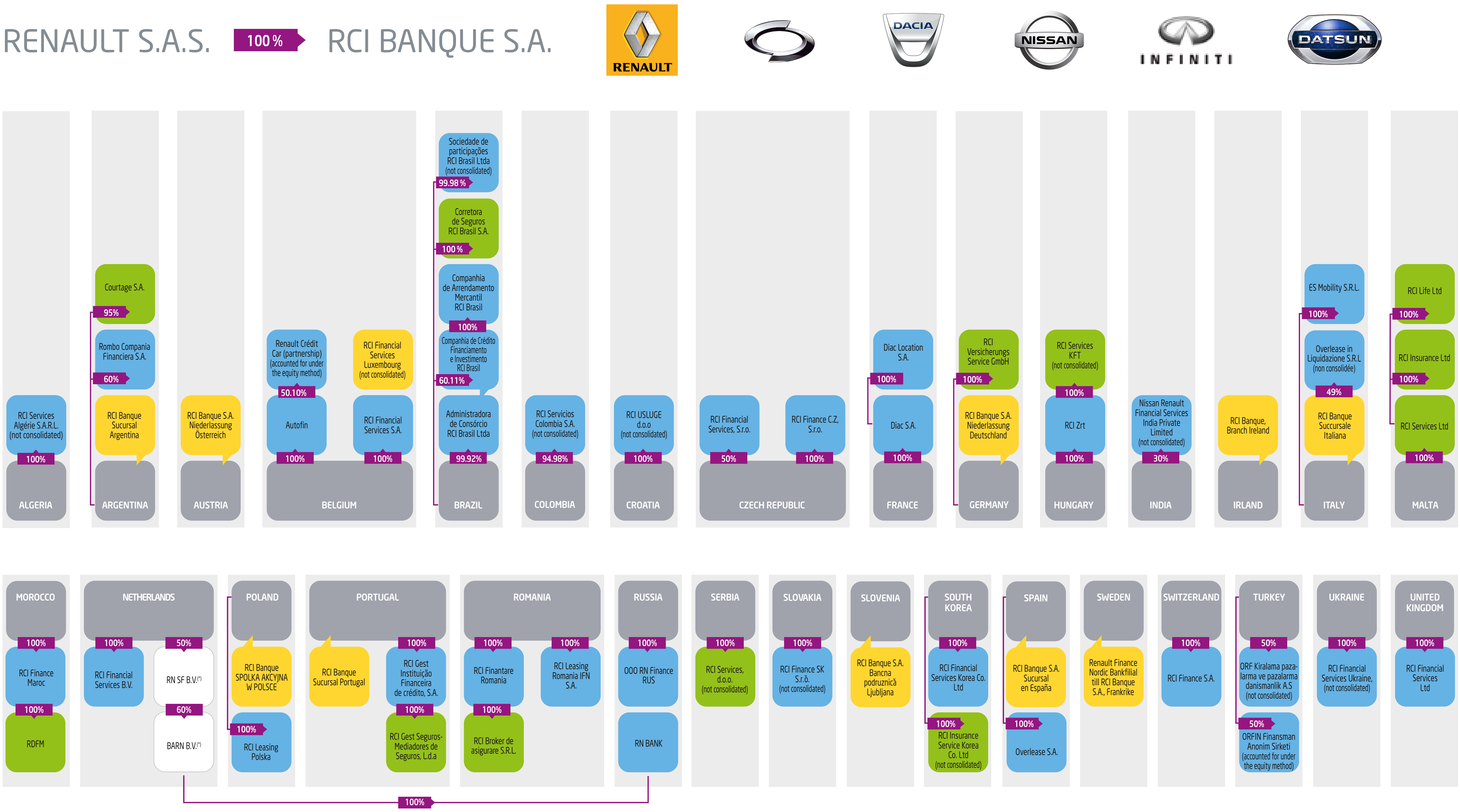
RCI Banque
groupe RENAULT

ANNUAL REPORT 2014

ORGANIZATION CHART 2014



Finance Affiliate Branch | **Service** Dedicated affiliate

(*) Organization of the activity in Russia

CHANGES IN 2014

France: Merger by absorption of SOGESMA S.A.R.L by Diac SA.
India: Creation of Nissan Renault Financial Services India Private Limited

Russia: Consolidation of RN Bank
Netherlands: Consolidation of RN SF BV and of BARN BV

RCI Banque
groupe **RENAULT**

CHANGES IN GOVERNANCE IN 2014

On 1 October 2014, RCI Banque's governance structure was modified to comply with changes in European banking regulations. Consequently, the roles of Chairman of the Board of Directors and of Chief Executive Officer have been split:

Dominique THORMANN retains his position as Chairman of the Board of Directors;

Gianluca DE FICCHY is appointed Chief Executive Officer;

Patrick CLAUDE is appointed Company Secretary and Chief Risk Officer. He is also Deputy CEO.

The French Banking Supervisory Authority ratified the "Senior Manager" status for Gianluca DE FICCHY and Patrick CLAUDE.

COMMITTEES & AUDITORS

Gianluca DE FICCHY
Chief Executive Officer

Patrice CABRIER
Senior V.P., Customer Operations and Information Systems

Patrick CLAUDE
Senior V.P., Corporate Secretary and Risk Control

Laurent DAVID
Senior V.P., Accounts and Performance Control

Bertrand LANGE
Senior V.P., Human Resources

Daniel REBBI
Senior V.P., Sales Operations

Jean-Marc SAUGIER
Senior V.P., Finance and Group Treasurer

BOARD OF DIRECTORS

Dominique THORMANN
Chairman of the Board

Farid ARACTINGI

Patrice CABRIER

Gianluca DE FICCHY
Chief Executive Officer

Clotilde DELBOS

Bernard LOIRE

Jérôme STOLL

Stéphane STOUFFLET

Philippe GAMBA
Honorary Chairman

AUDITORS

KPMG S.A.

Ernst & Young Audit

SUMMARY ANNUAL REPORT 2014

All financial and business information reports are available on our website www.rcibanque.com

RCI Banque is the Alliance brand finance company and as such provides financing for Renault Group (Renault, Renault Samsung Motors and Dacia) sales worldwide and for Nissan Group (Nissan, Infiniti and Datsun) sales mainly in Europe, in Russia and in South America.

RCI BANQUE CONTINUES ITS INTERNATIONAL EXPANSION IN SUPPORT OF ALLIANCE BRAND GROWTH

The RCI Banque group now operates in 37 countries, having processed its first contracts in India in 2014 and now financing a new Alliance brand, Datsun.

Furthermore, the group adapted to the regional reorganization operated within the Renault Group. RCI Banque is now located in the following countries:

- **Europe:** France, Austria, Belgium, Croatia, Czech Republic, Denmark, Estonia, Germany, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom;
- **Americas:** Argentina, Brazil, Colombia;
- **Africa, Middle East, India:** Algeria, India, Morocco;
- **Eurasia:** Bulgaria, Romania, Russia, Turkey, Ukraine;
- **Asia-Pacific:** South Korea.

A CUSTOMER-ORIENTED ORGANIZATION

RCI Banque's primary purpose is to satisfy the specific needs of its three core customer bases : Retail Customers, Corporate Customers and Brand Dealers. In order to facilitate access to Alliance brand vehicles, it offers appropriate solutions on the best possible terms to:

- **Retail Customers:** RCI Banque offers a wide range of loans, rental solutions and services for both new and used vehicles, to support retail customers and help them meet their varying mobility needs.
- **Corporate Customers (SMEs, multinationals):** RCI Banque has a set of appropriate and competitive solutions to meet the needs of all corporate customer segments, enabling them to focus on their core business and delegate management of their vehicle fleet to a sound and reliable partner.
- **Alliance Brand Dealer networks:** RCI Banque finances inventories of new vehicles, used vehicles and spare parts, as well as short-term cash requirements. Its ambition is to be the leading financial partner of all Alliance brand dealers. RCI Banque also has a role in advising dealer networks, the aim being to ensure their long-term viability through the implementation of financial standards and regular monitoring.

The Savings business

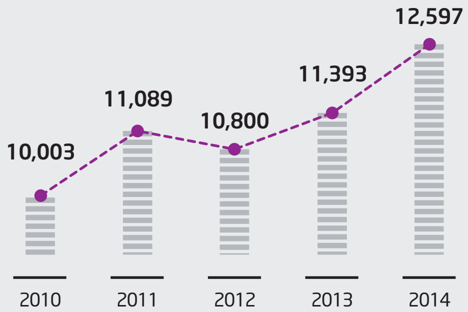
RCI Banque extended its savings business to Austria. Savings operations are now up and running in three European countries (France, Germany and Austria) and deposits collected amounted to €6.5 billion, almost 26% of its average performing loans outstandings (APO).

Total number of vehicle contracts

(in thousands)

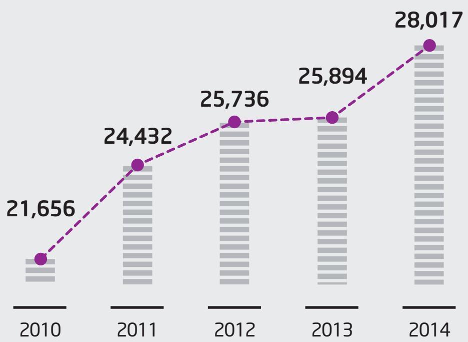
New financings

(in million euros)



Net loans outstandings

(in million euros)



LETTER FROM THE CHAIRMAN

A key highlight of 2014 was the operational launch of RCI Banque's new medium-term plan, an ambitious and pivotal program in line with the Renault Group's priorities.

This plan is structured around four strategic areas of work:

- deliver a customer-centric approach, by proposing a CRM (Customer Relationship Management) strategy for each country based on the digital world;
- expand RCI Banque's product line-up and in particular create a major shift in the range of services for motorists;
- sustain our international expansion so that we can support the Alliance brands in their growth;
- bring about changes in our organizations and processes, with the focus on developing a performance-oriented cross-cultural management approach.

2014 also saw a number of regulatory changes and changes to our governance structure.

The results of the asset quality review and stress tests supervised by the European Central Bank confirmed the strength of RCI Banque's balance sheet and its high capital level. This sound base will be a valuable asset in the next phase of the strategic plan.

RCI Banque's governance structure was modified in 2014 to comply with changes in European banking regulations. Since 1 October 2014, the role and duties of Chairman have been duly separated from those of Chief Executive Officer and they are no longer exercised by the same individual. Gianluca De Ficchy is now Chief Executive Officer and is leading operational implementation of RCI Banque's strategic plan.

At the end of the first year of the plan, RCI Banque recorded an increase in its overall penetration rate, in the volumes of financings for new and used vehicles and in its overall "insurance" rate. The group's operating margin also grew, even if net profit was affected by a number of non-recurring events.

The group also pushed ahead with its international expansion, with the start up of operations by the joint venture with Nissan in India and participation in the marketing launch of the Datsun brand in Russia.

On the refinancing side, RCI Banque continued the work that has been underway for some years to diversify its sources of funding and increase their international scope. For example, following France and Germany, the Savings Bank business line has now been extended to Austria.

RCI Banque thus confirms its ability to grow while at the same time maintaining the profitability of its businesses at a high level and contributing to the success of the three-year plans implemented by the Alliance manufacturers.

Dominique Thormann

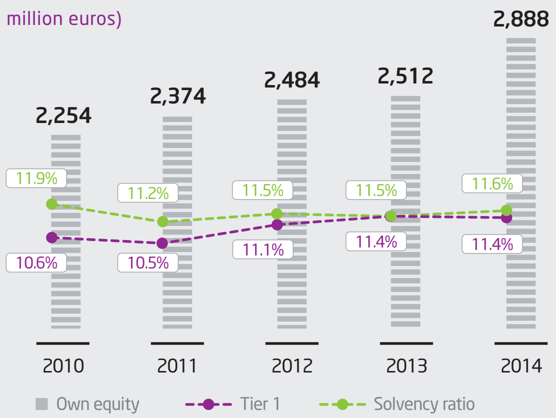
Results

(in million euros)

(*) ROE: Return On Equity (excluding non-recurring items).).

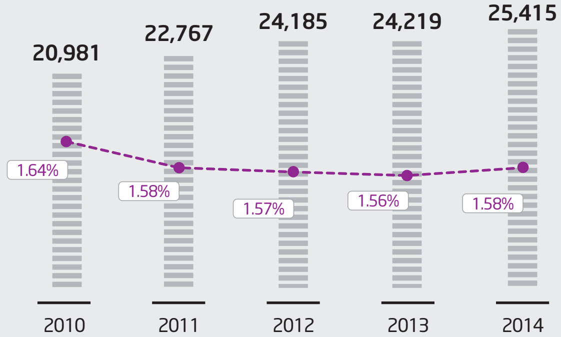
Prudential capital

(in million euros)



Average performing loans outstandings and overhead cost ratio

(in million euros)



LETTER FROM THE CHIEF EXECUTIVE OFFICER

Sales in the global automotive market reached 85.4 million vehicles in 2014, showing a similar level of growth to last year of 3.5%. Performances varied from one region to another however. Europe saw a welcome upturn (+5.9%) whereas the pace of market slowdown quickened in emerging countries in the Americas and Eurasia (-7.5% and -11.5% respectively). Total industry volumes across RCI Banque's markets remained stable compared to 2013.

Enjoying the benefit of strong Alliance brand momentum across its markets (+169,000 Alliance registrations), RCI Banque posted a further improvement in its financing penetration rate, which was up by 0.6pt to 35.2%. New financings hit a record €12.6 billion, an increase of 10.6% (+€1.2bn). This increase was in major part due to financing contracts for new vehicles, with 1.0 million units, but the group's commercial results were also fuelled by growth in the used vehicle financing business, which reached 196,900 contracts. Average performing loans outstanding (APO) grew to a record €25.4 billion.

Services are a strategic area of business for RCI Banque. They help promote customer satisfaction, increase loyalty to Alliance brands and increase the profitability of RCI Banque's operations. In 2014, the threshold of two million services contracts was exceeded for the very first time.

Since 2012, RCI Banque has been diversifying its sources of funding by deploying its savings business, in France (2012), in Germany (2013) and then in Austria (May 2014). The funds collected are fully reinvested in auto loans marketed to customers of Renault-Nissan Alliance brands. With a total of €6.5bn in net deposits collected in these three countries, the retail savings business represented almost 26% of RCI Banque's average performing loan outstandings at end-December 2014.

Net banking income, excluding non-recurring items, rose by €44 million to €1,265 million, despite a negative foreign exchange effect on the Americas region.

The cost-to-income ratio[*] reached 31.8%, showing RCI Banque's ability to keep control over its operating expenses while continuing to grow its business. The total cost of risk remained low at a rate of 0.43% of average performing loans outstandings (APO).

Pre-tax profit dipped by 9.4% to €674 million compared to 2013. This decrease is attributable to a number of non-recurring items, among which:

- the impact of a court ruling with retroactive effect (period of ten years) pertaining to administration/processing fees and affecting the majority of auto loan operators in Germany, for €52 million,
- a VAT-related tax adjustment in Germany, for €17 million, and
- a new law on foreign currency-denominated loans in Hungary, with a retroactive period of ten years, for €5 million.

The ROE[**] fell to 18.5% compared to 20.1% at end-December 2013, in part due to the increase in consolidated shareholders' equity over the period, which reached €3.2 billion at the end of the financial year.

Gianluca De Ficchy

[*] Cost-to-income ratio: ratio of operating costs to net banking income

[**] ROE: Return On Equity (excluding non-recurring items).

A CUSTOMER-ORIENTED ORGANIZATION

RCI Banque supports the Renault (Renault, Renault Samsung Motors, Dacia) and Nissan (Nissan, Infiniti and Datsun) group brands in their growth and offers Retail customers, Corporate customers and Dealers a comprehensive range of financing products and innovative services appropriate to their needs. As their captive finance company, RCI Banque's task is to help win customers and build loyalty to Renault Nissan Alliance brands.

CUSTOMER BUSINESS

In 2014, RCI Banque entered into its 2014-2016 three-year plan, called Drive 4B (Drive for Business). This plan, which integrates seamlessly with the Renault plan, Renault Drive the Change, revolves around four strategic areas of work:

- expand the product line-up and step up the pace on services;
- innovate in the digital world to build customer value;
- support the Renault-Nissan Alliance in its international expansion;
- bring about changes to the organization to step up development of the performance culture.

This is an ambitious strategic plan which will lead RCI Banque to strengthen its business model.

Expand the product line up and range of services

As the finance company for Alliance brands, RCI Banque's aim is to offer a comprehensive range of appropriate products and services to meet all the needs of all of its customers.

In 2014, this resulted in the rollout in July of a rental offering for small and medium-size businesses as a wholly owned operation in the United Kingdom, in Italy and in Spain.

The aim is to write more financing agreements and generate a good margin. Six months after launching in these countries, some 6,000 contracts have already been signed, an increase in volume terms of 70% compared with the same period in 2013. Buoyed by this initial success, RCI Banque is to rollout these offerings in other countries, including Poland and Morocco in 2015.

The pace of growth on services was also increased in 2014, underpinned not only by services already in RCI Banque's line up, but also by the development of new offerings that more specifically meet the needs of motorists. To this end, a Stand Alone Services Department was set up in 2014 with a view to offering services to customers outside the vehicle sale context. Some 2.2 million services contracts were signed in 2014 by this means, an increase of 30% compared to 2013.

Development of a Savings Bank business

The retail savings business was successfully rolled out in Austria in 2014, following its launch in France in 2012 and in Germany in 2013.

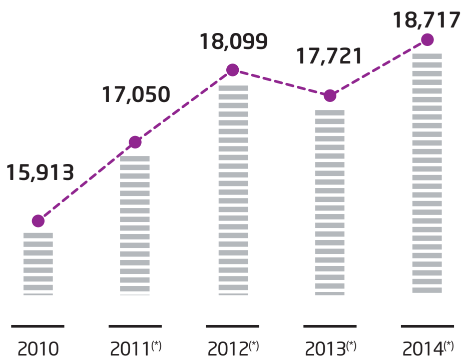
At end-December 2014, retail deposits for all three countries totaled €6.5bn, showing an increase of 50% compared to year-end 2013. Net collected deposits at end 2013 represented 17% of average performing loans, but at end-2014 this had increased to more than 25%.

By committing to reinvest the funds collected in its auto loan business, and by offering a straightforward, safe and high-performance range of savings products, RCI Banque managed to attract more than 190,000 customers in France, Germany and Austria in 2014, which is some 60,000 customers more than in 2013.

CUSTOMER BUSINESS

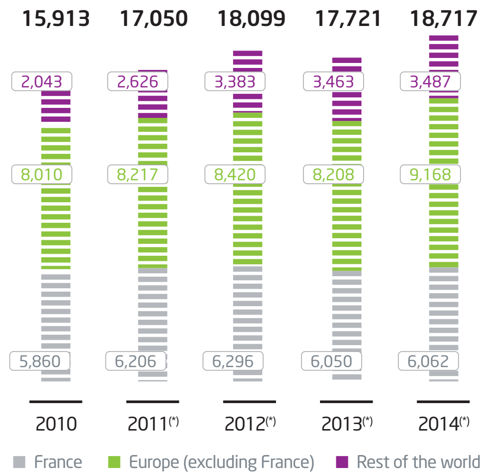
Average performing loans outstandings (APO)

(in million euros)



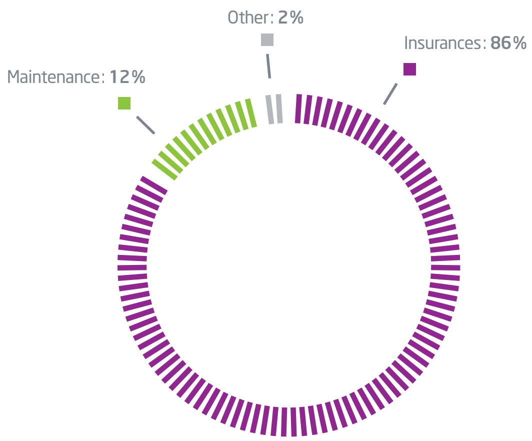
Geographical breakdown of Customer APO

(in million euros)



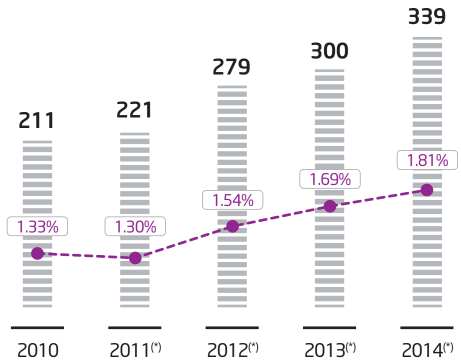
Breakdown of margin on services by product

(in million euros)



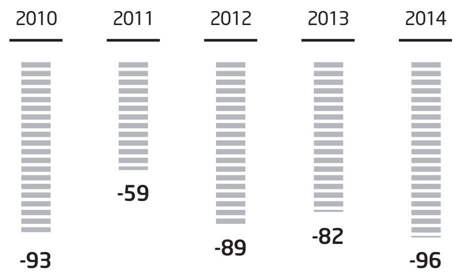
Margin on services

(in million euros and in % of Customer APO)



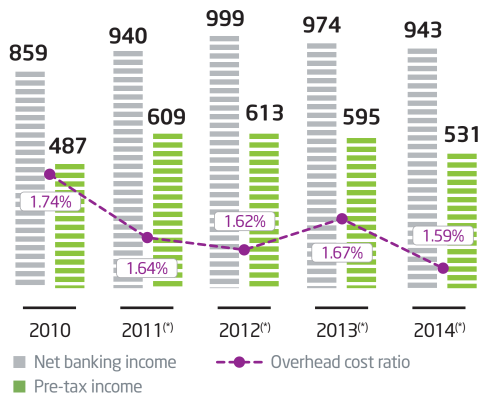
Cost of risk (excluding country risk)

(in million euros)



Results and operating costs

(in million euros and in % of Customer APO)



(*) Excluding operating lease business

Support the Renault-Nissan Alliance in its international expansion

In 2014, RCI Banque benefited from the strong momentum enjoyed by the Alliance brands, whose registrations increased by 6% across RCI's markets. Beneath this overall increase lie differences from one region to another, with strong growth in Europe making up for struggling markets in Latin America (Argentina and Brazil) and to a lesser extent in Russia and in Turkey.

In this environment, the financing penetration rate (number of financing contracts/number of vehicles registered by the Alliance) continued to improve and reached 35.2%, an increase of 0.6 point compared to 2013. It was a record year for RCI Banque, which wrote just over one million new vehicle contracts in 2014.

International expansion is a key growth area for RCI Banque. In 2014, France was still its leading country in business volume terms, with 250,000 contracts written, while Brazil and Russia were its third and fourth most important markets with 140,000 and 109,000 contracts written respectively.

RCI Banque is also involved in the setting up of an operation in India, which is a strategic market for the Renault-Nissan Alliance, and therefore for RCI Banque as well. In 2014, the company obtained a banking license for the country.

DEALER FINANCING BUSINESS

The RCI Banque group finances inventories of new vehicles, used vehicles and spare parts, as well as the short-term cash requirements of Alliance brand dealers.

Sustained business and controlled risk

2014 saw a recovery in market growth and in Alliance brand sales volumes in Europe, but a downturn outside Europe. In this mixed environment, RCI Banque confirmed its policy of supporting car makers and their distribution networks by providing appropriate financing solutions for their needs.

Managing inventories with the manufacturers and ensuring appropriate levels thereof in relation to different market conditions remained a priority throughout the year.

In 2014, within the scope of RCI Banque's dealer financing business (27 countries), average performing loans outstandings grew by 3.1%, driven by the brands' growth in Europe, especially in France and in the United Kingdom.

The risk management, control and monitoring processes, which have been reinforced since 2008, are helping the group to be more proactive and to further risk hedging and prevention across dealership networks.

In this more positive environment than in 2013, the cost of risk on Dealers (excluding country risk) fell to 0.20% of average performing loans outstandings.

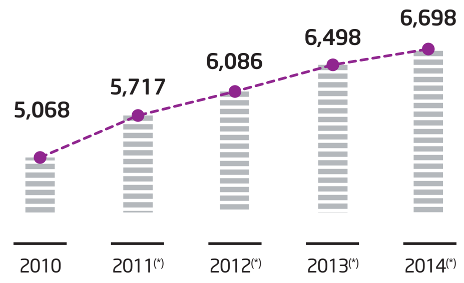
International expansion

Following on from the steps taken in 2013 with Nissan, in 2014 the group started up dealer financing for the Renault and Datsun networks in Russia through RN Bank, a joint venture between RCI Banque (30%), Nissan (30%) and UniCreditGroup (40%).

DEALER FINANCING BUSINESS

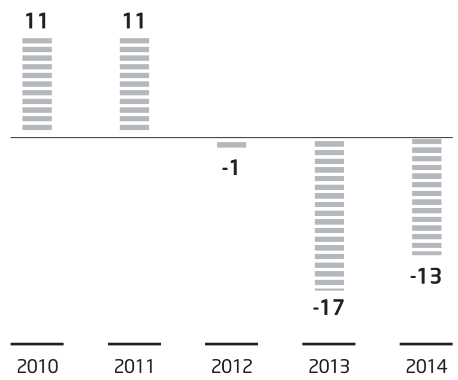
Average performing loans outstandings

(in million euros)



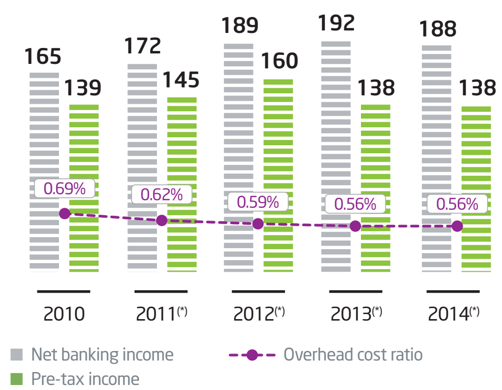
Cost of risk (excluding country risk)

(in million euros)



Results and operating costs

(in million euros and in % of Dealer APO)



(*) Excluding operating lease business

BUSINESS ACTIVITY

With more than 1,245,000 financing contracts processed, a 7.3% rise compared to the previous year, RCI Banque confirms its profitable growth momentum, providing stronger commercial support for all the Alliance brands.

Enjoying the benefit of the upturn in Europe's automotive market and despite the slight fall seen on its main emerging markets, RCI Banque financed a record 1,245,246 contracts.

Boosted by growth in Alliance brand sales, this performance was also sustained by a financing penetration rate that grew to 35.2% (against 34.6% in 2013).

Services, major focus of the strategy, continued to flourish, with 2,168,035 new contracts written (compared to 1,756,496 in 2013), bringing the total number in the portfolio to 5,350,804. The services penetration rate was up to 73.0%, compared to 62.7% in 2013.

New financings (excluding cards and personal loans) totaled €12.6 billion (up 10.6% compared to 2013) and were up across all Alliance brands.

Despite a negative foreign exchange effect on the Americas region, average performing loans outstandings (APO) still grew by 4.9% to €25.4 billion, of which €18.7 billion for the Customer business (up 5.6% compared to 2013) and €6.7 billion for the Dealer financing business.

PC+LUV(*) MARKET		MARKET SHARE		RCI BANQUE FINANCING PENETRATION RATE (%)	NEW VEHICLE CONTRACTS PROCESSED (thousands)	NEW FINANCINGS EXCLUDING CARDS AND PL (€M)
		RENAULT GROUP BRANDS (%)	NISSAN GROUP BRANDS (%)			
Europe	**2014**	**10.3**	**3.4**	**36.4**	**860**	**10,042**
	2013	9.7	3.2	35.1	759	8,810
of which Germany	**2014**	**5.3**	**2.1**	**43.6**	**138**	**1,840**
	2013	5.1	1.9	36.3	107	1,356
of which Spain	**2014**	**13.2**	**4.6**	**46.8**	**90**	**936**
	2013	12.1	4.8	45.9	73	760
of which France	**2014**	**26.6**	**3.6**	**38.0**	**326**	**3,745**
	2013	25.4	3.3	36.9	304	3,650
of which Italy	**2014**	**8.9**	**3.6**	**47.5**	**95**	**1,226**
	2013	7.2	3.6	49.3	83	1,096
of which United Kingdom	**2014**	**3.9**	**5.3**	**27.5**	**94**	**1,288**
	2013	3.0	5.1	28.7	82	1,036
of which other countries	**2014**	**9.6**	**2.5**	**25.3**	**117**	**1,006**
	2013	9.4	2.4	24.9	109	911
Asia-Pacific (South Korea)	**2014**	**4.9**	**0.4**	**48.1**	**50**	**649**
	2013	4.0	0.3	47.4	39	446
Americas	**2014**	**8.1**	**1.8**	**38.9**	**169**	**1,409**
	2013	8.4	1.7	42.7	211	1,781
of which Argentina	**2014**	**12.9**	**-**	**16.3**	**18**	**90**
	2013	15.4	-	25.4	42	265
of which Brazil	**2014**	**7.1**	**2.2**	**45.1**	**151**	**1,318**
	2013	6.6	2.2	50.5	170	1,516
Africa, Middle East, India(**)	**2014**	**37.0**	**-**	**29.6**	**13**	**106**
	2013	38.9	-	30.5	14	116
Eurasia(**)	**2014**	**10.9**	**5.5**	**26.9**	**153**	**391**
	2013	10.4	4.2	24.9	138	241
TOTAL	**2014**	**9.7**	**3.2**	**35.2**	**1,245**	**12,597**
	2013	9.3	2.9	34.6	1,161	11,393

(*) Figures refer to passenger car and light utility vehicle markets.
(**) Without India and 2013: pro forma.

NET LOANS OUTSTANDINGS AT YEAR-END (€M)	of which CUSTOMERS OUTSTANDINGS AT YEAR-END (€M)	of which DEALERS OUTSTANDINGS AT YEAR-END (€M)	AVERAGE PERFORMING LOANS OUTSTANDINGS (€M)	NET BANKING INCOME (€M)	PRE-TAX INCOME (€M)
23,612	**16,522**	**7,090**	**21,243**	**898**	**467**
21,395	14,920	6,475	19,933	873	498
4,229	**3,105**	**1,124**	**3,810**	**95**	**33**
3,710	2,718	992	3,638	134	95
2,016	**1,540**	**476**	**1,777**	**71**	**45**
1,673	1,215	458	1,585	58	31
9,268	**6,375**	**2,893**	**8,523**	**321**	**169**
9,023	6,266	2,757	8,380	318	151
2,623	**1,935**	**688**	**2,325**	**71**	**24**
2,340	1,701	639	2,188	72	32
2,956	**2,236**	**720**	**2,569**	**91**	**64**
2,295	1,727	568	2,026	78	60
2,519	**1,331**	**1,188**	**2,239**	**250**	**133**
2,355	1,293	1,062	2,116	213	129
1,047	**1,038**	**9**	**948**	**53**	**41**
954	946	8	1,027	58	39
2,966	**2,259**	**707**	**2,864**	**220**	**146**
3,170	2,148	1,022	2,920	223	156
315	**198**	**117**	**285**	**56**	**46**
511	295	216	434	60	44
2,652	**2,062**	**590**	**2,578**	**163**	**100**
2,660	1,853	807	2,486	163	111
306	**238**	**68**	**275**	**18**	**7**
283	215	68	249	16	7
87	**84**	**3**	**85**	**22**	**13**
92	89	3	90	50	44
28,017	**20,140**	**7,877**	**25,415**	**1,210**	**674**
25,894	18,318	7,576	24,219	1,221	744

GERMANY

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After two years of declining sales, in 2014 the German automotive market recorded a growth of 3.2%, with 3,270,680 units sold.

In this environment, the Alliance brands took a 7.4% share of the market (Renault: 3.8%, Dacia: 1.6% and Nissan: 2.1%), up 0.4 point compared to 2013.

For the second year running, RCI Banque Germany recorded strong growth in its financing penetration rate, which came to 43.6% (up 7.4 points compared to 2013). The rates on the Renault, Dacia and Nissan brands were 46.0% (up 3.5 points compared to 2013), 39.5% (up 10.1 points) and 42.3% (up 12.8 points) respectively.

The number of financed contracts grew by 29.3% to some 138,000 units, of which around 105,500 contracts on new vehicles (up 30.7%) and approximately 32,500 on used vehicles (up 24.9%). Total new financings grew by 35.7% compared to 2013, to €1.8bn.

Retail deposits collected under the Renault Bank direkt name grew by 43.6% compared to year-end 2013, totaling almost €4.38bn.

Pre-tax income was €33.2m, compared to €95.2m in 2013. The difference is mainly attributable to the negative impact of non-recurring items for €68.7m. Operating expenses (1.08% of average performing loans outstandings) and the cost of risk (0.09% of average outstandings) remained under control.

In thousand euros (excluding rate and unit)	2014	2013
Number of new contracts processed	137,977	106,730
New Customer financings, net	1,840,388	1,355,930
BALANCE SHEET		
Gross outstandings	4,268,470	3,758,773
Allowance for impairment	(39,055)	(48,197)
Net outstandings	**4,229,415**	**3,710,576**
of which receivable from Dealers	*1,124,471*	*991,952*
Operating lease transactions net of impairment allowances and provisions	42,018	33,210
Available-for-sale securities	3,617,688	2,499,488
Other assets	73,692	51,428
Debt	7,517,461	5,794,137
Other liabilities	298,122	302,376
Provisions for risks and charges	15,171	4,972
Equity	132,059	193,217
BALANCE SHEET TOTAL	**7,962,813**	**6,294,702**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	95,514	133,812
Pre-tax income	33,168	95,196
Net income (group share)	24,546	68,275

AUSTRIA

RCI BANQUE SA NIEDERLASSUNG ÖSTERREICH
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In 2014, the Austrian automotive market recorded a 4.4% decrease in sales. New registrations of Alliance brand vehicles fell by 6.9% to 34,669 units (against 37,227 in 2013). Renault's market share remained steady at 5.7%, while Dacia upped its share to 2.5% (against 2.3% in 2013). At 2.2%, Nissan's market share slipped by 0.5 point compared to 2013.

In this context, RCI Banque's overall financing penetration rate increased to 22.6% (against 22.0% in 2013) thanks to an increase on Nissan sales (19.6% against 13.4% in 2013). The financing penetration rate fell back on Renault sales to 22.5% (down 1.8 points) and on Dacia sales to 25.2% (down 1.4 points) compared to 2013.

RCI Banque Austria financed 10,847 vehicles in 2014, 4.0% fewer than in the previous year. At €117.3m, new financings fell by 1.9% compared to 2013.

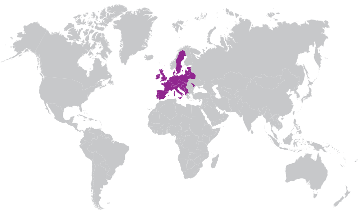
Average performing Customer loans outstandings came to €220.2m, showing an increase of 1.7% compared to 2013. In the Dealer business, average performing loans outstandings came to €134.9m (down 5.6% compared to 2013).

A key highlight in 2014 was the start-up of the retail savings business, deposits collected for which totaled €373m at year-end 2014.

Pre-tax income came to €4.3m, down by €1.2m compared to 2013 further to the impact of the costs of implementing the retail deposits collection operation.

In thousand euros (excluding rate and unit)	2014	2013
Number of new contracts processed	10,847	11,298
New Customer financings, net	117,330	119,570
BALANCE SHEET		
Gross outstandings	368,348	380,668
Allowance for impairment	(6,646)	(6,102)
Net outstandings	**361,702**	**374,566**
of which receivable from Dealers	*132,943*	*150,139*
Operating lease transactions net of impairment allowances and provisions	7,409	5,335
Available-for-sale securities	84,053	14,761
Other assets	3,584	8,651
Debt	411,542	358,974
Other liabilities	5,239	5,455
Provisions for risks and charges	1,012	894
Equity	38,955	37,990
BALANCE SHEET TOTAL	**456,748**	**403,313**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	12,112	12,245
Pre-tax income	4,289	5,501
Net income (group share)	3,197	4,094

EUROPE



BELGIUM

RCI FINANCIAL SERVICES S.A.
W.A. MOZARTLAAN, 20
1620 DROGENBOS
MANAGEMENT: MARC DE BUFFEVENT +32 2 730 65 59

The Belgian automotive market was stable in 2014 compared to 2013, with 593,126 vehicles sold. The market share held by Renault Group brands remained steady at 13.0%, while Nissan's slipped by 0.3 points to 3.0%.

Despite RCI Banque Belgium's good performance on Nissan sales (up by 0.6 point to 18.9%), the overall financing penetration rate fell by 2.4 points compared to 2013, to 23.7%. This decline is attributable to the 2.5-point fall in the financing penetration rate on Renault sales to 20.3% and the 6.2-point fall in the rate on Dacia sales to 39.3%. Although the number of financing contracts written in 2014 dropped by 9.3% compared to 2013, packages combining financing with services continued to make progress. New sales channels have been put in place and the financial lease business previously delivered by a partner is now managed as a wholly-owned operation.

Average performing Customer loans outstandings rose by 5.5% to €26.0m, due to the recovery of the financial lease business. Dealer loans outstandings fell by 4.3% to €157.5m. Pre-tax income was up by €1.7m compared to 2013, to €7.3m.

In thousand euros (excluding rate and unit)	2014	2013
Number of new contracts processed	24,782	27,329
New Customer financings, net	155,555	153,282
BALANCE SHEET		
Gross outstandings	234,971	256,014
Allowance for impairment	(2,833)	(2,287)
Net outstandings	**232,138**	**253,727**
of which receivable from Dealers	*193,654*	*230,744*
Operating lease transactions net of impairment allowances and provisions	10,770	5,147
Available-for-sale securities	4,799	679
Other assets	12,989	21,867
Debt	216,604	241,640
Other liabilities	3,916	3,881
Provisions for risks and charges		980
Equity	40,176	34,919
BALANCE SHEET TOTAL	**260,696**	**281,420**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	10,385	8,785
Pre-tax income	7,347	5,623
Net income (group share)	5,257	3,855

SPAIN

RCI BANQUE S.A. - SUCURSAL EN ESPAÑA
EDIFICIO RENAULT
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The recovery in the Spanish automotive market continued in 2014, with 969,487 vehicles recorded (up 19.9% compared to 2013). The successful government scrappage incentive scheme put in place at the end of 2012 and continuing in 2014 combined with the first signs of an economic recovery confirmed a positive trend.

In this environment, new registrations of Alliance brand vehicles increased by 25.8%, with 172,500 units recorded.

The Alliance's market share rose to 17.8% (from 17.0% in 2013), with a very significant increase for Dacia (4.7% against 4.0% in 2013), the brand most positively affected by the scrappage incentive scheme. Renault's market share was 8.4% (8.1% in 2013) and Nissan's was 4.6% (4.8% in 2013).

The overall financing penetration rate increased by 0.9 point compared to 2013, to 46.8%, fuelled by a number of successful financing plus services packages. The financing penetration rate was 37.6% on Nissan sales (against 37.5% in 2013), 49.7% on Renault sales (against 48.4% in 2013) and 51.0% on Dacia sales (against 51.2% in 2013).

Average performing loans outstandings came to €1.8bn, showing a 12.1% increase compared to 2013.

The contribution to pre-tax income was €45.1m, against €30.7m in 2013. The cost of risk was kept under control at 0.11% of APO (down 7bp compared to 2013). Operating expenses came to €23.8m against €24.7m in 2013.

In thousand euros (excluding rate and unit)	2014	2013
Number of new contracts processed	90,195	72,981
New Customer financings, net	936,153	759,863
BALANCE SHEET		
Gross outstandings	2,095,827	1,781,461
Allowance for impairment	(78,978)	(108,905)
Net outstandings	**2,016,849**	**1,672,556**
of which receivable from Dealers	*476,033*	*458,135*
Operating lease transactions net of impairment allowances and provisions	8,679	6,230
Available-for-sale securities	5,015	10,221
Other assets	119,644	129,025
Debt	1,947,525	1,662,729
Other liabilities	52,755	34,799
Provisions for risks and charges	2,177	3,243
Equity	147,730	117,261
BALANCE SHEET TOTAL	**2,150,187**	**1,818,032**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	70,824	58,193
Pre-tax income	45,058	30,689
Net income (group share)	33,724	20,779

FRANCE

DIAC S.A.
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93 168 NOISY-LE-GRAND CEDEX
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The automotive market recorded a 0.5% rise in sales compared to 2013, totaling 2,167,958 vehicles sold.

In this context, the Alliance brands posted 655,019 new registrations for a market share of 30.2% (up 1.5 points compared to 2013).

Changes in manufacturer volumes together with DIAC's financing penetration rate of 38.0% (up 1.1 points compared to 2013), resulted in a total of 325,975 contracts processed (up 7.1% compared to 2013).

Financing penetration rates on Renault and Dacia sales improved by 0.9 point and 4.0 points respectively. There was a slight fall (down 1.1 points) in the financing penetration rate on Nissan sales.

