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RCI Banque

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RCI Banque

SACP	bbb-	+	Support	+1	+	Additional Factors	0

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

ALAC Support	0
GRE Support	0
Group Support	+1
Sovereign Support	0

Issuer Credit Rating
BBB/Negative/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: Negative

The negative outlook on RCI and DIAC reflects the negative outlook on Renault, and RCI's position as a core subsidiary of the car maker. RCI has demonstrated its resilience and strong profitability in the past decade, despite the cyclical auto sector, but uncertainty surrounding the group's strategy and governance, including the future of the alliance, could have some contagion effect on RCI. However, we still think RCI can be rated above its parent, and that if we downgraded Renault we would not automatically downgrade RCI.

We could lower our ratings on RCI and DIAC in the next 12-24 months if, following a downgrade of Renault, we believed RCI's creditworthiness failed to be higher than that of its parent. This could be the case if tensions within the alliance negatively affected the effectiveness of RCI's operations, notably regarding funding costs and its strategic focus.

We could revise the outlook to stable in the next 12-24 months if our view of RCI's stand-alone creditworthiness remains unchanged, including strong risk-adjusted profitability and capital, despite the weaker automotive sector and company specific challenges. This could happen even while Renault's outlook is negative or if we were to lower our rating on Renault by a notch.

Rationale

The starting point for our ratings on RCI 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, including support from parent Renault S.A. (BBB/Negative/A-2).

Overall, we balance RCI's business concentration and predominantly wholesale-funded profile against its superior risk-adjusted profitability, the parent's dividend flexibility, RCI's strong capitalization, and the low credit risk inherent to collateralized exposures. We also factor one notch of group support from Renault, as our issuer credit rating on the carmaker is one notch above RCI's 'bbb-' SACP.

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 in the countries in which RCI operates.

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. We take a weighted average economic risk score as RCI operates in different geographies and our calculation is based on net outstanding loans at end-2018: France (31%), Germany (16%), the U.K. (10%), Italy (12%), Spain (10%), Brazil (5%), South Korea (3%), and the rest of the world (13%).

RCI's industry risk score of '3' reflects that it is domiciled and primarily regulated in France. The industry risk score of '3' for banks headquartered in France factors in that banks are currently operating in a less favorable environment, with low interest rates compounded by regulated-rate savings constraining prospective revenue. The French banking is concentrated but remains highly competitive, making it difficult to achieve pricing power in particular in credit activities. However, we believe their still strong and diverse business models, low credit risk and the concentrated and mature market should help them to preserve revenue. That said, we consider there is room for improvement in cost efficiency, which is a relative weakness for French banks compared with their European peers, notably due to a still-dense branch network. We also consider the potential effects of sustained household credit growth, mostly granted at fixed rates, on the balance sheets of banks. The system's relatively large reliance on wholesale funding is partly attributable to households' propensity for nonbank and regulated savings. It also benefits, among other things, from the depth of the domestic financial market.

The combination of the blended economic risk and industry risk results in a 'bbb+' anchor.

Table 1

RCI Banque Key Figures					
		--Year-ended Dec. 31--			
(Mil. €)	**2019***	**2018**	**2017**	**2016**	**2015**
Adjusted assets	56,510	53,304	49,619	43,228	36,977

Table 1

RCI Banque Key Figures (cont.)

		--Year-ended Dec. 31--			
(Mil. €)	**2019***	**2018**	**2017**	**2016**	**2015**
Customer loans (gross)	50,233	48,367	44,911	39,307	32,807
Adjusted common equity	5,159	4,912	4,426	3,811	3,343
Operating revenues	1,018	1,951	1,643	1,473	1,351
Noninterest expenses	317	575	522	463	429
Core earnings	429	898	752	623	564

*Data as of June 30.

