3.9 billion, the numerator of our RAC ratio, to be of high quality as it only comprises common equity. We believe that Renault's financial flexibility will continue to support the bank's current capitalization. Until 2009, RCI's payout ratio was high, at 95%. It then decreased to 35%-45% in 2013-2014 and to zero in 2015 and 2016. We believe it will continue to remain moderate in the next two years to maintain strong capitalization on the back of brisk loan growth.

We consider RCI's earnings to be of high quality as well. RCI posted the lowest cost-to-income ratio--31% at end 2016--among the European captive peers that we rate, reflecting its low cost base and effective cost control, which we expect to continue. Also, we note that RCI has historically displayed little earnings volatility around its (upward) trend, even in 2008-2009 (chart 1). Finally, RCI's earnings provide a significant buffer against normalized losses--based on through-the-cycle annual loss rates we expect for a given class of exposure--reflecting both its pricing power and low cost base (further described in the section about additional rating factors).

Chart 1

RCI Banque Pre-Tax Income Without Nonrecurring Elements



Note: The dotted line represents the linear trend of the data points.

Table 3

RCI Banque Capital And Earnings					
	--Year-ended Dec. 31--				
(%)	2016	2015	2014	2013	2012
Tier 1 capital ratio	15.7	15.6	11.5	11.7	11.1
S&P RAC ratio before diversification	10.4	10.6	10.0	10.0	9.8
S&P RAC ratio after diversification	12.4	12.5	12.0	12.0	11.7

Table 3

RCI Banque Capital And Earnings (cont.)					
	--Year-ended Dec. 31--				
(%)	**2016**	**2015**	**2014**	**2013**	**2012**
Adjusted common equity/total adjusted capital	100.0	100.0	100.0	100.0	100.0
Net interest income/operating revenues	73.5	75.3	79.3	76.1	79.7
Fee income/operating revenues	0.7	0.7	0.9	0.7	1.5
Market-sensitive income/operating revenues	0.7	(0.4)	(0.2)	0.2	(0.4)
Noninterest expenses/operating revenues	31.4	31.8	35.3	31.5	30.8
Preprovision operating income/average assets	2.5	2.7	2.5	2.9	3.1
Core earnings/average managed assets	1.6	1.6	1.5	1.7	1.9

N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

Table 4

RCI Banque Risk-Adjusted Capital Framework Data					
(Mil. €)	**Exposure***	**Basel II RWA**	**Average Basel II RW (%)**	**S&P Global Ratings RWA**	**Average S&P Global Ratings RW (%)**
Credit risk					
Government and central banks	2,403.0	471.2	19.6	357.4	14.9
Institutions	1,404.0	674.6	48.1	410.3	29.2
Corporate	15,182.0	8,171.8	53.8	13,235.1	87.2
Retail	25,322.0	11,172.2	44.1	17,812.9	70.3
Of which mortgage	0.0	0.0	0.0	0.0	0.0
Securitization	0.0	0.0	0.0	0.0	0.0
Other assets	1,554.0	1,251.0	80.5	2,138.1	137.6
Total credit risk	45,865.0	21,740.9	47.4	33,953.9	74.0
Market risk					
Equity in the banking book¶	89.6	0.0	0.0	1,042.7	1,164.2
Trading book market risk	--	0.0	--	0.0	--
Total market risk	--	0.0	--	1,042.7	--
Insurance risk					
Total insurance risk	--	--	--	562.5	--
Operational risk					
Total operational risk	--	2,150.9	--	2,314.3	--
(Mil. €)		**Basel II RWA**		**S&P Global Ratings RWA**	**% of S&P Global Ratings RWA**
Diversification adjustments					
RWA before diversification		23,891.8		37,873.4	100.0
Total adjustments to RWA		--		(6,107.1)	(16.1)
RWA after diversification		23,891.8		31,766.2	83.9

Table 4

RCI Banque Risk-Adjusted Capital Framework Data (cont.)

(Mil. €)	Tier 1 capital	Tier 1 ratio (%)	Total adjusted capital	S&P Global Ratings RAC ratio (%)
Capital ratio				
Capital ratio before adjustments	3,899.3	16.3	3,927.9	10.4
Capital ratio after adjustments§	3,899.3	16.3	3,927.9	12.4