The number of financing contracts processed for used vehicles increased by 1.4% to 76,678 units. New financings amounted to €3.7bn, a rise of 2.6% compared to 2013.

Average performing Customer loans outstandings amounted to €6.1bn (up 0.2% compared to 2013). Average performing loans outstandings for the Dealer business came to €2.5bn (up 5.6% compared to 2013).

Pre-tax income was €168.8m (up 11.7% compared to 2013). This increase is due in particular to a €2.7m improvement in net banking income attributable to the growing contribution made by the margin on services.

The decrease in the cost of risk (positive impact of €11.6m) is mainly attributable to the very low level of risk on the Dealer business. Operating expenses remained under control at 1.47% of average performing loans outstandings.

In thousand euros (excluding rate and unit)	2014	2013
Number of new contracts processed	325,975	304,338
New Customer financings, net	3,745,411	3,650,229
BALANCE SHEET		
Gross outstandings	9,547,789	9,318,966
Allowance for impairment	(249,356)	(266,439)
Net outstandings	**9,298,433**	**9,052,527**
of which receivable from Dealers	*2,893,372*	*2,757,122*
Operating lease transactions net of impairment allowances and provisions	144,619	106,923
Available-for-sale securities	2,368,242	2,440,048
Other assets	311,531	416,899
Debt	10,540,268	10,618,033
Other liabilities	765,016	640,183
Provisions for risks and charges	55,143	49,569
Equity	762,398	708,612
BALANCE SHEET TOTAL	**12,122,825**	**12,016,397**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	320,903	317,785
Pre-tax income	168,821	150,722
Net income (group share)	100,667	84,675

HUNGARY

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The automotive market grew by 23.7% in 2014, to 83,534 vehicles sold.

Against this backdrop, the Alliance brands' overall market share came to 14.2% (against 14.5% in 2013). Renault's market share fell by 0.7 point to 4.6%, while Dacia's increased by 0.6 point to 5.5% and Nissan's held steady at 4.0%.

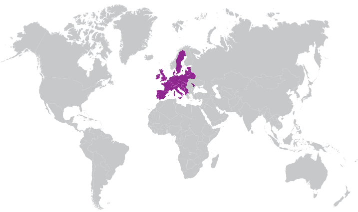
In 2009, the Customer financing business was transferred to a sales company under a joint arrangement (non-consolidated). Average performing Customer loans outstandings are nearing the end of their decline, and came to €1.3m at year-end 2014 against €3.6m in 2013.

Average performing loans outstandings for the Dealer business came to €25.1m, up by 10.7% compared to 2013.

A pre-tax loss of €3.9m was recorded further to the booking of a provision for exceptional expenses linked to the risks inherent in Hungary's new consumer credit legislation passed in July 2014.

In thousand euros (excluding rate and unit)	2014	2013
Exchange rate (closing rate)	0.3155	0.2970
Exchange rate (average rate)	0.3087	0.2969
Number of new contracts processed		
New Customer financings, net		
BALANCE SHEET		
Gross outstandings	29,074	27,926
Allowance for impairment	(776)	(2,178)
Net outstandings	**28,298**	**25,748**
of which receivable from Dealers	*28,294*	*24,142*
Operating lease transactions net of impairment allowances and provisions		
Available-for-sale securities	2,313	269
Other assets	503	815
Debt	22,501	17,755
Other liabilities	231	698
Provisions for risks and charges	4,741	256
Equity	3,641	8,123
BALANCE SHEET TOTAL	**31,114**	**26,832**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	(3,311)	1,788
Pre-tax income	(3,900)	983
Net income (group share)	(3,297)	875

EUROPE



IRELAND

RCI BANQUE BRANCH IRELAND
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The Irish automotive market saw a clear recovery in 2014 with 113,033 vehicles sold and a growth of 32.4% compared to 2013. The market share held by the Renault and Dacia brands rose by 1.4 points to 8.2%, while that of the Nissan importer remained relatively steady compared to last year (up 0.1 point) with 7,982 vehicles registered.

With a 42.1% increase in volumes compared to 2013, RCI Banque Ireland strengthened its financing penetration rate on Renault Group sales. A 3.9-point increase in the rate to 46.2% was posted on Dacia sales; the rate on Renault sales remained stable at 54.6%.

The used vehicle financing business also grew by 38.6% with 1,374 contracts financed.

Thanks to the launch of a number of new products, 1,392 services contracts were sold in 2014, a 161.7% increase compared to 2013.

New financings amounted to €99.3m.

Average performing loans outstandings for the Customer business reached €97.7m, against €60.9m in 2013 and for the Dealer business came to €24.8m, against €19.8m in 2013.

In November 2014, RCI Ireland broke even with respect to its initial investment. Pre-tax income was positive for the second year running, at €1.5m.

In thousand euros (excluding rate and unit)	2014	2013
Number of new contracts processed	7,063	4,971
New Customer financings, net	99,287	68,916
BALANCE SHEET		
Gross outstandings	173,638	98,705
Allowance for impairment	(2,671)	(1,177)
Net outstandings	**170,967**	**97,528**
of which receivable from Dealers	*63,662*	*32,935*
Operating lease transactions net of impairment allowances and provisions	813	590
Available-for-sale securities	1,984	2,247
Other assets	1,513	490
Debt	171,080	99,507
Other liabilities	3,659	2,079
Provisions for risks and charges		
Equity	538	(731)
BALANCE SHEET TOTAL	**175,277**	**100,855**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	4,315	2,732
Pre-tax income	1,450	815
Net income (group share)	1,269	713

ITALY

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The automotive market bounced back in 2014, with sales increasing by 5.3% to 1,477,398 units. Renault's market share, at 6.2% against 5.2% in 2013, improved markedly, while Dacia also continued to progress with a 2.7% market share (up 0.7 point compared to 2013). Over the period, the Nissan Group's brands recorded a stable performance at 3.6%.

In this environment, the financing penetration rate came to 47.5% in 2014 against 49.3% in 2013. RCI Banque Italy achieved its best commercial performance since 2003 and an 11.8% increase compared to 2013, advancing €1.2bn in new financings.

It also continued to develop services and customer loyalty. It registered 320,401 services contracts, a 26.7% increase compared to 2013.

Average performing loans outstandings rose by 6.3% compared to 2013, to €2.3bn.

Net banking income came to €70.8m, or 3.0% of average performing loans outstandings, down 1.2% compared to 2013.

In challenging conditions, the cost of Customer risk was brought down to 0.80% of average performing loans outstandings (against 0.95% in 2013). The cost of Dealer risk came to €6.9m (against a reversal of a €0.1m provision in 2013). Operating expenses remained stable (1.08% of average performing loans outstandings).

Pre-tax income for 2014 came to €23.5m, against €32.4m in 2013.

In thousand euros (excluding rate and unit)	2014	2013
Number of new contracts processed	95,008	83,026
New Customer financings, net	1,226,158	1,096,296
BALANCE SHEET		
Gross outstandings	2,694,796	2,400,037
Allowance for impairment	(71,563)	(61,026)
Net outstandings	**2,623,233**	**2,339,011**
of which receivable from Dealers	*688,331*	*638,685*
Operating lease transactions net of impairment allowances and provisions	10,969	8,727
Available-for-sale securities	109,478	123,923
Other assets	150,895	126,568
Debt	2,789,290	2,499,856
Other liabilities	74,188	53,796
Provisions for risks and charges	14,793	18,771
Equity	16,304	25,806
BALANCE SHEET TOTAL	**2,894,575**	**2,598,229**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	70,795	71,626
Pre-tax income	23,542	32,350
Net income (group share)	174	9,696

MALTA

RCI LIFE LTD/RCI INSURANCE LTD/RCI SERVICES LTD
LEVEL 3 TRANSPORT MALTA CENTER
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In 2014, the insurance and re-insurance business run from Malta continued growing in France, Germany, Italy and Spain. At the end of 2014, the total PPI (Payment Protection Insurance) active portfolio included 878,409 contracts (746,183 in 2013), of which 367,028 in France (331,649 in 2013), 169,170 in Germany (169,418 in 2013), 191,303 in Italy (160,062 in 2013) and 150,908 in Spain (85,054 in 2013). A total of €149.4m in PPI premiums was collected (up by 21.8% compared to 2013), of which €46.6m in France, €33.0m in Germany, €39.3m in Italy and €30.6m in Spain.

Claims paid for the PPI business excluding administrative expenses amounted to €12.3m (€10.0m in 2013) of which €6.7m in France, €3.8m in Germany, €1.2m in Italy and €0.6m in Spain.

Reinsurance Inwards Premium for the GAP business was €44.6m (€37.1m in 2013) of which €38.1m in France. The launch of this business in Germany contributed €6.5m in additional premiums.

Claims paid for the GAP business amounted to €4.2m (€3.9m in 2013). The Maltese subsidiaries recorded a pre-tax profit of €70.9m (€65.9m in 2013).

In thousand euros (excluding rate and unit)	2014	2013
Number of new contracts processed		
New Customer financings, net		
BALANCE SHEET		
Gross outstandings		
Allowance for impairment		
Net outstandings		
of which receivable from Dealers		
Operating lease transactions net of impairment allowances and provisions		
Available-for-sale securities	219,389	185,412
Other assets	157,635	132,031
Debt		
Other liabilities	114,615	97,128
Provisions for risks and charges	225,461	183,234
Equity	36,948	37,081
BALANCE SHEET TOTAL	**377,024**	**317,443**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	73,581	68,047
Pre-tax income	70,916	65,924
Net income (group share)	67,362	58,695

NETHERLANDS

RCI FINANCIAL SERVICES B.V.
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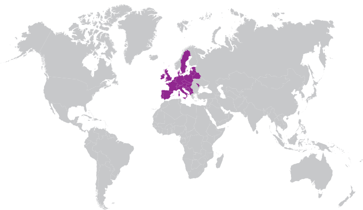
The Dutch automotive market posted a 6.0% fall in sales in 2014 compared to 2013, with 439,782 vehicles sold. The Alliance brands' market share grew by 0.7 point to 12.1%, sustained by Nissan (up 1.2 points to 2.8%) and Dacia (up 0.5 point to 1.2%). Renault dropped 0.9 point to 8.2% because of the loss of a tax benefit on the Renault *Megane* model.

The overall financing penetration rate increased by 1.6 points to 16.0%. RCI Banque Netherlands financed 11,295 contracts, which was 1,522 more than in 2013. Offers combining financing with services (including a new maintenance offer for the Corporate segment) continued to make progress through the introduction of new sales channels.

Average performing loans outstandings for the Customer business decreased by 3.8% to €137.5m, but for the Dealer business increased slightly by 0.5% to €138.9m. Net banking income came to €12.3m, or 4.44% of average performing loans outstandings. Pre-tax income includes the effect of negative non-recurring events on the Dealer business and fell by €4.5m compared to 2013, to €3.0m.

In thousand euros (excluding rate and unit)	2014	2013
Number of new contracts processed	11,295	9,773
New Customer financings, net	98,452	91,115
BALANCE SHEET		
Gross outstandings	336,164	273,806
Allowance for impairment	(14,639)	(9,771)
Net outstandings	**321,525**	**264,035**
of which receivable from Dealers	*176,410*	*132,569*
Operating lease transactions net of impairment allowances and provisions	8,088	6,138
Available-for-sale securities	1,527	4,950
Other assets	18,678	21,776
Debt	330,592	270,512
Other liabilities	5,046	5,844
Provisions for risks and charges	571	713
Equity	13,609	19,830
BALANCE SHEET TOTAL	**349,818**	**296,899**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	12,283	12,737
Pre-tax income	2,969	7,468
Net income (group share)	2,455	5,956

EUROPE



NORDIC COUNTRIES

RENAULT FINANCE NORDIC
ESBOGATAN 12 - BOX 1028
164 21 KISTA - SWEDEN
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RCI Nordic Countries operates in two completely separate markets, Sweden, where the automotive market grew for the first time since 2011, and Denmark, which has seen steady growth since 2008. In 2014, sales by the Renault Group increased by 13.4% compared to the previous year in both countries, and its market share increased slightly to 6.6%, sustained in particular by the strong growth of the Dacia brand in Denmark.

In this environment, RCI Nordic Countries recorded an overall financing penetration rate of 30.6%, a 2.3-point increase driven by a better performance on the Danish market.

Average performing loans outstandings for the Dealer business climbed to €78.8m, up 23.9% compared to 2013. RCI Banque Nordic Countries does not carry Customer loans outstandings; this business is handled under a joint arrangement in a non-consolidated entity. Net banking income was up by 30.0% to €4.9m.

Pre-tax income came to a record €2.7m, up by 86% compared to 2013, with a total cost of risk under control during the year at 0.04% of average performing loans outstandings.

In thousand euros (excluding rate and unit)	2014	2013
Exchange rate (closing rate)	9.3930	8.8591
Exchange rate (average rate)	9.0969	8.6505
Number of new contracts processed	15,507	13,315
New Customer financings, net		
BALANCE SHEET		
Gross outstandings	133,496	103,937
Allowance for impairment	(857)	(1,094)
Net outstandings	**132,639**	**102,843**
of which receivable from Dealers	*132,639*	*102,843*
Operating lease transactions net of impairment allowances and provisions	7,011	5,886
Available-for-sale securities	27,502	16,811
Other assets	2,319	3,295
Debt	166,071	126,404
Other liabilities	1,398	1,347
Provisions for risks and charges		
Equity	2,002	1,085
BALANCE SHEET TOTAL	**169,471**	**128,836**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	4,881	3,755
Pre-tax income	2,650	1,426
Net income (group share)	2,066	1,111

POLAND

RCI BANQUE S.A. ODDZIAŁ W POLSCE
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In an automotive market up by 12.3% compared to 2013 with 372,394 vehicles sold, the Alliance's market share saw a slight 0.2-point increase to 13.4%.

In this environment, the overall financing penetration rate improved from 22.2% in 2013 to 25.8% in 2014. Increases were seen on all Alliance brands, with the rate up on Renault sales by 2.7 points, on Dacia sales by 5.3 points and on Nissan sales by 2.5 points.

RCI Poland wrote 14,123 financing contracts against 10,904 in 2013, a 29.5% increase. The subsidiary recorded its best year ever in terms of new financings, which were up by 35.8% to a total of €142.1m, compared to €104.6m in 2013.

The services penetration rate increased by 8.1 points to 137.0%, driven by a substantial increase in auto insurance.

Average performing loans outstandings for the Customer business came to €149.5m (up 20.5% compared to 2013) and for the Dealer business to €157.0m (up 12.6%). Net banking income was up by 7.5% to €17.5m. The cost of Customer risk remained stable at 0.18% of average performing loans outstandings. The cost of Dealer risk was posted as an income item because of the reversal of a provision. Pre-tax income was €12.8m.

In thousand euros (excluding rate and unit)	2014	2013
Exchange rate (closing rate)	4.2732	4.1543
Exchange rate (average rate)	4.1845	4.1971
Number of new contracts processed	14,123	10,904
New Customer financings, net	142,097	104,605
BALANCE SHEET		
Gross outstandings	364,374	301,753
Allowance for impairment	(10,422)	(10,795)
Net outstandings	**353,952**	**290,958**
of which receivable from Dealers	*182,632*	*153,547*
Operating lease transactions net of impairment allowances and provisions	176	61
Available-for-sale securities	7,876	2,945
Other assets	18,585	13,753
Debt	326,747	251,630
Other liabilities	4,699	4,064
Provisions for risks and charges		282
Equity	49,143	51,741
BALANCE SHEET TOTAL	**380,589**	**307,717**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	17,466	16,247
Pre-tax income	12,810	14,266
Net income (group share)	9,843	11,515

PORTUGAL

RCI BANQUE SUCURSAL PORTUGAL
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EDIFICIO 4 - 2740-267 PORTO SALVO
MANAGEMENT: LUIS GONCALVES +351 21 850 2000

In a still-fragile economic environment, the signs of recovery seen at the end of 2013 continued, with a substantial 36.2% increase recorded for the Portuguese automotive market in 2014 (169,128 vehicles sold against 124,142 in 2013).

The Alliance brands' market share increased by 1.4 points to 19.7%. With 21,717 new registrations (up 35.6% compared to 2013), Renault achieved a 12.8% market share, confirming its leadership on the market. Dacia and Nissan posted market shares of 2.3% (1.6% in 2013) and 4.5% (3.8% in 2013) respectively.

RCI Banque Portugal achieved an overall financing penetration rate of 30.0% compared to 31.0% in 2013, although individual brand performances varied. The financing penetration rate decreased significantly on Nissan sales to 29.6% (down 9.4 points compared to 2013), increased on Renault sales to 31.7% (up 1.9 points compared to 2013), and remained stable on Dacia sales at 21.5% with a market still highly focused on the Corporate segment.

Average performing loans outstandings came to €274.8m, showing growth compared to 2013 (up 0.5%) and after a number of years of decline.

Pre-tax income was €6.3m compared to €8.6m in 2013. Net banking income was down by 5.3% to 3.5% of average performing loans outstandings, the cost of risk improved to 0.03% of average performing loans outstandings (compared to 0.66% in 2013) and operating expenses steadied at €4.1m.

In thousand euros (excluding rate and unit)	2014	2013
Number of new contracts processed	10,563	8,903
New Customer financings, net	122,998	102,639
BALANCE SHEET		
Gross outstandings	320,915	317,455
Allowance for impairment	(30,583)	(32,848)
Net outstandings	**290,332**	**284,607**
of which receivable from Dealers	*115,234*	*96,965*
Operating lease transactions net of impairment allowances and provisions	1,218	2,445
Available-for-sale securities	3,869	3,355
Other assets	34,913	22,196
Debt	289,391	276,823
Other liabilities	14,934	9,263
Provisions for risks and charges	1,107	1,072
Equity	24,900	25,445
BALANCE SHEET TOTAL	**330,332**	**312,603**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	9,752	14,510
Pre-tax income	6,310	8,649
Net income (group share)	4,028	6,717

CZECH REPUBLIC

RCI FINANCE CZ S.R.O
IBC POBREZNI 3
186 00 PRAHA 8
MANAGEMENT: ZDENĚK JIROUTEK TEL: +420 222 339 715

The Czech automotive market reached a record high of 205,501 new registrations in 2014, a 16.4% increase compared to 2013.

The Alliance brands' market share increased from 9.1% to 10.1% in 2014.

Renault's market share was stable at 3.7%. Dacia's, at 4.8%, continued to show strong growth (up 1.4 points), while Nissan's was 1.6%.

The overall financing penetration rate decreased from 24.8% in 2013 to 23.8% in 2014. The financing penetration rate on Renault sales was 29.2% (up 0.2 point compared to 2013) and on Dacia sales was 22.2% (against 26.0% in 2013). The rate on Nissan brand sales increased by 3.4 points to 15.7% in 2014.

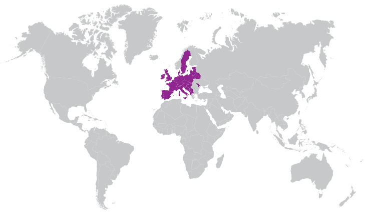
The number of contracts processed increased by 20.5% compared to 2013, to 5,052 units.

The subsidiary pushed ahead with its development of the Services business, particularly focusing on insurance products outside the financing context.

Average performing loans outstandings amounted to €122.6m, of which €81.5m for the Customer business and €41.1m for the Dealer business. Pre-tax income rose by 18.2% compared to 2013, to €7.8m.

In thousand euros (excluding rate and unit)	2014	2013
Exchange rate (closing rate)	27.7350	27.4270
Exchange rate (average rate)	27.5358	25.9871
Number of new contracts processed	5,052	4,193
New Customer financings, net	38,812	33,111
BALANCE SHEET		
Gross outstandings	139,673	130,677
Allowance for impairment	(4,289)	(4,286)
Net outstandings	**135,384**	**126,391**
of which receivable from Dealers	*55,597*	*38,442*
Operating lease transactions net of impairment allowances and provisions		
Available-for-sale securities	1,759	411
Other assets	4,224	1,146
Debt	97,570	79,536
Other liabilities	3,340	5,279
Provisions for risks and charges		
Equity	40,457	43,133
BALANCE SHEET TOTAL	**141,367**	**127,948**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	10,077	4,502
Pre-tax income	7,829	6,625
Net income (group share)	3,696	4,977

EUROPE



UNITED KINGDOM

RCI FINANCIAL SERVICES LTD

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In a buoyant automotive market (up 10.3%), the Alliance's market share increased by 1.1 points to 9.2%, with 258,381 new registrations.

With 85,152 new registrations, the year saw a 41.9% growth in Renault brand sales compared to 2013, confirming the successful "product refocusing" strategy announced in 2012. The Nissan brand also confirmed its positive momentum with 148,621 new registrations (up 15.6% compared to 2013).

RCI Financial Services Ltd's overall financing penetration rate was down 1.3 points to 27.5%, with 93,512 contracts written (up 11,224 compared to 2013). The used vehicle financing business remained steady at 21,819 contracts.

New financings increased by a sharp 24.3% compared to 2013, and came to €1.3bn.

Average performing loans outstandings for the Customer business continued to grow strongly to €1.9bn (up 27.6% compared to 2013). Average performing loans outstandings for the Dealer business came to €0.6bn (up 24.5%).

Net banking income rose by 15.8% to €90.5m.

Despite a rise compared to 2013, the cost of risk remained under control at 0.19% of average performing loans outstandings.

Pre-tax income was up to €63.5m (against €59.5m in 2013).

In thousand euros (excluding rate and unit)	2014	2013
Exchange rate (closing rate)	0.7789	0.8337
Exchange rate (average rate)	0.8064	0.8493
Number of new contracts processed	93,512	82,288
New Customer financings, net	1,288,410	1,036,256
BALANCE SHEET		
Gross outstandings	2,999,183	2,350,505
Allowance for impairment	(44,082)	(55,502)
Net outstandings	**2,955,101**	**2,295,003**
of which receivable from Dealers	*720,025*	*567,912*
Operating lease transactions net of impairment allowances and provisions	58,273	7,715
Available-for-sale securities	1,009,222	140,998
Other assets	59,622	56,954
Debt	3,731,984	2,183,216
Other liabilities	43,608	60,031
Provisions for risks and charges	3,744	1,190
Equity	302,883	256,233
BALANCE SHEET TOTAL	**4,082,219**	**2,500,670**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	90,501	78,142
Pre-tax income	63,518	59,548
Net income (group share)	48,159	46,588

SLOVENIA

RCI BANQUE S.A. - BANČNA PODRUŽNICA LJUBLJANA

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With 60,310 units sold, the Slovenian automotive market recorded a 4.5% increase compared to 2013, driven mainly by exports. Sales to retail customers fell by 5.2% in a country still hard hit by economic recession.

The Alliance's overall market share grew by 2.3 points to 23.9%, mainly thanks to a strong increase in Dacia's market share (from 2.4% to 5.3%) and a 0.7-point improvement in Nissan's. However, at 15.3%, Renault saw a 1.2-point fall in its market share compared to last year.

The overall financing penetration rate was down by 2.6 points to 24.3%, because of a pronounced decrease in the rate on Dacia sales (down 10.1 points to 10.5%). The rates recorded on Renault and Nissan sales were 30.2% and 18.7% respectively. Used vehicle financing also posted a fall due to the very strict underwriting conditions imposed on this business at the start of the year.

RCI Banque took the Customer business back as a wholly-owned operation from September 2014.

Net banking income remained stable at €2.3m. Initial investments made to develop the business as a wholly-owned operation translated into an increase in operating expenses of €2.8m. The pre-tax loss was €0.5m, compared to a pre-tax profit of €1.2m in 2013.

In thousand euros (excluding rate and unit)	2014	2013
Number of new contracts processed	3,836	3,753
New Customer financings, net	10,839	
BALANCE SHEET		
Gross outstandings	51,328	42,695
Allowance for impairment	(1,243)	(1,369)
Net outstandings	**50,085**	**41,326**
of which receivable from Dealers	*33,429*	*30,679*
Operating lease transactions net of impairment allowances and provisions		
Available-for-sale securities	14	456
Other assets	1,275	210
Debt	50,406	40,801
Other liabilities	1,513	467
Provisions for risks and charges		
Equity	(545)	724
BALANCE SHEET TOTAL	**51,374**	**41,992**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	2,293	2,371
Pre-tax income	(514)	1,179
Net income (group share)	(427)	878

EURASIA

SWITZERLAND

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In 2014, the Swiss automotive market recorded a 1.8% decrease in sales compared to 2013, with 331,826 vehicles sold. Renault took a 4.6% market share (5.2% in 2013). Dacia's market share slipped slightly compared to 2013, to 1.5% (down 0.1 point). Despite a 6.0% decrease in new Nissan registrations, its market share held steady at 2.5% (2.6% in 2013).

In this environment, the overall financing penetration rate increased to 35.6%, from 35.0% in 2013, mainly due to an increase in business on Dacia sales (financing penetration rate of 42.3% against 35.5% in 2013). The used vehicle business grew to 3,981 contracts (up 6.1% compared to 2013).

RCI Banque Switzerland processed 14,254 financing contracts (down 4.5% compared to 2013), and new financings fell by 7.4%, to €220.2m.

Average performing loans outstandings for the Customer business came to €366.0m (down 3.5% compared to 2013). Average performing loans outstandings for the Dealer business also fell, to €90.5m (down 11.5% compared to 2013).

Pre-tax income, which came to €11.0m, fell by 23.4% compared to 2013, which was an exceptional year during which a number of non-recurring items were recognized. Without the effect of those non-recurring items, pre-tax income for 2014 would show a slight increase.

In thousand euros (excluding rate and unit)	2014	2013
Exchange rate (closing rate)	1.2024	1.2276
Exchange rate (average rate)	1.2146	1.2309
Number of new contracts processed	14,254	14,924
New Customer financings, net	220,216	237,701
BALANCE SHEET		
Gross outstandings	447,365	499,353
Allowance for impairment	(4,461)	(5,540)
Net outstandings	**442,904**	**493,813**
of which receivable from Dealers	*73,166*	*68,646*
Operating lease transactions net of impairment allowances and provisions	8,050	5,491
Available-for-sale securities	9,022	9,813
Other assets	11,191	18,086
Debt	403,806	452,211
Other liabilities	11,720	17,245
Provisions for risks and charges	1,444	1,061
Equity	54,197	56,686
BALANCE SHEET TOTAL	**471,167**	**527,203**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	17,934	21,789
Pre-tax income	10,952	14,297
Net income (group share)	8,215	11,411

ROMANIA

RCI LEASING ROMANIA IFN S.A
BD. AVIATORILOR, N°41, ETAJ 3,
COD 011853 - SECTOR 1, BUCURESTI
MANAGEMENT: AURÉLIA LEOVEANU +40 21 201 2000

The Romanian automotive market grew by 19.9% to 94,236 vehicles sold.

The Alliance brands recorded 38,273 new registrations (up 20.7%), and their overall market share, at 40.6%, was the same as in 2013. Dacia remained the leader on the Romanian automotive market with a 31.4% market share.

Despite a 2.4% increase in the number of financing contracts processed to 8,017 units, the overall financing penetration rate fell to 19.9% (23.9% in 2013), as a result of the decreasing percentage of sales to Corporate customers.

New financings totaled €70.1m, compared to €71.2m in 2013.

Average performing loans outstandings came to €84.6m against €89.7m in 2013.

The decrease in net banking income (down €3.7m) is attributable to a number of non-recurring items.

The cost of risk remained under control at 0.02% of average performing loans outstandings. Pre-tax income for 2014 was €8.7m, down by €3.3m compared to 2013.

In thousand euros (excluding rate and unit)	2014	2013
Number of new contracts processed	8,017	7,830
New Customer financings, net	70,060	71,224
BALANCE SHEET		
Gross outstandings	87,734	93,775
Allowance for impairment	(945)	(1,407)
Net outstandings	**86,789**	**92,368**
of which receivable from Dealers	*3,236*	*3,273*
Operating lease transactions net of impairment allowances and provisions	233	212
Available-for-sale securities	16,532	15,159
Other assets	2,103	4,132
Debt	81,780	85,869
Other liabilities	3,130	3,694
Provisions for risks and charges		
Equity	20,747	22,308
BALANCE SHEET TOTAL	**105,657**	**111,871**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	11,553	15,269
Pre-tax income	8,707	11,986
Net income (group share)	7,296	9,970

RUSSIA

RN BANK
SEREBRYANICHESKAYA EMB., 29, 5TH FLOOR
MOSCOW, 109028
MANAGEMENT: BRUNO KINTZINGER +7 495 775 40 39

The Russian automotive market recorded a 10.6% fall compared to 2013, with 2,470,751 vehicles sold. The Alliance brands' market share was 15.3%, recording a 2.1-point increase compared to the previous year.

The Alliance strengthened its position with 376,807 new registrations, up 4.1% compared to 2013, in a declining market.

Renault increased its market share to 7.9% from 7.6% in 2013. Nissan Group brands upped their market share to 7.4% from 5.5% in 2013, fuelled by the renewal of the Nissan range and the launch of Datsun in September with 11,402 vehicles sold.

Following the successful launch of RN Bank in 2014, RCI Banque in Russia wrote a record 110,875 financing contracts. The overall financing penetration rate was 28.9% compared to 25.0% in 2013.

Pre-tax income was €2.8m, which includes a profit of €9.2m on RN Finance and a loss of €6.5m on RN Bank for its first year of operation.

In thousand euros (excluding rate and unit)	2014	2013
Exchange rate (closing rate)	72.3370	45.3246
Exchange rate (average rate)	51.0113	42,3248
Number of new contracts processed	110,875	92.047
New Customer financings, net	148,647	
BALANCE SHEET		
Gross outstandings		
Allowance for impairment		
Net outstandings		
of which receivable from Dealers		
Operating lease transactions net of impairment allowances and provisions		
Available-for-sale securities	10,772	18,540
Other assets	36,189	5,167
Debt		
Other liabilities	8,772	7,877
Provisions for risks and charges		
Equity	38,189	15,830
BALANCE SHEET TOTAL	**46,961**	**23,707**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	9,984	34,985
Pre-tax income	2,774	30,569
Net income (group share)	850	26,509

TURKEY

ORFIN FINANSMAN A.S.
FATIH SULTAN MEHMET MH. BALKAN CAD.
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MANAGEMENT: LAURENT FILLION (DEPUTY DIRECTOR)
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The Turkish automotive market shrank by 10.0% compared to 2013, to 767,681 vehicles sold.

New registrations by the Renault Group totaled 133,212 units, giving it a 17.4% market share (up 0.4 point). Renault made 98,743 sales and Dacia 34,469, for market shares of 12.9% and 4.5% respectively (up 0.2 point for each brand).

Despite an adverse regulatory environment, particularly with respect to the restriction imposed on the percentage of the purchase price of cars for retail customers that can be financed (to 70%), ORFIN financed 32,076 contracts, for €172m in new financings.

The long-term rental business (under a joint arrangement agreement) generated a further 1,890 contracts. Overall, the financing penetration rate came to 23.2%.

Pushing ahead with its strategy to diversify its sources of funding, ORFIN made its second bond issue for a total of €34m.

Under the joint venture with OYAK accounted for using the equity method, the share of net income was €1.2m, which is incorporated in the RCI Banque group's consolidated financial statements.

In thousand euros (excluding rate and unit)	2014	2013
Exchange rate (closing rate)	2.8320	2.9605
Exchange rate (average rate)	2.9070	2.5329
Number of new contracts processed	33,966	37,970
New Customer financings, net	172,182	169,778
BALANCE SHEET		
Gross outstandings		
Allowance for impairment		
Net outstandings		
of which receivable from Dealers		
Operating lease transactions net of impairment allowances and provisions		
Available-for-sale securities		
Other assets	17,108	15,236
Debt		
Other liabilities		
Provisions for risks and charges		
Equity	17,108	15,236
BALANCE SHEET TOTAL	**17,108**	**15,236**
INCOME STATEMENT		
Net banking income (excluding non-banking income)		
Pre-tax income	1,150	1,257
Net income (group share)	1,150	1,257

AMERICAS

ARGENTINA

RCI BANQUE - SUCURSAL ARGENTINA
FRAY JUSTO SANTA MARIA DE ORO 1744
C1414DBB BUENOS AIRES
MANAGEMENT: FRÉDÉRIC SCHNEIDER +54 11 4778 2000

Against the backdrop of strong devaluation at the start of the year and actual inflation of around 40%, the Argentine automotive market posted a 28.4% slump in sales to 656,306 vehicles, following the record level of 2013. Renault recorded some 85,000 new registrations (down 39.8% compared to 2013) and a market share of 12.9% (down 2.5 points). It moved into fourth place on the market thanks to the *Clio* and despite the import restrictions imposed on the *Duster, Sandero* and *Logan*.

RCI Banque Argentina wrote 17,704 financing contracts, a sharp 57.4% decrease compared to 2013, for a penetration rate of 16.3% (down 9.2 points). This decrease is mainly attributable to the rise in interest rates and a government support scheme introduced in the second half of the year to boost car sales (under which the National Bank was brought in to offer lower interest rates to customers than those practiced by the market).

Further to the foreign exchange effect, average performing loans outstandings fell by 34.3% compared to 2013 (€285.1m), but by only 2.8% in Argentine peso terms. Net banking income, at €56.4m, decreased by a slight 5.4%, and was held up by the contribution made by services.

Despite a highly negative foreign exchange effect and thanks to a mechanical fall in the cost of risk caused by a decrease in outstandings, pre-tax income rose by 4.7% compared to 2013, to €46.1m.

In thousand euros (excluding rate and unit)	2014	2013
Exchange rate (closing rate)	10.3963	8.9798
Exchange rate (average rate)	10.7737	7.2821
Number of new contracts processed	17,704	41,523
New Customer financings, net	90,457	264,548
BALANCE SHEET		
Gross outstandings	325,533	521,925
Allowance for impairment	(10,574)	(10,966)
Net outstandings	**314,959**	**510,959**
of which receivable from Dealers	*116,772*	*215,569*
Operating lease transactions net of impairment allowances and provisions		
Available-for-sale securities	29,749	29,415
Other assets	9,524	12,959
Debt	234,680	453,051
Other liabilities	46,783	42,699
Provisions for risks and charges	2,240	1,383
Equity	70,529	56,200
BALANCE SHEET TOTAL	**354,232**	**553,333**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	56,360	59,581
Pre-tax income	46,131	44,068
Net income (group share)	21,778	20,425

BRAZIL

RCI BRASIL
RUA PASTEUR, 463 - CONJUNTO 203/204
BATEL - 80 250 080 CURITIBA
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The Brazilian automotive market shrank by 7.0% in 2014, with 3,325,949 vehicles sold. Renault held on to its position as the fifth biggest auto manufacturer in the country with a 7.1% market share (up 0.5 point), while Nissan ended the year at 2.2% (stable compared to 2013).

RCI Banque Brazil's overall financing penetration rate slipped by 5.4 points to 45.1% in 2014. The total number of financing contracts written fell by 11.0% compared to 2013.

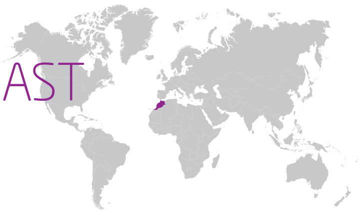
Taking into account the impact of the 9% fall in the value of the Brazilian real against the euro in mean annual terms, new financings fell by 13.1%. Excluding the foreign exchange effect, new financings fell by 5.3%.

Average performing loans outstandings (APO) continued to grow in 2014 to €2.6bn (up 3.7% compared to 2013), a 13.0% increase excluding the foreign exchange effect. At 1.33% of average performing loans outstandings, the cost of risk remained under control and below the structural threshold despite the slowdown in the Brazilian economy, which had an upward impact on the number of payment incidents. RCI Banque Brazil held its operating expenses/APO ratio steady, at 1.13%.

As part of its policy to diversify its sources of funding and manage liquidity risk, RCI Banque Brazil launched its seventh bond issue in October. The contribution to the RCI Banque group's pre-tax income was €100.1m, compared to €111.4m in 2013. This decrease is attributable to a negative foreign exchange effect.

In thousand euros (excluding rate and unit)	2014	2013
Exchange rate (closing rate)	3.2207	3.2576
Exchange rate (average rate)	3.1228	2.8669
Number of new contracts processed	150,873	169,551
New Customer financings, net	1,318,067	1,516,220
BALANCE SHEET		
Gross outstandings	2,693,460	2,687,619
Allowance for impairment	(41,782)	(28,183)
Net outstandings	**2,651,678**	**2,659,436**
of which receivable from Dealers	*589,938*	*806,649*
Operating lease transactions net of impairment allowances and provisions		
Available-for-sale securities	106,695	118,015
Other assets	128,563	123,523
Debt	2,323,375	2,401,290
Other liabilities	295,395	282,645
Provisions for risks and charges	38,012	27,765
Equity	230,154	189,274
BALANCE SHEET TOTAL	**2,886,936**	**2,900,974**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	163,469	163,366
Pre-tax income	100,056	111,445
Net income (group share)	42,515	46,554

AFRICA MIDDLE-EAST INDIA



ASIA-PACIFIC

MOROCCO

RDFM/RCI FINANCE MAROC

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In a gloomy automotive market environment, sales by the Renault Group fell by 3.9% to 45,174 new registrations. The Group's overall market share thus fell from 39.0% to 37.0%; Dacia's market share grew by 2.5 points over the year, but Renault's fell by 4.4 points.

In this context, RCI Finance Morocco's (RCI FM) overall financing penetration rate slipped to 29.6% compared to 30.5% in 2013, despite a good performance on the retail customer segment.

13,407 financing contracts were processed (down 6.8% compared to 2013), for a total of €106.3m in new financings.

In line with its strategy, RCI FM continued to grow its services offering and posted a services penetration rate of 44.1%, compared to 37.8% in 2013.

Average performing loans outstandings continued to grow, reaching €275.4m and showing a 10.5% increase compared to 2013, driven by average performing loans outstandings for the Customer business which rose by 15.0%.

Net banking income rose by 10.4% compared to 2013. This increase offset the rise in the cost of Customer risk (2.44% of average performing loans outstandings). Over the last few months of 2014, action plans put in place across the approval and debt collection processes brought risk back to a lower level than in 2013.

RCI FM's contribution to the group's pre-tax income was €7.1m, compared to €7.3m in 2013 (down 2.6%).

In thousand euros (excluding rate and unit)	2014	2013
Exchange rate (closing rate)	10.9582	11.2358
Exchange rate (average rate)	11.1392	11.1494
Number of new contracts processed	13,407	14,391
New Customer financings, net	106,335	115,577
BALANCE SHEET		
Gross outstandings	323,544	295,645
Allowance for impairment	(17,606)	(12,233)
Net outstandings	**305,938**	**283,412**
of which receivable from Dealers	*68,283*	*67,534*
Operating lease transactions net of impairment allowances and provisions		
Available-for-sale securities	9,874	7,050
Other assets	13,600	16,246
Debt	274,401	255,081
Other liabilities	8,848	11,188
Provisions for risks and charges	947	749
Equity	45,216	39,690
BALANCE SHEET TOTAL	**329,412**	**306,708**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	17,737	16,065
Pre-tax income	7,118	7,309
Net income (group share)	4,470	5,227

SOUTH KOREA

RCI FINANCIAL SERVICES KOREA

9TH FI., RSM TOWER, 30 GASAN DIGITAL 2-RO,
GEUMCHEON-GU, SEOUL
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The South Korean automotive market recorded a 7.8% increase compared to 2013, with 1,630,058 vehicles sold.

Renault Samsung Motors sold some 80,000 vehicles in 2014, for a 4.9% market share. A key highlight of the year was the successful launch of the *QM3*. The Nissan Group saw strong growth.

The overall financing penetration rate was 48.1% (up 0.7 point compared to 2013). Fuelled by these very good performances, new financings increased by 45.3%.

Average performing loans outstandings totaled €948.2m (down 7.6% compared to 2013), showing a decrease resulting from the decline in business seen in previous years. The cost of risk fell sharply to 0.29% of average performing loans outstandings (against 0.67% in 2013), thanks to an improvement in collection processes and the updating of provisioning methods to bring them in line with group standards. Operating expenses amounted to 0.97% of average performing loans outstandings (against 1.06% in 2013), reflecting continuous efforts to keep expenditure under control.

Pre-tax income was up to €40.7m, from €39.3m in 2013.

The year was also marked by increasing efforts to diversify the affiliate's sources of funding. Eight new bond issues were made on the South Korean market, and three offshore issues were made in USD. At year-end 2014, this locally-sourced funding accounted for 100% of the subsidiaryunding accounted for (85% at year-end 2013).