Business position: A European captive auto finance company pursuing its expansion into services

Our assessment of RCI's business position is constrained by its concentration in automotive finance, despite its relatively good geographic diversification and solid and increasing penetration rate (41% as of December 2018, up 110 bps from December 2017) on sales of Alliance brands. RCI's credit production is correlated with auto sales, but its financial performance is higher and less volatile than Renault's (see chart 1) due to its pricing power and the recurring nature of revenues from loans and leases. While RCI is likely to show strong resilience against automotive sector and economic downturns in the future, the Renault group including RCI is currently facing some strategic and governance challenges following the resignation of CEO and chairman Mr. Carlos Ghosn. These challenges could weigh on Renault and RCI's operations over time, in our view.

Renault wholly owns RCI, which mainly acts as a captive finance arm for the Renault-Nissan-Mitsubishi alliance brands: Renault, Dacia, Renault Samsung Motors, Nissan, Infiniti, Datsun, and Mitsubishi. 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 51% for Renault as of end-2018. 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.

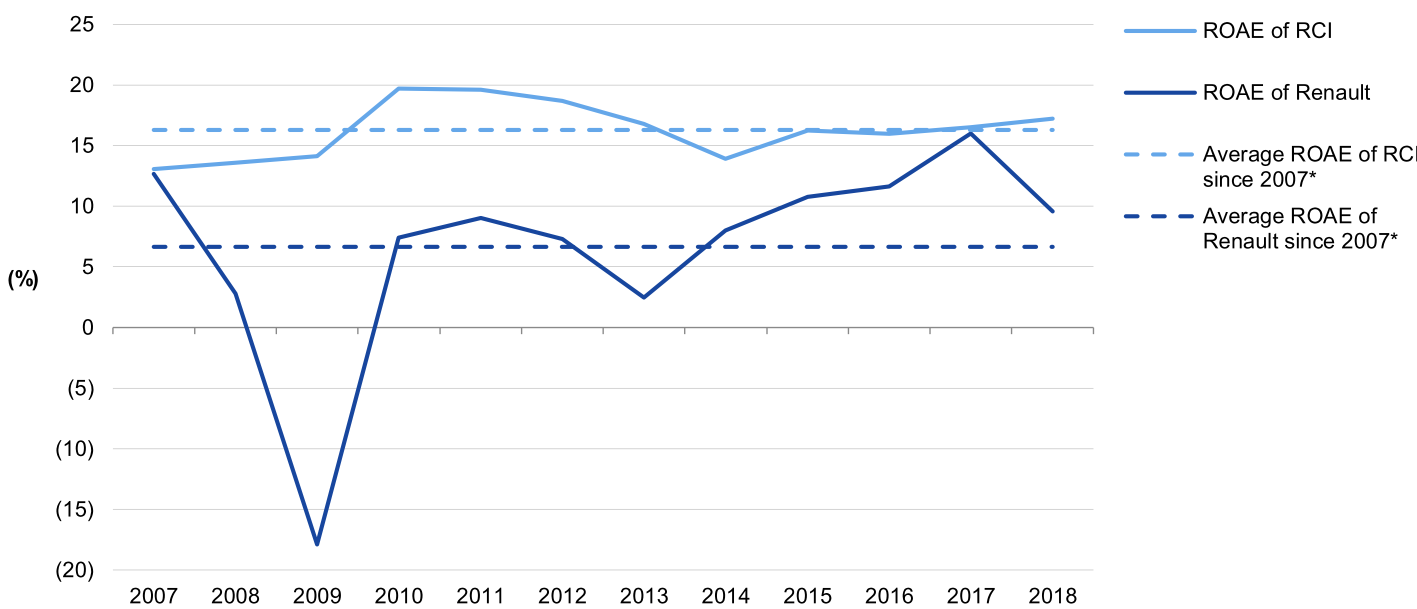
RCI's coverage of multiple brands and its international presence (nine brands in 36 countries) bring some stability to its business. We expect RCI will continue expanding its activities internationally, either by entering new markets or by developing the size of some of its overseas operations, particularly in Russia, an important market for Renault, where RCI is present via a joint-venture, RN Bank JSC (BB+/Stable/B).

The bank was rebranded RCI Bank and Services in February 2016 (RCI Banque previously, which remains the legal name) to emphasize its push into services. The share of operating noninterest income has increased to 29% of operating revenues in 2018 (26% in 2017) from 20% in 2012, according to our calculation, and should continue increasing as mobility services gain importance over time.