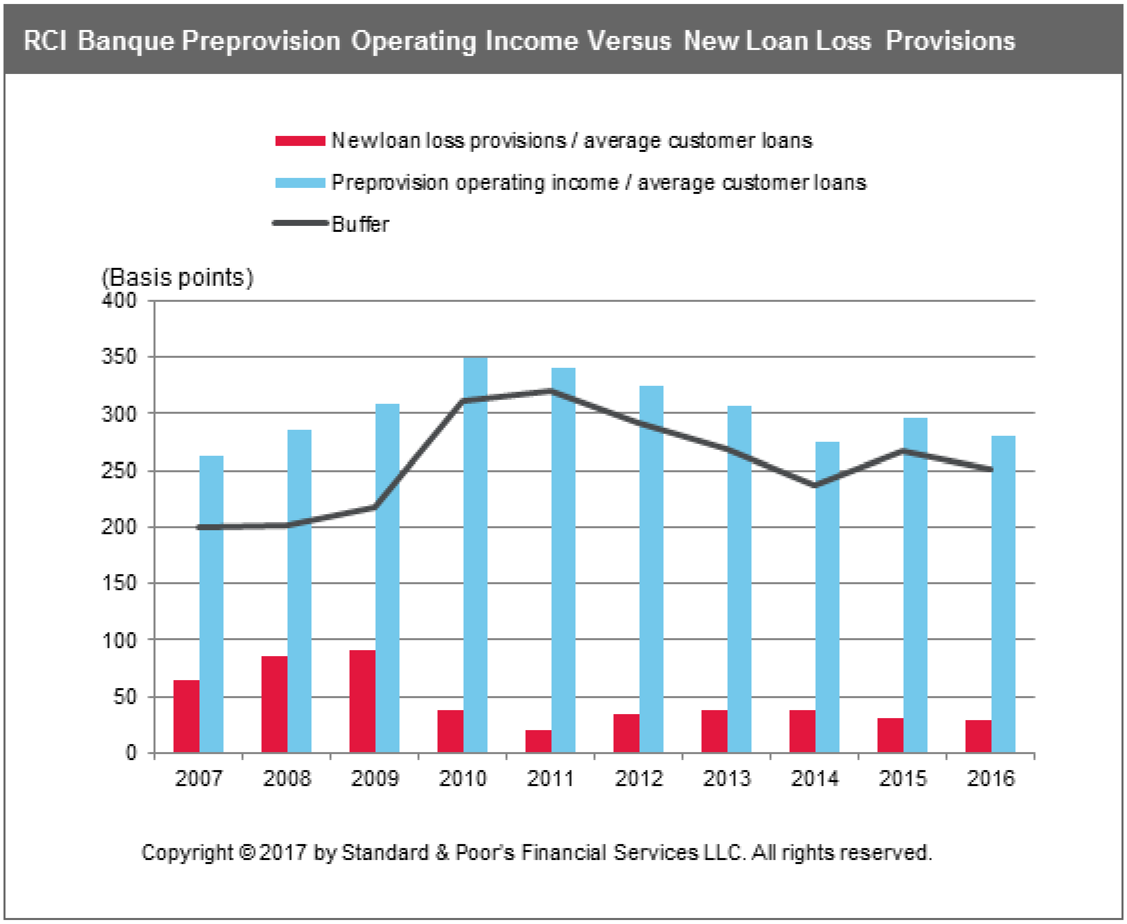
*Exposure at default. Securitisation exposure includes the securitisation tranches deducted from capital in the regulatory framework. ¶Exposure and S&P Global Ratings risk-weighted assets for equity in the banking book include minority equity holdings in financial institutions. §Adjustments to Tier 1 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, 2016, S&P Global Ratings.

Risk position: Low risk, but concentration in auto dealers remains high

We assess RCI's risk position as neutral for the rating, balancing the low-risk nature of its exposure with its high sector concentration in auto dealers. Our view of low credit risk reflects the collateralized nature of the bank's credit exposure. The bank has a track record of low credit losses, which have been below or in line with the average we calculate for the following captives: FCA Bank, FCE Bank, and Volkswagen Bank.

RCI's cost of risk has been stable at a low level for a number of years, due to the bank's more stringent origination criteria after the 2008 financial crisis (see chart 1). We don't expect these policies to change and therefore anticipate that cost of risk will remain low, meaning below 40 bps, in 2017. We note that over a period that includes stresses, RCI's strong profitability has always benefitted from a sizeable buffer to absorb credit losses (chart 2).

Chart 2



RCI has high exposure to auto dealers. This exposure is less granular than exposures to individual customers and accounts for about one-quarter of net outstanding loans. Historically, cost of risk on auto dealers has been much lower than on individual customers. These exposures are low risk, in our view, because they are short term and highly collateralized.

The most significant single-name loan exposure is, by far, to Renault. The risk associated with this exposure is mitigated to a very significant extent by cash collateral. For the remainder, the largest exposure, gross of collateral, accounts for 11% of total adjusted capital (end 2016), which is rather low considering that in the case of corporate leases, RCI owns the cars. Overall, the 20 largest corporate exposures excluding Renault and 20 largest dealer exposures account for about 60% and 75% of total adjusted capital respectively, which is fairly low, and all the more so given the loans' high level of collateralization.