In thousand euros (excluding rate and unit)	2014	2013
Exchange rate (closing rate)	1.3248	1.4509
Exchange rate (average rate)	1.3990	1.4539
Number of new contracts processed	50,415	38,574
New Customer financings, net	648,692	446,370
BALANCE SHEET		
Gross outstandings	1,073,832	983,742
Allowance for impairment	(26,999)	(29,884)
Net outstandings	**1,046,833**	**953,858**
of which receivable from Dealers	*9,027*	*7,964*
Operating lease transactions net of impairment allowances and provisions	1,131	1,068
Available-for-sale securities	32,828	86,480
Other assets	32,432	28,059
Debt	785,088	760,655
Other liabilities	33,225	35,125
Provisions for risks and charges	1,639	1,526
Equity	293,272	272,159
BALANCE SHEET TOTAL	**1,113,224**	**1,069,465**
INCOME STATEMENT		
Net banking income (excluding non-banking income)	52,683	58,222
Pre-tax income	40,690	39,254
Net income (group share)	31,238	29,067

FINANCIAL POLICY

2014 saw striking contrasts in economic performances across the world. The United States and United Kingdom both enjoyed a recovery, while the Eurozone continued to stagnate and growth slowed in emerging countries. Central banks adjusted their monetary policies accordingly.

The US Federal Reserve suspended its monetary creation measures, thereby stabilizing its balance sheet, but without starting to remove the liquidity injected in the past.

The end of quantitative easing in the United States led to the repatriation of funds, a factor in the depreciation of some emerging currencies with the exception of the Chinese Yuan. A number of central banks in the countries affected subsequently raised their interest rates. Monetary policies grew tougher and there was a sharp slowdown in lending compared to the 2011 high.

In contrast to this, the ECB (European Central Bank) launched a set of monetary policy measures designed to support the European recovery and get inflation moving. Interest rates were reduced to record lows, and for the first time ever cut into negative territory at their bottom end. In order to increase market liquidity, the ECB launched long-term liquidity injections in the form of TLTROs (Targeted Longer-Term Refinancing Operations). These long-term preferential rate operations are granted to banks funding the economy.
The central bank also pressed ahead with an assets purchase program (covered bonds and ABS).

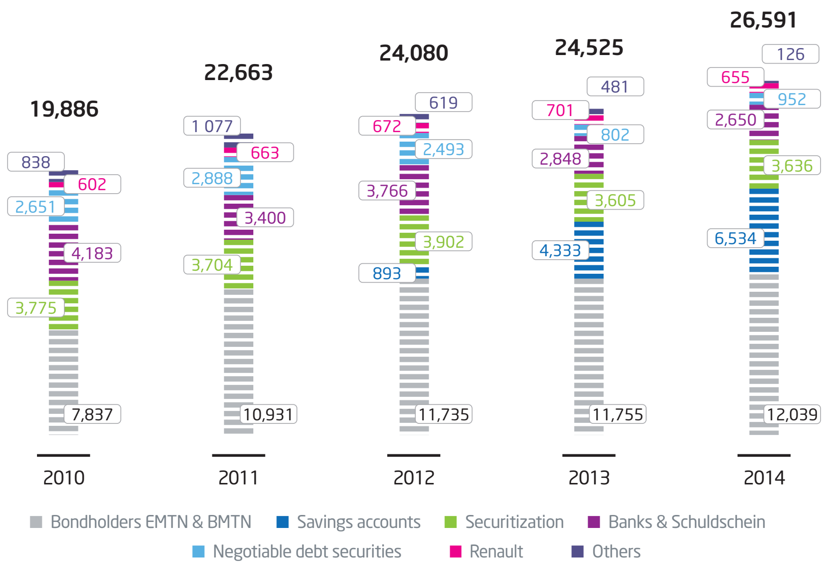
In this context, bond spreads continued to tighten over 2014. Euro rates, affected by the ECB's decisions, also went down. For example, the three-year swap rate dropped almost 50 basis points over the year to 0.24%.

RCI Banque made the most of these excellent market conditions and extended the maturity of its debt by issuing a seven-year bond, under a €500 million transaction that reached out to new investors looking for longer-term assets. RCI Banque also took advantage of the reopening of the floating rate market, and launched two issues under this format that had been not used since the financial crisis began. RCI Banque also issued a fixed-rate five-year bond.
Finally, following its first issue on the GBP market in 2013, the group confirmed its access to liquidity in this currency with two further debt offerings in 2014 of GBP 250 million each (a five-year bond followed by a three-year bond).

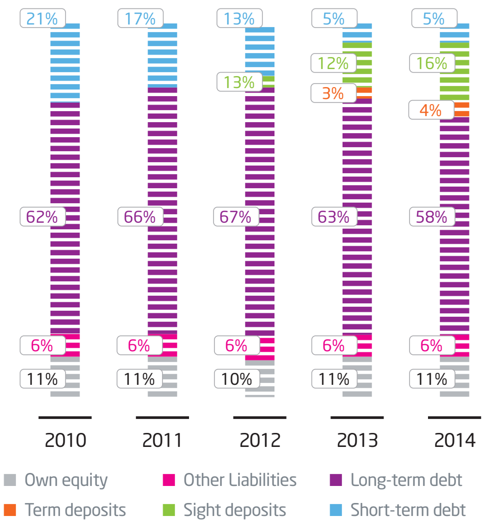
Outside Europe, the Moroccan subsidiary made its first issue in February and then confirmed its ability to access market funding with a second issue in June. The group's entities in Argentina, Brazil and South Korea also borrowed on their respective domestic bond markets.

Changes in the structure of total debt

(in million euros)

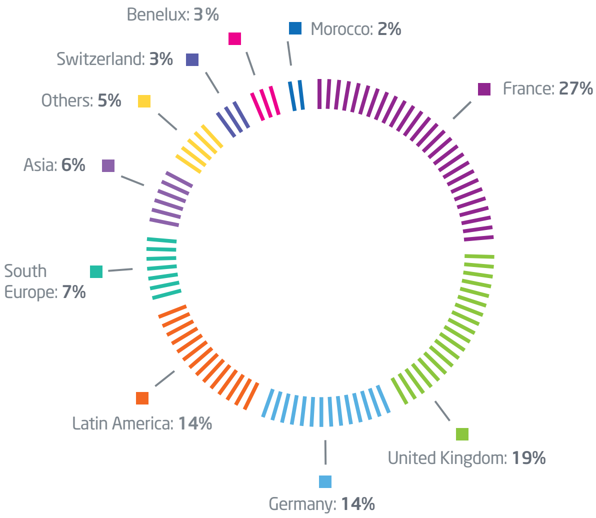


Breakdown of liabilities



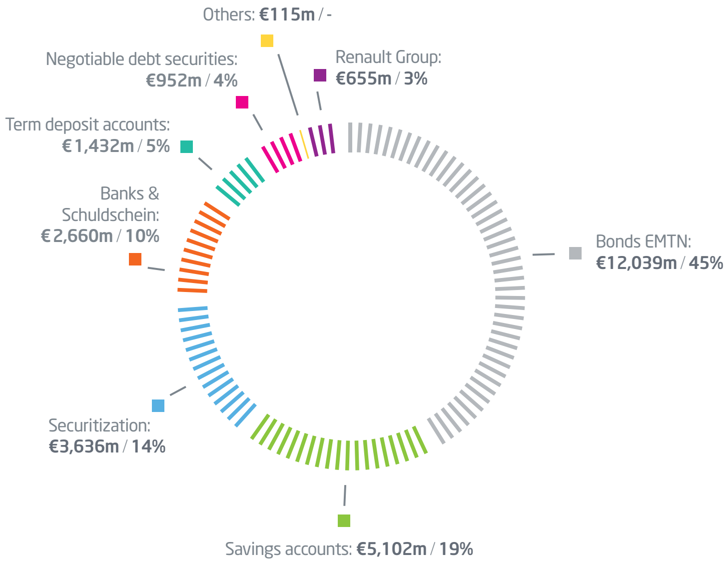
Geographical breakdown of new resources with a maturity of one year or more

(deposits excluded) as at 31/12/2014



Structure of total debt

as at 31/12/2014



On the structured finance segment, RCI Banque carried out a €644 million securitization transaction in public format backed by customer loans in France and renewed its private securitization of dealer receivables in Germany.

Following the launch of a range of savings and term deposit account products for retail customers in France and in Germany in 2012 and 2013, the group continued to grow its savings operations in 2014 in Austria.

At end-December 2014, retail deposits totaled more than €6.5 billion (€5.1 billion in savings accounts and €1.4 billion in term deposits), showing an increase of more than 50% over the last twelve months.

These resources, to which should be added, based on the European scope, €4.0 billion of undrawn committed credit lines, €1.9 billion of assets eligible as collateral in ECB monetary policy operations, €913 million of high quality liquid assets (HQLA) and €96 million of available cash, secure the continuity of RCI Banque's commercial business activity for more than eleven months without access to external sources of liquidity.

In a complex and unsettled environment, the conservative financial policy implemented by the group for years proved especially justified. This policy protects the commercial margin of each entity while securing the refinancing required for its business activities. It is defined and implemented at a consolidated level by RCI Banque and applies to all sales financing entities within the group.

The strength of the group's balance sheet is also evidenced by very low market risks (interest rate, currency and counterparty risks), which are monitored daily on a consolidated basis:

- RCI Banque's overall sensitivity to the interest rate remained below the €35 million limit set by the group;
- at 31 December 2014, a 100-basis point rise in rates would have an impact of:

+€1.0 million in EUR; +€0.9 million in GBP ; +€0.5 million in MAD;

+€0.4 million in CHF; -€0.5 million in BRL; -€0.3 million in KRW;

- the absolute sensitivity values in each currency totaled €4.5 million;
- the consolidated foreign exchange position of the RCI Banque group totaled €6.5 million.

RCI BANQUE GROUP'S PROGRAMS AND ISSUANCES

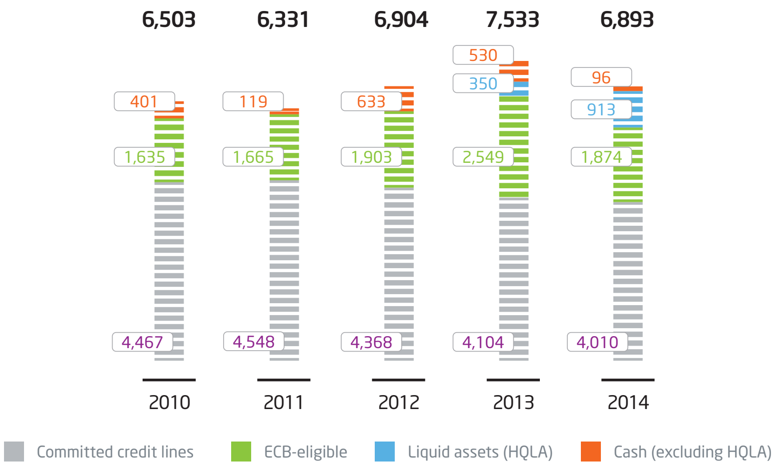
The group's issuances are concentrated on six issuers: RCI Banque, DIAC, Rombo Compania Financiera (Argentina), RCI FS K (South Korea), CFI (Brazil) and RCI Finance Maroc.

ISSUER	INSTRUMENT	MARKET	AMOUNT	S&P	MOODY'S	OTHERS
RCI Banque	Euro CP Program	Euro	€2,000m	A-2 (negative outlook)	P3 (on review for upgrade)	R&I: a-2
RCI Banque	Euro MTN Program	Euro	€12,000m	BBB (negative outlook)	Baa3 (on review for upgrade)	R&I : BBB+
RCI Banque	CD Program	French	€4,500m	A-2 (negative outlook)	P3 (on review for upgrade)	
RCI Banque	BMTN Program	French	€2,000m	BBB (negative outlook)	Baa3 (on review for upgrade)	
Diac	CD Program	French	€1,000m	A-2 (negative outlook)		
Diac	BMTN Program	French	€1,500m	BBB (negative outlook)		
Rombo Compania Financiera S.A.	Bond Program*	Argentinian	ARS 1,000m	raBB+ (negative outlook)	Aa2.ar	Fix Scr : AA (negative outlook)
RCI Financial Services Korea Co Ltd	Bonds*	South Korean	KRW 875bn			KR, KIS, NICE : A+
CFI RCI do Brasil	Bonds*	Brazilian	BRL 3,155m		Aa1	
RCI Finance Maroc	BSF	Morrocan	MAD 1,000m			

(*) Local ratings.

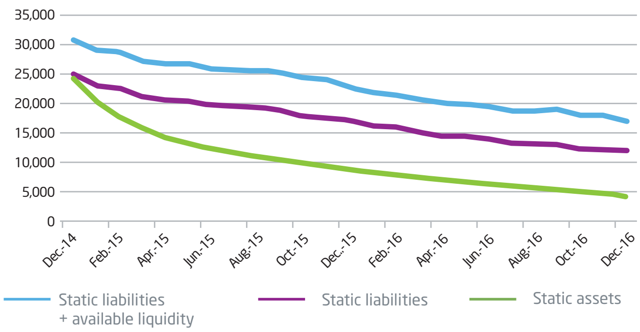
RCI Banque's available liquidity(*)

(in millions euros)



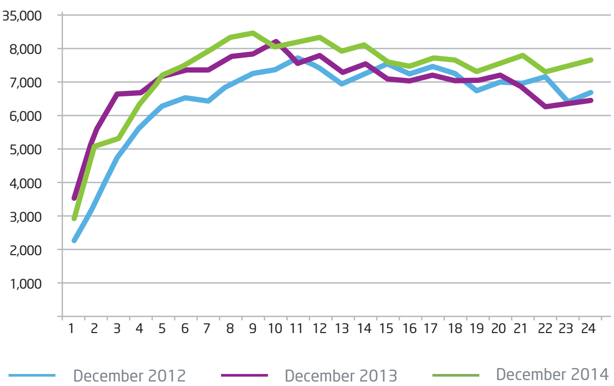
RCI Banque group liquidity position(*)

(in millions euros)



Static liquidity gap(*)

(in millions euros)



(*) Scope Europe

RISKS

In 2014, RCI Banque put in place a new governance structure in keeping with current European Directives. The Chairman of RCI Banque along with the Board of Directors and its specialized committees ensure supervision of a business itself managed and run by the Chief Executive Officer, his Management Committee and his Operational Committees. In this context, the Company Secretary is responsible for the risk management function, underpinned by the departments (Permanent Control Department, Legal Affairs Department, Tax Affairs Department) that report hierarchically to the Company Secretary and Risks Control Division (CSRC), and by those that report functionally to him (Credit Risk Department, ISD Risk and Compliance Unit, etc.) and are in charge of the operational management of risks. Risk monitoring is implemented and centralized within the OCSRC's Permanent Control Department, which also makes sure that the system as a whole is compliant.

The Company Secretary and Chief Risk Officer

- ensures that the risk policy is consistent and that the establishment's risk measurement, monitoring and control systems are efficient;
- makes sure that the level of risk incurred is compatible with the aims of the business and with the relevant limits set by RCI's Board of Directors;
- reports on his work to RCI's Board of Directors and its Risk Committee, and to RCI's Executive Committee; he warns them about any situation that might have a significant impact on risk control.

To this end, he puts in place systems and procedures designed to capture all of the risks associated with banking and non-banking activities overall, especially credit, market and liquidity risks, operational risks, and risks related to IT systems and to the insurance business. He is also responsible for implementing a plan to restore the group's financial situation in the event of any significant deterioration therein.

Under the management of the CSRC, the Permanent Control Department is tasked with overseeing the internal control system. It ensures that processes are reliable and under control, and that risk measurement and monitoring operations are efficient and in line with best practices. It tracks the progress made on all action plans, regardless of whether those plans are the result of permanent controls, periodic controls or controls performed by the supervisory authorities. It is accountable for emergency and business continuity plans for the whole of the group, and also monitors changes in regulatory requirements affecting related systems such as the system for fighting money-laundering.

In areas where risk control is exercised within an operating entity, the CSRC brings in designated officers. In the Customer Operations Division for example, which is accountable for transaction performance and for the efficiency of organizational solutions and information systems, the IT security and compliance officer intervenes in the control system. Similarly, the Credit Risk Department oversees the subsidiaries' cost of risk and implements action plans to achieve the targets set. Loan approval terms are subject to strict central rules, and the management of financings and of their collection is monitored in a structured and in-depth manner. Outcomes are thus effectively controlled by the means of combined expertise and centralized oversight by an independent and segregated function.

1) CREDIT RISK

In both the Customer and Dealer businesses, the credit risk prevention policy is aimed at ensuring that the cost-of-risk objectives set as part of the budget process for each country, for each of its brands and for each of its main markets are achieved.

CUSTOMER RISK MANAGEMENT

To this end, the underwriting policy is adjusted and the tools (scores and other rules) regularly optimized. The resources and strategy implemented for the collection of delinquent receivables or receivables in default are also adjusted in line with the type of customer segment and the difficulties encountered. The process of contract termination may also be speeded up if in the very short term there is a risk that the receivable might become impossible to recover. At the Corporate level, the Credit Risk department oversees the subsidiaries' cost of risk and implements action plans to achieve the targets set. Loan approval terms are subject to strict central rules, and the management of financings and of their collection is monitored in an in-depth manner.

DEALER RISK MANAGEMENT

At the level of each individual subsidiary, the Dealer sector is monitored continuously and daily by means of short and long-term indicators, which identify very early on any business presenting a risk of partial or full non-recovery. At the central Corporate level, the Dealer Financing Department compiles risk control procedures which are approved by the Company Secretary & Risk functions.

Customers identified as risky are classified and given delinquent, pre-alert or alert status and are then reviewed at risk committee meetings within the subsidiaries, which bring together local car manufacturer and RCI Banque managements connected with the network, to decide on action plans and precautionary measures to control risks.

2014 OUTCOME FOR THE CUSTOMER BUSINESS

In 2014, the overall cost of risk on Customer financing reached 0.50% of average performing loans outstanding, showing a slight increase from the low 0.47% recorded in 2013. Between 2012 and 2014, the cost of risk remained stable at around 0.50%, reflecting sound management control of the risk chain both upstream at the level of acceptance processes, and downstream at the debt collection stage.

- In France, the cost of risk was almost stable, decreasing from 0.44% in 2013 to 0.42% in 2014. The number of accounts referred to collection, new defaults and LGD all fell for both Diac and Diac Location.
- In Germany, the cost of risk remained stable compared to 2013, at 0.07%, exactly the same as in 2014. The number of accounts referred to collection fell and this had a positive impact on new defaults, which fell to 1.26%.
- In Spain, the portfolio clean-up process continued in 2014, with the outflow of all pre-2009 bad generations of loans and the inflow of very good quality lending. This phenomenon is obvious in the strong improvement in the number of accounts referred to collection and of new defaults in 2014. The number of new defaults is constantly falling, and LGD improved in 2014.
- In the United Kingdom, the cost of risk for the year remained at a healthy 0.37%.
- In Italy, at 0.80%, the cost of risk showed an improvement compared to 2013 (0.95%), as a result of action put in place during the year focused on customer selection and on debt collection processes.
- In South Korea, the annual cost of risk was low, at 0.29%. This is attributable to an assignment of receivables transaction, to an improvement in collection through negotiated settlement, and a decrease in portfolio volume.
- In Brazil, the cost of risk deteriorated in 2014, from 1.09% to 1.48%. The generally adverse economic environment combined with a number of specific factors caused a strong increase in the amounts in collection.
  Given that there was no improvement in debt collection efficiency, this in turn led to an increase in new defaults and a deterioration in LGD.

Doubtful loan amounts continued to fall in 2014, amounting to 2.4% of total receivables at year-end 2014 compared to 2.8% at the end of 2013. This decrease is attributable to assignments of receivables in several countries, to good control over risk at the earliest stages of the lending process and to an overall improvement in collection efficiency.

The provisioning rate for doubtful outstandings was 77% at year-end 2014, and so was slightly down compared to 2013 (79%).

2014 OUTCOME FOR THE DEALER BUSINESS

RCI Banque maintained its policy of supporting car makers and their distribution networks by providing appropriate financing solutions. As such, managing inventories in cooperation with the car makers and ensuring appropriate levels thereof in relation to current market conditions remained a priority throughout 2014.

The cost of risk on Dealer financing amounted to 0.20% of average performing outstandings, or €13m. This shows an improvement compared to 2013, with the cost of risk still well under control.

2) FINANCIAL RISKS

Essentially all of the transactions in financial instruments carried out by the RCI Banque holding company are related to its function as centralized refinancing office for the RCI Banque group.

The soundness of RCI Banque's balance sheet is especially underpinned by the control and management of market risks. Aggregate liquidity, interest rate, currency and counterparty risks are managed daily on a consolidated basis.

Details of financial risks and their specific control system are described in the Management Report, consolidated financial statements, "Financial Risks".

3) COUNTRY RISK

The RCI Banque group is active in a number of countries and as such, is subject to the risks associated with the conduct of business on an international scale. These risks include such things as economic and financial instability, and changes in government, social and central bank policies. RCI Banque's future results may be negatively affected by any one or more of these factors.

The RCI Banque group's decisions with respect to its geographical locations are made within the framework of its growth strategy and support for the manufacturers and take into account the risks of instability, which are incorporated into an overall approach.

The scope of the group's financial policy extends to all consolidated finance entities of the RCI Banque group, including those for which refinancing is not done centrally. Refinancing for subsidiaries located in countries outside the eurozone whose transfer and convertibility risk is deemed to be a material risk by RCI Banque is generally done locally to limit any cross-border risk.

4) OPERATIONAL RISKS

The operational risk management system is described in the Financial Security chapter. Details about the cross-business risks affecting the sales financing activity are provided below.

LEGAL AND CONTRACTUAL RISKS

Any changes to legislation impacting the marketing of loans and insurance at the point of sale may, like any other changes to regulations governing the banking and insurance businesses, affect the RCI Banque group.

RCI Banque has legal analyses performed on all new products marketed and regularly monitors all regulations to which is subject so that it can comply with them fully.

TAX-RELATED RISKS

Because of its exposure to international markets, RCI Banque is subject to a range of different national tax legislations, all of which are liable to amendments that might have an effect on its business, its financial situation and its results.

Any tax disputes or challenges that RCI Banque may have to deal with are monitored closely and if necessary, provisions are booked to hedge the estimated risk.

IT-RELATED RISK

Like almost all companies nowadays, the RCI Banque group's business activities depend in part on the smooth running of its IT systems. This is the responsibility of the RCI Customer Operations and Information Systems Division which through its security policy, technical architectures and processes, addresses the following:

- The risk of destruction of its production servers in secure datacenters, and that host RCI applications. Applications and their data are duplicated so that they can be restarted within 48 hours in case of an adverse event.
- The risks of cyber-crime: general attacks on IT systems or attacks specifically targeting RCI, for example in reaction to an event covered widely in the media or simply to gain some kind of advantage (deals, blackmail, etc.). These types of attack set out to steal – or corrupt – sensitive data (confidential or personal information), or to freeze applications or even the group's entire intranet, or to deface RCI's websites. All companies, including and especially those in the banking sector, are the target of such acts. RCI's exposure to threats such as these may very well increase with the development of websites and the digital world.

- The risk of non-compliance with legislation relevant to IT and banking operations: personal data protection, business/banking confidentiality, Law for Trust in the Digital Economy, decree on internal control, Basel II/III, Solvency II, etc.

These risks would have impacts on brand image and reputation, financial impacts and/or lead to a loss of competitive advantage.

THESE RISKS ARE MANAGED AND CONTROLLED AS FOLLOWS:

At the operational level

- By means of a process for defining the standards of security to be put in place in IT projects according to how critical the application and data handled are. These standards take into account technological developments such as cloud offers.
- Through implementation by the "ISD Risk and Compliance" Officer, of monitoring and prevention of IS operational risks, including the daily monitoring of "IS Operational Risk Incidents" and the regular assessment of IS Operational Risks and the related preventive measures as required under Basel II/III regulations. Implementation and monitoring are performed with the support and cooperation of business lines, ISDs and the network of internal controllers in the group's subsidiaries.
- Through implementation, monitoring and consolidation by the ISD Risk and Compliance Officer of Business Recovery Plan (BRP) testing, which is mandatory for all high-stake RCI subsidiaries.
- Through implementation of data compliance and security measures in each business line by designated IT Safety and Security Officers, who are themselves managed and trained via the system of internal controllers reporting to RCI's Company Secretary and Chief Risk Officer.
- Through actions, support and checks carried out by the RCI IS Security Officer, who is backed up by a network of IT Security Officers for each subsidiary ISD.
- Through the level of protection of the group's IT network, which allows certain resources to be used by suppliers and partners as well as by entities based in risk countries.
- Through action to raise awareness of security issues (e-learning, communications, etc.).

At the organizational and governance level

- By an Internal Control Committee – Operational Risks – RCI Group Compliance, overseen by RCI Permanent Control, in collaboration with the RCI Periodic Control and Audit Department, and that brings together members of the RCI Management Committee.
- By Internal Control Committees – Operational Risks - Compliance relating to Information Systems, jointly overseen by RCI Permanent Control and the ISD Risk and Compliance Officer in collaboration with the RCI Security Officer and bringing together the members of the ISD Committee.
- By a BCP/BRP Committee jointly overseen by RCI Permanent Control (for the Business Continuity Plan) and the ISD Risk and Compliance Officer (for the Business Recovery Plan), with the attendance of the RCI Company Secretary and Chief Risk Officer, and bringing together the ISD Committee and the Finance and Cash Department.
- By IS Security Committees overseen by RCI IT Security, bringing together the RCI ISD Committee, and that oversee and monitor the efficient implementation of IT security measures, in accordance with the Information Systems Security Policy and best practices.

THE MAIN SECURITY-RELATED WORK CARRIED OUT IN 2014 COVERED:

- Checks on the soundness of systems, machines and IT disaster management processes:
  - Continuing monitoring and testing of the Corporate and RCI subsidiary Business Recovery Plan mechanism, with strengthening in 2014 via inspections of subsidiaries' BRP mechanisms (which will carry on in 2015).
  - Checks on the physical security of subsidiaries' Local IT Centers, with inspections of said Local IT Centers over 2014 by subsidiary internal controllers on the basis of a guide/questionnaire overseen centrally.
  - Periodic testing of vulnerability on RCI applications accessible from the Internet (approximately 70 applications).
  - Continuing rollout of means of strengthening the security and compliance of personal and sensitive data management (data encryption, purges, etc.).
- Security support for projects:
  - Security support action for projects including strategic joint arrangements outside France (Russia, etc.).
  - Support action for projects in contracting with suppliers when purchasing services, for instance the "cloud".
  - Formalization and rollout through targeted communications and publication on the RCI IS security intranet of guides, annexes and procedures for incorporating security into projects, with the necessary tooling.
- Strengthening the secure management and supervision of the intranet and external access to it (service providers, etc.).
- Managing the network of IT Security Officers in the various countries where the RCI group operates.

INSURANCE COVER OF RISKS

PROPERTY AND CASUALTY, BUSINESS INTERRUPTION

The RCI Banque group's French companies are affiliated with the Renault Group's worldwide program of insurance against property damage and business interruptions. Self-insurance is a significant component of this program because deductibles are high for each type of coverage (€20,000 for property damage and three days of production for business interruptions). The self-insurance component implies a risk prevention policy:

- implementation of effective safety and security systems;
- staff training to heighten employees' awareness of their role in preventing damage to property;
- installation of back-up facilities to keep operations going, inasmuch as production by the group depends heavily on properly functioning IT systems.

The RCI Banque group's foreign entities negotiate insurance policies with local insurance companies, which are subject to monitoring by centralized functions to ensure that they are appropriate and adequately capture the risks to be covered.

CIVIL LIABILITY

Civil operating liability (company's liability for damages caused to third parties during the course or conduct of its business activities, in any place, by the insured person, staff, buildings or equipment used for those business activities) of the French affiliates has been covered by the Renault Group's worldwide program of insurance since January 2010.

Only liability after delivery and/or professional civil liability (damage resulting from mismanagement or non-compliance with a binding obligation towards a third party) specific to the RCI Banque group's activities is still covered by particular insurance policies specific to the RCI Banque group:

- A specific insurance policy covers the liability after delivery and/or professional civil liability of the Diac group as regards long-term rentals and vehicle fleet management services.
- A specific insurance policy covers the Diac and Diac Location affiliates for the financial consequences of the civil liability that may be incumbent upon them in their capacity as the owners or leasers of vehicles and automotive equipment on account of the activities covered under the said policy, namely leasing, rental with purchase option and long-term rental, it being stipulated that this is a secondary insurance policy intended to be called upon only in the event that the lessee is uninsured or inadequately insured.
- As regards insurance intermediation (insurance policies offered as an addition to financing and leasing products) RCI Banque and the Diac and Diac Location affiliates are insured by specific professional civil liability policies combined with a financial guarantee, in accordance with Articles L. 512-6, R. 512-14 and A. 512- 4 of France's Insurance Code (*Code des Assurances*), a set of regulations resulting from the French Act of 15 December 2005 transposing the European Directive of 9 December 2002.

Regarding RCI Banque affiliates and branches outside France, insurance contracts covering civil operating liability and professional civil liability, including the insurance intermediary's professional liability, are negotiated with local insurers and comply with local regulations resulting from the transposition of the European Directive of 9 December 2002 for European countries, or from other equivalent regulations for non-EEC countries.

At the end of 2013, a new study was initiated with the support of an insurance brokerage firm to review the RCI Banque group's professional liability risks inside and outside France, especially in the light of the RCI Banque group's growing savings products and services businesses, and to analyze the appropriateness of a more comprehensive and consistent system of coverage for all group entities worldwide.

The outcome of this study was the termination on 31 December 2014 of the civil liability policies specific to the group's business activities as referred to above, the introduction of a new overall professional civil liability program for the RCI Banque group effective as from 1 January 2015 and the continuation as is of the specific civil liability policies covering DIAC S.A and DIAC LOCATION S.A for the risks related to their activities as leasers and providers of long-term rental and fleet management services.

Under the Master insurance policy taken out by RCI Banque SA on its own behalf and on behalf of all of its branches and subsidiaries worldwide, the insurer will pay out for the financial consequences (civil defense costs) of any claim made by a third party arising out of professional negligence or errors committed within the limits of the insured business activities only, as described hereafter, and that entail the professional civil liability of one or more insured parties (RCI Banque group affiliates).

The program covers:

- "Regulated" activities (those for which professional civil liability insurance is required by law): insurance intermediation activities and, for certain countries, bank transaction intermediation activities, defined as "activity which consists in presenting, proposing or helping to enter into insurance contracts, or banking transactions or payment services, respectively, or in carrying out other work in preparation for entering into them"; and
- "Non-regulated" activities (those for which there is no obligation under the regulations to take out professional civil liability insurance): activities in the banking, stock market, financial, real estate, insurance and re-insurance areas.

5) OTHER RISKS

RISKS ON RESIDUAL VALUES

Residual value is the estimated value of a vehicle at the end of its financing. Developments on the used vehicle market may lead to a risk for the carrier of such residual values, in that a commitment is made to take back vehicles at the end of their financing period at a price set at the start of that period. This risk may be carried by RCI, by the vehicle manufacturer, or by a third party (dealers in particular).

Developments on the used vehicle market are monitored closely, which in conjunction with the manufacturer's range and pricing policy, helps to keep this risk to a minimum, especially in cases where RCI Banque buys back vehicles on its own account.

Breakdown of risk related to residual values

(In millions of euros)

	Residual values								Provision for residual values							
	2014	2013	2012	2011	2010	2009	2008	2007	2014	2013	2012	2011	2010	2009	2008	2007
Corporate segment:	**28**	**0**	**3**	**16**	**46**	**109**	**133**	**161**	**1**	**0**	**0**	**2**	**4**	**11**	**20**	**16**
France	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
European Union (excluding France)	28	0	3	16	46	109	133	161	1	0	0	2	4	11	19	16
Europe excluding European Union	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retail segment:	**884**	**569**	**460**	**397**	**273**	**188**	**189**	**280**	**4**	**2**	**2**	**2**	**0**	**1**	**1**	**2**
European Union (excluding France)	884	569	460	397	273	188	189	280	4	2	2	2	0	1	1	2
Total risk on residual values	**912**	**569**	**463**	**413**	**319**	**297**	**322**	**441**	**6**	**2**	**3**	**4**	**5**	**12**	**21**	**18**

Risks related to residual values not carried by the RCI Banque group

(In millions of euros)

		Residual values					
	2014	2013	2012	2011	2010	2009	2008
Corporate and Retail segments:							
Commitments received from the Renault Group	**1,908**	1,472	1,510	1,414	1,384	1,306	959
Commitments received from others (Dealers and Customers)	**1,321**	1,720	1,776	1,656	1,498	1,987	2,025
Total risk on residual values	**3,229**	**3,192**	**3,286**	**3,070**	**2,882**	**3,293**	**2,984**

INSURANCE RISK

Customer insurance activities, in which the risk is carried by RCI Banque, could suffer losses if available reserves are insufficient to cover claims made.

The size of the reserves is determined on the basis of statistical information with a view to addressing expected losses. Exposure to risk is limited by diversifying the portfolio of insurance and re-insurance policies, and the geographical areas in which they are taken out. The group applies strict selection procedures to its policies, has underwriting manuals, and uses re-insurance agreements.

The insurance risk management system is described more fully in the Financial Statements section of the Notes to the Consolidated Statements.

6) CAPITAL ADEQUACY WITH RESPECT TO RISKS

INTERNAL CAPITAL

The internal capital requirement is RCI Banque's assessment of the own equity required to address all of its risks (Pillar 1 +Pillar 2 risks). It is equivalent to the lowest value in terms of capital that the group's management considers to be needed to cover its risk profile and strategy.

In addition, simulations of forecast activities, acquisitions and disposals are produced to determine any additional equity requirements, thus ensuring that future prudential ratios are complied with.

The objective of the RCI Banque group's capital management policy is to optimize the use of equity in order to maximize the short and long-term return for the shareholder, while maintaining a capital adequacy ratio (Core Tier 1 ratio) in keeping with the target rating required for market activities.

In 2014, the European Central Bank conducted a quality review to assess the adequacy of provisioning for expected losses, and strength tests to examine the resilience of banks in crisis situations. This review found that RCI Banque's processes and procedures were soundly robust and that it had booked an adequate level of provisions. The group was not required to make any significant adjustments to its prudential capital. The stress-test exercise also highlighted the fact that RCI Banque's capital was largely in line with the level required by the regulator. The resulting solvency ratio was well above the threshold imposed in the worst-case scenario.

SOLVENCY RATIO (CAPITAL AND REQUIREMENTS) AND LEVERAGE RATIO

Prudential capital requirements are determined in accordance with Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms.

COMMON EQUITY TIER 1 (CET 1)

Basic own funds consist of the company's share capital and the related share premium accounts, reserves, retained earnings net of tax and accumulated other comprehensive income, and minority interests after application of transitional provisions for prudential filters.

The main Basel III prudential filters applicable to the group are:

- the exclusion of fair value reserves related to gains or losses on cash flow hedges;
- the exclusion of gains or losses on liabilities of the institution that are valued at faire value that result from changes in the own credit standing of the institution;
- the gradual deduction of the exclusion of minority interests;
- the gradual deduction of deferred tax assets that rely on future profitability arising from tax loss carry backs.

Deductions include intangible assets and goodwill.

Holdings of more than 10% in financial sector entities and deferred tax assets that rely on future profitability and arise from temporary differences are, once the threshold has been applied, below the pooled 17.5% allowance and therefore receive weighting on the asset side of 250%.

NB. RCI Banque's CET 1 represents 99.6% and 97.9% of its total prudential own funds for 2013 and 2014 respectively.

ADDITIONAL TIER 1 (AT1)

Additional Tier 1 items are perpetual debt instruments with no incentive or obligation to redeem (in particular step-ups).

The RCI Banque group had no instruments of this type as at 31 December 2014.

COMMON EQUITY TIER 2 (CET 2)

CET 2 items are subordinated debt instruments with a minimum term of five years and no early redemption during the first five years. The instruments are discounted during the five-year period preceding their maturity.

The RCI Banque bank lists the Diac participating loan stock for €10 million at year-end 2014 in this category as well as the subordinated securities to which annual amortization of €50 million is applied and the net amount of which taken into account at year-end 2014 was €17 million.

Likewise, under the advanced approach to credit risk, any negative difference between total provisions and total expected losses is deducted from the capital. If the sum of the expected losses is less than the valuation adjustments and collective impairment allowances, the balance is added to the Tier 2 capital, up to a maximum of 0.6% of the weighted risks of exposures assessed by the "internal rating based" method.

Basel III - Pillar III

	31/12/2014
Tier 1 capital	**2,826**
Equity under IFRS	3,161
• Share capital + Share premium accounts	814
• Carryforward and group income	1,231
• Other reserves	1,102
• Reserves + Minority income	14
Planned dividend distribution	-180
Prudential adjustments	-155
• Restated unrealized gains or losses (of which CFH)	0
• Intangible non-current assets and goodwill	-94
• Other prudential deductions	-3
• Negative difference between valuation adjustments and expected losses	-58
Tier 2 capital	**62**
Subordinated liabilities +Participating loan stock	27
Positive difference between valuation adjustments and expected losses up to 0.6% of assets risk-weighted under the internal rating method	35
Total prudential capital	**2,888**

Basel II - Pillar III

	31/12/2013
Core capital (Core Tier 1)	**2,502**
Equity under IFRS	2,923
Planned dividend distribution	-260
Restated unrealized or deferred gains or losses (including CFH)	-5
Intangible non-current assets and goodwill	-89
Other prudential deductions	-67
Tier 2 (supplementary) capital	**10**
Subordinated liabilities	76
Other prudential deductions	-67
Positive difference between valuation adjustments and expected losses up to 0.6% of assets risk-weighted under the IRB method	0
Tier 3 capital	**0**
Total prudential capital	**2,512**
Details of other prudential deductions (CRD: 50% Tier 1, 50% Tier 2)	-134
Negative difference between valuation adjustments and expected losses	-31
• Equity interests in credit institutions	-66
• Equity interests in insurance companies	-36

RISK-WEIGHTED ASSETS

Prudential requirements are determined in accordance with the transitional provisions published in the Official Journal of the European Union on 26 June 2013 (EU Directive 2013/36/EU and Regulation (EU) No 575/2013 of the European Parliament and of the Council) and transposed by Order No 2014-158 of 20 February 2014 as from 1 January 2014.

Excluding transitional requirements under the floor level provisions, the overall "Pillar 1" solvency ratio was 15.07% at 31 December 2014 (of which 14.75% Core Tier One) compared with 14.53% (of which 14.48% Core Tier One) at 31 December 2013. The leverage ratio, which is equal to the non-weighted ratio of assets to own funds, came to 8.4% at 31 December 2014; it is calculated in accordance with the methodology set out in Regulation (EU) No 575/2013.

(in million euros)	31/12/2014	31/12/2013
Credit risk	**17,013**	**15,595**
1. Internal rating based (IRB) method	***8,668***	***8,242***
• Corporates	3,461	3,262
• Retail	5,207	4,980
2. Standardized method	***8,345***	***7,353***
• Central governments and central banks	304	143
• Institutions	647	296
• Corporates	3,664	3,790
• Retail	3,276	3,005
• Shares	20	10
• Other non-credit obligation assets	434	109
Market risk	-	-
Credit valuation adjustment risk	**111**	-
Operational risk	**2,038**	**2,033**
Risk-weighted assets under the floor level provisions	**5,671**	**4,262**
Total risk-weighted assets (*)	**24,832**	**21,890**
Total prudential capital (**)	**2,888**	**2,562**
Core Tier 1 capital (**)	**2,826**	**2,552**
Overall solvency ratio (*) (**)	**11.63%**	**11.70%**
Core Tier 1 solvency ratio (*) (**)	**11.38%**	**11.66%**

(*) Excluding additional transitional requirements. (**) After modification of planned dividend distribution

PRUDENTIAL SCOPE

The prudential scope used when calculating the solvency ratio is identical to the scope of consolidation described in the Notes to the IFRS financial statements, with the exception of the insurance companies based in Malta and accounted for prudentially using the equity method.

Consolidated entities accounted for using the proportionate consolidation method prior to application of IFRS 11 and now consolidated in the books using the equity method, are still consolidated prudentially using the proportionate consolidation method. Information about these entities and the method which is used to account for their consolidation is given in Note 8 to the consolidated financial statements.

RCI Banque has not opted for the so-called "conglomerates"; therefore the solvency ratio is calculated "without insurance", eliminating contributions from the group's insurance companies from both the denominator of the capital ratio and its numerator.

In September 2007, RCI Banque was granted a waiver by France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR) exempting the French credit institution Diac S.A. from solo supervision, as the group satisfies the conditions for exemption stipulated by Article 4-1 of CRBF Regulation 2000-03.

The switch to Directive 2013/36/EU (CRD IV) does not affect the individual exemptions granted by France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR) prior to 1 January 2014 on the basis of pre-existing regulations.

RCI Banque continues to comply with the regulatory framework set out in Article 4-2 of CRBF Regulation 2000-03:

- there is no obstacle to the transfer of capital between subsidiaries,
- the risk measurement and control procedures within the meaning of Regulation 97-02 relating to internal control are implemented on a consolidated basis, including subsidiaries.