RCI's profitability has been lower for the past four years but remains high--with a return on average equity (ROAE) averaging 16.5% by our measure--compared with 2010-2012, when ROAE revolved around 19%-20% by our measure, as a result of RCI's strategy to balance growth and profitability. Also, competition from traditional banks in auto finance has intensified, with a push toward retail customers in addition to fleet financing for corporates, their core customer base.

Chart 1

Return On Average Equity: RCI Banque Versus Renault



Source: S&P Global Ratings. ROAE--Return on average equity. *ROAE as per S&P Global Ratings' calculation.

In line with its strategy, RCI acquired a number of start-ups that operate reservation (Karhoo, Marcel) or fleet-management (Yuso) platforms in 2017 and iCabbi (taxi dispatch software and automation) in 2018 to meet evolving customer mobility needs. It has moved its headquarters to the center of Paris bringing it closer to the start-ups ecosystem. Revenues from such services are still at an early stage.

Table 2

RCI Banque Business Position

		--Year-ended Dec. 31--			
(%)	**2019***	**2018**	**2017**	**2016**	**2015**
Total revenues from business line (currency in millions)	1,022	1,961	1,657	1,484	1,369
Commercial banking/total revenues from business line	19.5	21.4	24.0	24.5	21.8
Retail banking/total revenues from business line	79.2	77.1	74.2	74.7	77.7
Commercial & retail banking/total revenues from business line	98.6	98.4	98.2	99.2	99.5
Other revenues/total revenues from business line	1.4	1.6	1.8	0.8	0.5
Return on average common equity	15.3	17.3	16.5	16.0	16.3

*Data as of June 30.

Capital and earnings: Strong capitalization and stable earnings with low volatility of returns

Our capital and earnings assessment supports our rating on RCI. We believe that RCI's superior risk-adjusted profitability and flexible dividend policy will enable it to maintain strong capitalization.

We forecast RCI's risk-adjusted capital (RAC) ratio will remain at about 11% in the next two years. RCI's capitalization compares favorably with that of French universal banks, which tend to be around 7%-10%. We view downside risk as limited considering RCI's high profitability, flexible dividend policy, and our expectation that loan book growth will slow somewhat (5% in 2019 and 3% in 2020, after +8% in 2018, +14% in 2017, and +20% in 2016), as seen in the first half of 2018 (net assets up by 5.6% versus end-2017).

Our RAC ratio of 11.0% for RCI as of Dec. 31, 2018, is lower than the regulatory ratio. This is mainly because of RCI's use of the internal ratings-based (IRB) method (67% of net exposures at end-2018) and our risk weights, which tend to be more punitive than Basel's standardized approach to risk weights in countries with higher economic risk (fully loaded core Tier 1 ratio of 15.5% as of December 2018).

Until 2009, RCI's payout ratio was high, at 95%. It then decreased to 35%-45% in 2013-2014 and to zero in 2016 and 2017, two years of brisk loan growth. In 2018, RCI declared a dividend of €163 million for the year (19% payout). We believe RCI's slower growth in the next two years could decrease the need for earnings retention and lead to higher dividend payouts.

We consider RCI's total adjusted capital (TAC) of €4.9 billion, the numerator of our RAC ratio, to be high quality because it only comprises common equity.

We see RCI's earnings as high quality as well. At end-2018, RCI posted the lowest cost-to-income ratio (29%) among the European captive peers that we rate, reflecting its low cost base and effective cost control, which we expect will continue. Also, we note that RCI has historically displayed little volatility of returns, especially in comparison with Renault (see 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 (see chart 4).