We view RCI's geographic diversification as neutral for the ratings. The bank operates in 36 countries. However, France accounts for one-third of the loan book and other Western European countries (Germany, U.K., Italy, and Spain) for nearly one half. In other words, about 80% of RCI's exposure is to Western European countries, whose economic situation is correlated.

RCI's exposure to Brazil (BB/Watch Neg/B) does not represent a material risk, in our view. This exposure accounts for 5% of RCI's loan book. We note that cost of risk in 2016 and 2015--two years of steep economic contraction--increased only moderately versus 2014, indicating strong risk management. We expect the Brazilian economy to return to growth starting this year, and unemployment to progressively come down.

RCI is exposed to the risk on residual values in the U.K. only. In other countries, this risk is carried by dealers or the parent carmaker. The exposure to residual values amounted to €1.9 billion as of end 2016, equivalent to less than 5% of credit risk exposures, and mitigated by provisions of €36 million as of end 2016 and the bank's regular monitoring of resale value of used cars.

Table 5

RCI Banque Risk Position

	--Year-ended Dec. 31--				
(%)	**2016**	**2015**	**2014**	**2013**	**2012**
Growth in customer loans	19.8	11.6	7.9	0.9	4.7
Total diversification adjustment / S&P RWA after diversification	(16.1)	(15.3)	(17.0)	(16.3)	(16.0)
Total managed assets/adjusted common equity (x)	11.0	11.1	11.3	11.6	12.0
New loan loss provisions/average customer loans	0.3	0.3	0.4	0.4	0.3
Net charge-offs/average customer loans	0.3	0.4	0.5	0.6	0.6
Gross nonperforming assets/customer loans + other real estate owned	1.5	2.5	3.0	3.5	3.5
Loan loss reserves/gross nonperforming assets	112.2	82.9	79.9	77.4	85.1

N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

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

We view RCI's funding ("below average" assessment) as weaker than that of French large banks on average and its liquidity as neutral for the rating ("adequate" assessment).

RCI's predominantly wholesale-funded profile is a weakness, in our view. 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 64% of its funding base, excluding equity, as of Dec. 31, 2016. However, the bank is diversifying its funding sources, including the collection of deposits, and lengthening their maturities (two seven-year senior unsecured issuances were made in 2016 and one eight-year senior unsecured issuance in April 2017), as this gives it more flexibility and options in the event of market turbulence. Our stable funding ratio of 81% at end-2016 reflects RCI's deposit-gathering effort over the past few years (57% in 2011) and absence of large maturity mismatches. We expect this ratio will remain broadly stable as we don't think the role of deposits in the bank's funding will increase further.

The bank has been raising deposits in a number of countries over the past few years (February 2012 in France, February 2013 in Germany, May 2014 in Austria, and June 2015 in the U.K.). We remain cautious regarding their stability given their above-market-average pricing. We note, however, that the negative press around Volkswagen's emission manipulation did not have any noticeable impact on deposit outflows at Volkswagen Bank, indicating that these deposits tend to be rather sticky even in the case of stress at the parent.

Going forward, we believe that RCI will maintain the share of customer deposits to net loans at about one-third (34% as of end 2016), despite market conditions being more supportive of funding via financial markets. This translates into our ratio of customer loans (net) to customer deposits at 291% at end 2016, well above the 112% average of large French banks.

We view RCI's liquidity as neutral for the rating ("adequate" assessment), reflecting our view that the bank is able and prepared to successfully manage its liquidity, and is likely to survive under stressful conditions more than six months, with a limited dependence on the central bank thereafter.

RCI's ratio of broad liquid assets to short-term wholesale funding stood at 27% at end 2016, well below that of the large French banks, where ratios tend to be above 100%. However, it does not take into account substantial committed credit lines and cash inflows from the loan book's amortization that could be relied upon.

RCI reported undrawn committed bank credit lines, cash, high quality liquid assets, and European Central Bank-eligible assets after haircut totaling €8.4 billion at end-2016, covering the €7.1 billion of debt securities and payables to credit institutions due within one year, as of end-2016. This, plus RCI's ability to rely on loan inflows to repay its debts, more than a traditional commercial bank could, explains our adequate assessment. Auto loans have much shorter maturities (up to four years) than mortgages, which would support quick deleveraging. This ability to rely on strong inflows, if needed, is expressed in 30-day weighted cash inflows amounting to 1.3x of 30-day weighted cash outflows in the calculation of the liquidity coverage ratio (average for the three months ended Sept. 30, 2016).

RCI's refinancing is completely independent from Renault's, which is one of the factors that differentiates our ratings on the bank and its parent.