Consequently, the RCI Banque group is exempt from respecting prudential ratios on an individual basis for each of its French financial companies. RCI Banque monitors changes in the group's consolidated solvency ratio monthly.

MARKET RISK

In the absence of a trading book, the whole of the RCI Banque group's market risk comes from its foreign exchange exposure. The latter is mainly linked to structural foreign exchange exposure on equity securities of affiliates outside the Euro zone.

In May 2009, RCI Banque was granted authorization by France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR) to exclude durable and structural assets from its foreign exchange exposure. Consequently, as its foreign exchange exposure is below the 2% of the capital threshold set in Article 351 of Regulation (EU) No 575/2013, RCI Banque no longer calculates capital requirements for the foreign exchange risk.

RCI Banque's objectives and strategies with respect to the foreign exchange risk are described in the "Financial Risks" section of the Management Report.

OPERATIONAL RISK

Operational risk is assessed using the Standardized method. The own equity requirement is worked out using the mean Net Banking Income observed over the last three years, broken down into two business lines (Retail Banking and Commercial Banking), the regulatory coefficients for which are 12% and 15% respectively.

The operational risk management system is described in the "Financial Security" chapter.

CREDIT AND COUNTERPARTY RISK

In its letter dated 28 January 2008, France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR) granted RCI Banque authorization to use its advanced internal rating based system (AIRB) to assess its credit risks from 1 January 2008 onwards.

INFORMATION ABOUT CREDIT RISK ASSESSMENT USING THE AIRB APPROACH

RCI Banque has opted for the most advanced methods proposed by the Basel II/III reform for measuring and monitoring its credit risks; all parameters are thus estimated internally. Valuations are applied to the calculation of Retail, Corporate and Dealer customer risk exposures. Six large countries (Germany, Spain, France, Italy, South Korea and the United Kingdom) are treated using the advanced internal rating based approach. Four countries were initially approved for AIRB treatment at the start of 2008. The approach was then rolled out to the United Kingdom in 2010, followed in 2011 by South Korea for the Retail business, and for factoring in France.

In the most recent period, work done mainly concerned the plan to roll out internal rating systems in Brazil (Retail, Corporate and Dealer businesses).

Organization

The tools and processes used to calculate credit risk-weighted assets, and the publication of reports used to optimize the supervision of credit risks, are the responsibility of Customer Operations and Credit Risk.

The Accounts and Performance Control Division is responsible for consolidating the solvency ratio, producing regulatory reports and internal capital assessment.

Information system

The Common Database for Risk compiles credit risk-related data sourced from underwriting, management and accounting software applications, on the three markets and for the six most significant countries.

The Common Database for Risk provides input for a decision-support environment through which risk analyses can be performed and the Risk AuthoritY (RAY) software package calculates the solvency ratio. RAY also receives data from the KTP Cristal refinancing operations management system and the Sycomore Business Object Finance consolidation tool. Since June 2010, Risk AuthoritY (RAY) has also published the COREP regulatory reports.

The data collected and computed in these information systems are controlled, technically and functionally, throughout the production process, from the collection of information from upstream systems through to the end results. These quality controls are monitored monthly and action plans may be introduced to improve them.

The information system in place provides the elements needed to analyze the ratio. For example, monthly reports display the components of the risk-weighted assets calculated under the AIRB method (Probability of Default, Loss Given Default, Exposure, Expected losses, etc.) according to a number of criteria:

- breakdown of performing loans and non-performing loans, by type of financing;
- separation between balance sheet exposures and off-balance sheet exposures;
- breakdown by country;
- breakdown by customer category: private individuals, business individuals, small, medium and large-sized companies (based on turnover), very large-sized entities and the dealer network;

- breakdown by characteristics: customer characteristics (age of the customer or business, business sector, etc.), financing characteristics (initial term, amount of personal/business contribution, etc.) and the characteristics of the good financed (new or used vehicle, model, etc.).

These elements are also used for the monthly analysis of the management risk cost, which is assessed on the basis of actual recorded defaults and LGDs.

Exposure classes treated under the AIRB method

All quantified data pertaining to credit risk exposures relate to gross exposure, i.e. exposure prior to application of Credit Conversion Factors and Credit Risk Mitigation Techniques.

The average weighting rates (risk-weighted assets/exposures) come to 36% for the Customer portfolio and to 42% for the overall Corporate portfolio (of which 26% for Dealers).

The equity requirement for credit risk takes into account the financial guarantee (in the form of a cash warranty agreement) granted by Renault, totaling €550m.
This guarantee protects RCI Banque against the risk of default by the Renault Retail Group.

The conversion factors applied to individual off-balance sheet exposures are the regulatory rates (0%, 20%, 50% and 100%). The average rates calculated are 100% for Customer financing commitments (representing €689m) and 90% for authorizations with respect to Dealers (representing €123m), depending on their nature.

Borrower - probability of default (PD) parameter

The internal rating methodology developed from 2004 for the purposes of reassessing customer risk on a monthly basis uses:

- a model for ranking the risk of default,
- a method for quantifying the associated PD.

Risk ranking model

Counterparty risk is ranked using a score that incorporates both the customer's characteristics and his payment behavior. The methodology is adjusted to each customer typology to take into account the kind of information available and normally used by business experts to assess risk.

The following table shows how the models developed are mapped.

Allocation to a risk class and quantification of the PD associated with each class

The rating scales include a number of classes adjusted to the granularity of each portfolio. The Retail portfolio is divided into ten classes for the performing portfolio, and one defaulted class; the Corporate portfolio is broken down into seven performing classes and one defaulted class.

The requirement for reliable internal rating has, however, led to a specific breakdown for each "country / customer segment" portfolio. Thus, for any given segment, the risk for any given class in France, measured by its representative PD is not the same as the risk for that same class in Spain.

The calculation of the PD associated with each class takes into account historically observed default rates.

Testing of PD models

The effectiveness of the models (continuing appropriateness of risk class prioritization over time) and the quality of the forecasts of the PD level per class are subject to detailed quarterly back-testing, as illustrated by the graphs hereafter.

Credit exposures under the AIRB method

(In million euros)

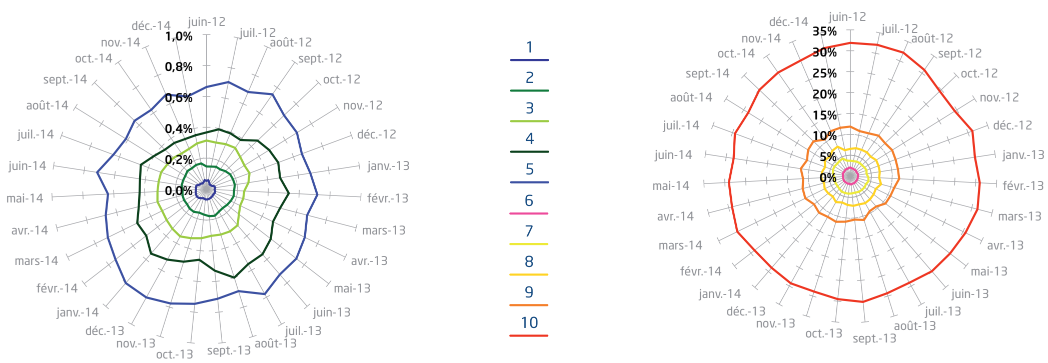
Corporate	**8 273**
of which Dealers	6 210
Retail customers	**14 415**
of which small or medium sized entities	32
Total exposures under the airb method	**22 688**

Scope: Balance sheet and off-balance sheet, performing and non-performing exposures under the AIRB method for Germany, Spain, France, Italy, the United Kingdom and South Korea.

Exposure classes	IRBA country	Population group covered by the model	Model type (statistical/combined)	Kind of model (Internal/External)
Retail	Germany	Individuals	Statistical	Internal
	Spain			
	France			
	Italy			
	United Kingdom			
	South Korea			
SME	Germany	Companies	Statistical	Internal
	Spain			
	France			
	Italy			
Corporate	France	Very large-sized companies	Combined	Internal +External rating
	France	Factoring	Combined	Internal +External rating
	All affiliates	Dealer	Statistical	Internal

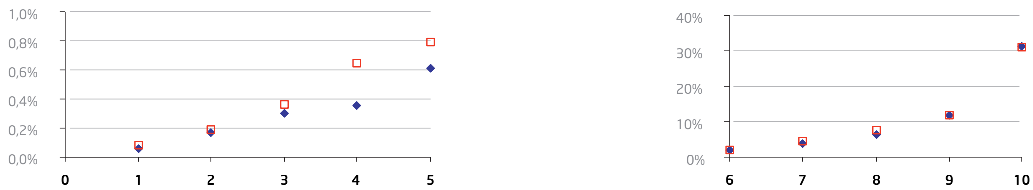
History of default rate by class

(1 to 5) (6 to 10)



Back test - Retail Germany PD model

(1 to 5) (6 to 10)



Forecast PD at end 12/2013 ◆ Actual default rate at end 12/2014

Transaction - loss given default (LGD) parameter

Economic losses are estimated from discounted recovery cash flows for the Retail and Corporate sectors, and from loan charge-offs for the Dealer network, on the basis of historic data generally going back more than ten years. Charges attributable to debt collection are taken into account according to the stages of management gone through. Analysis has been conducted to group the transactions into segments representative of uniform levels of loss.

The quantification of these losses by segment is the outcome of a statistical model whose main vectors are the generational analysis of recoveries, speed of collection and consideration of trends. Expert opinion is also used to confirm the proposed estimates to gain the best possible insight into the effects of economic cycles.

Average LGD on the performing portfolio came to 43% for Retail Customers and 17% for the Corporate segment. The latter breaks down into 40% for non-dealer Corporates and 10% for Dealers.

Exposure classes	IRBA country	Population group covered by the model	Population group Segmentation	Type of model (statistical/ expert/ combined/ other)	Kind of model (internal/ external)	Available historical depth	Calculate parameters
RETAIL	France	Individuals + Companies	Credit	Statistical	Internal	since January 1997	LGD on non-default LGD default BEEL default
			Leasing				
	Germany		Credit VN			since April 1999	
			Credit VO				
			Leasing				
	Spain		Credit VN			since November 1994	
			Credit VO			since May 1998	
			Leasing			since January 1996	
	Italy		Time ≤ 48 months			since January 2008	
			Time >48 months			since August 1998	
	United Kingdom		Single segment			since March 2006	
	South Korea		Single segment			since August 1998	
CORPORATE	All subsidiaries	Dealers	Stock VN	Case by case	Internal	Since 1988	LGD BEEL
			Other products				

Internal rating monitoring procedures

The results and the main data used in the internal rating system are monitored on a monthly basis.

On a quarterly basis, the changes observed are analyzed following a standard protocol.

These analyses ensure that the models are in keeping with the operational processes (underwriting and collection) and provide regular input used to enhance rating models. The differences between forecast and actual are set out in a report that also includes the quantified impact on equity requirements.

A specific presentation of rating model performance is given once a year to the Executive Committee during a Basel II/III Committee meeting.

Operational use of internal rating systems

Customers

Loan approval policy

In the Customer segment, customers applying for financing are systematically rated. This situation pre-existed on certain market segments, especially for private individuals, before Basel rating systems came in, but was implemented across the board with the introduction of Basel II. Rating provides initial guidance in the decision-making process, with the examination process then concentrating on "intermediate" risks. Beyond the operational process, the underwriting policy is regularly adjusted in line with default rates and the analysis of the profit rates per PD and LGD level.

Debt collection

The statistical models used in calculating weighted risks and expected loss enable monthly updating of the Probability of Default used at loan approval via incorporation of the customer's payment behavior. This updating, which provides a clear overview of the expected loss on the portfolio as part of the "Budget process" is also increasingly used as a tool for forecasting the activity of the debt collection platforms. "Collection scoring" based on the same customer information has been rolled out for Spain and South Korea to improve process efficiency.

Dealers

In the Dealer segment, all counterparties are systematically rated. This rating system and all of its component sections are integrated into the key operational processes of underwriting, management and business and risk monitoring.

Provisioning for the Dealer financing activity is based on categorizing the counterparties individually and by examining objective impairment indicators. The component sections of the internal rating system form the basis for this differentiation.

INFORMATION RELATING TO CREDIT RISK TREATED UNDER THE STANDARDIZED METHOD

Credit risk exposures treated under the standardized method consist primarily of the sales financing outstandings of affiliates not treated under the AIRB method, debts towards credit institutions and central banks, and all other consolidated assets that are not credit obligation assets.

When calculating the equity requirement for credit risk under the standardized method, RCI Banque uses the external rating agency Moody's to assess its sovereign and bank exposures and complies with the regulatory mapping with these external assessments.

As far as the Corporate portfolio is concerned, the RCI Banque group applies the regulatory weightings to unrated exposures. This treatment is justified by the generally modest size of the group's corporate customers in countries other than France, Germany, Italy and Spain, who cannot have an external assessment by an accredited rating agency.

Own funds requirements for credit risk under the standardized method take into account a financial guarantee (in the form of Letras de Cambio) totaling €246 million at end-December 2014 protecting the Brazilian affiliate CFI RCI Brasil against the risk of default by its dealership network.

CREDIT ADJUSTMENT

For all OTC derivatives other than those recognized as reducing credit risk-weighted exposure amounts, the RCI Banque group determines an own funds requirement for CVA (Credit valuation adjustment) risk.

This requirement is calculated using the method described in Article 384 "Standardized Method" of Regulation (EU) No 575/2013.

Moody's rating	Banque de France rating	Credit exposures treated under the standardized method in million euros
Aaa	1	1,560
Less than Aaa	2 to 6	1,140
Unrated exposure	7	9,296
Total credit exposures treated under the standardized method		**11,996**
• of which Corporates		3,916
• of which Retail		4,633
• of which other exposure categories		3,447

MAIN BASEL II / III INDICATORS

Breakdown of gross exposures (standardized and advanced method)

In million euros	Corporate	Retail	Other exposure categories	Total
Average credit exposures in 2014	10,766	18,331	3,583	32,680
France	5,602	4,949	1,596	12,147
Germany	1,327	3,254	386	4,967
Spain	767	1,460	136	2,363
Italy	969	1,977	221	3,167
United Kingdom	619	2,469	316	3,404
South Korea	11	1,066	53	1,130
Other countries	2,894	3,873	739	7,506
Credit exposure balance	**12,189**	**19,048**	**3,447**	**34,684**
Residual maturity less than 3 months	4,959	2,956	1,414	9,329
from 3 months to 1 year	5,909	3,762	1,469	11,140
from 1 to 5 year	969	11,544	478	12,991
more than 5 years	352	786	86	1,224

EAD includes on- and off-balance sheet credit exposures. The prudential scope is not the same as the accounting scope of consolidation.

Consequently, the valuation of credit exposures shown in the table above is different to that shown in Note 17 of the Notes to the Consolidated Financial Statements on Financial Assets and Liabilities by Remaining Term to Maturity.

Gross exposures to loans in default and valuation adjustments

In million euros	Corporate	Retail	Total
France	108	226	334
Germany	38	17	55
Spain	32	42	74
Italy	34	63	97
United Kingdom	15	17	32
South Korea	0	26	26
Other countries	160	96	256
Total exposures to payments in arrears or in default	**387**	**487**	**874**
2013/12			
Balance of valuation adjustments on the balance sheet	205	435	640
Balance of collective provisions on the balance sheet	42	51	93
Total balance of collective provisions and valuation adjustments	247	486	733
2014/12			
Balance of valuation adjustments on the balance sheet	256	340	596
Balance of collective provisions on the balance sheet	63	34	97
Total balance of collective provisions and valuation adjustments	319	374	693

Exposures to loans in default and valuation adjustments on “other exposure categories” are not significant.

Segmentation of gross credit exposures treated under the AIRB method

In million euros	Corporate	Retail	Total
PD < 1%	1,085	9,759	10,844
1% <= PD < 5%	4,231	3,350	7,581
5% <= PD < 10%	1,493	394	1,887
10% <= PD < 20%	783	346	1,129
20% <= PD < 100%	458	201	659
PD = 100%	223	365	588
Credit exposures treated under the AIRB method (A)	**8,273**	**14,415**	**22,688**
LGD rate	**17%**	**43%**	**33%**
Weighted exposures (B)	**3,461**	**5,207**	**8,668**
Average weighting rate (B) / (A)	**42%**	**36%**	**38%**

DISCLOSURE CONCERNING ASSET ENCUMBRANCE

Certain liability items are secured by assets. This mainly means securitizations and financing sourced from the Central Bank. Securitization is a financial technique whereby receivables are transferred to a special purpose vehicle that issues debt. The cash flows generated on the assets held by the special purpose vehicle are then used to service its debt.

At 31/12/2014, assets encumbered by transfer to a securitization vehicle or by submission as collateral totaled €6,035m.

Financial information concerning asset encumbrance

Template A - Assets		Carrying amount of encumbered assets	Fair value of encumbered assets	Book value of unencumbered assets	Fair value of unencumbered assets
010	**Assets of the reporting institution**	**6,034,902,377**	**-**	**26,018,639,516**	**-**
020	Loans on demand	477,056,589	-	625,692,517	-
030	Equity instruments	0	0	132,070,717	0
040	Debt securities	0	0	534,894,927	0
100	Loans and advances other than loans on demand	5,557,845,788	-	23,192,639,882	-
120	Other assets	0	-	1,533,341,473	-

Template B - Collateral received		Fair value of encumbered collateral received or encumbered own debt securities issued	Fair value of collateral received or own debt securities issued available for encumbrance
130	**Collateral received by the reporting institution**	**0**	**755,448,194**
140	Loans on demand	0	755,448,194
150	Equity instruments	0	0
160	Debt securities	0	0
220	Loans and advances other than loans on demand	0	0
230	Other collateral received	0	0
240	**Own debt securities issued other than own covered bonds or asset-backed securities**	**0**	**0**

Template C - Encumbered assets/collateral received and associated liabilities		Matching liabilities, contingent liabilities or securities lent	Assets, collateral received and own debt securities issued other than covered bonds and asset-backed securities encumbered
010	**Carrying amount of selected financial liabilities**	**4,192,893,603**	**6,034,902,377**

FINANCIAL SECURITY

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92939 Paris-La Défense Cedex
Statutory auditor Member,
Compagnie régionale de Versailles

ERNST & YOUNG Audit
1/2, place des Saisons
92 400 Courbevoie - Paris La Défense 1
S.A.S. à capital variable
Statutory auditor Member,
Compagnie régionale de Versailles

This is a free translation into English of the statutory auditors' report issued in French prepared in accordance with Article L.225-235 of the French commercial code on the report prepared by the Chairman of the Board of Directors on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information issued in French and is provided solely for the convenience of English speaking users. This report should be read in conjunction and construed in accordance with French law and the relevant professional standards applicable in France.

RCI BANQUE

Year ended December 31, 2014

Statutory auditors' report, prepared in accordance with article L. 225-235 of the French commercial code (Code de commerce), on the report prepared by the chairman of the board of directors of RCI Banque

To the Shareholders,

In our capacity as statutory auditors of RCI Banque and in accordance with article L. 225-235 of the French commercial code (*Code de commerce*), we hereby report on the report prepared by the chairman of your company in accordance with article L. 225-37 of the French commercial code (*Code de commerce*) for the year ended December 31, 2014.

It is the chairman's responsibility to prepare and submit for the board of directors' approval a report on the internal control and risk management procedures implemented by the company and to provide the other information required by article L. 225-37 of the French commercial code (*Code de commerce*) relating to matters such as corporate governance.

Our role is to:

- report on any matters as to the information contained in the chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information, and
- confirm that the report also includes the other information required by article L. 225-37 of the French commercial code (*Code de commerce*). It should be noted that our role is not to verify the fairness of this other information.

We conducted our work in accordance with professional standards applicable in France.

Information on the internal control and risk management procedures relating to the preparation and processing of accounting and financial information

The professional standards require that we perform the necessary procedures to assess the fairness of the information provided in the chairman's report in respect of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information. These procedures consist mainly in:

- obtaining an understanding of the internal control and risk management procedures relating to the preparation and processing of the accounting and financial information on which the information presented in the chairman's report is based and of the existing documentation;
- obtaining an understanding of the work involved in the preparation of this information and of the existing documentation;
- determining if any material weaknesses in the internal control procedures relating to the preparation and processing of the accounting and financial information that we would have noted in the course of our work are properly disclosed in the chairman's report.

On the basis of our work, we have no matters to report on the information relating to the company's internal control and risk management procedures relating to the preparation and processing of the accounting and financial information contained in the report prepared by the chairman of the board of directors in accordance with article L. 225-37 of the French commercial code (*Code de commerce*).

Other information

We confirm that the report prepared by the chairman of the board of directors also contains the other information required by article L. 225-37 of the French commercial code (*Code de commerce*).

Neuilly-sur-Seine and Paris-La Défense, February 12, 2015

The statutory auditors

French original signed by

KPMG S.A.
Valéry Foussé

ERNST & YOUNG AUDIT
Bernard Heller

FINANCIAL SECURITY ACT

REPORT OF THE CHAIRMEN OF THE BOARD ON CORPORATE GOVERNANCE AND INTERNAL CONTROL

The RCI Banque group's internal control system is structured in accordance with French regulations on banking and finance. RCI Banque is regulated by France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR).

Its main purposes are to:

- ensure that the instructions and strategy set by senior management are implemented,
- preserve the capital and asset value of the Company,
- limit the effects of uncontrollable variations in business activity and anticipate their impact,
- ensure compliance with applicable laws and regulations,
- keep the governing bodies and the Board informed of risks, and the level at which they are mastered,
- generate fair and reliable accounting and financial information.

RCI Banque has an internal control and risk management system that complies with the regulations on banking and finance and is aimed at reducing the probability of occurrence of the risk to which the company is exposed, through the implementation of appropriate action plans.

This section describes, in the following order:

- organization of the RCI Banque group,
- the general internal control and risk management framework of the RCI Banque group,
- the bodies and people involved, and
- the special-purpose organization that oversees the preparation of financial and accounting information.

It has been prepared by the divisions concerned (Corporate Secretary and Risks Control division, and the accounts and performance control division) and was examined and approved by the Board of Directors during its meeting of 4 February 2015.

I. ORGANIZATION OF THE RCI BANQUE GROUP

The aim of the organization put in place by the RCI Banque group is to boost its business action in both the financing of Alliance manufacturers' sales and associated services. It gives the support functions a more comprehensive role to play in supporting international expansion. Oversight of this organization is delivered in three ways:

Hierarchical line

- The executive committee, as the body in charge of managing the RCI Banque group, directs the group's policy and strategy.
- The management committees implement the actions needed to meet the objectives set by the Executive Committee.

Functional line

The functional departments play the role of "technical parent" for the following purposes:

- establishing specific policies and rules of operation for IT systems, human resources, financial policy, credit risk management, etc.;
- providing the operational departments with support and ensuring that established policies are implemented as they should be by those departments.

The group also has standardized mapping of all of the company's processes.

Supervision

In 2014, in accordance with the act implementing CRD IV and the Order of 3 November on internal control, supervision of the group was reinforced by separating the role of Chairman (Dominique THORMANN) from that of Chief Executive Officer (Gianluca DE FICCHY). A risk management department (Patrick CLAUDE) was also created to replace the risk function.

In 2015, this stronger supervision will be made even more tangible, as the Board of Directors will be backed up by four committees with members chosen from within its midst: a risk committee, a remuneration committee, a nomination committee and a strategic committee.

II. GENERAL INTERNAL CONTROL AND RISK MANAGEMENT FRAMEWORK OF THE RCI BANQUE GROUP

RCI Banque has an overall internal control system aimed firstly at listing, analyzing and controlling the main identifiable risks with respect to the company's objectives (see "Risks" section of RCI's Annual Report). The Group Internal Control Committee has approved the general framework of the RCI Banque internal control system, as set forth in the internal control charter.

This charter, which establishes the model system that applies throughout the group, mainly covers:

- the general internal control oversight system,
- the systems used locally by subsidiaries and affiliates, branches and joint ventures,
- the specific systems used in different functional areas.

The most significant parts of the overall internal control system are detailed hereafter.

II.1 FORECASTING AND REPORTING PROCESSES

The forecasting process is based on strategic goals incorporated into a three-year plan for the group and for each individual entity.

Based on the objectives and directives set by senior management and on economic forecasts (growth forecast, exchange rates, refinancing interest rates, automobile manufacturer markets), each group entity prepares an annual budget that includes:

- a quantitative projection of its business and financial indicators to the end of the following year;
- an action plan describing how it will fulfill its contribution to meeting objectives.

The group consolidates the input from the different entities, which enables it to check the financial outcomes for consistency with the profitability and balance sheet targets set by senior management and to take corrective steps if necessary in the context of forecast updating.

Forecast updating and reporting processes are based on rules and tools to ensure that management receives reliable, usable information broken down by business segment (Customers, Dealers) and by brand (Renault, Renault Samsung Motors, Dacia, Nissan and Infiniti).

II.2 CLEARLY DEFINED RESPONSIBILITIES AND INTERNAL DELEGATIONS

A system of internal delegations has been put in place and helps to control deployment of group policies at the basic operational level. Areas of responsibility and delegations are determined by:

- **Definitions of functions**

The organization of the group is set out in an official organization chart. Responsibilities are defined at each level of the organization, with the scope and limits of each individual's responsibilities defined in a job description.

- **Internal delegations**

The decision-making process within the RCI Banque group is based on a system for delegating decision-making powers from the Chairman on down, to meet two objectives:

- facilitate empowerment and accountability of line personnel,
- ensure that commitments are made at the appropriate level.

This system sets precise boundaries by level on the scope of decisions that line personnel are authorized to make and thus serves as a benchmark by which proper application can subsequently be verified.

Channels for recommendations and approvals ensure that commitment and investment decisions are made at the appropriate level.

The group has three decision-making forms: the IPM (Internal Procedure Memorandum), the DM (Decision Memorandum) and the IPC (Investment Project Contract).

The system also includes a set of limits for financial and credit risks, established with the approval of the shareholder.

II.3 PROCEDURES AND OPERATING PROCESSES

The RCI Banque group has developed a general system of procedures and set forth a framework for the preparation of affiliate and group procedures.

All group employees have access to all procedures via a viewing, management and updating tool.

The main business processes within RCI Banque (loan approval, collections and delinquencies, refinancing, system security, physical asset security, risk monitoring, accounting, etc.) are covered by procedures based in particular on the principles of internal delegations and segregation of duties.

II.4 THE DIFFERENT LEVELS OF INTERNAL CONTROL

The RCI Banque group's overall internal control system comprises two types of control and three levels at which controls are applied:

PERMANENT CONTROL

- **First-level control:**

First-level controls consist of the self-monitoring procedures followed by each department and each geographical unit. These entities are responsible for applying existing procedures in their respective field of operations, and for performing all controls specified by those procedures. First-level control is primarily operational control and therefore performed by process owners who have been trained for this purpose within each affiliate. This first-level control covers the main operational risks.

- **Second-level control:**

The Permanent Control Department is responsible for oversight of second-level control, and the local internal controllers are responsible for implementation. The latter, who are independent of the operational units, carry out inspections to ensure that all transactions are proper and compliant.

PERIODIC CONTROL OR THIRD-LEVEL CONTROL

This is performed by independent oversight bodies (supervisory bodies, independent auditors, statutory auditors, etc.) and by the RCI Banque group's audit and periodic control department, which implements the annual audit plan approved by the audit and accounts committee. Periodic control covers transaction compliance, compliance with procedures, the level of risk actually run, and the effectiveness and appropriateness of the permanent control system.

The Statutory Auditors assess the degree of internal control in the processes of preparing and processing accounting and financial information insofar as is necessary for the performance of their audit, and where appropriate issue recommendations.

II.5 OPERATIONAL RISK MANAGEMENT

The operational risk management system covers the RCI Banque group's macro-processes and includes the following tools:

- **Operational risk mapping** is deployed in all consolidated subsidiaries of the RCI Banque group, this identifies major operational risks that are periodically managed and inspected. This operational risk mapping is updated annually by the functional departments and is assessed by the process owners.
- **Systems closely connected** with operational risks have been put in place for the following risks:
  - *Non-compliance risk:*
    - a framework procedure for compliance control, transposed locally by each affiliate into a local procedures, includes approval procedures for new products, the channels used to monitor regulatory developments and the people responsible for such monitoring, and the implementation of a professional whistleblowing system;
    - a compliance committee meets each quarter, in line with the internal control committees and operational risk committees. During its meetings, the internal controller presents forthcoming regulatory changes, actions to be implemented and those that are in progress.
  - *Internal fraud risk*
  - *Risk related to the outsourcing of critical or key services*
  - *Money laundering and terrorist financing risk*
- **The incident database** identifies data on operational risk incidents so that the requisite corrective and preventive action can be introduced and so that regulatory, oversight and management reports can be produced. The system sets the thresholds beyond which certain incidents must be reported to the Executive Committee, the Board of Directors, the Renault Group's Ethics and Compliance Committee and to France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR).
- **Key risk indicators** are used to monitor certain critical operational risks and, according to the warning levels set, to implement preventive measures in order to pre-empt the unexpected occurrence of incidents. These are defined for the "Corporate and Retail Customer", "Wholesale funding", "Refinancing", "Accounting" and "IT" processes.

II.6 ACTION PLAN MONITORING

A database centralizes all action plans adopted by the affiliates in response to the assessment of mapping, incident collection, inspections carried out by internal controllers and audit carried out by Periodical Control Department. Progress reports and indicators for audits and action plans are made available to line personnel and oversight functions, ensuring oversight and follow-through. Quarterly progress reports are sent to the Group Internal Control Committee.

II.7 APPROPRIATE INFORMATION SYSTEMS IN LINE WITH THE GROUP'S OBJECTIVES

RCI Banque applies the Renault Group's information system security policy, in addition taking banking requirements into account and placing particular emphasis on administration of access to its applications, the protection of personal and sensitive data, and business continuity.

The RCI Banque group's business continuity plan ensures that it is able to continue providing the company's essential products and services in the event of a severe shock resulting from IT or telecommunication system outages, circumstances that render business premises unavailable, or events that deprive the group of a critical supplier's services.

The back-up plan for the most vital functions, namely refinancing and other cash flows, is tested each year. A business continuity plan is in place in most RCI Banque affiliates, especially in countries where such plans are a regulatory requirement. The RCI Banque group's Business Continuity Plan is tested at least once a year.

Business Recovery Plans – IS part of the business continuity plan - are operational on all local and deployed applications used in the RCI Banque group. They are tested at least once a year.

Under their contracts, Information System Users are required to comply with the rules governing use of RCI Banque's IT tools and system. RCI ensures that the same high degree of protection is maintained when developing new areas of business (electric vehicles, rollout to new geographical areas, etc.).

The IT operating resources of all countries are for the most part hosted on the "C2" (main center) and "C3" (back-up center) data centers, so that we can ensure the best possible protection and availability of our systems and applications.

III. BODIES AND PEOPLE INVOLVED

III.1 BODIES

III.1.1 BOARD OF DIRECTORS

The Board of Directors, a deliberative body, monitors and guides the Executive Committee to ensure that the internal control system is implemented. It devotes at least one annual meeting to comprehensive reviews of the internal control system and considers and approves the Annual Report on internal control sent to France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR), on the basis of the work of the Audit and Accounts Committee.

In order to present and describe the working methods and decision-making processes of the governing bodies and the distribution of powers among them, information is presented on the following:

- composition of the Board of Directors, management procedures and scope of senior management powers,
- manner of preparation for Board meetings,
- the Board's activities during 2014.

III.1.1.1 Composition of the Board of Directors and senior management powers

III.1.1.1.1 Composition of the Board of Directors

At 31 December 2014 the Board of Directors of RCI Banque S.A. consists of eight directors elected for terms of six years, except in the case of co-option.

At the time of writing this report, there were no women members on the Board of Directors. In accordance with Article L.225-37 of France's Commercial Code (*Code de Commerce*), this group of eight directors confirms that it has read and understood the French Act 2011-103 of 27 January 2011 pertaining to the balanced representation of men and women on management and supervisory boards and to professional equality. The provisions of this Act, and in particular those gradually establishing this gender balance, are under close study and will be complied with in accordance with the time frame set by the legislator.

Any remunerations and perquisites granted to officers and directors are determined at the Renault Group level and are subject to examination by the Remuneration Committee set up by the Board at its meeting of 23 July 2012 (Directive CRD III transposed by decree 20/01/2012).

The directors have been elected to the Board of Directors by virtue of their knowledge of the Company's activity and lines of business, their technical and general expertise and, in some cases, the experience acquired in performing their duties at the parent company and shareholder.

Board of Directors as at 31 December 2014

Name/Surname	Position in the company	Date elected or re-elected	Current term expires	Number of shares	% of share capital
Dominique THORMANN	Chairman	23/07/14	05/2018	1	0.01%
Farid ARACTINGI		21/05/12	05/2018	1	
Patrice CABRIER	Senior V.P., Customer Operations and Information Systems	21/05/12	05/2018	1	
Gianluca DE FICCHY	Chief Executive Officer	21/11/14	05/2020	1	
Clotilde DELBOS		21/11/14	05/2020	1	
Bernard LOIRE		21/05/12	05/2018	1	
Jérôme STOLL		25/05/09	05/2015	1	
Stéphane STOUFFLET		25/03/11	05/2015	1	
Shareholder as at 31 December 2014					
RENAULT s.a.s				999,992	99.99%

Each director owns at least one share, in accordance with the provisions of the by-laws.

Directors receive no compensation for serving on the Board.

Mr. Patrick Claude, Deputy CEO and Mr. Laurent David, VP Accounts and Performance Control, and any other individual whose expertise might be useful, may take part in meetings of the Board upon proposal by its Chairman.

III.1.1.1.2 Senior management authority and scope of powers

In accordance with Article L.225-551-1 of France's Commercial Code (*Code de Commerce*), the Board of Directors, at its meeting on 24 July 2002, decided to concentrate the powers of the Chairman of the Board and the Chief Executive Officer. Mr. Philippe Gamba thus occupied both positions until 5 October 2009. As from 5 October 2009, Mr. Dominique THORMANN, occupied both positions until 1 October 2014.

At its meeting on 23 July 2014, the Board of Directors decided to split the roles of Chairman of the Board of Directors and of Chief Executive Officer as from 1 October 2014. It appointed:

Mr. Dominique THORMANN
as Chairman of the Board of Directors;

Mr. Gianluca DE FICCHY
as Chief Executive Officer;

and:

Mr. Patrick CLAUDE
as Deputy Chief Executive Officer.

At the same Board meeting, Messrs DE FICCHY and CLAUDE were appointed Senior Managers within the meaning of Article L.511-13 of France's Monetary and Financial Code (*Code Monétaire et financier*) subject to ratification by France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR). Their appointment was ratified on 5 December 2014 and notice thereof served on 17 December.

It is noted that there are no limitations on the powers of the Chairman and Chief Executive Officer other than those dictated by law and the Company's interest. However, it is specified that the Board has applied a limitation to the authority of the Chief Executive Officer, who must secure the approval of the Board to purchase, sell or mortgage buildings. The Board has reserved these powers for itself.

III.1.1.2 Preparation of Board of Directors' meetings

The Board meets as often as the interest of the Company requires, upon notice duly served adequately in advance by the secretary of the Board, who is appointed by the Chairman and Chief Executive Officer, and sent by ordinary letter in accordance with the provisions of the by-laws.

In accordance with Article L.823-17 of France's Commercial Code (*Code de Commerce*), the Company's external auditors are summoned by registered letter to attend the Board meetings held to review and approve the year-end financial statements (in February) and to review the financial statements for the first half year (in July).

All technical documents and information required for the directors to fulfill their responsibilities are sent to them in compliance with the applicable provisions of the law and the Company's by-laws.

In accordance with those provisions, directors have the right to request and receive information on an ongoing basis.

III.1.1.3 Activity of the board of directors during 2014

The Board of Directors met four times in 2014.

On 4 February 2014, the Board met to review and approve the annual consolidated financial and corporate statements for 2013, to be submitted to the Annual General Meeting of shareholders, and to hear reports on the financial transactions carried out during the year.

At this meeting, the Board also confirmed RCI's status as a bank in order to comply with CRD IV regulations and considered and approved the 2014 budget.

On 23 June 2014, the Board confirmed RCI Banque's contribution to the capital increase of RN BANK in Russia

On 23 July 2014, the Board:

- decided as described above to separate the role of Chairman of the Board of Directors from that of Chief Executive Officer, and Mr. Patrick Claude, Company Secretary, as proposed by the Chief Executive Officer, was appointed Deputy Chief Executive Officer, Senior V.P., Risk Management and Senior Manager within the meaning of Article L.511-13 of France's Monetary and Financial Code (*Code Monétaire et Financier*) as from 1 October 2014, subject to ratification by France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR). (This appointment was ratified on 5 December 2014 and notice thereof served on 17 December).
- approved the interim financial statements for the six months ended 30 June 2014 after examining the business report.
- updated financial reporting for year-end bond issues.
- in accordance with Article L.228-40 of France's Commercial Code (*Code de Commerce*), renewed the authority to issue bonds and delegated authority to the Chief Executive Officer and/or VP Finance and Group treasurer to implement said issues.

At this meeting, the Board also:

- approved the 2013 report on internal control as sent to France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR) and duly noted the interim review of the first six months of 2014.
- heard the report of the Remuneration Committee set up in July 2012 in accordance with the decree of 20 January 2012 and which met on 10 March 2014.

- approved the planned opening of an RCI Banque branch in Great Britain so that retail deposits can be collected as is already the case in France, subject to authorization by France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR) (authorization of 28 October 2014, notice thereof served on 3 November)
- delegated all powers to Mr. Eric SPIELREIN Company Secretary and Director, to apply to RCI Banque's supervisory authority (France's Prudential Control and Resolution Authority, *Autorité de Contrôle Prudentiel et de Résolution* - ACPR)) for a waiver so that the liquidity currently managed on an individual basis for DIAC and RCI Banque branches can be managed on a consolidated basis (ACPR authorization of 5 December, notice thereof served by letter dated 17 December)

On 10 October 2014, the Board called a General Meeting to be held on 21 November 2014 so that new members could be appointed to the Board of directors to replace those who had resigned (this meeting appointed Mrs. Clotilde DELBOS and Mr. Gianluca DE FICCHY as directors).

On 27 November 2014, following a review of the markets and a presentation of the 2014 funding plan and transactions carried out, the Board approved the 2015 funding plan and authorized the planned issues.

In accordance with the transposition of the Regulations part of European Directive CRD IV into the decree of 3 November 2014 concerning the internal control of banking sector companies, at this meeting the Board also approved the indicators and limits on liquidity risk as presented and decided to keep the previous limits and alert thresholds set for these indicators for the 2015 financial year.

At this meeting, the Board also:

- approved a new funding scope.
- created, or where applicable brought changes to, the following five committees:
  - an Accounts and Audit Committee
    (required under the regulations, governed by France's Commercial Code (*Code de Commerce*))
  - a Remuneration Committee
    (required under the regulations, governed by France's Monetary and Financial Code (*Code Monétaire et Financier*))
  - a Nomination Committee
    (required under the regulations, governed by France's Monetary and Financial Code (*Code Monétaire et Financier*))
  - a Risk Committee
    (required under the regulations, governed by France's Monetary and Financial Code (*Code Monétaire et Financier*))
  - a Strategic Committee (not required under the regulations, set up at the Chairman's request)
- gave its agreement concerning permanent and periodic control responsibilities and concerning the risk management function at RCI group level.
- accepted the delegation to its Risk Committee, Nomination Committee and Remuneration Committee of the respective duties and responsibilities of the Risk Committee, Nomination Committee and Remuneration Committee of its affiliate, DIAC S.A.

At each of these meetings, at which the director attendance rate was 80% across the year, sales and operating results for each of the group's business segments were presented in detail.

This information was part of the meeting package provided to all Board members.

As provided for by law, the Board of Directors also has a responsibility at each meeting to exercise ongoing control of the management of the Company. The Company's bylaws (Articles of Association) give the Board the power to authorize capital transactions, bond issues, the signature or termination of agreements with other undertakings that entail commitments affecting the Company's future, and major transactions likely to alter significantly the scope of operations or capital structure of the Company and the group it controls.

The Board ensures that the strategy implemented by the group is consistent with its long-term strategic aims.

The Board of Directors also decides on changes of members of the Board, calls General Meetings of Shareholders, including the Annual General Meeting that approves the financial statements, in accordance with the by-laws (Articles 27 to 33) and delegates powers.

Meetings of the Board of Directors are held at 13-15, Quai Le Gallo, 92512 Boulogne-Billancourt, the head office of the parent company Renault s.a.s.

Minutes of Board of Directors' meetings are drawn up by the secretary of the Board for approval at the following meeting. They are then filed as corporate records and may be inspected by any director at the company's head office.