Table 3

RCI Banque Capital And Earnings

		--Year-ended Dec. 31--			
(%)	**2019***	**2018**	**2017**	**2016**	**2015**
Tier 1 capital ratio	N/A	15.5	15.0	15.7	15.6
S&P Global Ratings' RAC ratio before diversification¶	N/A	11.0	11.0	10.4	10.6
S&P Global Ratings' RAC ratio after diversification¶	N/A	12.3	12.3	11.4	12.5
Adjusted common equity/total adjusted capital¶	100.0	100.0	100.0	100.0	100.0
Net interest income/operating revenues	70.7	71.4	74.4	73.5	75.3
Fee income/operating revenues	18.5	17.0	17.2	0.7	0.7
Market-sensitive income/operating revenues	(2.0)	(1.8)	0.9	0.7	(0.4)
Noninterest expenses/operating revenues	31.1	29.5	31.8	31.4	31.8
Preprovision operating income/average assets	2.5	2.7	2.4	2.5	2.7

Table 3

RCI Banque Capital And Earnings (cont.)

	--Year-ended Dec. 31--				
(%)	**2019***	**2018**	**2017**	**2016**	**2015**
Core earnings/average managed assets	1.6	1.7	1.6	1.6	1.6

*Data as of June 30. ¶Data prior to 2016 is based on the 2010 RACF criteria. 2016, 2017, 2018 and 2019 are based on the revised RACF criteria published in July 2017. N/A--Not applicable. RAC--Risk-adjusted capital.

Table 4

RCI Banque RACF [Risk-Adjusted Capital Framework] Data

(Mil. €)	**Exposure***	**Basel III RWA**	**Average Basel III RW(%)**	**S&P Global RWA**	**Average S&P Global RW (%)**
Credit risk					
Government & central banks	3,204	1,828	57	444	14
Of which regional governments and local authorities	56	32	57	12	21
Institutions and CCPs	1,188	659	55	367	31
Corporate	17,259	9,846	57	16,085	93
Retail	32,222	18,382	57	21,619	67
Of which mortgage	0	0	0	0	0
Securitization§	0	0	0	0	0
Other assets†	2,016	1,078	53	2,842	141
Total credit risk	55,889	31,793	57	41,356	74
Credit valuation adjustment					
Total credit valuation adjustment	--	0	--	0	--
Market Risk					
Equity in the banking book	52	30	58	451	875
Trading book market risk	--	0	--	0	--
Total market risk	--	30	--	451	--
Operational risk					
Total operational risk	--	0	--	2,990	--
(Mil. €)	**Exposure**	**Basel III RWA**	**Average Basel II RW (%)**	**S&P Global RWA**	**% of S&P Global RWA**
Diversification adjustments					
RWA before diversification	--	31,823	--	44,797	100
Total Diversification/ Concentration Adjustments	--	--	--	(4,758)	(11)
RWA after diversification	--	31,823	--	40,039	89
(Mil. €)		**Tier 1 capital**	**Tier 1 ratio (%)**	**Total adjusted capital**	**S&P Global RAC ratio (%)**
Capital ratio					
Capital ratio before adjustments		4,921	15.5	4,912	11.0
Capital ratio after adjustments‡		4,921	15.5	4,912	12.3

*Exposure at default. §Securitization Exposure includes the securitization 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 2018', S&P Global Ratings.