Table 6

RCI Banque Funding And Liquidity					
	--Year-ended Dec. 31--				
(%)	**2016**	**2015**	**2014**	**2013**	**2012**
Core deposits/funding base	36.2	34.8	27.2	20.7	6.7
Customer loans (net)/customer deposits	291.2	293.9	393.0	516.4	1,619.5
Long term funding ratio	82.4	80.1	78.8	73.2	64.9
Stable funding ratio	81.4	81.7	77.6	72.7	64.5
Short-term wholesale funding/funding base	19.5	22.1	23.6	29.9	38.9
Broad liquid assets/short-term wholesale funding (x)	0.3	0.4	0.2	0.2	0.1
Net broad liquid assets/short-term customer deposits	(46.8)	(50.5)	(87.3)	(150.1)	(761.9)
Short-term wholesale funding/total wholesale funding	30.5	33.8	32.4	37.7	41.6
Narrow liquid assets/3-month wholesale funding (x)	0.7	0.8	0.4	0.5	0.3

N.A.--Not available. N/A--Not applicable. N.M.--Not meaningful.

External support: To some extent insulated from parent Renault

We believe RCI is insulated from its 100%-owner Renault, due to France's favorable insolvency laws, as well as RCI's regulatory and legal status as a bank and high degree of operational independence.

As a result, we would cap the rating on RCI at up to two notches above the rating on Renault.

Additional rating factors: One-notch positive adjustment

We include a one-notch positive adjustment in our long-term rating to reflect RCI's superior risk-adjusted profitability compared with banks with a similar SACP, as expressed by our earnings buffer ratio (1.9% at end 2016), which measures the extent to which a bank's earnings cover its normalized losses through the business cycle on a risk-adjusted basis.

RCI's earnings buffer is higher than for banks with a similar SACP, which tend to be in the region of 1%. It is also higher than that of FCA Bank, FCE Bank, and Volkswagen Bank, which tend to be in the 1.0%-1.5% range.

We believe that RCI's operating revenues will continue to benefit from resilient net interest margins. This, coupled with a structurally low cost base, will continue to translate, in our view, into sustained outperformance relative to peers, based on our measure of risk-adjusted profitability. RCI's pricing power reflects, in our view, its captive nature (meaning its link to Renault-Nissan car sales) as well as its offering to retail customers that encompasses various services that support its differentiation and value position versus other financing competitors such as traditional banks.

DIAC: Core subsidiary

We consider DIAC S.A. (DIAC) to be a core subsidiary of RCI mainly because it is the entity through which RCI serves the French market, its main market. As such, our ratings on DIAC are aligned with our ratings on RCI.

Nondeferrable subordinated debt

We have a 'BB' rating on the subordinated debt tranche of RCI's medium-term note program. We rate nondeferrable subordinated debt issued by banks in France two notches below a bank's SACP when the SACP is 'bbb-' or higher.

Related Criteria And Research

Related Criteria

- Bank Rating Methodology And Assumptions: Additional Loss-Absorbing Capacity, April 27, 2015
- Bank Hybrid Capital And Nondeferrable Subordinated Debt Methodology And Assumptions, Jan. 29, 2015
- Group Rating Methodology, Nov. 19, 2013
- Quantitative Metrics For Rating Banks Globally: Methodology And Assumptions, July 17, 2013
- Revised Market Risk Charges For Banks In Our Risk-Adjusted Capital Framework, June 22, 2012
- Banks: Rating Methodology And Assumptions, Nov. 9, 2011
- Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011
- Bank Capital Methodology And Assumptions, Dec. 6, 2010
- Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Methodology for Linking Short-Term and Long-Term Ratings, Apr. 7, 2017

Related Research

- Request For Comment: Bank Capital Methodology And Assumptions, July 6, 2016
- Renault S.A., Sept. 16, 2016

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 June 28, 2017)

RCI Banque	
Counterparty Credit Rating	BBB/Stable/A-2
Certificate Of Deposit	
Local Currency	A-2
Commercial Paper	A-2
Senior Unsecured	BBB
Short-Term Debt	A-2
Subordinated	BB
Counterparty Credit Ratings History	
27-May-2016	BBB/Stable/A-2
25-Oct-2012	BBB/Negative/A-2
03-Nov-2010	BBB/Stable/A-2
Sovereign Rating	
France (Republic of)	AA/Stable/A-1+
Related Entities	
DIAC S.A.	
Issuer Credit Rating	BBB/Stable/A-2
Certificate Of Deposit	
Local Currency	A-2
Senior Unsecured	BBB
RCI Banque Sucursal Argentina	
Issuer Credit Rating	
Argentina National Scale	raA+/Stable/raA-1
Renault S.A.	
Issuer Credit Rating	BBB-/Positive/A-3
Commercial Paper	
Local Currency	A-3

Ratings Detail (As Of June 28, 2017) (cont.)	
Senior Unsecured	BBB-
Short-Term Debt	A-3

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.

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