III.1.2 THE RCI BANQUE GROUP'S AUDIT AND ACCOUNT COMMITTEE

RCI Banque's Audit and Account Committee is tasked, under the responsibility of the Board of Directors, with assessing the quality of internal control and in particular the risk measurement, monitoring and control systems. It validates audit plans, examines audit findings and monitors the progress made on action plans. It examines draft single-entity and consolidated financial statements and checks that the methods used to prepare them comply with current standards. It also examines the summary report submitted by the Statutory Auditors, gives its opinion on the quality of the work done by the Statutory Auditors and ensures that the rules safeguarding their independence are abided by. It meets twice a year. Its members are appointed by the Board of Directors from among its member directors.

III.1.3 THE RCI BANQUE GROUP'S INTERNAL CONTROL COMMITTEE

RCI Banque's Internal Control Committee is composed of all Executive Committee members and meets four times a year. Its purpose is to verify the quality of the internal control system and its related mechanisms, and to monitor developments in operational risks. It passes on to the Audit and Accounts Committee and to the Board of Directors the information they need to perform their work. Each affiliate has its own Internal Control Committee.

III.1.4 SPECIAL PURPOSE COMMITTEES

Special purpose committees composed of members of the Executive Committee are responsible for the regular control of the different risk areas covered by banking regulations: monitoring of the group's exposure to credit risk, analysis of the group's companies' overall profitability and profitability by product type, monitoring of the group's exposure to financial risks (interest rate, liquidity, foreign exchange, counterparty) and of transaction compliance in relation to the list of authorized products.

III.1.5 EXECUTIVE COMMITTEE

The RCI Banque group's Executive Committee, which is the group's senior management body, directs RCI Banque's policy and strategy. Its members are:

Chief Executive Officer
(Gianluca DE FICCHY),

Senior V.P., Customer Operations and Information Systems
(Patrice CABRIER),

Senior V.P., Company Secretary and Chief Risk Officer
(Patrick CLAUDE),

Senior V.P., Accounts & Performance Control
(Laurent DAVID),

Senior V.P., Human Resources
(Bertrand LANGE),

Senior V.P., Sales Operations
(Daniel REBBI)

Senior V.P. Finance and Group Treasurer
(Jean-Marc SAUGIER).

III.2 FOCUS ON INTERNAL CONTROL BODIES

III.2.1 PERMANENT CONTROL BODIES

The Head of the Permanent Control Department (PCD), who reports to the Chief Risk Officer, is responsible for ongoing control, for control of compliance with standards, legislation and regulations, and for implementation of the general internal control system across the whole of the group.

For internal control oversight within RCI Banque group subsidiaries, the Permanent Control Department relies on local internal controllers who report to it functionally or, in the case of the French subsidiary, directly. They also report directly to the subsidiary's managing director. The internal controllers' primary responsibilities within the subsidiary are to:

- lead and oversee deployment of the internal control system (chair of the subsidiary's internal control committee, procedure management, action plan follow-up);
- carry out the second-level controls;
- monitor and measure operational risks;
- detect and prevent internal fraud and money laundering;
- ensure efficiency of the business continuity plan;
- ensure deployment of the group's code of ethics;
- manage the local compliance control system.

Similarly, the Permanent Control Department relies on designated officers within the oversight functions to watch over the internal control system within RCI Banque group divisions.

Lastly, process owners have been designated for each macro process and made accountable for the accomplishment and updating of procedures and first-level controls.

Regulatory monitoring officers are responsible for monitoring and analyzing any changes in regulatory requirements affecting RCI Banque, and for informing line staff thereof, as part of the compliance control system implemented to ensure the company is properly managed.

IT security and safety officers ensure proper observance within their applications area of the IT security policy and access rules. This includes:

- the management of clearance level (clearance level arrangements, the definition of business profiles and the related application permissions);
- the internal control principles (due observance of segregation of duties, delegations and the implementation of automated controls);
- due observance of group rules and regulations (for instance CNIL rules, data purges, confidentiality).

III.2.2 PERIODIC CONTROL BODIES

The RCI Banque group's Head of Audit and Periodic Control reports to the CEO and is independent of the permanent control function. He performs audits in the different RCI Banque group entities according to an annual audit plan approved by the Audit and Accounts Committee. Audit findings are documented in written reports the recommendations of which are communicated to the Internal Control Committee and to the Audit and Accounts Committee. The Board of Directors is also informed of the audits carried out, and they are presented in the annual report on internal control sent to France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR) as required under banking regulations.

IV. ORGANIZATION AND PREPARATION OF FINANCIAL AND ACCOUNTING INFORMATION

The RCI Banque group prepares consolidated financial statements using a single consolidation tool and a set of consolidation entries common to all entities. The consolidation tool generates accounting and management reports from a single stream reporting system, thereby ensuring data consistency between the financial statements and the various in-house performance indicators.

The RCI Banque company prepares single-company financial statements by compiling the head office's financial statements and those of its branches. To do this, it uses the elements given in the common consolidation tool and converts them into French accounting standards.

IV.1 PREPARATION OF FINANCIAL STATEMENTS

The consolidating entity, RCI Banque, defines, manages and supervises the preparation of accounting and financial information. Responsibility for preparing single-entity financial statements and accounts restated for consolidation purposes lies with each subsidiary's administrative and financial directors, acting under the authority of the subsidiary's chairman and chief executive officer.

The following general policies govern financial statement preparation at all levels within the group:

- all transactions must be accounted for and reconciled;
- transactions must conform to the accounting policies that govern the entire group. A set of reference documents disseminated to all group entities establishes measurement and presentation standards as well as charts of account. These standards help to ensure consistency in the financial information that management receives;
- assets, liabilities and off-balance sheet items (receivables, borrowings, derivatives, cash and equivalents, etc.) are periodically reviewed to reconcile the accounts with the group's operational, account validation and inventory systems. In addition, the group's internal control and operational risk management organization described above applies to the process of preparing accounting and financial information.

A group procedure sets out the principles for account validation throughout the RCI Banque group. This procedure applies to the single-entity statements and group statements of RCI Banque group entities and thus helps to control the risks related to the organization of accounting and the processing of information.

Effective linking of financial reporting to the group's operational systems is the keystone of the organizational scheme for preparing accounting and financial information. The group must rely on powerful, controlled information systems that can cope with the large volume of data to be processed, process that data to the requisite quality standard, and meet the short 4-day deadlines for financial reporting.

IV.2 INFORMATION SYSTEMS AND ORGANIZATION

IV.2.1 USE OF AN INTEGRATED SOFTWARE PACKAGE

For accounting, the RCI Banque group has chosen to implement a widely recognized software application (Enterprise Resource Planning, or ERP).

This highly structured, integrated application enables the group to implement its own internal control policies and ensure data consistency and reliability.

In particular, the ability to define and monitor user profiles helps in complying with rules governing separation of responsibilities.

This software package, combined with a group-wide accounting interpretation tool, has been designed to incorporate the specific features of the group's various activities through the use of different modules.

Reliability of financial and accounting information is ensured mainly by controlling and standardizing the basic transactions processed by the operational systems, following group guidelines. These basic transactions feed data through interfaces to the group-wide accounting interpretation tool, which in turn sends the accounting translation of management events or inventory data to the ERP system.

Control over accounting output is reinforced by the centralized maintenance of the accounting system (accounting interpretation tool and ERP) by a team of functional and technical experts.

IV.2.2 OPERATIONAL SYSTEMS AND CONTROL

Initial controls are performed via the major operational systems used for financing, service and refinancing transactions under the responsibility of the main lines of business (approval, collections/delinquencies, services, refinancing).

Each of the tools used for approval, finance and service contract management, customer and supplier relationship management, administration of refinancing, purchase order follow-up, and human resources management entails its own specific control approach. These form part of the operational procedures used to manage physical and financial transactions, in compliance with group procedures for authorization and delegation.

The financial and accounting teams play close attention to transfers of transaction data between the accounting systems and non-integrated operational systems.

For example, at the group level:

- account balances and movements are cross-checked against stock and flow data to ensure that data in the financing, services, receivables and payables management systems are consistent, and any discrepancies are analyzed and monitored;
- invoices are checked against purchase orders and investments recognized on the books to ensure consistency with the purchasing and capital expenditure tracking systems.

Accounts are kept in accordance with group-wide standards, with a single operational accounting plan (group-wide accounting plan enhanced to meet country-specific requirements). However, accounting operations in keeping with local standards are possible, allowing financial statements to be prepared in accordance with both group standards and local standards.

All financial data required to produce the RCI Banque group's consolidated financial statements is collected and managed by a single tool. The control process built into this tool and its maintenance, which is performed by a dedicated unit, ensure that affiliate data is accurate and consistent.

IV.2.3 ROLES OF ACCOUNTING AND MANAGEMENT TEAMS

The accounting units of the affiliates assisted by the centralized support functions analyze the accounts and explain changes in financial data from one accounting period to the next, working in conjunction with the local and central management controllers, who analyze performance in comparison with budget and revised forecast data.

If the analysis of budget or forecast variances or any other verification procedure reveals shortcomings in the quality of data emanating from the associated accounting or operational system, action plans are implemented with the active involvement of line personnel and the finance function to eliminate the root causes of the anomalies.

IV.2.4 ROLE OF THE GROUP ACCOUNTING CONTROL UNIT

To complement this existing process (internal control, RCI Banque's Audit, Statutory Auditors, etc.) with a view to enhancing the ongoing reliability of financial information, the group accounting control unit, which reports to the Permanent Control department, conducts audits to assess the quality of internal control of accounting.

The objective is for the unit to control the consolidated affiliates' books on a regular basis. This system helps to promote knowledge of the group's accounting principles and improve implementation thereof.

IV.2.5 MANAGEMENT OF THE ACCOUNTING FUNCTION

The person appointed to spearhead the accounting function verifies the conditions under which the accounts are prepared and supported, through information provided by indicators, as per the Period-End Closure framework procedure. These indicators are filled in by each affiliate's financial officer four times a year.

Each year, the Finance Departments of the different entities assess their accounting and financial risk control mechanisms in relation to the group's management policy. This assessment is part of the RCI Banque group's overall risk assessment process.

All information arriving from the affiliates is analyzed and controlled at the central level.

Progress made on action plans (related to accounting control and on rectifying any shortcomings observed in accounting risk control systems is monitored.

IV.2.6 PUBLICATION OF FINANCIAL STATEMENTS

The RCI Banque group publishes financial information for the six months ended 30 June and for the full year ended 31 December. In anticipation of these statements, pre-closings are performed twice a year, at 31 May for the June statement and at 31 October for the December statement. Management (mainly Financial) then holds wrap-up meetings with the external auditors.

The RCI Banque group prepares its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) guidelines published by the International Accounting Standards Board (IASB) for which a rule requiring adoption has appeared in the Official Journal of the European Union by the statement closing date.

Progress made on action plans (related to accounting control) and on rectifying any shortcomings observed in accounting risk control systems is monitored.

CONSOLIDATED FINANCIAL STATEMENTS

KPMG S.A.
Immeuble Le Palatin
3 cours du Triangle - CS 80039
92939 Paris La Défense Cedex
Statutory auditor Member,
Compagnie régionale de Versailles

ERNST & YOUNG Audit
1/2, place des Saisons
92 400 Courbevoie - Paris La Défense 1
S.A.S. à capital variable
Statutory auditor Member,
Compagnie régionale de Versailles

This is a free translation into English of the statutory auditors' report on the consolidated financial statements issued in French and it is provided solely for the convenience of English-speaking users. The statutory auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the audit opinion on the consolidated financial statements and includes an explanatory paragraph discussing the auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account balances, transactions or disclosures. This report also includes information relating to the specific verification of information given in the group's management report. This report should be read in conjunction with and construed in accordance with French law and professional auditing standards applicable in France.

GROUPE RCI BANQUE

Year ended December 31, 2014

Statutory auditors' report on the consolidated financial statements

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meetings, we hereby report to you, for the year ended December 31, 2014, on:

- the audit of the accompanying consolidated financial statements of RCI Banque;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the board of directors. Our role is to express an opinion on these consolidated financial statements based on our audit.

I. OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France; those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the group as at December 31, 2014 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

II. JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L. 823-9 of the French commercial code (*Code de commerce*) relating to the justification of our assessments, we bring to your attention the following matters:

Estimations

Your group sets aside allowances to cover the credit risks inherent to its business operations, as disclosed in notes 2-D, 2E, 4, 5.1, 5.2 and 6 to the consolidated financial statements. As part of our assessment of significant estimates taken into account in the financial statements, we reviewed the processes put in place by management to identify risks and their adaptation to the context of financial crisis, to evaluate them and to determine their level of coverage by provisions in the assets or liabilities of the balance sheet. We assessed the analysis of risks incurred based on a sample of individual borrowers and, for a sample of portfolios evaluated collectively, the data and variables used by your group in documenting its estimates.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

III. SPECIFIC VERIFICATION

As required by law we have also verified, in accordance with professional standards applicable in France, the information presented in the group's management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris-La Défense, February 12, 2015

The statutory auditors

KPMG S.A.	ERNEST & YOUNG Audit
Valéry Foussé	Bernard Heller
Partner	*Partner*

CONSOLIDATED BALANCE SHEET

ASSETS - in millions of euros	Notes	12/2014	12/2013
Cash and balances at central banks		465	524
Derivatives	2	298	203
Financial assets available for sale and other financial assets	3	756	134
Amounts receivable from credit institutions	4	750	1,160
Loans and advances to customers	5 and 6	28,397	26,328
Adjustment accounts & Miscellaneous assets	7	876	831
Investments in associates and joint ventures	8	50	15
Operating lease transactions	5 and 6	309	195
Tangible and intangible non-current assets	9	28	28
Goodwill	10	90	87
TOTAL ASSETS		**32,019**	**29,505**

LIABILITIES AND EQUITY - in millions of euros	Notes	12/2014	12/2013
Derivatives	2	89	130
Amounts payable to credit institutions	11.2	2,660	3,227
Amounts payable to customers	11.3	7,304	5,136
Debt securities	11.4	16,627	16,162
Adjustments accounts & Miscellaneous liabilities	13	1,549	1,368
Provisions	14	141	115
Insurance technical provisions	14	227	183
Subordinated debt - Liabilities	16	261	261
Equity		3,161	2,923
- Of which equity - owners of the parent		*3,148*	*2,908*
Share capital and attributable reserves		*814*	*814*
Consolidated reserves and other		*2 029*	*1 750*
Unrealised or deferred gains and losses		*(116)*	*(125)*
Net income for the year		*421*	*469*
- Of which equity - non-controlling interests		*13*	*15*
TOTAL LIABILITIES & EQUITY		**32,019**	**29,505**

CONSOLIDATED INCOME STATEMENT

In millions of euros	Notes	12/2014	12/2013
Interest and similar income	24	1,914	1,925
Interest expenses and similar charges	25	(962)	(1,001)
Fees and commission income		23	24
Fees and commission expenses		(12)	(15)
Net gains (losses) on financial instruments at fair value through profit or loss	26	(4)	
Net gains (losses) on AFS securities and other financial assets	27	2	16
Net income (expense) of other activities	28	249	272
NET BANKING INCOME		**1,210**	**1,221**
General operating expenses	29	(417)	(376)
Depreciation and impairment losses on tangible and intangible assets		(6)	(7)
GROSS OPERATING INCOME		**787**	**838**
Cost of risk	30	(109)	(102)
OPERATING INCOME		**678**	**736**
Share in net income (loss) of associates and joint ventures	8	(5)	7
Gains (losses) on non-current assets		1	1
PRE-TAX INCOME		**674**	**744**
Income tax	31	(218)	(238)
NET INCOME		**456**	**506**
Of which, non-controlling interests		35	37
Of which, owners of the parent		421	469
Net Income per share (*) in euros		**420.74**	**468.90**
Diluted earnings per share in euros		**420.74**	**468.90**

(*) Net income - Owners of the parent compared to the number of shares

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

In millions of euros	12/2014	12/2013
NET INCOME	**456**	**506**
Other comprehensive income	**10**	**(59)**
Actuarial differences on defined-benefit pension plans	(5)	2
Total of items that will not be reclassified subsequently to profit or loss	**(5)**	**2**
Unrealised P&L on cash flow hedge instruments	(1)	21
Exchange differences	16	(82)
Total of items that will be reclassified subsequently to profit or loss	**15**	**(61)**
TOTAL COMPREHENSIVE INCOME	**466**	**447**
Of which Comprehensive income attributable to non-controlling interests	36	41
Of which Comprehensive income attributable to owners of the parent	430	406

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

In millions of euros	Share capital (1)	Attribut. reserves (2)	Consolid. reserves	Translation adjust. (3)	Unrealized or deferred P&L (4)	Net income attributable to equity holders of the parent	Equity shareholders of the parent company	Equity Non controlling interests	Total Consolidated equity
Equity at 31 December 2012	**100**	**714**	**1,438**	**(46)**	**(16)**	**490**	**2,680**	**1**	**2,681**
Appropriation of net income of previous year			490			(490)			
Equity at 1 January 2013	**100**	**714**	**1,928**	**(46)**	**(16)**		**2,680**	**1**	**2,681**
Change in value of financial instruments (CFH & AFS) recognized in equity					17		17	4	21
Actuarial differences on defined-benefit pension plans					2		2		2
Exchange differences				(82)			(82)		(82)
Net income for the year (before appropriation)						469	469	37	506
Total comprehensive income for the period				*(82)*	*19*	*469*	*406*	*41*	*447*
Effect of acquisitions, disposals & others			1				1	13	14
Dividend for the year			(175)				(175)	(12)	(187)
Repurchase commitment of non-controlling interests			(4)				(4)	(28)	(32)
Equity at 31 December 2013	**100**	**714**	**1,750**	**(128)**	**3**	**469**	**2,908**	**15**	**2,923**
Appropriation of net income of previous year			469			(469)			
Equity at 1 January 2014	**100**	**714**	**2,219**	**(128)**	**3**		**2,908**	**15**	**2,923**
Change in value of financial instruments (CFH & AFS) recognized in equity					(2)		(2)	1	(1)
Actuarial differences on defined-benefit pension plans					(5)		(5)		(5)
Exchange differences				16			16		16
Net income for the year (before appropriation)						421	421	35	456
Total comprehensive income for the period				*16*	*(7)*	*421*	*430*	*36*	*466*
Dividend for the year			(210)				(210)	(17)	(227)
Repurchase commitment of non-controlling interests			20				20	(21)	(1)
Equity at 31 December 2014	**100**	**714**	**2,029**	**(112)**	**(4)**	**421**	**3,148**	**13**	**3,161**

(1) The share capital of RCI Banque SA (100 million euros) consists of 1,000,000 fully paid up ordinary shares with par value of 100 euros each, of which 999,992 ordinary shares are owned by Renault s.a.s.

(2) Attributable reserves include the share premium account of the parent company.

(3) The change in translation adjustments at 31 December 2014 relates primarily to Argentina, Brazil, South Korea, and Russian Federation. At 31 December 2013, it mainly related to Brazil, Argentina, the United Kingdom and South Korea.

(4) Includes changes in the fair value of derivatives used as cash flow hedges and available-for-sale assets for €3.7m and IAS 19 actuarial gains and losses for - €7.8m at end-December 2014.

CONSOLIDATED CASH FLOW STATEMENT

In millions of euros	12/2014	12/2013
Net income attributable to owners of the parent company	**421**	**469**
Depreciation and amortization of tangible and intangible non-current assets	5	6
Net allowance for impairment and provisions	19	(25)
Dividends received and share in net (income) loss of associates and joint ventures	5	(7)
Deferred tax (income) / expense	(10)	19
Net loss / gain from investing activities	(2)	(14)
Net income attributable to non-controlling interests	35	37
Other (gains/losses on derivatives at fair value through profit and loss)	(33)	(19)
Cash flow	**440**	**466**
Other movements (accrued receivables and payables)	173	3
Total non-monetary items included in net income and other adjustments	**192**	
Cash flows on transactions with credit institutions	(94)	(657)
- Inflows / outflows in amounts receivable from credit institutions	*348*	*(381)*
- Inflows / outflows in amounts payable to credit institutions	*(442)*	*(276)*
Cash flows on transactions with customers	237	2,347
- Inflows / outflows in amounts receivable from customers	*(1,941)*	*(1,219)*
- Inflows / outflows in amounts payable to customers	*2,178*	*3,566*
Cash flows on other transactions affecting financial assets and liabilities	(422)	(2,075)
- Inflows / outflows related to AFS securities and similar	*(665)*	*3*
- Inflows / outflows related to debt securities	*250*	*(1,937)*
- Inflows / outflows related to collections	*(7)*	*(141)*
Cash flows on other transactions affecting non-financial assets and liabilities	(111)	47
Net decrease / (increase) in assets and liabilities resulting from operating activities	**(390)**	**(339)**
Net cash generated by operating activities (A)	**223**	**131**
Flows related to financial assets and investments	(15)	(17)
Flows related to tangible and intangible non-current assets	(4)	(6)
Net cash from / (used by) investing activities (B)	**(19)**	**(23)**
Net cash from / (to) shareholders	(227)	(187)
- Dividends paid	*(227)*	*(187)*
Net cash from / (used by) financing activities (C)	**(227)**	**(187)**
Effect of changes in exchange rates and scope of consolidation on cash and cash equivalents (D)	**7**	**(30)**
Net increase / (decrease) in cash and cash equivalents (A+B+C+D)	**(16)**	**(110)**
Cash and cash equivalents at beginning of year:	972	1,082
- Cash and balances at central banks	*524*	*616*
- Balances in sight accounts at credit institutions	*448*	*466*
Cash and cash equivalents at end of year:	956	973
- Cash and balances at central banks	*466*	*524*
- Credit balances in sight accounts with credit institutions	*615*	*678*
- Debit balances in sight accounts with credit institutions	*(125)*	*(229)*
Change in net cash	**(16)**	**(110)**

"Cash and cash equivalents" consist of sight deposits and overnight funds. The items included in this line item are presented in notes 4 and 11.2.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

RCI Banque S.A., the group's parent company, is a limited company (*Société Anonyme* under French law) with a Board of Directors and a fully paid up share capital of 100,000,000 euros. It is subject to all legislation and regulations applicable to credit institutions and is listed on the Bobigny Register of Trade and Companies under number 306 523 358.

RCI Banque S.A's registered office is located at 14, avenue du Pavé-Neuf, 93168 Noisy-le-Grand Cedex, France.

RCI Banque S.A's main business is to provide financing for the Alliance brands.

The consolidated financial statements of the RCI Banque S.A. group by the end of December 2014 relate to the Company and its subsidiaries, and to the group's interests in associates and jointly-controlled entities.

1. APPROVAL OF FINANCIAL STATEMENTS - DISTRIBUTIONS

The RCI Banque group's consolidated financial statements for the year 2014 were established by the Board of Directors on 4 February 2015 and will be presented for shareholder approval to the Annual General Meeting on 28 May 2015.

For comparison, the General Meeting of 22 May 2014 set the dividend for 2013 at 210 euros per share, for a total distribution of €210m.

The consolidated financial statements are expressed in millions of euros unless otherwise indicated.

2. ACCOUNTING RULES AND METHODS

In application of Regulation 1606/2002 adopted on 19 July 2002 by the European Parliament and European Council, the RCI Banque group has prepared its consolidated financial statements for 2014 in accordance with the IFRS (International Financial Reporting Standards) guidelines published by the IASB (International Accounting Standards Board) to 31 December 2014 and as adopted in the European Union by the statement closing date.

A) CHANGES IN ACCOUNTING POLICIES

The following new standards, interpretations and amendments, as published in the Official Journal of the European Union and application of which is mandatory, have been applied for the first time to the annual reporting year 2014.

New standards, interpretations and amendments application of which became mandatory on 1 January 2014	
Amendment to IAS 32	Presentation - Offsetting Financial Assets and Financial Liabilities
Amendment to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendment to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment Entities

The Amendment to IAS 32 clarifies the criteria to be met for offsetting a financial asset and a financial liability.

The Amendment to IAS 36 requires the disclosure of the recoverable amount of any cash generating unit or asset for which an impairment loss is recognized or reversed, and the disclosure of additional information (such as fair value) about any asset for which an impairment loss is booked based on net fair value.

The Amendment to IAS 39 allows the continuation of hedge accounting in circumstances in which a derivative, which has been designated as a hedging instrument, is novated as a consequence of new laws or regulations.

The amendments to IFRS 10, IFRS 12 and IAS 27 propose exemption from consolidation for investment companies. They have no impact on the group.

The group has applied the following standards, interpretations and amendments in advance, as from 1 January 2013 (mandatory from 1 January 2014).

Standards, interpretations and amendments applied in advance as from 1 January 2013	
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
Amendments to IFRS 10, IFRS 11 and IFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities - Transition Guidance
Amendment to IAS 28	Investments in Associates and Joint Ventures

The group has not applied the following amendments, published in the Official Journal of the European Union and application of which will be mandatory for RCI Banque as of 1 January 2015 or later, in advance. The group does not expect adoption of these amendments to have any significant impact on the consolidated financial statements.

New standards, interpretations and amendments not applied in advance by the Group	
IFRIC 21	Levies
Amendment to IAS 19	Defined Benefit Plans: Employee Contributions
Annual Improvements 2010-2012 Cycle	Various provisions
Annual Improvements 2011-2013 Cycle	Various provisions

The IASB has also published a number of major new standards that to date have not been adopted by the European Union. The group is currently conducting an examination of the impacts of these new standards on the financial statements.

New IFRS standards not adopted by the European Union		Application date according to the IASB
IFRS 9	Financial Instruments	1 January 2018
IFRS 15	Revenue from contracts with Customers	1 January 2017

RCI Banque's consolidated financial statements are fully consolidated in those of the Renault Group.

B) CONSOLIDATION PRINCIPLES

SCOPE AND METHODS OF CONSOLIDATION

The consolidated financial statements incorporate the accounts of companies over which the group directly or indirectly (subsidiaries and branches) exercises control, within the meaning of IFRS 10 or IFRS 11 (significant influence – associate companies or joint control - joint ventures).

Associate companies and joint ventures are accounted for under the equity method.

Whenever the group is a joint investor in a joint operation, it recognizes directly in its financial statements its assets and liabilities (including its share of jointly-held assets and liabilities), revenue from the sale of its share of the output generated by the joint operation, its share of the revenue from the sale of the output generated by the joint operation and its expenses, including its share of any expenses incurred jointly.

The securitized assets of Diac SA, RCI FS Ltd, the Italian and German branches, and the loans made to Renault Retail Group, inasmuch as a majority of the risks and benefits thereof are retained by the RCI Banque group, remain on the asset side of the balance sheet.

Significant transactions between consolidated companies are eliminated, as are unrealized intercompany profits.

For the most part, the companies included in RCI Banque's scope of consolidation are the Renault, Nissan, Dacia, Samsung and Datsun vehicle sales finance companies and the associated service companies.

ACQUISITION COST OF SHARES AND GOODWILL

Goodwill is measured at the acquisition date, as the excess of:

- the total amount transferred, measured at fair value, and any participation amount which does not give controlling interest in the acquired company;

and

- the net carrying amounts of acquired assets and liabilities.

Costs related to the acquisition such as broker's commissions, advisory fees, legal, accounting, valuation and other professional and consulting fees, are recorded as expenses for the periods when costs are incurred and services received.

Debt issuance or equity costs are accounted under IAS 32 and IAS 39.

If the business combination generates a negative goodwill, it is recorded immediately in profit and loss account.

An impairment test is performed at least annually and whenever there is an indication of a loss in value, by comparing the book value of the assets with their recoverable amount, the latter being the highest value between the fair market value (after deducting the cost of disposal) and the going concern value. The going concern value is based on a market approach and determined by using multiples for each group of cash-generating units, which comprise legal entities or groups thereof in the same country. A single discounting value is used for all cash-generating units thus tested, which is the risk-free 10-year forward rate augmented by the average risk premium for the sector in which they operate.

One-year data projections about profit or loss are used.

Goodwill is therefore measured at its cost less any accrued impairment losses. If impairment is found, the impairment loss is recognized in the income statement.

Transactions with non-controlling interests (purchases/sales) are booked as capital transactions. The difference between the amount received or paid and the book value of the non-controlling interests sold or bought is recognized directly in equity.

NON-CONTROLLING INTERESTS

The RCI Banque group has awarded the non-controlling interests in some fully consolidated subsidiaries commitments to buy out their holdings. For the group, these buy-out commitments represent contractual obligations arising from the sales of put options. The exercise price for these options is determined by estimating the price the RCI Banque group would have to pay out to the non-controlling interests if the options were exercised, taking into account future returns on the financing portfolio existing at the closing date and the provisions set out in the cooperation agreements concerning the subsidiaries.

In accordance with the provisions set out in IAS 32, the group has recognized a liability arising from put options sold to non-controlling interests of exclusively controlled entities for a total amount of €203m at 31 December 2014, compared to €204m at 31 December 2013. This liability is initially measured at the present value of the estimated exercise price of the put options.

The counterpart entries for this liability are booked as decreases in the non-controlling interests underlying the options and, for the balance, a decrease in equity attributable to the owners of the parent company. The obligation to recognize a liability even though the put options have not been exercised means that, in order to be consistent, the group has applied the same accounting treatment initially as that applied to increases in its proportionate interests in controlled entities.

If the options have not been exercised when this commitment expires, the previous entries are reversed. If the options are exercised and the buyout is made, the amount recognized as a liability is extinguished by the cash outlay associated with the buy-out of the non-controlling interests.

C) PRESENTATION OF THE FINANCIAL STATEMENTS

The summary statements are presented in the format recommended by the *Autorité des Normes Comptables* (French Accounting Standards Authority) in its Recommendation 2013-04 of 7 November 2013 on the format of consolidated financial statements for banking sector institutions applying international accounting standards.

Operating income includes all income and expense directly associated with RCI Banque group operations, whether these items are recurring or result from one-off decisions or transactions, such as restructuring costs.

D) ESTIMATES AND JUDGMENTS

In preparing its financial statements, RCI Banque has to make estimates and assumptions that affect the book value of certain assets and liabilities, income and expense items, and the information disclosed in certain Notes. RCI Banque regularly reviews its estimates and assessments to take account of past experience and other factors deemed relevant in view of economic circumstances. If changes in these assumptions or circumstances are not as anticipated, the figures reported in RCI Banque's future financial statements could differ from current estimates. The main items in the financial statements that depend on estimates and assumptions are the recoverable value of loans and advances to customers and allowances for impairment and provisions.

These estimates are taken into account in each of the relevant Notes.

E) LOANS AND ADVANCES TO CUSTOMERS AND FINANCE LEASE CONTRACTS

MEASUREMENT (EXCLUDING IMPAIRMENT) AND PRESENTATION OF LOANS AND ADVANCES TO CUSTOMERS

Sales financing receivables from end customers and dealer financing receivables come under the category of "Loans and advances issued by the company". As such, they are initially recorded at fair value and carried at amortized cost calculated according to the effective interest rate method.

The effective interest rate is the internal rate of return to maturity or, for adjustable-rate loans, to the nearest rate adjustment date. The discounted amount of amortization on any difference between the initial loan amount and the amount payable at maturity is calculated using the effective interest rate.

In addition to the contractual component of the receivable, the amortized cost of sales financing receivables includes interest subsidies received from the car maker or dealer as part of promotional campaigns, handling fees paid by customers, and commissions paid for referral of business. These items, which are all factors in the return on the loan, are either deducted from or added to the amount receivable. They are recognized in the income statement as a pro-rated portion discounted at the effective interest rate for the receivables to which they apply.

Finance lease contracts, as identified by the rules described in Part E, are in substance booked as sales financing receivables.

Income from the resale of vehicles at the end of finance lease contracts is included under "Net income / (expense) of other activities".

As a result, gains and losses on the resale of vehicles coming off performing lease agreements, amounts charged to or recovered from allowances for risks on residual values, and gains or losses resulting from damage to vehicles less any corresponding insurance settlements, are recorded under "Other income related to banking operations" and "Other expenses related to banking operations".

IDENTIFYING CREDIT RISK

The RCI Banque group currently uses a number of different internal rating systems:

- A group-wide rating for borrowers in the Dealer segment, which is used during the various phases of the relationship with the borrower (initial approval, risk monitoring, provisioning),
- A group-wide rating for bank counterparties, which is established on the basis of external ratings and each counterparty's level of capital,
- For "Customer" borrowers, different acceptance scoring systems are used; these vary by affiliate and by type of financing.

Whenever the full or partial collection of a receivable is in doubt, that receivable is classified in one of the following two categories:

- Doubtful loans: a receivable is classified as doubtful not later than when installments remain unpaid for more than three months. When a receivable is classified as doubtful, the full amount of credit outstanding to the customer concerned is transferred to the doubtful loan category.
- Compromised loans: a receivable is classified as compromised when the counterparty is declared to have defaulted on a loan or when a lease agreement is terminated due to deterioration in the counterparty's financial position. If there is no formal default or termination, the receivable is transferred to this category no later than one year after it was classified as doubtful.

Because local management practices vary, default and termination do not occur at the same point in time in the different countries where the RCI Banque group operates. However, local practices do converge to a certain extent within the major geographical regions:

- Northern Europe: default or termination generally occurs within the three to four month period following the first unpaid installment,
- Southern Europe: default or termination generally occurs within the six to eight month period following the first unpaid installment,
- South America: default or termination generally occurs within the six to eight month period following the first unpaid installment.

A doubtful loan is reclassified as a performing loan once all overdue amounts have been paid.

IMPAIRMENT FOR CREDIT RISK

Impairment allowances are established to cover risks of non-recovery. The amount of these allowances is determined on an individual basis (either case by case or via statistical risk analysis), or on a collective basis. These impairment allowances are recorded on the asset side of the balance sheet as deductions from the asset items with which they are associated.

Customer lending

A statistical approach on an individual basis is applied on loans to Customers. The aim is to estimate ultimate losses on doubtful loans, compromised loans and loans with missed or late payments. Customer loans are grouped into risk classes representative of the type of financing and goods financed.

The projected cash flows used for the statistical estimation of impairment are calculated by applying a periodic recovery factor based on the age of the receivable to the amount owed at the time of default. Recovery cash flows are projected over several years, and the last flow at the end of the period represents a lump-sum value of recoveries beyond that period. The recovery factors used are based on the observation of actual collections, smoothed over a twelve-month period.

The impairment allowance for doubtful loans is calculated by comparing the estimated recoverable value, which consists of the discounted projected collections, with the carrying value of the loans concerned.

Bearing in mind the statistical nature of the method used to measure projected collections, the estimated recoverable value is not calculated individually for each loan, but on a collective basis for a given generation of loans.

Impairment charges on loans that are overdue but not doubtful are determined as a function of the probability that the loans will be reclassified as doubtful and the recovery factor that will apply if they are. This is "incurred loss", the established fact being a default on payment under 3 months.

In the event that determining impairment allowances on an individual basis using the statistical approach is not relevant, impairment allowances for delinquent and doubtful receivables are determined on a case-by-case basis according to the classification of the debtor company and the stage reached in collection or other proceedings.

As soon as a financial asset or group of similar financial assets has been impaired following a loss in value, any later interest income items are recognized on the basis of the interest rate used to discount future cash flows in order to measure loss in value.

Dealer financing

Impairment allowances for credit risks on dealer financing are determined according to three types of receivable: delinquent, doubtful and performing. The factors and events triggering classification of a receivable as one of the aforementioned types and the principle used to determine impairment allowances are described hereafter.

A collective impairment allowance is determined for non-doubtful receivables (delinquent or performing) either by means of a statistical approach (last three years' history) or by means of an internal expert appraisal validated by the Group Committee of Dealer Risk Experts, chaired by members of the Executive Board. Classification of a receivable as delinquent is triggered by such factors and events as a deterioration in the borrower's financial condition, a loss of profitability, erratic payment, or an inventory control anomaly.

Impairment allowances for doubtful receivables are determined individually and on a case-by-case basis, according to product outstandings (new vehicle, used vehicle, spare parts, cash, etc.) and to whether the debtor party has been classified as having pre-alert or alert status, and after a continued and critical deterioration of the abovementioned indicators by RCI Banque group line staff.

As regards non-doubtful and non-delinquent receivables that are therefore classified as performing receivables, collective impairment allowances based on the credit risks and systemic risks for each country assessed are made. The impaired amounts are determined on the basis of the technical and segment parameters of the performing portfolio and are specific to each country. Impairment allowances for performing dealer financing assets that are recognized or reversed as systemic risks are combined under the "cost of dealer risk" item for the affiliates concerned in the consolidated income statement.

COUNTRY RISK (CUSTOMER)

Allowances for country risk are determined on the basis of the credit risk to which debtors in a country experiencing a continued and persistent deterioration in its economic situation are exposed.

Such allowances for impairment of assets are made for any non-euro zone country whose sovereign rating (Standard and Poor's) is lower than BBB+. With regard to the RCI Banque group's current portfolio, the following countries are concerned by this: Brazil, Argentina, Romania and Morocco.

The calculation consists in applying a projected default rate and a loss-given-default rate to non-current financing assets unimpaired on an individual basis and by country, but only with respect to outstandings from the Customer business. Dealer financing assets are already incorporated into impairment allowances for the dealer business on a similar calculation basis.

The projected default rate used depends on the residual term of the portfolio, the country's rating and the geographical area in which it is located (Emerging countries, Europe, North America). This default rate is an indicator of the probability of default (PD) of companies in the country concerned. The RCI Banque group uses the rates published by S&P for emerging countries and estimated on a historical basis using the period between 1996 and 2013. The loss-given-default (LGD) rate refers to that of Brazil and is calculated on a 12-month mean basis by internal expert appraisal according to the trend observed for the countries concerned.

On the balance sheet, impairment allowances for country risk are booked as deductions from the carrying value of loans and advances to customers. Such impairment allowances that are recognized or reversed as systemic risks are combined under the RCI Banque SA "Cost of Risk" item in the consolidated income statement.

However, when a country is rated as selective default, the allowance of that country is frozen at the last allowance balance before the change of rating to avoid the release of allowance due to the depreciation of the local currency.

RULES FOR WRITING OFF LOANS

When a receivable has presented an established risk for a period of three years and there is no evidence suggesting that it will ever be collected, the amount of the impairment allowance is reversed and the gross amount outstanding is transferred to receivables written off.

IMPAIRMENT OF RESIDUAL VALUES

The RCI Banque group regularly monitors the resale value of used vehicles across the board so as to optimize the pricing of its financing products.

In most cases, tables of quoted prices showing typical residual values based on vehicle age and mileage are used to determine the residual value of vehicles at the end of the contract term.

However, for contracts under which the trade-in value of the vehicle at the end of the contract term is not guaranteed by a third party outside the RCI Banque group, an impairment allowance is determined by comparing:

a) the economic value of the contract, meaning the sum of future cash flows under the contract plus the re-estimated residual value at market conditions on the measurement date, all discounted at the contract interest rate;

b) the carrying value on the balance sheet at the time of the measurement.

The projected resale value is estimated by considering known recent trends on the used vehicle market, which may be influenced by external factors such as economic conditions and taxation, and internal factors such as changes in the model range or a decrease in the car maker's prices.

The impairment charge is calculated with no allowance for any profit on resale.

F) OPERATING LEASES (IAS17)

In accordance with IAS 17, the RCI Banque group makes a distinction between finance leases and operating leases.

The general principle that the RCI Banque group uses to classify leases as one or the other is whether the risks and rewards incidental to ownership are transferred to another party. Thus, leases under which the leased vehicle will be bought back by an RCI Banque group entity at the end of the lease are classified as operating leases since most of the risks and rewards are not transferred to a third party outside the group. The classification as operating leases of lease contracts that contain a buy-back commitment from the RCI Banque group also takes into account the estimated term of such leases. This lease term is far shorter than the economic life of the vehicles, which is put by the Renault Group at an estimated seven or eight years, depending on the type of vehicle. Consequently, all leases with a buy-back clause are treated as operating leases.

The classification as operating leases of battery leases for electric vehicles is justified by the fact that the commercial risks and rewards incidental to ownership throughout the automobile life of the batteries are kept by RCI Banque. Automobile life is put at eight years for *Twizy* batteries and at ten years for other electric vehicle batteries, which is much longer than the leases.

Operating leases are recognized as non-current assets leased out and are carried on the balance sheet at the gross value of the assets leased out less depreciation, plus lease payments receivable and transaction costs still to be staggered. Lease payments and depreciation are recognized separately in the income statement in "Net income (expense) of other activities". Depreciation does not take into account residual values and is taken to income on a straight line basis, as are transaction costs. Classification as an operating lease does not affect the assessments of counterparty risk and residual value risk.

The accounting treatment of vehicle resale transactions at the end of operating lease contracts is identical to that described for finance leases in: Loans and advances to customers and finance lease contracts.

G) TRANSACTIONS BETWEEN THE RCI BANQUE GROUP AND THE RENAULT-NISSAN ALLIANCE

Transactions between related parties are conducted following terms equivalent to those prevailing in the case of transactions subject to conditions of normal competition if these terms can be substantiated.

The RCI Banque group helps to win customers and build loyalty to Renault-Nissan Alliance brands by offering financing and providing services as an integral part of the Alliance's sales development strategy.