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

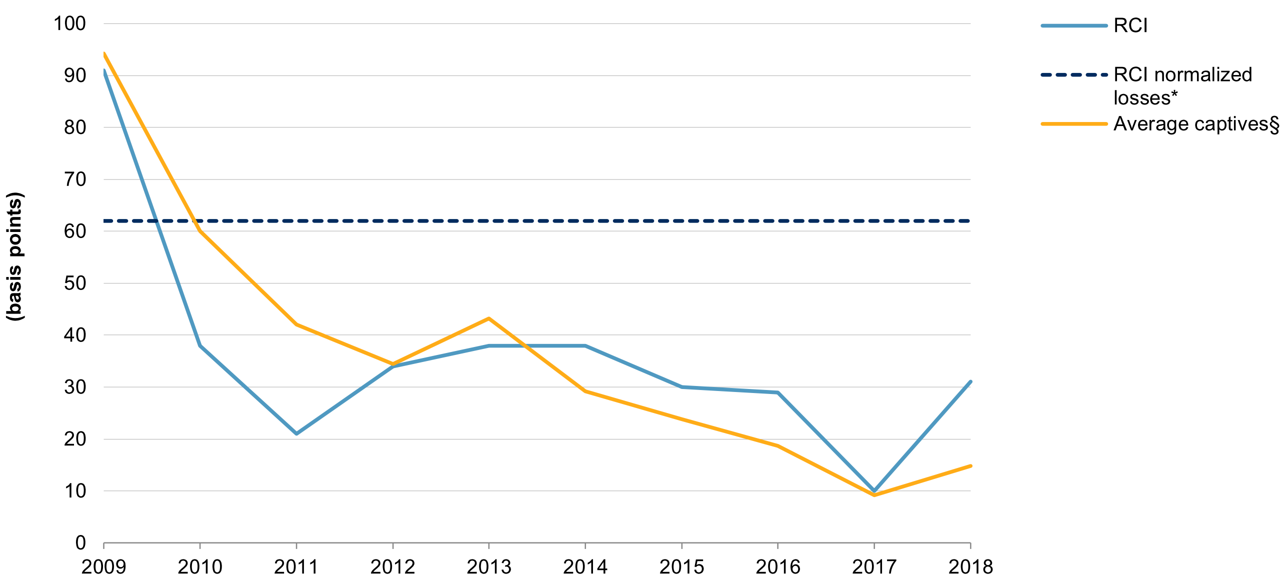
We assess RCI's risk position as neutral for the rating, balancing the low-risk nature of its exposure with its high concentration on auto dealers. Our view of low credit risk is based on the collateralized nature of the bank's credit exposure.

The bank has a track record of low credit losses since 2010, meaning below 40 basis points (bps), due to the bank's more stringent origination criteria after the 2008 financial crisis. It has been overall in line with that of the peers we rate (see chart 2). The observed increased in 2018 is due to the first-time application of International Financial Reporting Standard 9 (IFRS 9) on credit loss provisions but also because the 2017 cost of risk was extremely low due to reversal of provisions. We do not expect origination policies to change and therefore anticipate that cost of risk will remain low in 2019 and contained below 40 bps. The first-time application of IFRS 9 has been limited and has not affected our assessment of the bank's capitalization.

We note that RCI's strong profitability provides a significant buffer to absorb losses, with a pre-provision operating income to average loans of 295 bps at end-2018, versus a maximum of 91 bps in the aftermath of the financial crisis.

Chart 2

RCI Banque's Cost Of Risk Versus Peers'



Source: S&P Global Ratings. *Our calculation of normalized losses is based on exposures as of end-2018. §Calculated based on data since 2016 for PSA Banque France, 2013 for LeasePlan, and 2009 for RCI Banque, FCE Bank, FCA Bank and Volkswagen Bank.

RCI has high exposure to auto dealers, which account for about one-quarter of net outstanding loans. Historically, cost of risk related to auto dealers has been much lower than for individual customers. However, these exposures are much less granular and therefore cost of risk related to them is potentially more volatile. These exposures are low risk, in our view, because they are short term and highly collateralized (cars, spare parts).

The most significant single-name loan exposure is, by far, to Renault. The risk associated with RCI's exposure to Renault-owned dealers is significantly mitigated by cash collateral. More broadly speaking, the 20-largest corporate exposures excluding Renault and 20-largest dealer exposures account for 68% and about 59% of total adjusted capital, respectively, which is fairly low.

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 situations are correlated.

RCI is exposed to the risk of 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-2018, equivalent to 3.4% of credit risk exposures.

As most banks, RCI is subject to interest rate risk in the banking book but we view it as very limited especially considering the relative short term of its assets (assets are funded with longer maturities). A 100 bps rate rise will have an impact on the net interest income capped at €50 million by RCI policies (3.5% of 2018 net interest income).

Table 5

RCI Banque Risk Position

		--Year-ended Dec. 31--			
(%)	**2019***	**2018**	**2017**	**2016**	**2015**
Growth in customer loans	7.7	7.7	14.3	19.8	11.6
Total diversification adjustment/S&P Global Ratings' RWA before diversification¶	N/A	(10.6)	(10.0)	(9.0)	(15.3)
Total managed assets/adjusted common equity (x)	11.0	10.9	11.2	11.4	11.1
New loan loss provisions/average customer loans	0.4	0.3	0.1	0.3	0.3
Net charge-offs/average customer loans	0.2	0.2	0.2	0.3	0.4
Gross nonperforming assets/customer loans + other real estate owned	1.2	1.3	1.3	1.5	2.5
Loan loss reserves/gross nonperforming assets	138.4	129.4	113.4	112.2	82.9

*Data as of June 30.
¶Data prior to 2016 is based on the 2010 RACF criteria. 2016, 2017, 2018 and 2019 are based on the revised RACF criteria published in July 2017. RWA--Risk-weighted assets. N/A--Not applicable.

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

We view RCI's funding as weaker than that of French large banks, on average, and its liquidity as neutral for the rating.

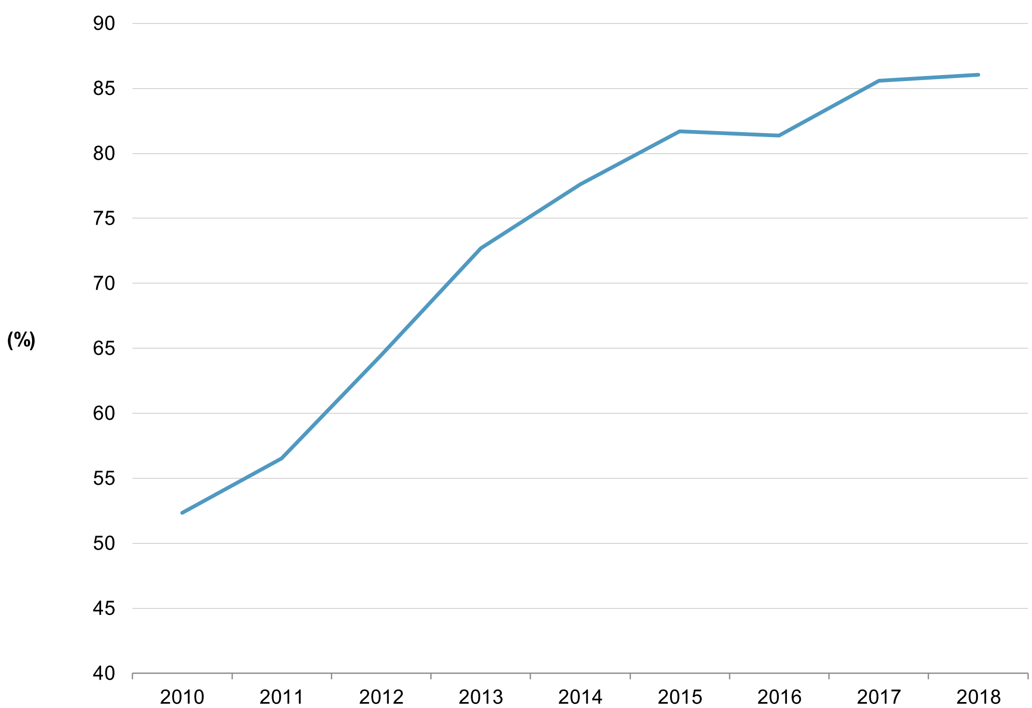
RCI's predominantly wholesale-funded profile is a weakness, in our view. This is in line with most consumer finance entities we rate in Europe. RCI's ratio of customer loans (net) to customer deposits stood at 283% at end-2018, well above the average of about 110% for large French banks.

The bank has been diversifying its funding sources, including the collection of deposits (France, Germany, Austria, the

U.K., and Brazil since March 2019) and lengthening their maturities (four seven-year senior unsecured issuances were made in 2016-2017 and one eight-year senior unsecured issuance in 2017), giving more flexibility and options in the event of market turbulence. As a result, the share of bonds outstanding with a maturity above five years has increased to 35% at end-2018 from 7% at end-2015. Reflecting RCI's deposit-gathering effort over the past few years and the absence of large maturity mismatches, our stable funding ratio has improved to 86% at end-2018 from 52% in 2010. Uncertainty surrounding Renault group's strategy and governance has not altered RCI's access to funding nor has it translated into higher funding costs.