The main indicators and cash flows between the two entities are as follows:

- Sales support

At 31 December 2014, the RCI Banque group had provided €12,659m in new financing (including credit cards) compared with €11,455m at 31 December 2013.

- Relations with the dealer network

The RCI Banque group acts as a financial partner to ensure and maintain the sound financial health of the Renault- Nissan Alliance distribution networks.

At 31 December 2014, dealer financing net of impairment allowances amounted €7,877m to against €7,576m at 31 December 2013.

At 31 December 2014, direct financing of Renault Group subsidiaries and branches amounted to €585m against €473m at 31 December 2013.

At 31 December 2014, the dealer network had collected, as a business contributor, income of €405m against €320m at 31 December 2013.

- Relations with the car makers

The RCI Banque group pays the car maker for vehicles delivered to dealers for which it provides financing. Conversely, at the end of the contract, the Renault Group pays the RCI Banque group for vehicles taken back under financial guarantees made by the car maker. These transactions generate substantial cash flows between the two groups.

Under their trade policies and as part of promotional campaigns, the manufacturers help to subsidize financings granted to customers by the RCI Banque group. At 31 December 2014, this contribution amounted to €393 against €397m at 31 December 2013.

H) RECOGNITION AND MEASUREMENT OF THE SECURITIES PORTFOLIO (IAS 39)

RCI Banque's portfolio of securities is classified according to the financial asset categories specified in IAS 39.

SECURITIES HELD FOR TRADING PURPOSES

These are securities intended to be sold in the very near future or held for the purpose of realizing capital gains.

These securities are measured at fair value (including accrued interest), and changes in value are recognized in the income statement.

SECURITIES AVAILABLE FOR SALE

By default, this category ("AFS securities") includes all securities that are not intended to be held to maturity and that are not held for trading purposes.

These securities are measured at fair value (including accrued interest), and changes in value (excluding accrued interest) are recognized directly in equity under a revaluation reserve. Accrued interest is recognized in the income statement. If there is an objective indication of the impairment of these securities, such as payment default, the increasing probability of borrower bankruptcy, or the disappearance of an active market, the aggregate loss that has been recorded directly under equity must be removed from equity and recognized in the income statement.

I) NON-CURRENT ASSETS (IAS16/IAS36)

Non-current assets are carried and depreciated using the components approach. The components of an asset item, especially a complex asset, are treated as separate assets if their characteristics or useful lives are different, or if they generate economic benefits at different rates.

Property, plant and equipment is measured at historical acquisition cost less accumulated depreciation and impairment losses, if any.

Non-current assets other than land are generally depreciated on a straight-line basis over the following estimated useful lives:

- Buildings .... 15 to 30 years
- Other tangible non-current assets .... 4 to 8 years

J) INCOME TAXES (IAS 12)

The restatements of the annual financial statements of companies included in the scope of consolidation, made to bring them into line with IAS standards for financial reporting purposes, and the tax deferrals allowed in the statutory statements filed for tax purposes, give rise to timing differences in the recognition of income for tax and financial reporting purposes. A timing difference is also recognized whenever the book value of an asset or liability differs from its value for tax purposes.

These differences give rise to the recognition of deferred taxes in the consolidated financial statements. Under the liability method used by RCI Banque, deferred tax expense is calculated by applying the last tax rate in effect at the closing date and applicable to the period in which the timing differences will be reversed. Within a given taxable entity (company, establishment, or tax consolidation group), deferred tax assets and liabilities are presented on a net basis whenever the entity is entitled to offset its tax receivables against its tax payables. Deferred tax assets are written down whenever their utilization is unlikely.

For fully consolidated companies, a deferred tax liability is recognized for taxes payable on advance dividend distributions by the group.

K) PENSION AND OTHER POST EMPLOYMENT BENEFITS (IAS 19)

OVERVIEW OF PLANS

The RCI Banque group uses different types of pension and post-employment benefit plans:

Defined benefit plans:

Charges are booked to provisions for these plans to cover:

- Indemnities payable upon retirement (France),
- Supplementary pensions: the main countries using this type of plan are the United Kingdom, the Netherlands and Switzerland.
- Mandated savings plans: this type of plan is used in Italy.

Defined-benefit plans are in some cases covered by funds. Such funds are subject to periodic actuarial valuation by independent actuaries. The value of such funds, if any, is deducted from the corresponding liability.

The RCI Banque group affiliates that use external pension funds are RCI Financial Services Ltd, RCI Financial Services BV and RCI Finance SA.

Defined contribution plans:

In accordance with the laws and practices of each country, the group makes salary-based contributions to national or private institutions responsible for pension plans and provident schemes.

Such plans and schemes release the group from any later obligations, as the national or private institution is responsible for paying employees the amounts owed to them. Payments by the group are booked as expenses for the period to which they refer.

VALUATION OF LIABILITIES FOR DEFINED BENEFIT PLANS

With respect to defined-benefit plans, the costs of post-employment benefits are estimated using the projected unit credit method. Under this method, benefit rights are allocated to periods of service according to the plan's vesting formula, taking into account a linearizing effect when rights are not vested uniformly over subsequent periods of service.

The amounts of future benefits payable to employees are measured on the basis of assumptions about salary increases, retirement age and mortality, and then discounted to their present value at a rate based on interest rates on the long-term bonds of top-grade issuers and on the estimated average term of the plan measured.

Actuarial gains or losses resulting from revision of the assumptions used in the calculation and experience-related adjustments are recognized as items of other comprehensive income.

The net expense of the period, corresponding to the sum of the cost of services rendered plus any past service costs, and to the cost of accretion of provisions less the return on plan assets is recognized in the income statement under personnel expenses.

L) TRANSLATION OF FINANCIAL STATEMENTS OF FOREIGN COMPANIES

The presentation currency used by the group is the euro.

As a general rule, the functional currency used by foreign companies is their local currency. In cases where the majority of transactions are conducted in a currency other than the local currency, that currency is used.

To ascertain whether a country is in hyperinflation, the group refers to the list published by the AICPA's (American Institute of Certified Public Accountants) International Task Force. None of the countries in which RCI Banque does any significant amount of business features on this list.

The financial statements of the group's foreign companies are drawn up in their functional currency, and then translated into the group's presentation currency as follows:

- Balance sheet items other than equity, which are held at the historic exchange rate, are translated at closing exchange rates;
- Income statement items are translated at the average rate for the period, said rate being used as an approximation applied to underlying transactions, except in the event of significant fluctuations;
- Translation adjustments are included as a separate component of consolidated equity and do not affect income.

Goodwill and measurement differences realized when combining with a foreign company are treated as assets and liabilities of the acquired entity.

When a foreign company is disposed of, the translation differences in its assets and liabilities, previously recognized in equity, are recognized in the income statement.

M) TRANSLATION OF FOREIGN CURRENCY TRANSACTIONS

Transactions made by an entity in a currency other than its functional currency are translated and booked in the functional currency at the rate in effect on the date such transactions are made.

On the statement closing date, cash assets and liabilities in currencies other than the entity's functional currency are translated at the exchange rate in effect on that date. Gains or losses from such foreign currency translation are recorded in the income statement.

N) FINANCIAL LIABILITIES (IAS 39)

The RCI Banque group recognizes financial liabilities consisting of bonds and similar obligations, negotiable debt securities, securities issued as part of securitization transactions and amounts owed to credit institutions.

Any issuance costs and premiums on financial liabilities are amortized on an actuarial basis over the term of the issue according to the effective interest rate method.

When first recognized, financial liabilities are measured at fair value net of transaction costs directly attributable to their issuance.

At each closing, financial liabilities are measured at amortized cost using the effective interest rate method, except when specific hedge accounting procedures are applicable. The financial expenses calculated in this way include issuance costs and issue or redemption premiums.

Financial liabilities covered by a fair value hedge are accounted for as described in: Derivatives and hedge accounting (IAS 39).

The group's medium-term and long-term issuance programs do not feature any clauses that might lead to acceleration of maturity of the debt.

O) STRUCTURED PRODUCTS AND EMBEDDED DERIVATIVES (IAS 39)

The group engages in a small number of structured transactions. These issues are hedged by derivatives so as to neutralize the embedded derivative and thereby obtain a synthetic adjustable-rate liability.

The only embedded derivatives identified within the RCI Banque group correspond to indexing clauses contained in structured bond issues. When embedded derivatives are not closely related to the host contract, they are measured and recognized separately at fair value. Changes in fair value are then recognized in the income statement. The structured issue with the embedded derivative extracted, i.e. the host contract, is measured and recognized at amortized cost.

Structured issues are associated with swaps of assets, whose characteristics are strictly identical to those of the embedded derivative, thereby providing an effective economic hedge. However, because the use of one derivative to hedge another derivative is prohibited by IAS 39, embedded derivatives that are separated from the host contract and swaps associated with structured issues are accounted for as if held for trading purposes.

P) DERIVATIVES AND HEDGE ACCOUNTING (IAS 39)

RISKS

The RCI Banque group's management of financial risks (interest-rate risk, currency risk, counterparty risk and liquidity risk) is described in the "Financial risks" appendix of this document.

The RCI Banque group enters derivative contracts as part of its currency and interest-rate risk management policy. Whether or not these financial instruments are then accounted for as hedging instruments depends on their eligibility for hedge accounting.

The financial instruments used by RCI Banque can be classified as fair value hedges or cash flow hedges. A fair value hedge protects against changes in the fair value of the assets and liabilities hedged. A cash flow hedge protects against changes in the value of cash flows associated with existing or future assets or liabilities.

MEASUREMENT

Derivatives are measured at fair value when first recognized. Subsequently, fair value is re-estimated at each closing date.

In accordance with IFRS 13 "Fair Value Measurement", fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At initial recognition in the accounts, the fair value of a financial instrument is the price that would be received to sell an asset or paid to transfer a liability (exit price).

- The fair value of forward currency agreements and currency swaps is determined by discounting cash flows at market interest rates and exchange rates at the closing date. It also incorporates the measurement of interest rate and currency swap "base" effects.
- The fair value of interest-rate derivatives represents what the group would receive (or would pay) to unwind the running contracts at the closing date, taking into account unrealized gains or losses as determined by current interest rates at the closing date.

Credit adjustment

An adjustment is booked on the valuation of OTC derivative portfolios for counterparty credit risk (or CVA, Credit Valuation Adjustment) and own credit risk (or DVA, Debt Valuation Adjustment).

Exposure (EAD - Exposure At Default) is approximated by the mark-to-market (MTM) plus or minus an add-on, representing potential future risk and taking into account netting agreements with each counterparty. This potential future risk is estimated using the standard method recommended by French banking regulations (Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013, Article 274 on capital adequacy requirements applicable to credit institutions and investment companies).

Loss Given Default (LGD) is estimated by default at 60%.

Probability of default (PD) is the probability of default associated with each counterparty's CDS (Credit Default Swaps). In certain countries, if this information is unavailable, the approximated probability of default is that of the counterparty's country.

FAIR VALUE HEDGE

RCI Banque has elected to apply fair value hedge accounting in the following cases:

- hedging interest-rate risk on fixed rate liabilities using a receive fixed/pay variable swap or cross currency swap;
- hedging foreign exchange risk on foreign currency assets or liabilities using a cross currency swap.

Fair value hedge accounting is applied on the basis of documentation of the hedging relation at the date of implementation and of the results of fair value hedge effectiveness tests, which are performed at each balance sheet date.

Changes in the value of fair value hedging derivatives are recognized in the income statement.

For financial liabilities covered by a fair value hedge, only the hedged component is measured and recognized at fair value, in accordance with IAS 39. Changes in the value of the hedged component are recognized in the income statement. The unhedged component of these financial liabilities is measured and recognized at amortized cost.

If the hedging relationship is terminated before the end of its term, the hedging derivative is classified as an asset or liability held for trading purposes and the item hedged is recognized at amortized cost in an amount equal to its last fair value measurement.

CASH FLOW HEDGE

RCI Banque has elected to apply cash flow hedge accounting in the following cases:

- Hedging interest-rate risk on variable rate liabilities using a receive/pay fixed swap, enabling them to be backed by fixed rate assets (macro-hedge from the economic perspective);
- Hedging future or probable cash flows in foreign currency.

Cash flow hedge effectiveness tests are performed at each balance sheet date to ensure that the relevant transactions are eligible for hedge accounting. For the second type of hedging, the test performed entails ascertaining that interest-rate exposure on the cash flows from reinvestment of non-derivative financial assets is indeed reduced by the cash flows from the derivatives used for hedging.

Changes in the value of the effective part of cash flow hedging derivatives are recognized in equity, in a special revaluation reserve account.

TRADING TRANSACTIONS

This line item includes transactions not eligible for hedge accounting under IAS 39 and currency hedging transactions to which the RCI Banque group has preferred not to apply hedge accounting.

Changes in the value of these derivatives are recognized in the income statement.

These transactions mainly include:

- foreign exchange transactions with an initial maturity of less than one year,
- identified embedded derivatives that are part of the group's structured issues, and the associated swaps,
- swaps contracted in connection with securitization transactions,
- variable/pay variable swaps in a given currency to hedge interest-rate risk on variable-rate issues.

Q) OPERATING SEGMENTS (IFRS 8)

Segment reporting is presented in the annual financial statements in accordance with IFRS 8 "Operating Segments".

RCI Banque is tasked with offering a comprehensive range of financing products and services to its two core markets: end Customers (Retail and Corporate) and the Renault, Nissan, Dacia, Samsung and Datsun brands Dealer network. These two segments have different expectations, needs and demands, and so each require a specific approach in terms of marketing, management processes, IT resources, sales methods and communication. Adjustments have been made to the group's organization to make it consistent with these two types of customer, to strengthen its management and support role and to increase its integration with Renault and Nissan, especially with respect to sales and marketing aspects.

In accordance with IFRS 8, segmentation by market has therefore been adopted as the operating segmentation method. This is in line with the strategic focus developed by the company. The information presented is based on internal reports sent to the group Executive Committee, identified as the "chief operating decision maker" under IFRS 8.

A breakdown by market is thus provided for the main income statement as well as for average performing loan outstandings in the corresponding periods.

Since 1 January 2009, as decided by the Executive Committee, the formerly separate Retail and Corporate segments have been consolidated into the single "Customer" segment. The breakdown of operating segments as required by IFRS 8 has followed the same segmentation.

The Dealer segment covers financing granted to the Renault-Nissan Alliance Dealer network.

The Customer segment covers all financing and related services for all customers other than Dealers.

Results are presented separately for each of these two market segments.

Refinancing and holding activities are grouped together under "Other activities".

Renault, Nissan, Dacia, Samsung and Datsun sales financing activities have been combined.

R) INSURANCE

The accounting policies and measurement rules specific to assets and liabilities generated by insurance contracts issued by consolidated insurance companies are established in accordance with IFRS 4.

Other assets held and liabilities issued by insurance companies follow the rules common to all of the group's assets and liabilities, and are presented in the same balance sheet and consolidated income statement items.

TECHNICAL LIABILITIES ON INSURANCE CONTRACTS:

- Reserve for unearned premiums (non-life insurance): Technical reserves for unearned premiums are equivalent to the portion of the premiums relating to the period between the inventory date and the following endowment date. They are determined on a prorata basis.
- Policy reserves (life insurance): These are intended to cover the long-term obligations (or payment of benefits) resulting from the commitments given, and the costs of managing such contracts.
- Reserve for outstanding claims: the reserve for outstanding claims represents the estimation, net of outstanding recoveries, of the cost of all claims reported but not yet settled at the closing date.
- IBNR (Incurred But Not Reported) claim reserves: these are reserves for claims not yet reported, estimated on a statistical basis.

The guarantees offered cover death, disability, redundancy and unemployment as part of a loan protection insurance policy. These types of risk are controlled through the use of appropriate mortality tables, statistical checks on loss ratios for the population groups insured and through a reinsurance program.

Liability adequacy test: a goodness-of-fit test aimed at ensuring that insurance liabilities are adequate with respect to current estimations of future cash flows generated by the insurance contracts is performed at each statement of account. Future cash flows resulting from the contracts take into account the guarantees and options inherent therein. In the event of inadequacy, the potential losses are fully recognized in net income.

INCOME STATEMENT:

The income and expenses recognized for the insurance contracts issued by the RCI Banque group appear in the income statement in "Net income of other activities" and "Net expense of other activities".

3. GROUP STRUCTURE

CHANGES IN THE SCOPE OF CONSOLIDATION IN 2014

- RN Bank, the customer and dealer sales financing associate set up in Russia by the Alliance and an external partner (Unicrédit), entered the scope of consolidation in 2014 and is accounted for under the equity method. RN Bank is held through a RN SF BV joint venture, a joint RCI Banque and Nissan holding, which with the external partner holds the associate company BARN BV, RN Bank's shareholder. These two holdings also entered the scope of consolidation in 2014 and are accounted for under the equity method. RCI Banque has a 30% interest in RN Bank and BARN BV and a 50% interest in RN SF BV. Goodwill on initial consolidation of this entity was insignificant.
- On 30/09/2014, Sogesma was taken over by DIAC S.A. with retro-active effect from 01/01/2014.
- New FCT (Fonds Commun de Titrisation) issues:
  - In October 2014, FCT CARS Alliance Auto Loans France V 2014-1 issued AAA-rated and A-rated notes backed by customer auto loans for €600m and €44m respectively.
  - CARS Alliance Auto Loans Germany Master, created in March 2014, issued a number of series of AAA notes retained by RCI Banque Niederlassung Deutschland for a total of €674m at 31/12/2014.
- FCT Cars Alliance DFP France (Fonds Commun de Titrisation) matured.
- FCT CARS Alliance Auto Loans Germany (Fonds Commun de Titrisation) matured.

FOREIGN AFFILIATES THAT DO NOT HAVE A TAX AGREEMENT WITH FRANCE

In accordance with the Order of 6 October 2009 in application of Article L. 511-45 of the *Code monétaire et financier* (French Monetary and Financial Code), RCI Banque declares that it has a 95% holding in RCI Servicios Colombia S.A in Colombia. The latter's business consists in receiving commissions on lending provided to a business partner. This affiliate's main management indicators are monitored on a monthly basis. At 31 December 2014, pre-tax income came to €2.4m.

4. ADAPTING TO THE ECONOMIC AND FINANCIAL ENVIRONMENT

In a challenging economic environment, RCI Banque continues to implement a prudent financial policy and to reinforce its liquidity management and control system.

LIQUIDITY

RCI Banque pays great attention to diversifying its sources of access to liquidity. Since the start of the financial crisis, the company has largely diversified its sources of funding. In addition to its traditional bond investor base in euros, new investment areas have also been successfully worked, resulting in access to bond markets in numerous currencies (USD, CHF, GBP, BRL, KRW, etc.) to fund European assets and support growth outside Europe.

Recourse to funding through securitization transactions in private and public format also helps RCI Banque to expand its investor base.

The launching of the deposits business has added to diversification of the company's sources of funding, and helped it to adjust to future liquidity requirements arising from Basel 3 standards.

RCI Banque's management of liquidity risk is based on several indicators or analyses, updated monthly on the basis of the latest in-force business forecasts (customer base and dealer network) and completed refinancing transactions. Very prudent assumptions about the outflow of deposits are used, with a multiplying factor applied to the stressed cash outflows adopted by the Basel Committee. The system underwent an internal audit in 2013, a review by the banking regulator (ACPR), and has been reinforced by updating internal procedures.

CREDIT BUSINESS RISK

By taking the Probability of Default derived from scoring systems into account in the management of new gross lending, portfolio quality across all major markets was maintained.

As the economic outlook remained uncertain, the centralized oversight of the approval policy introduced at the start of the crisis was maintained. Acceptance systems are adjusted according to stress tests, which are updated quarterly for the main countries per segment (retail customers, corporate customers). All in all, the quality of gross lending is in line with the objectives set.

In a constantly changing environment, RCI Banque's aim is to maintain overall credit risk at a level compatible with the expectations of the financial community and profitability targets.

PROFITABILITY

RCI Banque regularly reviews the costs of internal liquidity used to price customer transactions, thereby maintaining a margin on new lending in line with budget targets. Similarly, the pricing of financing granted to dealers is indexed on an internal base rate reflecting the cost of borrowed resources and liquidity cushions needed for business continuity. This method maintains a steady return for this business.

GOVERNANCE

Liquidity indicators are the subject of particular scrutiny at each monthly financial committee meeting.

The country management committees also monitor risk and instant projected margin indicators more systematically, thereby supplementing the routine assessments of subsidiary profitability.

EXPOSURE TO NON-COMMERCIAL CREDIT RISK

RCI Banque's exposure to bank counterparty risk mainly arises from the investment of temporary cash surpluses as short-term deposits and from interest-rate or forex hedging with derivatives.

Such transactions are made with first-class banks approved beforehand by the Counterparty Committee. RCI Banque pays close attention to diversifying its counterparties.

To meet regulatory requirements resulting from implementation of the 30-day liquidity coverage ratio (LCR), RCI Banque now invests in liquid assets as defined by the Basel Committee. Over the first half-year 2014, liquid assets held by RCI Banque mainly consisted of deposits in the Central Bank. Since the ECB ended its liquidity absorption policy, these liquid assets have mainly consisted of securities issued by governments or supranational European issuers held directly. The duration of this portfolio is less than one year.

In addition, RCI Banque has also invested in a fund whose assets consist of debt securities issued by European agencies and sovereigns and by supranational issuers. Targeted average exposure to credit risk is seven years with a limit at nine years. The fund is aiming for zero exposure to the interest rate risk with a maximum of two years.

5. REFINANCING

RCI Banque made the most of excellent market conditions and extended the maturity of its debt by issuing a seven-year bond for the first time ever, under a €500 million transaction that reached out to new investors looking for longer-term assets. RCI Banque also took advantage of the fact that the market for floating rate notes opened up again, and issued its first two benchmarks in this format since the financial crisis began. RCI Banque also issued a fixed-rate five-year bond. Finally, following its first issue on the GBP market in 2013, the group confirmed its access to liquidity in this currency with two further borrowings in 2014 of GBP 250 million each (a five-year bond followed by a three-year bond)..

On the structured finance segment, RCI Banque carried out a €644 million securitization transaction in public format backed by customer loans in France and renewed its private securitization of dealer receivables in Germany.

Outside Europe, the Moroccan subsidiary made its first issue in February and then confirmed its ability to access market funding with a second issue in June. The group's entities in Argentina, Brazil and South Korea also borrowed on their respective domestic bond markets.

Following the launch of a range of savings and term deposit account products for retail customers in France and in Germany in 2012 and in 2013, the group continued to grow its savings operations and in 2014, launched in Austria. At end-December 2014, retail deposits totaled more than €6.5 billion (of which €5.1 billion in sight deposits and €1.4 billion in term deposits), showing an increase of more than 50% over the last twelve months.

These resources, to which should be added (for Europe) €4.0 billion of undrawn committed credit lines, €1.9 billion of assets eligible as collateral in European Central Bank (ECB) monetary policy operations, €913 million of high quality liquid assets (HQLA) and €96 million of available cash, secure the continuity of RCI Banque's commercial business activity for more than eleven months without access to external sources of liquidity.

6. REGULATORY REQUIREMENTS

In accordance with the prudential banking regulations transposing EU Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (CRD IV) and EU Regulation 575/2013 into French law, the RCI Banque group is subject to compliance with the solvency ratio and liquidity ratios, risk division ratio and balance sheet balancing (leverage ratio).

The ratios calculated in 2014 do not show any non-compliance with the regulatory requirements.

RCI BANQUE'S PARTICIPATION IN THE ASSET QUALITY REVIEW

RCI Banque was one of 130 banks selected by the European Central Bank (ECB) to be included in the Comprehensive Assessment carried out in preparation for the Single Supervisory Mechanism. Overall outcomes as well as bank-level data were disclosed in the results published by the ECB on 26 October 2014.

At completion of the Asset Quality Review, RCI Banque was not required to make any significant adjustments to its capital or provisions.

In a highly stressed scenario as defined by the European regulator, RCI Banque's capital remained well above the required level, with a Common Equity Tiers 1 (CET1) ratio of 9.08%, compared to the imposed threshold of 4% in 2014.

7. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: SEGMENT INFORMATION

1.1 - SEGMENTATION BY MARKET

In millions of euros	Customer	Dealer financing	Other	Total 12/2014
Average performing loan outstandings	18,717	6,698		**25,415**
Net banking income	943	188	79	**1,210**
Gross operating income	625	151	11	**787**
Operating income	529	138	11	**678**
Pre-tax income	530	138	6	**674**

In millions of euros	Customer	Dealer financing	Other	Total 12/2013
Average performing loan outstandings	17,721	6,498		**24,219**
Net banking income	974	192	55	**1,221**
Gross operating income	674	156	8	**838**
Operating income	589	139	8	**736**
Pre-tax income	595	138	11	**744**

A breakdown by market is provided for the main income statement as well as for average performing loan outstanding in the corresponding periods.

At the Net Banking Income level, given that most of the RCI Banque group's segment income comes from interest, the latter are shown net of interest expenses.

The earnings of each business segment are determined on the basis of internal or fiscal analytical conventions for intercompany billing and valuation of funds allocated. The equity allocated to each business segment is the capital effectively made available to the affiliates and branches and then divided among them according to internal analytical rules.

Average performing loan outstanding is the operating indicator used to monitor outstandings. As this indicator is the arithmetic mean of outstandings, its value therefore differs from the outstandings featuring in the RCI Banque group's assets, as presented in Notes 5 and 6: Customer finance transactions and similar/Customer finance transactions by business segment.

1.2 SEGMENTATION BY GEOGRAPHIC REGION

Information about financial and commercial performance in the main geographic regions is presented in the "Group operations" table appended to this document.

NOTE 2: DERIVATIVES

In millions of euros	12-2014		12-2013	
	Assets	Liabilities	Assets	Liabilities
Fair value of financial assets and liabilities recognized as derivatives held for trading purposes	**36**	**42**	**3**	**38**
Interest-rate derivatives				22
Currency derivatives	36	39	3	15
Other derivatives		3		1
Fair value of financial assets and liabilities recognized as derivatives used for hedging	**262**	**47**	**200**	**92**
Interest-rate and currency derivatives: Fair value hedges	248	32	187	85
Interest-rate derivatives: Cash flow hedges	14	15	13	7
Total derivatives	**298**	**89**	**203**	**130**

These line items mainly include OTC derivatives contracted by the RCI Banque group as part of its currency and interest-rate risk hedging policy.

The transactions that give rise to entries under this heading are described in the accounting rules and methods in the following paragraphs: "Financial liabilities (IAS 39)" and "Derivatives and hedge accounting (IAS 39)".

Changes in the cash flow hedging instrument revaluation reserve

In millions of euros	Cash flow hedging	Schedule for the transfer of the CFH reserve account to the income statement		
		< 1 year	1 to 5 years	> 5 years
Balance at 31 December 2012	**(13)**	**(9)**	**(4)**	
Changes in fair value recognized in equity	4			
Transfer to income statement	13			
Balance at 31 December 2013	**4**		**4**	
Changes in fair value recognized in equity	(3)			
Transfer to income statement	2			
Balance at 31 December 2014	**3**	**(1)**	**4**	

With respect to cash flow hedging, the above table shows the periods during which RCI Banque expects cash flows to intervene and affect the income statement.

Changes in the cash flow hedging reserve result from changes in the fair value of the hedging instruments carried in equity, and from the transfer of the period to the income statement at the same rate as the item hedged.

Nominal values of derivative instruments by maturity and management intent

In millions of euros	< 1 year	1 to 5 years	> 5 years	Total 12/2014
Hedging of currency risk				
Forward forex contracts				
Sales	1,765			**1,765**
Purchases	1,777			**1,777**
Spot forex transactions				
Loans	112			**112**
Borrowings	112			**112**
Currency swaps				
Loans	94	1,241		**1,335**
Borrowings	117	1,172		**1,289**
Hedging of interest-rate risk				
Interest rate swaps				
Lender	5,820	5,579	350	**11,749**
Borrower	5,820	5,579	350	**11,749**
(*) Of which related parties				*92*

In millions of euros	< 1 year	1 to 5 years	> 5 years	Total 12/2013
Hedging of currency risk				
Forward forex contracts				
Sales	1,465			**1,465**
Purchases	1,453			**1,453**
Spot forex transactions				
Loans	53			**53**
Borrowings	53			**53**
Currency swaps				
Loans	332	1,060		**1,392**
Borrowings	335	1,124		**1,459**
Hedging of interest-rate risk				
Interest rate swaps				
Lender	2,941	6,356		**9,297**
Borrower	2,941	6,356		**9,297**

NOTE 3: FINANCIAL ASSETS AVAILABLE FOR SALE AND OTHER FINANCIAL ASSETS

In millions of euros	12/2014	12/2013
Financial assets available for sale	**743**	**77**
Government debt securities and similar	455	37
Variable income securities	118	8
Bonds and other fixed income securities	170	32
Other financial assets	**13**	**57**
Interests in companies controlled but not consolidated	13	57
Total financial assets available for sale and other financial assets	**756**	**134**

NOTE 4: AMOUNTS RECEIVABLE FROM CREDIT INSTITUTIONS

In millions of euros	12/2014	12/2013
Sight deposits at credit institutions	**615**	**677**
Ordinary accounts in debit	586	659
Overnight loans	27	17
Accrued interest	2	1
Term deposits at credit institutions	**135**	**483**
Term loans	128	473
Reverse repurchase agreement or bought outright	3	8
Doubtful receivables		1
Accrued interest	4	1
Total amounts receivable from credit institutions (*)	**750**	**1,160**
(*) Of which related parties	*114*	

Credit balances in sight accounts are included in the "Cash and cash equivalents" line item in the cash flow statement.

Current bank accounts held by the *Fonds Commun de Titrisation* (FCTs) contribute in part to the funds' credit enhancement. They totaled €479 million at year-end 2014 and are included in "Ordinary Accounts in debit".

Overnight loan transactions with the Central Bank are included in "Cash and balances at central banks".

NOTE 5: CUSTOMER FINANCE TRANSACTIONS AND SIMILAR

In millions of euros	12/2014	12/2013
Loans and advances to customers	**28,398**	**26,328**
Customer finance transactions	22,325	20,104
Finance lease transactions	6,073	6,224
Operating lease transactions	**309**	**195**
Total customer finance transactions and similar	**28,707**	**26,523**

The gross value of forborne loans outstanding, further to measures and concessions made towards borrowers experiencing financial difficulty (or likely to experience financial difficulty in the future), came to €24.9m and is impaired by €7.7m at 31 December 2014.

5.1 - CUSTOMER FINANCE TRANSACTIONS

In millions of euros	12/2014	12/2013
Loans and advances to customers	**22,951**	**20,802**
Factoring	509	487
Other commercial receivables	1	87
Other customer credit	21,387	19,132
Ordinary accounts in debit	319	302
Doubtful and compromised receivables	735	794
Interest receivable on customer loans and advances	**38**	**57**
Other customer credit	27	40
Ordinary accounts	2	
Doubtful and compromised receivables	9	17
Total of items included in amortized cost Customer loans and advances	**(76)**	**(136)**
Staggered handling charges and sundry expenses - Received from customers	(72)	(96)
Staggered contributions to sales incentives by manufacturer or dealers	(412)	(372)
Staggered fees paid for referral of business	408	332
Impairment on loans and advances to customers	**(588)**	**(619)**
Impairment on delinquent or at-risk receivables	(166)	(165)
Impairment on doubtful and compromised receivables	(397)	(432)
Impairment on residual value	(25)	(22)
Total customer finance transactions, net	**22,325**	**20,104**

The securitization transactions were not intended to result in derecognition of the receivables assigned. The assigned receivables as well as the accrued interest and impairment allowances on them continue to appear on the asset side of the group's balance sheet.

The factoring receivables result from the acquisition by the group of the Renault-Nissan Alliance's commercial receivables.

5.2 - FINANCE LEASE TRANSACTIONS

In millions of euros	12/2014	12/2013
Finance lease transactions	**6,208**	**6,378**
Leasing and long-term rental	6,085	6,244
Doubtful and compromised receivables	123	134
Accrued interest on finance lease transactions	**7**	**8**
Leasing and long-term rental	5	5
Doubtful and compromised receivables	2	3
Total of items included in amortized cost - Finance leases	**(39)**	**(49)**
Staggered handling charges	(16)	(18)
Staggered contributions to sales incentives by manufacturer or dealers	(102)	(117)
Staggered fees paid for referral of business	79	86
Impairment on finance leases	**(103)**	**(113)**
Impairment on delinquent or at-risk receivables	(10)	(10)
Impairment on doubtful and compromised receivables	(89)	(98)
Impairment on residual value	(4)	(5)
Total finance lease transactions, net	**6,073**	**6,224**

Reconciliation between gross investment in finance lease contracts at the closing date and present value of minimum payments receivable

In millions of euros	< 1 year	1 to 5 years	> 5 years	Total 12/2014
Finance leases - net investment	3,058	3,116	2	**6,176**
Finance leases - future interest receivable	209	178		**387**
Finance leases - gross investment	**3,267**	**3,294**	**2**	**6,563**
Amount of residual value guaranteed to RCI Banque group	1,451	1,406	1	**2,858**
Of which amount guaranteed by related parties	*1,009*	*806*	*1*	*1,816*
Minimum payments receivable under the lease (excluding amounts guaranteed by related parties, as required by IAS 17)	2,257	2,487	2	**4,746**

In millions of euros	< 1 year	1 to 5 years	> 5 years	Total 12/2013
Finance leases - net investment	3,100	3,233	4	**6,337**
Finance leases - future interest receivable	225	164		**389**
Finance leases - gross investment	**3,325**	**3,397**	**4**	**6,726**
Amount of residual value guaranteed to RCI Banque group	1,433	1,461	2	**2,896**
Of which amount guaranteed by related parties	*841*	*609*	*2*	*1,452*
Minimum payments receivable under the lease (excluding amounts guaranteed by related parties, as required by IAS 17)	2,485	2,789	2	**5,276**

5.3 - OPERATING LEASE TRANSACTIONS

In millions of euros	12/2014	12/2013
Fixed asset net value on operating lease transactions	**308**	**195**
Gross value of tangible assets	346	220
Depreciation of tangible assets	(38)	(25)
Receivables on operating lease transactions	**4**	**3**
Accrued interest	1	1
Non-impaired receivables	3	1
Doubtful and compromised receivables		1
Impairment on operating leases	**(3)**	**(3)**
Impairment on doubtful and compromised lease contracts		(1)
Impairment on residual value	(3)	(2)
Total operating lease transactions, net	**309**	**195**

Amount of minimum future payments receivable under operating non-cancelable lease contracts

In millions of euros	12/2014	12/2013
< 1 year	26	21
1 to 5 years	65	26
> 5 years		1
Total	**91**	**48**

5.4 - MAXIMUM EXPOSURE TO CREDIT RISK AND INDICATION CONCERNING THE QUALITY OF RECEIVABLES DEEMED NON IMPAIRED BY THE RCI BANQUE GROUP.

At 31 December 2014, the RCI Banque group's maximum aggregate exposure to credit risk stood at €32,686 m. This exposure chiefly includes net loans outstanding from sales financing, sundry debtors, asset derivatives and irrevocable financing commitments on the RCI Banque group's off-balance sheet (see Note 22 Commitments received).

Amount of receivables due

In millions of euros	12/2014	of which non impaired [1]	12/2013	of which non impaired [1]
Receivables due	**840**	**416**	**518**	**15**
Between 0 and 90 days	455	416	82	**15**
Between 90 and 180 days	44		61	
Between 180 days and 1 year	27		36	
More than one year	314		339	

[1] Only includes fully or partially (on an individual basis) non-impaired sales financing receivables.

The risks on the quality of customer loans are assessed (using a score system) and monitored per type of business (Customer and Dealer). At the statement closing date, no component affected the credit quality of non-due and non-impaired sales financing receivables.

There is no significant concentration of risks within the sales financing customer base.

As at 31 December 2014, guarantees held on doubtful or delinquent receivables totaled €469m, compared with €655m at 31 December 2013.

5.5 - RESIDUAL VALUES OF RISK CARRIED BY RCI BANQUE

The total risk on residual values carried by the RCI Banque group amounted to €912m at December 2014 against €569m at December 2013. It was covered by provisions totaling €5.7m at December 2014 (essentially affecting the United Kingdom).

NOTE 6: CUSTOMER FINANCE TRANSACTIONS BY BUSINESS SEGMENT

In millions of euros	Customer	Dealer	Other	Total 12/2014
Gross value	**20,932**	**8,090**	**379**	**29,401**
Non-doubtful receivables	20,428	7,727	377	**28,532**
Doubtful receivables	178	324	1	**503**
Compromised receivables	326	39	1	**366**
% of doubtful and compromised receivables	*2.41%*	*4.49%*	*0.53%*	*2.96%*
Impairment allowance on individual basis	**(444)**	**(153)**	**(1)**	**(598)**
Non-doubtful receivables	(59)	(53)		**(112)**
Doubtful receivables	(106)	(61)		**(167)**
Compromised receivables	(279)	(39)	(1)	**(319)**
Impairment allowance on collective basis	**(37)**	**(59)**		**(96)**
Impairment	(6)	(59)		**(65)**
Country risk	(31)			**(31)**
Net value (*)	**20,451**	**7,878**	**378**	**28,707**
(*) Of which: related parties (excluding participation in incentives and fees paid for referrals)	*241*	*585*	*273*	*1,099*

In millions of euros	Customer	Dealer	Other	Total 12/2013
Gross value	**19,036**	**7,787**	**435**	**27,258**
Non-doubtful receivables	18,496	7,379	434	**26,309**
Doubtful receivables	155	368		**523**
Compromised receivables	385	40	1	**426**
% of doubtful and compromised receivables	*2.84%*	*5.24%*	*0.23%*	*3.48%*
Impairment allowance on individual basis	**(484)**	**(157)**	**(1)**	**(642)**
Non-doubtful receivables	(58)	(53)		**(111)**
Doubtful receivables	(95)	(64)		**(159)**
Compromised receivables	(331)	(40)	(1)	**(372)**
Impairment allowance on collective basis	**(39)**	**(54)**		**(93)**
Impairment	(8)	(54)		**(62)**
Country risk	(31)			**(31)**
Net value (*)	**18,513**	**7,576**	**434**	**26,523**
(*) Of which: related parties (excluding participation in incentives and fees paid for referrals)	*163*	*473*	*249*	*885*

Business segment information is given in detail in note 1.

The "Other" category mainly includes buyer and ordinary accounts with dealers and the Renault Group.

The provision for country risk primarily affects Argentina and to a lesser extent, Brazil, Morocco and Romania.

NOTE 7: ADJUSTMENT ACCOUNTS & MISCELLANEOUS ASSETS

In millions of euros	12/2014	12/2013
Tax receivables	**239**	**214**
Current tax assets	37	46
Deferred tax assets	105	86
Tax receivables other than on current income tax	97	82
Adjustment accounts & miscellaneous assets	**637**	**618**
Other sundry debtors	203	231
Adjustment accounts - Assets	29	33
Items received on collections	295	261
Reinsurer part in technical provisions	110	93
Total adjustment accounts & miscellaneous assets (*)	**876**	**832**
(*) Of which related parties	*153*	*174*

Deferred tax assets are analyzed in note 31.

Changes in the share of reinsurers in the technical reserves are analyzed as follows:

Changes in the part of reinsurance in the technical provions

In millions of euros	12/2014	12/2013
Reinsurer part in technical provisions at the beginning of period	**93**	**80**
Increase of the technical provisions chargeable to reinsurers	24	19
Claims recovered from reinsurers	(7)	(6)
Reinsurer part in technical provisions at the end of period	**110**	**93**

NOTE 8 : INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

In millions of euros	12/2014		12/2013	
	Share of net assets	Net income	Share of net assets	Net income
NR Finance Mexico SA de CV				3
RCI Financial Services,s.r.o.				3
RN SF B.V.	33	(6)		
Orfin Finansman Anonim Sirketi	17	1	15	1
Total interests in associates & joint-ventures	**50**	**(5)**	**15**	**7**

NOTE 9 : TANGIBLE AND INTANGIBLE NON-CURRENT ASSETS

In millions of euros	12/2014	12/2013
Intangible assets: net	**4**	**3**
Gross value	34	32
Accumulated amortization and impairment	(30)	(29)
Property, plant and equipment: net	**24**	**25**
Gross value	114	112
Accumulated amortization and impairment	(90)	(87)
Total tangible and intangible non-current assets	**28**	**28**

NOTE 10 : GOODWILL

In millions of euros	12/2014	12/2013
Germany	12	12
United Kingdom	40	37
Italy	9	9
Argentina	4	5
South Korea	19	18
Czech Republic	6	6
Total goodwill from acquisitions by country	**90**	**87**

Impairment tests were performed on all goodwill (using the methods and assumptions described in Note B). These impairment tests revealed no impairment risk at 31 December 2014.

As a reminder, the Hungary's goodwill was fully impaired in 2008. In 2013, goodwill of €6.4m was recognized for a new partnership agreement signed with Unicrédit under which control of RCI Financial Services s.r.o, in the Czech Republic, was taken over by RCI Banque S.A.

NOTE 11 : LIABILITIES TO CREDIT INSTITUTIONS AND CUSTOMERS & DEBT SECURITIES

11.1 - BREAKDOWN OF LIABILITIES BY VALUATION METHOD

In millions of euros	12/2014	12/2013
Liabilities valued at amortized cost Excluding fair value hedge	**20,720**	**18,597**
Amounts payable to credit institutions	2,650	3,062
Amounts payable to customers	7,304	5,136
Debt securities	10,766	10,399
Liabilities valued at amortized cost Fair value hedge	**5,871**	**5,928**
Amounts payable to credit institutions	10	165
Debt securities	5,861	5,763
Total financial debts	**26,591**	**24,525**

11.2 - AMOUNTS PAYABLE TO CREDIT INSTITUTIONS

In millions of euros	12/2014	12/2013
Sight accounts payable to credit institutions	**125**	**229**
Ordinary accounts	47	130
Other amounts owed	78	99
Term accounts payable to credit institutions	**2,535**	**2,998**
Term borrowings	2,396	2,847
Accrued interest	139	151
Total amounts payable to credit institutions	**2,660**	**3,227**

Sight accounts are included in the "Cash and cash equivalents" line item in the cash flow statement.

The book value of receivables provided as collateral to the *Société de financement de l'économie française* (SFEF) by RCI Banque was zero at 31 December 2014, following discharge of said receivables. There is no longer any SFEF refinancing (which totaled €210 million at 31 December 2013).

The balance of the funding provided by the European Central Bank in exchanged for assigned accounts receivable amounted €550 m at end-December 2014 (against zero at end-December 2013). It is included in the "Central banks" line item in the liabilities-side of the balance sheet.

The book value of the collateral presented to the Bank of France (3G) amounted to €2,850 m at 31 December 2014, including €398m of private accounts receivable and €2,452m in collateralized security entity shares.

11.3 - AMOUNTS PAYABLE TO CUSTOMERS

In millions of euros	12/2014	12/2013
Amounts payable to customers	**7,280**	**5,114**
Ordinary accounts in credit	75	58
Term accounts in credit	671	723
Ordinary saving accounts	5,102	3,549
Term deposits (retail)	1,432	784
Other amounts payable to customers and accrued interest	**24**	**22**
Other amounts payable to customers	17	20
Accrued interest on ordinary accounts in credit	6	
Accrued interest on term accounts in credit	1	2
Total amounts payable to customers(*)	**7,304**	**5,136**
(*) Of which related parties	*677*	*717*

Term accounts in credit include a €550m cash warrant agreement given to RCI Banque SA by the manufacturer Renault, covering, without any geographical exceptions, against the risks of the Renault Retail Group defaulting.

RCI Banque launched its savings business in February 2012 in France and in February 2013 in Germany and in April 2014 in Austria, marketing both savings accounts and term deposit accounts.

11.4 - DEBT SECURITIES

In millions of euros	12/2014	12/2013
Negotiable debt securities (1)	**952**	**802**
Certificates of deposit	797	589
Commercial paper and similar	111	184
French MTNs and similar	10	
Accrued interest on negotiable debt securities	34	29
Other debt securities (2)	**3,636**	**3,605**
Other debt securities	3,635	3,602
Accrued interest on other debt securities	1	3
Bonds and similar	**12,039**	**11,755**
Bonds	11,784	11,490
Accrued interest on bonds	255	265
Total debt securities (*)	**16,627**	**16,162**
(*) Of which related parties	*203*	*203*

(1) Certificates of deposit, commercial paper and French MTNs are issued by RCI Banque SA, CFI RCI Brasil S.A. and DIAC SA.

(2) Other debt evidenced by certificates consists primarily of the securities issued by the vehicles created for the French (Diac SA), Italian (RCI Banque Succursale Italiana), German (RCI Banque Niederlassung) and UK (RCI Financial Services Ltd) securitizations.

11.5 - BREAKDOWN OF FINANCIAL LIABILITIES BY RATE TYPE BEFORE DERIVATIVES

In millions of euros	12/2014			12/2013		
	Variable	Fixed	Total	Variable	Fixed	Total
Amounts payable to credit institutions	1,011	1,649	**2,660**	1,089	2,138	**3,227**
Amounts payable to customers	5,728	1,576	**7,304**	4,134	1,002	**5,136**
Negotiable debt securities	452	500	**952**	407	395	**802**
Other debt securities	3,063	572	**3,635**	3,393	212	**3,605**
Bonds	2,409	9,631	**12,040**	1,340	10,415	**11,755**
Total financial liabilities by rate	**12,663**	**13,928**	**26,591**	**10,363**	**14,162**	**24,525**

11.6 - BREAKDOWN OF FINANCIAL LIABILITIES BY MATURITY

The breakdown of financial liabilities by maturity is shown in note 17.

NOTE 12: SECURITIZATION

In millions euros	Securitization - Public Issues							
Country	France					Italy	Germany	
Originator	DIAC SA	DIAC SA	DIAC SA	DIAC SA	DIAC SA	RCI Banque Succursale Italiana	RCI Bank Niederlassung	RCI Bank Niederlassung
Securitized collateral	Auto loans to Customers	Auto loans to Customers	Auto loans to Customers	Auto loans to Customers	Receivables on independent Dealers	Auto loans to Customers	Auto loans to Customers	Auto loans to Customers
Issuer	CARS Alliance Auto Loans France FCT Master	CARS Alliance Auto Loans France F 2012-1	CARS Alliance Auto Loans France V 2012-1	CARS Alliance Auto Loans France V 2014-1	FCT Cars Alliance DFP France	Cars Alliance Warehouse Italy SRL	CARS Alliance Auto Loans Germany Master	CARS Alliance Auto Loans Germany V2013-1
Closing Date	May-12	June-12	November-12	October-14	July-13	June-12	March-14	December-13
Legal maturity date	August-30	September-21	February-24	January-26	July-23	December-29	March-31	December-24
Initial purchase of receivables	€715m	€867m	€826m	€700m	€1,020m	€777m	€674m	€977m
Credit enhancement as at the closing date	Cash reserve for 1% Over-collateralization of receivables 15.1%	Cash reserve for 1% Over-collateralization of receivables 12%	Cash reserve for 1% Over-collateralization of receivables 13.5%	Cash reserve for 1% Over-collateralization of receivables 11.5%	Cash reserve for 1% Over-collateralization of receivables 20.35%	Cash reserve for 2% Over-collateralization of receivables 14.5%	Cash reserve for 1% Over-collateralization of receivables 8%	Cash reserve for 1% Over-collateralization of receivables 12%
Receivables purchase as of31/12/2014	€447m	€97m	€379m	€671m	€1.054m	€511m	€946m	€904m
Notes issued as at 31/12/2014 (including any unit held by RCI Banque group)	Class A Rating: AAA €377m	Class A Rating: AAA €4m	Class A Rating: AAA €285m	Class A Rating: AAA €600m	Class A Rating: AAA €750m	Class A Rating: AAA €433m	Class A Rating: AAA €870m	Class A Rating: AAA €800m
				Class B notation : A+ 44 M€				Class B Rating: A €57m
	Class B Not rated €68m	Class B Not rated €102m	Class B Not rated €109m	Class C Not rated €34m		Class J Not rated €137m	Class B Not rated €76m	Class C Not rated €52m
Period	Revolving	Amortizing	Amortizing	Revolving	Revolving	Amortizing	Revolving	Revolving
Transaction's nature	Retained	Market	Market	Market	Retained	Retained	Retained	Market

In 2014, the RCI Banque group carried out two public securitization transactions in France and in Germany, by means of special purpose vehicles. Certain transactions were retained by RCI Banque SA thus providing securities eligible as ECB collateral.

In addition, and as part of its efforts to diversify its refinancing, a number of operations were secured by conduit. As these issues were private, their terms and conditions are not disclosed in the above table. Customer receivables in the United Kingdom and in Italy were securitized, as were leasing receivables and dealer receivables in Germany.

At 31 December 2014, the amount of financing obtained through securitization by conduit totaled €1,931m. The amount of financing obtained through public securitization transactions placed on the markets totaled €1,711m.

The securitization transactions carried out by the group all meet the requirement under Article 405 of European Directive No. 575/2013 for a net economic interest of not less than 5% to be retained. These transactions were not intended to result in derecognition of the receivables transferred, and at 31 December 2014, the amount of the sales financing receivables thus maintained on the balance sheet totaled €7,724m (€7,680m at 31 December 2013), as follows:

- Securitization transactions placed on the market: €2,052m
- Retained securitization transactions: €2,958m
- Private securitization transactions: €2,714m

The fair value of these receivables was €7,901m at 31 December 2014.

Liabilities of €3,636m have been booked under "Other debt securities" corresponding to the securities issued during securitization transactions. The fair value of these liabilities was €3,670m at 31 December 2014.

The difference between the amount of receivables transferred and the amount of the aforementioned liabilities corresponds to the credit enhancement needed for these transactions and to the share of securities kept by the RCI Banque group, serving as a liquidity reserve.

NOTE 13: ADJUSTMENTS ACCOUNTS & MISCELLANEOUS LIABILITIES

In millions of euros	12/2014	12/2013
Taxes payable	**445**	**451**
Current tax liabilities	74	76
Deferred tax liabilities	339	329
Taxes payable other than on current income tax	32	46
Adjustment accounts and other amounts payable	**1,104**	**917**
Social security and employee-related liabilities	38	58
Other sundry creditors	875	676
Adjustment accounts & miscellaneous liabilities	186	176
Collection accounts	5	7
Total adjustment accounts Liabilities and other liabilities (*)	**1,549**	**1,368**
(*) Of which related parties	*187*	*64*

Deferred tax assets are analyzed in note 31.

NOTE 14: PROVISIONS

In millions of euros	12/2013	Charges	Reversals		Other (*)	12/2014
			Used	Not Used		
Provisions on banking operations	**214**	**197**	**(55)**	**(86)**		**270**
Provisions for litigation risks	4	43	(27)			20
Other provisions, including insurance technical provisions	210	154	(28)	(86)		250
Provisions on non-banking operations	**84**	**26**	**(14)**	**(6)**	**8**	**98**
Provisions for pensions liabilities and related	34	4	(4)		7	41
Provisions for restructuring	5		(1)			4
Provisions for tax and litigation risks	41	20	(8)	(3)		50
Other	4	2	(1)	(3)	1	3
Total provisions	**298**	**223**	**(69)**	**(92)**	**8**	**368**

(*) Other = Reclassification, currency translation effects, changes in scope of consolidation

Each of the known disputes in which RCI Banque or the group's companies are involved was reviewed at the closing date. On the advice of legal counsel, provisions were established when deemed necessary to cover estimated risks.

Every so often, the group's companies are subject to tax audits in the countries where they are based. Uncontested deficiency notices are booked by means of tax provisions. Contested deficiency notices are recognized case by case on the basis of estimates taking into account the merit of the claims against the company concerned and the risk that it may not prevail in its case.

At year-end 2014, the provisions for restructuring mainly concern Spain, the United Kingdom and Germany.

Other provisions on banking operations mainly consist of the insurance technical provision for captive insurance company commitments towards policy holders and beneficiaries. The insurance technical provision came to €227m at end-December 2014.

Provisions for litigation risks on banking operations include the provision for the German branch (RCI Banque S.A. Niederlassung Deutschland), which came to €13m at end-December 2014 (€1m for the VAT-related tax audit and €12m for unfair administration/processing fees following the ruling by Germany's Supreme Court) and the €5m provision for the Hungarian subsidiary (RCI ZRT) made further to a new law, with retrospective effect, on loans in foreign currencies.

Changes in the actuarial reserves for contracts issued by captive insurance companies break down as follows:

Changes in the insurance technical provisions

In millions of euros	12/2014	12/2013
Liabilities relative to insurance contracts in the beginning of period	**183**	**151**
Allowance for insurance technical provisions	62	46
Services paid	(18)	(14)
Liabilities relative to insurance contracts at the end of period	**227**	**183**

INSURANCE RISK

The main risk to which the group is exposed in respect of insurance and re-insurance policies taken out is the risk that the actual total amount of claims and settlements and/or the rate of payment thereof may differ from estimations. The frequency of claims, their seriousness, the valuation of settlements paid out and the type of claims, some of whose development may be long term, all have an impact on the main risk to which the group is exposed. The group makes sure that its available reserves are sufficient to cover its commitments.

Exposure to risk is limited by diversifying the portfolio of insurance and re-insurance policies, and the geographical areas in which they are taken out. Fluctuations in the level of risk are also kept to a minimum through stringent policy selection, compliance with subscription guides and the use of re-insurance agreements.

The group makes use of re-insurance in order to limit risk. Policies are transferred under re-insurance agreements on a proportionate basis. Proportionate reinsurance treaties are signed in order to reduce the group's overall exposures for all businesses and in all countries. The amounts that may be recovered from re-insurers are determined in accordance with the claim reserves and with the reinsurance treaties. Re-insurance does not release the transferor from its commitments to policy holders and if for any reason the re-insurer is unable to meet its obligations, the group is exposed to a credit risk on the policies transferred. Re-insurance treaties are signed with A-rated counterparties and the group actively monitors each re-insurer's rating. The group has assessed the risks covered by reinsurance contracts and believes that no retrocession is required.

Key assumptions

The main assumption underlying estimations of liabilities is that the trend in future claims will follow exactly the same trend as in past claims.

The group has therefore factored in an ultimate loss rate in estimating the total cost of claims and of claim reserves (IBNR). Bearing in mind the reinsurance treaties that have been signed, any deterioration or improvement in this loss rate would have no significant impact on the year's results.

Provisions for pension and other post-employment benefits

In millions of euros	12/2014	12/2013
France	32	28
Rest of world	9	6
Total provisions for pension and other post-employment benefits	**41**	**34**

Subsidiaries without a pension fund

	France	
Main actuarial assumptions	**12/2014**	**12/2013**
Retirement age	67 years	67 years
Salary increases	2.26%	2.16%
Financial discount rate	1.89%	3.19%
Starting rate	5.83%	4.25%

Subsidiaries with a pension fund

	United Kingdom	
Main actuarial assumptions	**12-2014**	**12-2013**
Average duration	27 years	27 years
Rate of wage indexation	3.00%	3.35%
Financial discount rate	3.80%	4.75%
Actual return rate of hedge assets	12.10%	6.80%

	Switzerland	
Main actuarial assumptions	**12-2014**	**12-2013**
Average duration	17 years	11 years
Rate of wage indexation	1.00%	1.00%
Financial discount rate	1.50%	2.00%
Actual return rate of hedge assets	2.00%	1.40%

	Netherlands	
Main actuarial assumptions	**12-2014**	**12-2013**
Average duration	12 years	12 years
Rate of wage indexation	1.25%	1.25%
Financial discount rate	2.60%	3.20%
Actual return rate of hedge assets	2.60%	3.20%

Changes in provisions for pensions and other post-employment benefits during the year

In millions of euros	Actuarial value of the benefit obligation (A)	Fair value of plan assets (B)	Limit on defined benefit asset (C)	Net liabilities (assets) of the defined-benefit pension plans (A) - (B) - (C)
Opening balance of the current period	**67**	**33**		**34**
Current service cost	3			3
Net interest on the net liability (asset)	2	1		1
Expense (income) recorded in the income statement	**5**	**1**		**4**
Actuarial gains and losses on the obligation resulting from changes in demographic assumptions	(2)			(2)
Actuarial gains and losses on the obligation resulting from changes in financial assumptions	11			11
Net return on fund asset (not included in net interest above)		3		(3)
Actuarial gains and losses on the obligation resulting from experience adjustments	1			1
Expense (income) recorded in Other components of comprehensive income	**10**	**3**		**7**
Employer's contributions to funds		1		(1)
Benefits paid	(4)	(1)		(3)
Effect of changes in exchange rates	2	(2)		
Balance at the closing date of the period	**80**	**38**		**42**

Nature of invested funds

In millions of euros	12/2014		12/2013	
	Quoted on an active market	Not quoted on an active market	Quoted on an active market	Not quoted on an active market
Shares	9		8	
Bonds	25		21	
Others	4		4	
Total	**38**		**33**	

NOTE 15 : IMPAIRMENTS ALLOWANCES TO COVER COUNTERPARTY RISK

En millions d'euros	12-2013	Charges	Reversals		Other (*)	12-2014
			Used	Not used		
Impairments on banking operations	**735**	**339**	**(250)**	**(131)**	**4**	**697**
Customer finance transactions (on individual basis)	642	321	(245)	(124)	6	600
Customer finance transactions (on collective basis)	93	17	(5)	(7)	(2)	96
Securities transactions		1				1
Impairment on non-banking operations	**4**	**1**				**5**
Other impairment to cover counterparty risk	4	1				5
Provisions on banking operations	**4**	**43**	**(27)**			**20**
Provisions for litigation risks	4	43	(27)			20
Total provisions to cover counterparty risk	**743**	**383**	**(277)**	**(131)**	**4**	**722**

(*) Other = Reclassification, currency translation effects, changes in scope of consolidation

A breakdown by market segment of allowances for impairment of assets in connection with customer finance operations is provided in note 6.

NOTE 16 : SUBORDINATED DEBT LIABILITIES

In millions of euros	12/2014	12/2013
Liabilities measured at amortized cost	**251**	**251**
Subordinated debt	250	250
Accrued interest on subordinated debt	1	1
Hedged liabilities measured at fair value	**10**	**10**
Participating loan stocks	10	10
Total subordinated liabilities	**261**	**261**

The €250m subordinated debt securities issued to the public in 2005 have the following characteristics:

- Maturity: in ten years (redeemable on 07/04/2015),
- Currency: euro,
- Interest rate: 3-month Euribor + 0.90.

The remuneration on the participating loan stock issued in 1985 by Diac SA includes a fixed component equal to the money market rate and a variable component obtained by applying the rate of increase in the Diac sub-group's consolidated net income for the year compared to that of the previous year, to 40% of the money market rate.

Annual remuneration is between 100% and 130% of the money market rate, with a floor rate of 6.5%.

NOTE 17 : FINANCIAL ASSETS AND LIABILITIES BY REMAINING TERM TO MATURITY

In millions of euros	< 3 months	3 months to 1 year	1 year to 5 years	> 5 years	Total 12/2014
Financial assets	**8,570**	**9,762**	**11,589**	**281**	**30,202**
Derivatives	41	21	214	22	298
Financial assets available for sale and other financial assets	125	399	101	132	757
Amounts receivable from credit institutions	685	5	60		750
Loans and advance to customers	7,719	9,337	11,214	127	28,397
Financial liabilities	**8,455**	**3,679**	**13,728**	**1,079**	**26,941**
Derivatives	17	38	34		89
Amounts payable to credit institutions	874	709	1,077		2,660
Amounts payable to customers	5,345	394	1,015	550	7,304
Debt securities	2,219	2,287	11,602	519	16,627
Subordinated debt		251		10	261

In millions of euros	< 3 months	3 months to 1 year	1 year to 5 years	> 5 years	Total 12/2013
Financial assets	**8,205**	**8,823**	**10,637**	**160**	**27,825**
Derivatives	8	19	176		203
Financial assets available for sale and other financial assets	12	15	49	58	134
Amounts receivable from credit institutions	1,152	7	1		1,160
Loans and advances to customers	7,033	8,782	10,411	102	26,328
Financial liabilities	**6,561**	**4,811**	**12,984**	**560**	**24,916**
Derivatives	21	10	99		130
Amounts payable to credit institutions	1,132	1,131	964		3,227
Amounts payable to customers	3,777	165	644	550	5,136
Debt securities	1,630	3,505	11,027		16,162
Subordinated debt	1		250	10	261

NOTE 18 : BREAKDOWN OF FUTURE CONTRACTUAL CASH FLOWS BY MATURITY

In millions of euros	< 3 months	3 months to 1 year	1 year to 5 years	> 5 years	Total 12/2014
Financial liabilities	**8,399**	**4,087**	**14,415**	**1,112**	**28,013**
Derivatives	13	27	25		65
Amounts payable to credit institutions	848	596	1,077		2,521
Amounts payable to customers	5,339	394	1,015	550	7,298
Debt securities	1,930	2,176	11,587	519	16,212
Subordinated debts		250		9	259
Future interest payable	269	644	711	34	1,658
Financing and guarantee commitments to customers	**1,653**				**1,653**
Total breakdown of future contractual cash flows by maturity	**10,052**	**4,087**	**14,415**	**1,112**	**29,666**

In millions of euros	< 3 months	3 months to 1 year	1 year to 5 years	> 5 years	Total 12/2013
Financial liabilities	**6,592**	**5,070**	**13,915**	**603**	**26,180**
Derivatives	23	5	42	37	107
Amounts payable to credit institutions	1,101	1,009	964		3,074
Amounts payable to customers	3,774	165	644	550	5,133
Debt securities	1,439	3,386	11,021		15,846
Subordinated debts			250	9	259
Future interest payable	255	505	994	7	1,761
Financing and guarantee commitments to customers	**1,576**				**1,576**
Total breakdown of future contractual cash flows by maturity	**8,168**	**5,070**	**13,915**	**603**	**27,756**

The sum of the future contractual cash flows is not equal to the values in the balance sheet. This is because future contractual interest and non-discounted coupon payments on swaps are taken into account.

For liability derivatives, the contractual cash flows correspond to the amounts payable.

For the other non-derivative financial liabilities, the contractual cash flows correspond to the repayment of the par value and the payment of interest.

Interest for variable rate financial instruments has been estimated on the basis of the interest rate in effect at 31 December.

NOTE 19 : FAIR VALUE OF ASSETS AND LIABILITIES (IN ACCORDANCE WITH IFRS 7 & IFRS 13) AND BREAKDOWN OF ASSETS AND LIABILITIES BY FAIR VALUE HIERARCHY

In millions of euros - 12/2014	Book Value	Fair Value				Gap (*)
		Level 1	Level 2	Level 3	FV (*)	
Financial assets	**30,201**	**743**	**1,048**	**28,541**	**30,332**	**131**
Derivatives	298		298		298	
Financial assets available for sale and other financial assets	756	743		13	756	
Amounts receivable from credit institutions	750		750		750	
Loans and advances to customers	28,397			28,528	28,528	131
Financial liabilities	**26,941**	**10**	**27,256**		**27,266**	**(325)**
Derivatives	89		89		89	
Amounts payable to credit institutions	2,660		2,688		2,688	(28)
Amounts payable to customers	7,304		7,304		7,304	
Debt securities	16,627		16,924		16,924	(297)
Subordinated debt	261	10	251		261	

(*) FV : Fair value - Gap: Unrealized gain or loss

Financial assets available for sale classified as Level 3 are holdings in non-consolidated companies.

The €44m decrease compared to December 2013 is mainly attributable to the consolidation of RN SF BV in May 2014, which explains most of the change in the item "Investments in associates and joint ventures".

In millions of euros - 12/2013	Book Value	Fair Value				Gap (*)
		Level 1	Level 2	Level 3	FV (*)	
Financial assets	**27,825**	**77**	**1,363**	**26,481**	**27,921**	**96**
Derivatives	203		203		203	
Financial assets available for sale and other financial assets	134	77		57	134	
Amounts receivable from credit institutions	1,160		1,160		1,160	
Loans and advances to customers	26,328			26,424	26,424	96
Financial liabilities	**24,916**	**10**	**25,269**		**25,279**	**(363)**
Derivatives	130		130		130	
Amounts payable to credit institutions	3,227		3,268		3,268	(41)
Amounts payable to customers	5,136		5,136		5,136	
Debt securities	16,162		16,484		16,484	(322)
Subordinated debt	261	10	251		261	

(*) FV : Fair value - Gap : Unrealized gain or loss

The three-level hierarchy for financial instruments recognized on the balance sheet at fair value, as required by IFRS 7 is as follows:

- **Level 1:** measurements based on quoted prices on active markets for identical financial instruments.
- **Level 2:** measurements based on quoted prices on active markets for similar financial instruments or measurements for which all significant data are based on observable market data.
- **Level 3:** measurement techniques for which significant data are not based on observable market data.

Estimated fair values have been determined using available market information and appropriate valuation methods for each type of instrument.

However, the methods and assumptions used are by nature theoretical, and a substantial amount of judgment comes into play in interpreting market data. Using different assumptions and/or different valuation methods could have a significant effect on the estimated values.

Fair values have been determined on the basis of information available at the closing date of each period, and thus do not reflect later changes.

As a general rule, whenever a financial instrument is traded on an active, liquid market, its most recent quoted price is used to calculate market value. For instruments without a quoted price, market value is determined by applying recognized valuation models that use observable market parameters. If RCI Banque does not have the necessary valuation tools, including for complex products, valuations are obtained from leading financial institutions.

The main assumptions and valuation methods used are the following:

- **Financial assets**

Fixed-rate loans have been estimated by discounting future cash flows at the interest rates offered by RCI Banque at 31 December 2014 and at 31 December 2013 for loans with similar conditions and maturities.

Level 3 securities are non-consolidated holdings for which there is no quoted price.

- **Loans and advances to customers**

Sales financing receivables have been estimated by discounting future cash flows at the interest rate that would have applied to similar loans (conditions, maturity and borrower quality) at 31 December 2014 and at 31 December 2013.

Customer receivables with a term of less than one year are not discounted, as their fair value is not significantly different from their net book value.

- **Financial liabilities**

Fair value of financial liabilities has been estimated by discounting future cash flows at the interest rates offered to RCI Banque at 31 December 2014 and 31 December 2013 for borrowings with similar conditions and maturities. Projected cash flows are therefore discounted according to the zero-coupon yield curve, augmented by the spread specific to RCI Banque for issues on the secondary market against 3 months.

NOTE 20: NETTING AGREEMENTS AND OTHER SIMILAR COMMITMENTS

Master Agreement relating to transactions on forward financial instruments and similar agreements

The RCI Banque group negotiates its forward derivative agreements under International Swaps and Derivatives Association (ISDA) and FBF *(Fédération Bancaire Française)* Master Agreements.

The occurrence of an event of default entitles the non-defaulting party to suspend performance of its payment obligations and to payment or receipt of a settlement amount for all terminated transactions.

ISDA and FBF Master Agreements do not meet the criteria for offsetting in the financial statements. The RCI Banque group currently only has a legally enforceable right to offset booked amounts in the event of default or a credit event.

Synthesis of financial assets and liabilities agreements

ASSETS In millions of euros 31/12/2014	Gross book value (before netting)	Netted gross amounts	Net amount in balance sheet	Non netted amount			Net Exposure
				Financial instruments on the liability-side of the balance sheet	Guarantees on the liability-side of balance sheet	Off-balance sheet guarantees	
Derivatives	298		298	66			233
Network financing receivables [1]	1,121		1,121		724		397
Total	**1,419**		**1,419**	**66**	**724**		**630**

LIABILITIES AND EQUITY In millions of euros 31/12/2014	Gross book value (before netting)	Netted gross amounts	Net amount in balance sheet	Non netted amount			Net Exposure
				Financial instruments on the assets of the balance sheet	Guarantees on the assets-side of balance sheet	Off-balance sheet guarantees	
Derivatives	89		89	66			23
Total	**89**		**89**	**66**			**23**

[1] The gross book value of dealer financing receivables breaks down into €521m for the Renault Retail Group, whose exposures are hedged for up to €550m by a cash warrant agreement given by the Renault manufacturer (see note 11.3), and €600m for dealers financed by Companhia de Credito, Financiamento e Investimento RCI Brasil, whose exposures are hedged for up to €205m by pledge of *letras de cambio* subscribed by the dealers.

ASSETS In millions of euros 31/12/2013	Gross book value (before netting)	Netted gross amounts	Net amount in balance sheet	Non netted amount			Net Exposure
				Financial instruments on the liability-side of the balance sheet	Guarantees on the liability-side of balance sheet	Off-balance sheet guarantees	
Derivatives	203		203	81			122
Network financing receivables [(1)]	1,232		1,232		669		563
Total	**1,435**		**1,435**	**81**	**669**		**685**

LIABILITIES AND EQUITY In millions of euros 31/12/2013	Gross book value (before netting)	Netted gross amounts	Net amount in balance sheet	Non netted amount			Net Exposure
				Financial instruments on the assets of the balance sheet	Guarantees on the assets-side of balance sheet	Off-balance sheet guarantees	
Derivatives	130		130	81			49
Total	**130**		**130**	**81**			**49**

(1) The gross book value of dealer financing receivables breaks down into €423m for the Renault Retail Group, whose exposures are hedged for up to €550m by a cash warrant agreement given by the Renault manufacturer (see note 11.3), and €809m for non-group dealers financed by Companhia de Credito, Financiamento e Investimento RCI Brasil, whose exposures are hedged for up to €246m by pledge of *letras de cambio* subscribed by the dealers.

NOTE 21 : COMMITMENTS GIVEN

In millions of euros	12/2014	12/2013
Financing commitments	**1,645**	**1,486**
Commitments to customers	1,645	1,486
Guarantee commitments	**64**	**157**
Commitments to credit institutions	34	67
Customer guarantees	30	90
Total commitments given (*)	**1,709**	**1,643**
(*) Of which related parties	*11*	*12*

NOTE 22 : COMMITMENTS RECEIVED

In millions of euros	12/2014	12/2013
Financing commitments	**4,812**	**4,669**
Commitments from credit institutions	4,812	4,668
Commitments from customers		1
Guarantee commitments	**8,051**	**8,192**
Guarantees received from credit institutions	146	212
Guarantees received from customers	4,676	4,788
Commitments to take back leased vehicles at the end of the contract	3,229	3,192
Total commitments received (*)	**12,863**	**12,861**
(*) Of which related parties	*2,476*	*2,103*

At 31 December 2014 RCI Banque had €4,803m in unused confirmed lines of credit as well as broadly diversified short-term and medium-term issuance programs. RCI Banque also held €1,874m of receivables eligible as central bank collateral (excluding securities and receivables already in use to secure financing at year-end).

Guarantees and collateral

Guarantees or collateral offer partial or total protection against the risk of losses due to debtor insolvency (mortgages, pledges, comfort letters, bank guarantees on first demand for the granting of loans to dealers and private customers in certain cases). Guarantors are the subject of internal or external rating updated at least annually.

With a view to reducing its risk-taking, the RCI Banque group thus actively and rigorously manages its sureties, among other things by diversifying them: credit insurance, personal and other guarantees.

NOTE 23 : EXPOSURE TO CURRENCY RISK

In millions of euros 31/12/2014	Balance sheet		Off balance sheet		Net position		
	Long position	Short position	Long position	Short position	Total	Of which monetary	Of which structural
Position USD	1,006			(1,006)			
Position GBP		(898)	1,027		129		129
Position CHF		(115)	118		3		3
Position CZK		(12)	30		18		18
Position ARS	14				14		14
Position BRL	121				121		121
Position PLN		(190)	203		13		13
Position HUF	6				6		6
Position KRW	162				162		162
Position MAD	26				26		26
Position DKK		(71)	71				
Position TRY	17				17		17
Position SEK		(40)	40				
Position NOK	55			(55)			
Position AUD	125			(125)			
Position RUB		(45)	45				
Position SGD	30			(30)			
Total exposure	**1,562**	**(1,371)**	**1,534**	**(1,216)**	**509**		**509**

In millions of euros 31/12/2013	Balance sheet		Off balance sheet		Net position		
	Long position	Short position	Long position	Short position	Total	Of which monetary	Of which structural
Position USD	1,419			(1,419)			
Position GBP		(875)	995		120		120
Position CHF		(7)	10		3		3
Position CZK	12		6		18		18
Position ARS	15				15		15
Position BRL	120				120		120
Position PLN		(81)	94		13		13
Position HUF	6				6		6
Position KRW	148				148		148
Position MAD	26				26		26
Position DKK		(44)	44				
Position TRY	16				16		16
Position SEK		(23)	23				
Position NOK	60			(60)			
Position AUD	120			(120)			
Position SGD	28			(28)			
Total exposure	**1,970**	**(1,030)**	**1,172**	**(1,627)**	**485**		**485**

The structural foreign exchange position corresponds to the value of foreign currency equity securities held by RCI Banque SA. Throughout the year, the consolidated RCI Banque group's foreign exchange position remained below the €11m limit imposed by the Renault Group. Consequently, the sensitivity of the income statement to changes in exchange rates is not significant.

NOTE 24: INTEREST AND SIMILAR INCOME

In millions of euros	12/2014	12/2013
Interests ans similar income	**2,252**	**2,228**
Transactions with credit institutions	27	20
Customer finance transactions	1,630	1,563
Finance lease transactions	496	535
Accrued interest due and payable on hedging instruments	98	109
Accrued interest due and payable on Financial assets available for sale	1	1
Staggered fees paid for referral of business	**(338)**	**(303)**
Customer Loans	(271)	(231)
Finance leases	(67)	(72)
Total interests and similar income (*)	**1,914**	**1,925**
(*) Of which related parties	*560*	*538*

As the receivables assigned under the securitization transactions have not been derecognized, interest on those receivables continues to appear under interest and similar income in customer finance transactions.

NOTE 25: INTEREST EXPENSES AND SIMILAR CHARGES

In millions of euros	12/2014	12/2013
Transactions with credit institutions	(224)	(281)
Customer finance transactions	(103)	(70)
Finance lease transactions	(1)	(1)
Accrued interest due and payable on hedging instruments	(15)	(37)
Expenses on debt securities	(598)	(587)
Other interest and similar expenses	(21)	(25)
Total interest and similar expenses (*)	**(962)**	**(1,001)**
(*) Of which related parties	*(33)*	*(35)*

NOTE 26: NET GAINS (LOSSES) ON FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

In millions of euros	12/2014	12/2013
Net gains (losses) on derivatives classified as transactions in trading securities	**(4)**	
Net gains / losses on forex transactions	(38)	(20)
Net gains / losses on financial assets non trading derivatives	1	
Net gains / losses on derivatives classified in trading securities	28	18
Net gains / losses on participating loan stock at fair value	(1)	(1)
Fair value hedges: change in value of hedging instruments	115	(202)
Fair value hedges : change in value of hedged items	(109)	205
Total net gains or losses on financial instruments at fair value through P&L	**(4)**	**0**

Net gains (or losses) on financial instruments at fair value through profit or lost include the - €3.3m adjustment for credit risk at 31 December 2014, which breaks down into a gain of + €0.2m for DVA and an expense of - €3.5m for CVA.

NOTE 27: NET GAINS (LOSSES) ON AFS SECURITIES AND OTHER FINANCIAL ASSETS

In millions of euros	12/2014	12/2013
Other financial assets	**2**	**3**
Dividends from non-consolidated holdings	3	3
Charges to (reversals of) impairment allowances	(1)	
Goodwill on first consolidation		**13**
Goodwill on first consolidation		13
Total Net gains (losses) on financial assets available for sale and other (*)	**2**	**16**
(*) Of which related parties	*(1)*	

Goodwill on first consolidation was €13m at 31 December 2013, of which €12m following the entry of OOO RN Finance RUS (Russia) into the scope of consolidation.

NOTE 28: NET INCOME (EXPENSE) OF OTHER ACTIVITIES

In millions of euros	12/2014	12/2013
Other income from banking operations	**791**	**700**
Incidental income from finance contracts	300	296
Income from service activities	339	288
Income related to non-doubtful lease contracts	62	54
of which reversal of impairment on residual values	*3*	*5*
Income from operating lease transactions	44	33
Other income from banking operations	46	29
of which reversal of charge to reserve for banking risks	*18*	*4*
Other expenses of banking operations	**(558)**	**(450)**
Cost of incidental services related to finance contracts	(134)	(141)
Cost of service activities	(167)	(144)
Expenses related to non-doubtful lease contracts	(53)	(46)
of which allowance for impairment on residual values	*(3)*	*(2)*
Distribution costs not treatable as interest expense	(84)	(74)
Expenses related to operating lease transactions	(26)	(21)
Other expenses of banking operations	(94)	(24)
of which charge to reserve for banking risks	*(13)*	*(3)*
Other income and expense of non banking operations, net	**16**	**22**
Other income from non-banking operations	32	34
Other expenses of non-banking operations	(16)	(12)
Total net income (expense) of other activities (*)	**249**	**272**
(*) Of which related parties	*(8)*	*(8)*

Incidental income and cost of services related to finance contracts as well as income and expenses of service activities primarily concern insurance and maintenance contracts.

Income and expenses of service activities include the income and expenses booked for insurance policies issued by the group's captive insurance companies.

Other expenses of banking operations include €52m further to Germany's Supreme Court ruling that administration/processing fees were unfair (with retrospective effect to 2004).

Net income of insurance activities

In millions of euros	12/2014	12/2013
Gross premiums written	197	158
Net charge of provisions for technical provisions	(42)	(31)
Claims paid	(18)	(14)
Others contract charges including commissions paid	(2)	(1)
Claims recovered from reinsurers	7	6
Others reinsurance charges and incomes	(10)	(9)
Total net income of insurance activities	**132**	**109**

NOTE 29: GENERAL OPERATING EXPENSES AND PERSONNEL COSTS

In millions of euros	12/2014	12/2013
Personnel costs	**(221)**	**(218)**
Employee pay	(149)	(145)
Expenses of post-retirement benefits	(14)	(15)
Other employee-related expenses	(49)	(48)
Other personnel expenses	(9)	(10)
Other administrative expenses	**(196)**	**(158)**
Taxes other than current income tax	(24)	(26)
Rental charges	(11)	(14)
Other administrative expenses	(161)	(118)
Total general operating expenses (*)	**(417)**	**(376)**
(*) Of which related parties	*(3)*	*(4)*

Average number of employees	12/2014	12/2013
Sales financing operations and services in France	1,305	1,321
Sales financing operations and services in other countries	1,545	1,523
	2,850	**2,844**

Other personnel expenses include amounts charged to and reversed from provisions for restructuring and for personnel-related risks.

In accordance with IFRS standards applicable to RCI Banque, the French CVAE tax (*Cotisation sur la Valeur Ajoutée des Entreprises*, a tax computed on the added value generated by the company) has been included in "Taxes other than current income tax".

Other administrative expenses include a €17m payment further to a VAT-related tax adjustment for the German branch (RCI Banque S.A. Niederlassung Deutschland).

NOTE 30 : COST OF RISK BY CUSTOMER CATEGORY

In millions of euros	12/2014	12/2013
Cost of risk on Customer financing	**(94)**	**(81)**
Impairment allowances	(235)	(193)
Reversal of impairment	274	245
Losses on receivables written off	(157)	(150)
Amounts recovered on loans written off	24	17
Cost of risk on Dealer financing	**(13)**	**(17)**
Impairment allowances	(92)	(118)
Reversal of impairment	91	119
Losses on receivables written off	(13)	(20)
Amounts recovered on loans written off	1	2
Other cost of risk	**(2)**	**(4)**
Change in allowance for country risk		(3)
Change in allowance for impairment of other receivables	(2)	(1)
Total cost of risk	**(109)**	**(102)**

This item includes the net increase (decrease) in impairment allowances, losses on receivables written off, and amounts recovered on receivables written off.

NOTE 31 : INCOME TAX

In millions of euros	12/2014	12/2013
Current tax expense	**(228)**	**(218)**
Current tax expense	(228)	(218)
Deferred taxes	**10**	**(20)**
Income (expense) of deferred taxes, gross	10	(20)
Total income tax	**(218)**	**(238)**

Current tax expense is equal to the amount of income tax due and payable to tax authorities for the year, under the rules and tax rates applicable in each country.

Certain differences between companies' income for tax purposes and their income for consolidated financial reporting purposes give rise to the recognition of deferred taxes. These differences result mainly from rules for accounting for lease-purchase and long-term rental transactions and for recognizing impairment on doubtful receivables.

Breakdown of net deferred taxes by major category

In millions of euros	12/2014	12/2013
Impairment	56	66
Provisions and other charges deductible when paid	14	15
Tax loss carryforwards	78	85
Other assets and liabilities	24	(21)
Lease transactions	(399)	(382)
Non-current assets	(1)	
Impairment allowance on deferred tax assets	(6)	(6)
Total net deferred tax asset (liability)	**(234)**	**(243)**

Reconciliation of actual tax expense booked and theoretical tax charge

In %	12/2014	12/2013
Statutory income tax rate - France	**38.00%**	**38.00%**
Differential in tax rates of french entities	0.53%	1.69%
Differential in tax rates of foreign entities	-7.87%	-9.38%
Change in impairment allowance on deferred tax assets and losses on tax loss carryforwards	-0.02%	0.01%
Effect of equity-accounted associates	0.33%	-0.73%
Other impacts	2.27%	2.45%
Effective tax rate	**33.24%**	**32.04%**

The French entities Diac S.A. and Diac Location S.A. are subject to the special contribution on corporation tax, the current rate of which is 10.7%, which brings their income tax rate to 38%.