Chart 3

RCI Banque's Stable Funding Ratio



Source: S&P Global Ratings.

We believe RCI will maintain the share of customer deposits to net loans at about one-third (35% as of end-2018), despite market conditions being more supportive of funding via financial markets, as they represent a source of funding whose cost is less volatile than that from capital markets.

We view RCI's liquidity as neutral for the rating, reflecting our view that the bank is prepared to successfully manage its liquidity, and is likely to survive under stressful conditions for more than six months, with a limited dependence on the central bank thereafter. Indeed, under stressed conditions where access to market funding would be closed, the liquidity reserve computed by RCI would allow it to cover its stressed outflows during 11-12 months while maintaining a flat balance sheet.

RCI's ratio of broad liquid assets to short-term wholesale funding stood at 42% at end-2018, well below that of the large French banks, where ratios tend to be above 100%. However, it increases to 104% if we take into account committed credit lines (€4.4 billion).

This, plus RCI's ability to rely on loan inflows to repay its debts more than a traditional commercial bank could, explains our adequate liquidity assessment. Auto loans have much shorter maturities (up to four years) than mortgages, which would support quick deleveraging.

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--			
(%)	**2019***	**2018**	**2017**	**2016**	**2015**
Core deposits/funding base	37.0	37.1	37.6	36.2	34.8
Customer loans (net)/customer deposits	279.3	283.4	279.4	291.2	293.9
Long-term funding ratio	86.3	85.7	86.3	82.4	80.1
Stable funding ratio	87.7	86.1	85.6	81.4	81.7
Short-term wholesale funding/funding base	15.3	15.9	15.2	19.5	22.1
Broad liquid assets/short-term wholesale funding (x)	0.5	0.4	0.4	0.3	0.4
Net broad liquid assets/short-term customer deposits	(22.3)	(28.3)	(28.6)	(46.8)	(50.5)
Short-term wholesale funding/total wholesale funding	24.3	25.3	24.4	30.5	33.8
Narrow liquid assets/3-month wholesale funding (x)	1.6	1.2	1.1	0.7	0.8

*Data as of June 30.

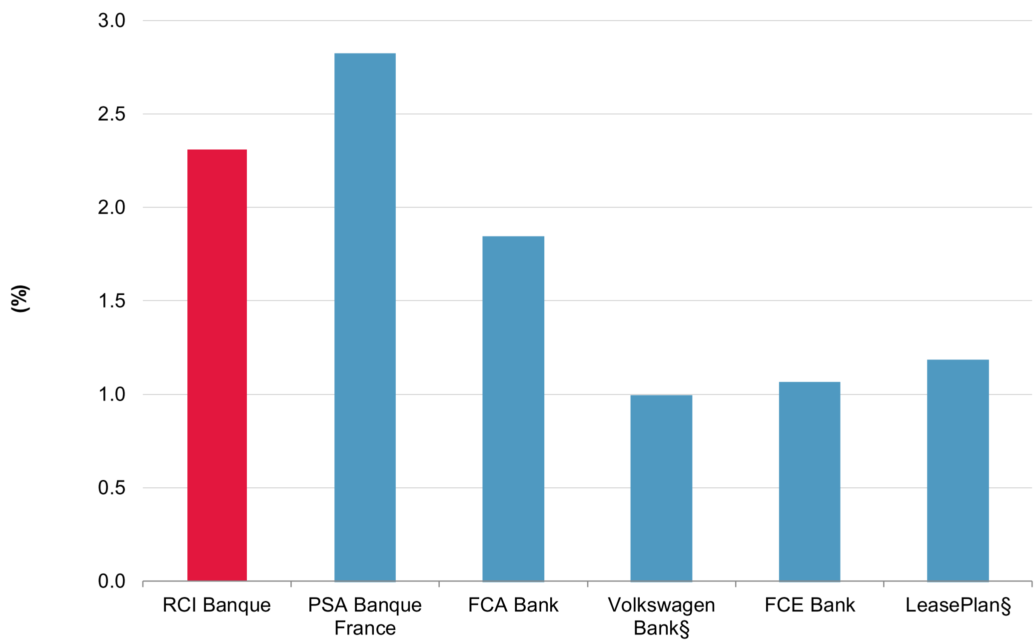
Support: Benefitting from parent's support

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, RCI can potentially be rated higher than Renault (by up to two notches) based on its own creditworthiness.

Our ratings on RCI and Renault are currently aligned. Given that our assessment of RCI's SACP is one notch lower than our issuer credit rating on Renault, we factor one notch of group support in our rating on RCI. That said, should we lower our rating on Renault, we may continue to rate RCI at the current level, provided it maintains its superior risk-adjusted profitability versus peers, with a similar SACP (measured by our earnings buffer, which stood at 2.3% at end-2018). We would also need to see no contagion risks emanating from the parent related to the strategic and governance challenges that Renault is facing following the resignation of its CEO and Chairman Mr. Carlos Ghosn.

Chart 4

Earnings Buffers As Of End-2018



Source: S&P Global Ratings. §Data as of end-2017 for Volkswagen Bank. We define earnings buffer as preprovision operating income minus one-off items and S&P Global Ratings' normalized credit losses divided by our assessment of risk-weighted assets.

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, we align our ratings on DIAC with our ratings on RCI.

Related Criteria

- General Criteria: Hybrid Capital: Methodology And Assumptions, July 1, 2019
- General Criteria: Group Rating Methodology, July 1, 2019
- Criteria - Financial Institutions - General: Methodology For Assigning Financial Institution Resolution Counterparty Ratings, April 19, 2018
- Criteria - Financial Institutions - General: Risk-Adjusted Capital Framework Methodology, July 20, 2017
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- Criteria - Financial Institutions - Banks: Bank Rating Methodology And Assumptions: Additional Loss-Absorbing Capacity, April 27, 2015
- Criteria - Financial Institutions - Banks: Quantitative Metrics For Rating Banks Globally: Methodology And

Assumptions, July 17, 2013

- Criteria - Financial Institutions - Banks: Banks: Rating Methodology And Assumptions, Nov. 9, 2011
- Criteria - Financial Institutions - Banks: Banking Industry Country Risk Assessment Methodology And Assumptions, Nov. 9, 2011
- General Criteria: Use Of CreditWatch And Outlooks, Sept. 14, 2009
- Criteria - Financial Institutions - Banks: Commercial Paper I: Banks, March 23, 2004

Related Research

- RCI Banque Outlook Revised To Negative Following Similar Action On Parent; 'BBB/A-2' Ratings Affirmed, Feb. 26, 2019
- Renault Outlook Revised To Negative On Weaker Operating Profit Margin And Free Cash Flow; 'BBB/A-2' Ratings Affirmed, Feb. 20, 2019
- FCE Bank, RCI Banque, And VW Bank Have Ample Capital And Earnings To Absorb Fines From Italian Competition Authority, Jan. 11, 2019
- Banking Industry Country Risk Assessment: France, July 11, 2018
- RN Bank JSC, Dec. 14, 2018

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 August 22, 2019)*	
RCI Banque	
Issuer Credit Rating	BBB/Negative/A-2
Certificate Of Deposit	
Local Currency	A-2
Commercial Paper	A-2
Senior Unsecured	BBB

Ratings Detail (As Of August 22, 2019)*(cont.)	
Short-Term Debt	A-2
Issuer Credit Ratings History	
26-Feb-2019	BBB/Negative/A-2
27-May-2016	BBB/Stable/A-2
25-Oct-2012	BBB/Negative/A-2
Sovereign Rating	
France	AA/Stable/A-1+
Related Entities	
DIAC S.A.	
Issuer Credit Rating	BBB/Negative/A-2
Certificate Of Deposit	
Local Currency	A-2
Commercial Paper	
Local Currency	A-2
Senior Unsecured	BBB
RCI Banque Sucursal Argentina	
Issuer Credit Rating	
Argentina National Scale	raAA-/Stable/raA-1+
Renault S.A.	
Issuer Credit Rating	BBB/Negative/A-2
Commercial Paper	
Local Currency	A-2
Senior Unsecured	BBB
Short-Term Debt	A-2

*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.