Deferred tax expense recognized in the other comprehensive income

In millions of euros	2014 change in equity			2013 change in equity		
	Before tax	Tax	Net	Before tax	Tax	Net
Unrealised P&L on cash flow hedge instruments	(1)		(1)	34	(13)	21
Actuarial differences on provisions for pensions	(7)	2	(5)	3	(1)	2
Exchange differences	16		16	(82)		(82)

NOTE 32: EVENTS SUBSEQUENT TO THE FINANCIAL YEAR CLOSING

No events occured between the reporting period end date and 4 February 2015 when the Board of Directors approved the financial statements that might have a significant impact on the financial statements for the year ended 31 December 2014.

8. COMPANIES AND FOREIGN BRANCHES OF THE GROUP

A) LIST OF CONSOLIDATED COMPANIES AND FOREIGN BRANCHES

	Country	Direct interest of RCI Banque	Indirect interest of RCI Banque		%	
			%	Held by	2014	2013
PARENT COMPANY : RCI Banque S.A.						
Branches of RCI Banque SA:						
RCI Banque S.A. Niederlassung Deutschland	Germany					
RCI Banque Sucursal Argentina	Argentina					
RCI Banque SA Niederlassung Osterreich	Austria					
RCI Banque S.A. Sucursal en Espana	Spain					
RCI Banque Sucursal Portugal	Portugal					
RCI Banque S.A. Bancna Podruznica Ljubljana	Slovenia					
RCI Banque Succursale Italiana	Italy					
RCI Banque Branch Ireland	Ireland					
Renault Finance Nordic, Bankfilial till RCI Banque S.A. Frankrike	Sweden					
RCI Banque Spółka Akcyjna Oddział w Polsce **	Poland					
FULLY CONSOLIDATED COMPANIES:						
RCI Versicherungs Service GmbH	Germany	100			**100**	100
Rombo Compania Financiera S.A.	Argentina	60			**60**	60
Courtage S.A.	Argentina	95			**95**	95
RCI Financial Services SA	Belgium	100			**100**	100
AUTOFIN	Belgium	100			**100**	100
Administradora De Consorcio RCI Brasil Ltda.	Brazil	99.92	-		**99.92**	99.92
Companhia de Arrendamento Mercantil RCI Brasil	Brazil	-	100	Companhia de Credito, Financiamento e Investimento RCI Brasil	**60.11**	60.11
Companhia de Credito, Financiamento e Investimento RCI Brasil	Brazil	60.11			**60.11**	60.11
Corretora de Seguros RCI Brasil S.A.	Brazil	100			**100**	100
RCI Financial Service Korea Co, Ltd	South Korea	100			**100**	100
Overlease S.A.	Spain	100			**100**	100
Diac S.A.	France	100			**100**	100
Diac Location S.A.	France	-	100	Diac S.A.	**100**	100
RCI ZRT	Hungary	100			**100**	100
ES Mobility SRL	Italy	100			**100**	100
RCI Services Ltd	Malta	100			**100**	100
RCI Insurance Ltd	Malta		100	RCI Services Ltd	**100**	100
RCI Life Ltd	Malta		100	RCI Services Ltd	**100**	100
RCI Finance Maroc	Morocco	100			**100**	100
RDFM**	Morocco		100	RCI Finance Maroc	**100**	100
RCI Financial Services B.V.	Netherlands	100			**100**	100
RCI Leasing Polska	Poland	100			**100**	100
RCI GEST - Instituição Financeira de Crédito, SA	Portugal	100			**100**	100
RCI GEST SEGUROS – Mediadores de Seguros, Lda	Portugal	-	100	RCI GEST - Instituição Financeira de Crédito, SA	**100**	100

	Country	Direct interest of RCI Banque	Indirect interest of RCI Banque		%	
			%	Held by	2014	2013
RCI Finance CZ s.r.o.	Czech Rep	100			**100**	100
RCI Financial Services s.r.o.	Czech Rep	50			**50**	50
RCI Finantare Romania	Romania	100			**100**	100
RCI Broker De Asigurare S.R.L.	Romania		100	RCI Finantare Romania	**100**	100
RCI Leasing Romania IFN S.A.	Romania	100			**100**	100
RCI Financial Services Ltd	United Kingdom	100			**100**	100
OOO RN FINANCE RUS**	Russia	100			**100**	100
RCI Finance S.A.	Switzerland	100			**100**	100
SPV						
CARS Alliance Auto Loans Germany Master*	Germany		(see note 12)	RCI Banque Niederlassung Deutschland		
FCT Cars Alliance Auto Loans Germany V2013-1**	Germany		(see note 12)	RCI Banque Niederlassung Deutschland		
FCT Cars Alliance Auto Leases Germany	Germany			RCI Banque Niederlassung Deutschland		
Cars Alliance DFP Germany 2014*	Germany			RCI Banque Niederlassung Deutschland		
FCT CARS Alliance Auto Loans France V 2014-1*	France		(see note 12)	Diac S.A.		
FCT Cars Alliance DFP France**	France		(see note 12)	Diac S.A.		
CARS Alliance Auto Loans France FCT Master	France		(see note 12)	Diac S.A.		
CARS Alliance Auto Loans France F 2012-1	France		(see note 12)	Diac S.A.		
CARS Alliance Auto Loans France V 2012-1	France		(see note 12)	Diac S.A.		
Cars Alliance Warehouse Italy SRL	Italy		(see note 12)	RCI Banque Succursale Italiana		
Cars Alliance Funding Italy SRL	Italy			RCI Banque Succursale Italiana		
SPV Cars Alliance Auto Loans UK	United Kingdom			RCI Financial Services Ltd		
COMPANIES ACCOUNTED FOR UNDER THE EQUITY METHOD :						
RN SF B.V.*	Netherlands	50			**50**	
BARN B.V.*	Netherlands		60	RN SF B.V.*	**30**	
RN Bank*	Russia		100	BARN B.V.*	**30**	
Orfin Finansman Anonim Sirketi**	Turkey	50			**50**	50
Renault Crédit Car	Belgium		50,1	AUTOFIN	**50.1**	50.1

* Entities added to the scope in 2014 ** Entities added to the scope in 2013

B) INFORMATION ABOUT LOCATIONS AND OPERATIONS

Geographical location	Company name	Nature of activities	Number of employees (1)	Net banking income	Profit or loss before tax	Tax on profit o loss	Public subsidies received
Germany	RCI Banque S.A. Niederlassung Deutschland	Financing	322	91	33	(9)	
	RCI Versicherungs Service GmbH	Services					
Argentina	RCI Banque Sucursal Argentina	Financing	38	56	46	(16)	
	Rombo Compania Financiera S.A.	Financing					
	Courtage S.A.	Services					
Austria	RCI Banque SA Niederlassung Osterreich	Financing	38	12	4	(1)	
Belgium	RCI Financial Services SA	Financing	24	10	7	(2)	
	AUTOFIN	Financing					
	Renault Credit Car	Financing					
Brazil	Administradora De Consorcio RCI Brasil Ltda.	Financing	140	163	100	(33)	
	Companhia de Arrendamento Mercantil RCI Brasil	Financing					
	Companhia de Credito, Financiamento e Investimento RCI Brasil	Financing					
	Corretora de Seguros RCI Brasil S.A.	Services					
South Korea	RCI Financial Service Korea Co, Ltd	Financing	84	53	41	(9)	
Spain	RCI Banque S.A. Sucursal en Espana	Financing	159	71	45	(11)	
	Overlease S.A.	Financing					
France	RCI BANQUE SA	Financing	1,236	399	179	(78)	
	Diac Location S.A.	Financing					
	DIAC S.A	Financing					
Hungary	RCI ZRT	Financing	5	1	(4)	1	
Ireland	RCI Banque branch Ireland	Financing	19	4	1	(0)	
Italy	RCI Banque Succursale italiana	Financing	184	71	24	(23)	
	ES MOBILITY SRL	Financing					
Malta	RCI SERVICES LTD	Holding	12	74	71	(4)	
	RCI Insurance Ltd	Services					
	RCI Life Ltd	Services					
Morocco	RCI Finance Maroc	Financing	27	18	7	(3)	
	RDFM	Services					
Netherlands	RCI Financial Services B.V.	Financing	36	12	3	(1)	
Poland	RCI Banque Spolka Akcyjna Oddzial w Polsce	Financing	51	17	13	(3)	
	RCI Leasing Polska	Financing					
Portugal	RCI Banque Sucursal Portugal	Financing	35	10	6	(2)	
	RCI GEST - Instituição Financeira de Crédito, SA	Financing					
	RCI GEST SEGUROS - Mediadores de Seguros, Lda	Services					
Czech Rep	RCI Finance CZ s.r.o.	Financing	20	10	8	(2)	
	RCI Financial Services s.r.o.	Financing					
Romania	RCI Finantare Romania	Financing	63	12	9	(1)	
	RCI Broker De Asigurare S.R.L.	Services					
	RCI Leasing Romania IFN S.A.	Financing					
United Kingdom	RCI Financial Services Ltd	Financing	208	91	64	(15)	

Geographical location	Company name	Nature of activities	Number of employees (1)	Net banking income	Profit or loss before tax	Tax on profit o loss	Public subsidies received
Russia	OOO RN FINANCE RUS	Financing	229	10	3	(2)	
	RN Bank (2)	Financing					
Slovenia	RCI Banque S.A. Bancna Podruznica Ljubljana	Financing	21	2	(1)	0	
Sweden	Renault Finance Nordic, Bankfilial till RCI Banque S.A. Frankrike	Financing	13	5	3	(1)	
Switzerland	RCI Finance S.A.	Financing	36	18	11	(3)	
Turkey	ORFIN Finansman Anonim Sirketi	Financing	45		1		
TOTAL			**3,043**	**1,210**	**674**	**(218)**	

(1) Full time equivalent basis - (2) Sub-consolidation of RNSF BV-BARN BV-RN Bank

C) SUBSIDIARIES IN WHICH NON-CONTROLLING INTERESTS ARE SIGNIFICANT

The following table summarizes information about companies in the RCI Banque group that have significant minority interests, before intra-group elimination:

In millions of euros - 31/12/2014 - before intra-group elimination	Rombo Compania Financiera	Cia de Arrendamento Mercantil RCI Brasil	CFI RCI Brasil
Country of location	Argentina	Brazil	Brazil
Percentage of capital held by non controlling interests	40.00%	39.89%	39.89%
Share in associates by non controlling interests	40.00%	39.89%	39.89%
Nature	Subsidiary	Subsidiary	Subsidiary
Consolidation method	Fully consolidated	Fully consolidated	Fully consolidated
Net Income: Share in net income (loss) of associates and joint ventures	8	10	15
Equity: Investments in associates and joint ventures			
Dividends paid to non controlling interests (minority shareholders)			13
Cash, due from banks	13	10	96
Net outstandings customers loans and lease financings	198	315	2,355
Other assets	2	18	237
Total assets	**213**	**343**	**2,688**
Due to banks, customer deposits and debt securities issued	135	36	2,297
Other liabilities	14	64	61
Net Equity	64	244	330
Total liabilities	**213**	**343**	**2,688**
Net banking income	39	50	105
Net income	20	25	37
Other components of comprehensive income			10
Total comprehensive income	**20**	**25**	**47**
Net cash generated by operating activities	(11)	(7)	36
Net cash generated by financing activities			32
Net cash generated by investing activities			1
Net increase/(decrease) in cash and cash equivalents	**(11)**	**(7)**	**68**

Percentages of voting rights are identical.

The amount of debt for puts on minority interests for the two Brazilian entities, CAM RCI Brasil and CFI RCI Brasil, is classified under "Other liabilities" for €175m at 31 December 2014 and €179m at 31 December 2013.

The amount of debt for puts on minority interests for ROMBO Compania Financiera is classified under "Other liabilities" for €28m at 31 December 2014 and €25m at 31 December 2013.

In millions of euros - 31/12/2013 - before intra-group elimination	Rombo Compania Financiera	Cia de Arrendamento Mercantil RCI Brasil	CFI RCI Brasil
Country of location	Argentina	Brazil	Brazil
Percentage of capital held by non controlling interests	40.00%	39.89%	39.89%
Share in associates by non controlling interests	40.00%	39.89%	39.89%
Nature	Subsidiary	Subsidiary	Subsidiary
Consolidation method	Fully consolidated	Fully consolidated	Fully consolidated
Net Income: Share in net income (loss) of associates and joint ventures	8	11	17
Equity: Investments in associates and joint ventures	0	0	0
Dividends paid to non controlling interests (minority shareholders)	0	0	11
Cash, due from banks	4	3	170
Net outstandings customers loans and lease financings	325	394	2,307
Other assets	2	13	217
Total assets	**331**	**410**	**2,693**
Due to banks, customer deposits and debt securities issued	266	139	2,322
Other liabilities	14	54	53
Net Equity	51	217	318
Total liabilities	**331**	**410**	**2,693**
Net banking income	41	54	103
Net income	20	28	41
Other components of comprehensive income	1		6
Total comprehensive income	**21**	**28**	**47**
Net cash generated by operating activities	1	(2)	(102)
Net cash generated by financing activities			27
Net cash generated by investing activities			
Net increase/(decrease) in cash and cash equivalents	**1**	**(2)**	**(75)**

D) SIGNIFICANT ASSOCIATES AND JOINT VENTURES

In millions of euros - 31/12/2014	RN Bank	Orfin Finansman Anonim Sirketi
Country of location	Russia	Turkey
Percentage of capital held	30.00%	50.00%
Share in associates and joint ventures	30.00%	50.00%
Nature	Associate	Joint venture
Consolidation method	Equity method	Equity method
Share in net income (loss) of associates and joint ventures	(6)	1
Investments in associates and joint ventures	33	17
Dividends paid to non controlling interests (minority shareholders)	0	0
Cash, due from banks	151	49
Net outstandings customers loans and lease financings	354	429
Other assets	28	8
Total assets	**533**	**487**
Due to banks, customer deposits and debt securities issued	410	446
Other liabilities	13	6
Net Equity	110	34
Total liabilities	**533**	**487**
Net banking income	23	7
Net income	15	2
Other components of comprehensive income		
Total comprehensive income	**15**	**2**
Net cash generated by operating activities	(15)	(8)
Net cash generated by financing activities		
Net cash generated by investing activities		
Net increase/(decrease) in cash and cash equivalents	**(15)**	**(8)**

In millions of euros - 31/12/2013	RN Bank	Orfin Finansman Anonim Sirketi
Country of location	Russia	Turkey
Percentage of capital held	30,00%	50,00%
Share in associates and joint ventures	30,00%	50,00%
Nature	Associate	Joint venture
Consolidation method	Non consolidated	Equity method
Share in net income (loss) of associates and joint ventures		
Investments in associates and joint ventures		
Dividends paid to non controlling interests (minority shareholders)	0	0
Cash, due from banks		31
Net outstandings customers loans and lease financings		269
Other assets		5
Total assets		**304**
Due to banks, customer deposits and debt securities issued		267
Other liabilities		5
Net Equity		32
Total liabilities		**304**
Net banking income		7
Net income		2
Other components of comprehensive income		
Total comprehensive income		**2**
Net cash generated by operating activities		
Net cash generated by financing activities		
Net cash generated by investing activities		
Net increase/(decrease) in cash and cash equivalents		

E) SIGNIFICANT RESTRICTIONS

The group has no significant restrictions on its ability to access or use its assets and settle its liabilities, other than those resulting from the regulatory framework in which its subsidiaries operate. Local supervisory authorities may require bank subsidiaries to maintain a certain level of capital and liquidities, to limit their exposure to other parts of the group and to comply with other ratios.

APPENDIX 1: RCI BANQUE GROUP OPERATIONS

In millions of euros	Year	Net loans outstandings at end-December (1)	of which dealers at end-December
Europe	**2014**	**23,612**	**7,090**
	2013	21,395	6,475
of which Germany	**2014**	**4,229**	**1,124**
	2013	3,710	992
of which Spain	**2014**	**2,016**	**476**
	2013	1,673	458
of which France	**2014**	**9,268**	**2,893**
	2013	9,023	2,757
of which Italy	**2014**	**2,623**	**688**
	2013	2,340	639
of which United-Kingdom	**2014**	**2,956**	**720**
	2013	2,295	568
of which others countries (2)	**2014**	**2,519**	**1,188**
	2013	2,355	1,062
Eurasia	**2014**	**87**	**3**
	2013	92	3
Asia Pacific - South Korea	**2014**	**1,047**	**9**
	2013	954	8
America	**2014**	**2,966**	**707**
	2013	3,170	1,022
of which Brazil	**2014**	**2,652**	**590**
	2013	2,660	807
of which Argentina	**2014**	**315**	**117**
	2013	511	216
Euromed - Africa	**2014**	**306**	**68**
	2013	283	68
Total RCI Banque group	**2014**	**28,017**	**7,877**
	2013	25,894	7,576

(1) Excluding operating lease business
(2) Belgium, Netherlands, Switzerland, Austria, Portugal, Scandinavian countries, Poland, Czech republic, Hungary, Slovenia, Ireland.

Income from external customers is allocated to the different countries according to the home country of each of the entities. Each entity actually only books income from customers residing in the same country as that entity.

APPENDIX 2: FINANCIAL RISKS

RCI Banque works towards its objectives by means of two main strategies:

- it obtains the funds required to ensure continuity of the group's consolidated subsidiaries' business operations by borrowing under its own name, via such means as issuance of money-market borrowings, bonds and other negotiable debt securities, securitization of receivables and negotiation of confirmed lines of credit, and it makes cash available to group companies;
- it manages and minimizes exposure to the financial risk linked to its sales financing subsidiaries' Customer business, through interest rate swaps, currency swaps and spot and forward foreign exchange transactions.

The scope of the group's financial policy extends to all consolidated finance subsidiaries of the RCI Banque group, including those for which refinancing is not done centrally.

All refinancing for subsidiaries in countries outside the Eurozone whose transfer and convertibility risk is deemed to be a material risk by RCI Banque is generally done locally to limit any cross-border risk. Group procedures do however allow the central refinancing office to grant occasional cross-border funding to subsidiaries located in such countries, if there is an insurance policy covering the non-convertibility and non-transfer risk or if the funding is for a very limited amount only.

Such subsidiaries are also subject to the same financial risk monitoring requirements as other group subsidiaries: they must observe limits on interest rate risk and foreign exchange risk, monitor their liquidity risk, contain their counterparty risk and have in place specific monitoring of financial risk by means of a dedicated financial committee and special purpose reporting.

Transactions on financial instruments carried out by the RCI Banque holding are for the main part related to its central refinancing function for the RCI Banque group.

MARKET RISK MANAGEMENT ORGANIZATION

The market risk management system, which is part of the RCI Banque group's overall internal control system, operates according to rules approved by the Renault Group. RCI-Banque's Finance and Cash Department is responsible for managing market risks (aggregate risk arising from interest rate, liquidity and foreign exchange exposures) and for verifying compliance with allowable limits at the consolidated group level.
The rules and ceilings are specified and approved by Renault as the shareholder and are periodically updated. The Financial Risk Team attached to the Permanent Control Department (Corporate Secretary and Risks Control Division) is responsible for producing a daily report and for monitoring the Group's exposure to financial risks.

Foreign exchange instruments, interest-rate instruments and currencies approved for use in managing market risks are specified on a list of authorized products validated by RCI Banque's Finance Committee.

MANAGING AGGREGATE INTEREST-RATE, FOREIGN EXCHANGE, COUNTERPARTY AND LIQUIDITY RISKS

INTEREST RATE RISK

The overall interest rate risk represents the impact of fluctuating rates on the future gross financial margin.

The RCI Banque group's aim is to mitigate this risk as far as possible in order to protect its mark-up.

In order to take account of the difficulty of precisely adjusting the structure of borrowings to that of loans, limited flexibility is accepted in interest rate hedging by each subsidiary.

This flexibility consists in a sensitivity limit being assigned to each subsidiary as approved by the finance committee, in an individual adaptation of part of the limit granted by Renault to the RCI Banque group.

Central refinancing limit	€22m
Limit for sales financing subsidiaries	€11m
Not assigned	€2m
Total sensitivity limit in €m granted by Renault to RCI Banque	**€35m**

The sensitivity thus defined consists in measuring at a given point in time (t) the impact of a change in interest rates on the market price of an entity's balance sheet flows.

The market price is determined by the discounting of future cash flows at the market price at point t.

The scenario preferred by the RCI Banque group is a calculation of sensitivity at a uniform increase of 100 base points in interest rates on all maturities. The calculation is based on average monthly asset and liability gaps.

Maturities of in-force business are determined by taking into account the contractual characteristics of transactions and the results of the modeling of historical customer behavior patterns (early repayment, etc.), supplemented by assumptions about certain aggregates (owners' equity, etc.).

Sensitivity is calculated daily per currency and per management entity (central refinancing office, French and foreign sales financing subsidiaries) and enables overall management of interest rate risk across the consolidated scope of the RCI Banque group. Monitoring is performed by the Financial Risk Team attached to the Permanent Control Department (Company Secretary's Office and Risk Management Department).

The situation of each entity with regard to its limit is checked daily, and immediate hedging directives are issued to the subsidiaries if circumstances so dictate.

The result of controls is the subject of monthly reporting to the finance committee, which checks the compliance of positions with the group's financial strategy and with prevailing procedural memoranda.

In 2014, RCI Banque's aggregate sensitivity to interest rate risk remained below the €35m limit set by the group.

At 31 December 2014, a 100-base point rise in rates would have an impact of:

+€1.0m in EUR;
+€0.9m in GBP;
+€0.5m in MAD;
+€0.4m in CHF;
-€0.3m in KRW;
-€0.5m in BRL.

The sum of the absolute sensitivity values in each currency totaled €4.52m.

Analysis of the structural rate risk highlights the following points:

Sales financing subsidiaries

Virtually all loans to customers by sales financing subsidiaries are granted at a fixed rate for terms of one to seventy-two months.

These loans are hedged by fixed-rate resources having the same structure. They are backed by macro-hedging and only generate a residual interest rate risk.

In subsidiaries where the resource is at a floating rate, interest rate risk is hedged by macro-hedging interest rate swaps.

Central refinancing office

RCI Holding's main activity is to refinance the group's commercial subsidiaries.

The in-force business of the sales financing subsidiaries is backed by fixed-rate resources, some of which are micro- hedged by interest rate swaps and by variable rate resources.

Macro-hedging transactions in the form of interest rate swaps keep the sensitivity of the holding company below the €22m limit.

These swaps and the securities available for sale are measured at fair value by reserves in accordance with IFRS.

Monthly tests are carried out to ascertain:

- the effectiveness of the hedging of fixed rate resources by the interest rate swaps assigned to micro-hedge them;
- the relevance of macro-hedging transactions, by setting them against the variable rate resources.

These data are calculated on the basis of simplified scenarios, working on the assumption that all positions run to maturity and that they are not readjusted to factor in new market conditions. The sensitivity of reserves to a change in interest rates as presented above would in no way be representative of an impact on future results.

LIQUIDITY RISK

RCI Banque has a duty, at all times, to have sufficient funding to secure the sustainability and growth of its business.

For that purpose, RCI Banque imposes stringent internal standards on itself.

Four indicators are monitored monthly by the finance committee:

The static liquidity position

RCI Banque's aim is to achieve positive static liquidity. Assets generated in the past are financed by resources with a similar or longer maturity.

The number of days' liquidity

A stress-scenario is used to calculate the number of days during which the RCI Banque group can, without any additional recourse to the market, have sufficient cash assets to cover its past and projected business.

This figure is the result of calculated liquidity deadlocks that factor in issued resources, confirmed unused bilateral credit lines, the potential eligible for European System Central Bank (ESCB) monetary policy transactions and the cash position on the one hand, and on the other hand, existing commercial and financial assets and business projections.

Intrinsic liquidity

This indicator measures the number of days during which RCI Banque can carry out its business activities without recourse to confirmed credit facilities, by using its cash, its high quality liquid assets and its central bank borrowing capacity.

Available securities

Available securities are sources of emergency liquidity that can be used by RCI Banque in the event of necessity. They consist of confirmed bilateral lines of credit, transferable assets eligible in Central Bank refinancing transactions, short-term financial assets and liquid assets.

- To achieve its objectives, at 31 December 2014 (scope: Europe) RCI Banque had €4.0 billion in unused confirmed lines of credit, €1.9 billion of receivables eligible as collateral in European Central Bank monetary policy operations (after haircuts and excluding receivables already in use to secure financing at year-end), €913m of high quality liquid assets (HQLA), and €96m of available cash.

In order to diversify its bank borrowings and limit total resources obtained from a single counterparty, the trading room maintains relations with a large number of banks and intermediaries both in France and abroad.

FOREIGN EXCHANGE RISK

Since May 2009, RCI Banque has been authorized by France's Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* - ACPR) to exclude durable and structural assets from its foreign exchange exposure, given its compliance with the conditions set out in Article 331 of the Order dated 20 February 2007.

Consequently, as its foreign exchange position is below the 2% of capital threshold set in Article 293-2 of the Order dated 20 February 2007, RCI Banque no longer calculates capital requirements for the foreign exchange risk.

Central refinancing unit

The forex position of RCI Banque S.A., the central refinancing unit, which historically is very low, stayed under €3m throughout most of the year, except on 30/06/2014 when it reached €11.9m due to receipt of a dividend in CHF. A spot sale reduced this position to €0.4m on 01/07/2014.

No position is accepted within the framework of refinancing management. In this respect, the trading room secures the systematic hedging of all flows concerned.

Residual and temporary positions in currencies, related to cash flow timing differences inherent in multi-currency cash management, may, however, remain. Any such positions are monitored daily and are subject to the same hedging concern.

Any other forex transactions (in particular for the anticipated hedging of projected dividends) may only be initiated further to the decision of the head of the Finance and Cash Department.

Sales financing subsidiaries

Sales financing subsidiaries are required to refinance themselves in their own currency and thus are not exposed.

By way of exception, limits are allocated to subsidiaries whose sales financing operations or refinancing are multi-currency, and to those that are authorized to invest some of their cash surpluses in a currency other than their domestic currency.

The RCI Banque group's overall limit granted by the Renault shareholder is €17m.

At 31 December 2014, RCI Banque group's consolidated forex position was €6.5m.

COUNTERPARTY RISK

Counterparty risk on market transactions is managed with a system of limits set by RCI Banque and then approved by Renault as part of the group-wide consolidation of counterparty risks. Compliance with these limits is monitored daily. All the results of controls are communicated monthly to the RCI Banque finance committee and integrated into the consolidated monitoring of Renault Group counterparty risk.

Counterparties on market transactions are selected French and international banks. Limits are assigned according to an internal rating system currently in effect for the whole of the Renault Group.

Cash surpluses are invested mainly in very short-term bank deposits with the Central Bank and in liquid assets (definition adopted by the European Parliament following Basel Committee recommendations).

The amounts and terms of such investments in liquid assets, which among other things are meant to provide the safety cushion needed for compliance with the liquidity coverage ratio, are subject to limits set by the RCI Banque Group.

For example, RCI Banque SA, the central refinancing unit, may invest directly or via investment funds in:

- treasury bills issued by Eurozone countries;
- bonds issued by supranational entities (European Financial Stability Facility, ESM, European Union) and development banks (European Investment Bank, KFW)

Occasional authorization is also granted to sales financing subsidiaries so that they can invest in treasury bills or Central Bank notes in their home countries.

Commitments on derivatives are weighted by much more conservative factors than those recommended by regulations. The risk of payment/delivery on forex transactions is monitored and subject to specific limits.

Bank guarantees received are subject to specific monitoring.

At 31 December 2014, according to the "positive mark to market + add on" method, the equivalent counterparty risk was €456 million against €249 million at 31 December 2013. According to the fixed-rate method, it was €1,053 million at 31 December 2014 against €1,103 million at 31 December 2013.

These figures only relate to credit institutions. They were determined without taking into account netting agreements, in accordance with the methodology described hereafter.

Two methods are used to monitor exposure relating to counterparty risk:

- Individual monitoring of counterparty risk is based on an internal fixed-rate method. Among other things, it factors in the risk of delivery and draws on an internal rating method (determined jointly with the Renault shareholder), which links the limit assigned to each counterparty to a score that takes several weighted risk factors into account: capital adequacy, financial solvency ratio, long-term and short-term ratings by credit rating agencies, qualitative appraisal of the counterparty.
- The fixed-rate method is also used to measure the overall counterparty risk incurred on all derivatives contracted by the RCI Banque group. It is based on weighting factors.

These weighting factors are linked to the type of instrument and the duration of the transaction.

Residual term	Rate factor (as a % of the nominal)	Initial term	Foreign exchange factor (as a % of the nominal)
Between 0 and 1 year	2 %	Between 0 and 1 year	6 %
Between 1 and 2 years	5 %	Between 1 and 2 years	18 %
Between 2 and 3 years	8 %	Between 2 and 3 years	22 %
Between 3 and 4 years	11 %	Between 3 and 4 years	26 %
Between 4 and 5 years	14 %	Between 4 and 5 years	30 %
Between 5 and 6 years	17 %	Between 5 and 6 years	34 %
Between 6 and 7 years	20 %	Between 6 and 7 years	38 %
Between 7 and 8 years	23 %	Between 7 and 8 years	42 %
Between 8 and 9 years	26 %	Between 8 and 9 years	46 %
Between 9 and 10 years	29 %	Between 9 and 10 years	50 %

These factors are intentionally higher than those stipulated by capital adequacy regulations, which is a deliberately prudent and conservative approach given current market conditions. No netting is made between risks relating to positions that neutralize each other with the same counterparty.

Overall monitoring with the "positive mark to market + add-on" method is also performed.

It is based on the so-called "major risks" regulatory method. For current account cash deposits and surpluses, exposure is recognized on the basis of the nominal amount. For derivatives (rate and foreign exchange), this is calculated as the sum of potential losses, calculated on the basis of the replacement value of the contracts with the counterparty without netting with potential gains, plus an "add-on" representing the potential future risk. This potential future risk is determined by French banking regulations (Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013, Article 274) as follows:

Residual term	Interest rate options (as a % of the nominal)	Foreign currency and gold options (as a % of the nominal)
<= 1 an	0 %	1 %
1 an < durée <= 5 ans	0.50 %	5 %
> 5 ans	1.50 %	7.50 %

SOCIAL AND ENVIRONMENTAL INFORMATION

Corporate	Summary	Comments
EMPLOYMENT		
The total number and distribution of employees by gender and by geographical area	p. 113-114	
Hiring and firing of employees	p. 114	The exercise was carried out over the fourteen main countries in terms of number of employees. Together, these eight countries employ 95% of the group's total workforce.
Current salaries and salary progression	p. 118-119	
WORK ORGANIZATION		
Working time organization	p. 115	Working time and working hours are organized and determined as locally as possible, for example using framework agreements (e.g. France and Spain).
Absenteeism	p. 115	
LABOR RELATIONS		
Organization of social dialogue	p. 121	
Collective bargaining agreements	p. 115 & 121	
HEALTH AND SAFETY		
Occupational health and safety conditions	p. 120	
Agreements signed with trade union and staff representative organizations	-	Health and safety are a matter for staff representative bodies (such as the health, Safety and working conditions committee in France). No corporate agreements on health and safety have been signed.
Occupational accidents (including frequency/severity,) and occupational diseases and illnesses	-	Because of the nature of the RCI Banque group's business activities, this indicator is of little relevance.
TRAINING		
Training policies implemented	p. 116	
Total number of training hours	p. 116	
DIVERSITY AND EQUAL OPPORTUNITIES/EQUAL TREATMENT		
Measures taken to promote equality between men and women	p. 121	
Measures taken to promote the employment and integration of disabled persons	p. 121	
Measures taken to prevent discrimination	p. 121	
PROMOTION AND ENFORCEMENT OF THE INTERNATIONAL LABOR ORGANIZATION'S BASIC CONVENTIONS		
Elimination of discrimination in employment	-	The RCI Banque group is firmly committed to the four basic principles set out here. moreover, compliance with them is basically a requirement by law in the countries where the group operates.
Freedom of association and right to collective bargaining	-	
Elimination of forced or compulsory labor	-	
Abolition of child labor	-	

Social	Summary	Comments
TERRITORIAL, ECONOMIC AND SOCIAL IMPACT OF THE COMPANY'S ACTIVITIES		
On employment and regional development	p. 122	
On neighboring and local populations	p. 122	
RELATIONS WITH INDIVIDUALS OR ORGANIZATIONS INTERESTED IN THE COMPANY'S ACTIVITIES		
Conditions of dialogue with these individuals or organizations	p. 122	In addition to its business relations with its different customers, the RCI Banque group also maintains relations with its local fabric.
Partnership or corporate philanthropy	p. 122	
SUBCONTRACTING AND SUPPLIERS		
Taking into account social and environmental issues in purchasing policies	p. 123	
Importance of outsourced work, suppliers and subcontractors and the inclusion of their social and environmental responsibilities	-	Purchases made by the RCI Banque group are a very small component in expenditure terms.
LOYALTY PRACTICES		
Action taken to prevent corruption	p. 123	
Measures taken to promote consumers' health and safety	p. 112 & 124	
OTHER ACTION TAKEN TO PROMOTE HUMAN RIGHTS		
Action taken to promote human rights	-	The RCI Banque group is committed to respecting human rights in all countries where it operates.

STATUTORY AUDITORS' REPORT

ERNST & YOUNG Audit
1/2, place des Saisons
92 400 Courbevoie - Paris La Défense 1
S.A.S. à capital variable
Statutory auditor Member,
Compagnie régionale de Versailles

This is a free translation into English of the original report issued in the French language and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

RCI BANQUE

Year ended the 31 December 2014

Independent verifier's report on consolidated social, environmental and societal information presented in the management report

To the shareholders,

In our quality as an independent verifier accredited by the COFRAC[1], under the number n° 3-1050, and as a member of the network of one of the statutory auditors of the company RCI Banque, we present our report on the consolidated social, environmental and societal information established for the year ended on the 31 December 2014, presented in the management report, hereafter referred to as the "CSR Information," pursuant to the provisions of the article L.225-102-1 of the French Commercial Code (*Code de commerce*).

RESPONSIBILITY OF THE COMPANY

It is the responsibility of the Board of Directors to establish a management report including CSR Information referred to in the article R. 225-105-1 of the French Commercial Code (*Code de commerce*), in accordance with the protocols used by the company composed of the HR reporting instructions (hereafter referred to as the "Criteria"), and of which a summary is included in introduction to chapter XX of the management report and available on request at the company's headquarters.

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by regulatory requirements, the Code of Ethics of our profession as well as the provisions in the article L. 822-11 of the French Commercial Code (*Code de commerce*). In addition, we have implemented a quality control system, including documented policies and procedures to ensure compliance with ethical standards, professional standards and applicable laws and regulations.

RESPONSIBILITY OF THE INDEPENDENT VERIFIER

It is our role, based on our work:

- to attest whether the required CSR Information is present in the management report or, in the case of its omission, that an appropriate explanation has been provided, in accordance with the third paragraph of R. 225-105 of the French Commercial Code (*Code de commerce*) (Attestation of presence of CSR Information);
- to express a limited assurance conclusion, that the CSR Information, overall, is fairly presented, in all material aspects, in according with the Criteria;

Our verification work was undertaken by a team of three people between September 2014 and February 2015 for an estimated duration of four weeks.

We conducted the work described below in accordance with the professional standards applicable in France and the Order of 13 May 2013 determining the conditions under which an independent third-party verifier conducts its mission, and in relation to the opinion of fairness and the reasonable assurance report, in accordance with the international standard ISAE 3000[2].

1. ATTESTATION OF PRESENCE OF CSR INFORMATION

We obtained an understanding of the company's CSR issues, based on interviews with the management of relevant departments, a presentation of the company's strategy on sustainable development based on the social and environmental consequences linked to the activities of the company and its societal commitments, as well as, where appropriate, resulting actions or programmes.

We have compared the information presented in the management report with the list as provided for in the Article R. 225-105-1 of the French Commercial Code (*Code de commerce*).

In the absence of certain consolidated information, we have verified that the explanations were provided in accordance with the provisions in Article R. 225-105-1, paragraph 3, of the French Commercial Code (*Code de commerce*).

- We verified that the information covers the consolidated perimeter, namely the entity and its subsidiaries, as aligned with the meaning of the Article L.233-1 and the entities which it controls, as aligned with the meaning of the Article L.233-3 of the French Commercial Code (*Code de commerce*) with the limitations specified in the management report, notably the use of a reporting scope restricted to 95% of the Group's workforce and the provision of limited information on environmental themes.

Based on this work and given the limitations mentioned above, we confirm the presence in the management report of the required CSR information.

2. LIMITED ASSURANCE ON CSR INFORMATION

NATURE AND SCOPE OF THE WORK

We undertook several interviews with the people responsible for the preparation of the CSR Information in the different departments including the people in the General Secretariat, the accounting department and the human resources department, who are in charge of the data collection process and, if applicable, the people responsible for internal control processes and risk management, in order to:

- Assess the suitability of the Criteria for reporting, in relation to their relevance, completeness, reliability, neutrality, and understandability, taking into consideration, if relevant, industry standards;
- Verify the implementation of the process for the collection, compilation, processing and control for completeness and consistency of the CSR Information and identify the procedures for internal control and risk management related to the preparation of the CSR Information.

We determined the nature and extent of our tests and inspections based on the nature and importance of the CSR Information, in relation to the characteristics of the Company, its social and environmental issues, its strategy in relation to sustainable development and industry best practices.

For the CSR Information which we considered the most important(3):

- At the level of the consolidated entity, we consulted documentary sources and conducted interviews to corroborate the qualitative information (organisation, policies, actions, etc.), we implemented analytical procedures on the quantitative information and verified, on a test basis, the calculations and the compilation of the information, and also verified their coherence and consistency with the other information presented in the management report § ;
- For the other consolidated CSR information, we assessed their consistency in relation to our knowledge of the company.

Finally, we assessed the relevance of the explanations provided, if appropriate, in the partial or total absence of certain information.

We consider that the sample methods and sizes of the samples that we considered by exercising our professional judgment allow us to express a limited assurance conclusion; an assurance of a higher level would have required more extensive verification work. Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the CSR Information cannot be entirely eliminated.

CONCLUSION

Based on our work, we have not identified any significant misstatement that causes us to believe that the CSR Information, taken together, has not been fairly presented, in compliance with the Criteria.

Paris-La Défense, the 9 February 2015

French original signed by:

Independent Verifier

ERNST & YOUNG ET ASSOCIÉS

Éric Mugnier	Olivier Durand
Partner, Sustainable Development	*Partner*

(1) Scope available at www.cofrac.fr

(2) ISAE 3000 – Assurance engagements other than audits or reviews of historical information

(3) **Societal Information:** territorial impact, economic and social (employment, regional development, impact on regional and local populations), business ethics (actions undertaken to prevent bribery and corruption, measures undertaken in favour of consumers' health and safety).

Social Information: employment (total headcount and breakdown, hiring and terminations, remunerations and their evolution), training policies, number of days of training.

GRENELLE II

The following chapter meets the provisions of the Grenelle II Act.
It relates to action by the RCI Banque group in relation to its corporate commitment towards its employees, and its broader commitment towards the society within which it operates and to the environment.
The RCI Banque group's prime responsibility is to its employees.
It has always put people at the heart of the business, and firmly believes that the men and women who work for the group are its most important asset.

The RCI Banque group's Human Resources policy, together with the Renault Group's strategy, "Together Drive the Change", focuses on four key areas:

- Developing skills and talents;
- Optimizing management of the wage and salary bill;
- Promoting high quality management;
- Strengthening individual motivation and commitment.

These areas were considered in detail during the development phase of the RCI Banque group's "Drive for Business" (D4B) strategy for the three-year period 2014-2016.

"DRIVE FOR BUSINESS" (D4B)

The D4B strategy has four key pillars:

- Expand the product line-up and step up the pace on services
- Step up the pace of digital innovation in order to build customer value
- Bring about changes to the organization in order to develop a performance culture
- Support the Alliance in its international expansion

The RCI Banque group has developed an HR strategy to underpin its D4B strategy. This "Human Resources for Business" (HR4B) strategy has four priority areas:

- Proactive management of strategic skills
- Individual management of talents
- Development of a performance culture
- Assertion of an employer identity

The RCI Banque group's HR4B strategy is explicitly designed to strengthen employee motivation and performance.

The different sections in this document describe a selection of achievements already made in these four areas.

1. CORPORATE PROVISIONS AND COMMITMENT TOWARDS EMPLOYEES

RCI BANQUE'S HUMAN RESOURCES - KEY FIGURES

WORKFORCE

The consolidated group has employees in 23 countries, which are grouped together into five regions:

Number of employees by region(*)	Dec-13	% of total	Dec-14	% of total	Change in % of total
Europe	2,470	87%	2,515	88%	1%
of which France	*1,311*	*46%*	*1,291*	*45%*	*-2%*
Asia-Pacific	100	3%	74	3%	-26%
Americas	158	6%	181	6%	15%
Africa, Middle East, India	95	3%	25	1%	-74%
Eurasia	19	1%	70	2%	268%
TOTAL	**2,842**	**100%**	**2,865**	**100%**	**1%**

(*) Note: The more substantial differences between 2013 and 2014 are attributable to the following changes in the scopes of the different regions:

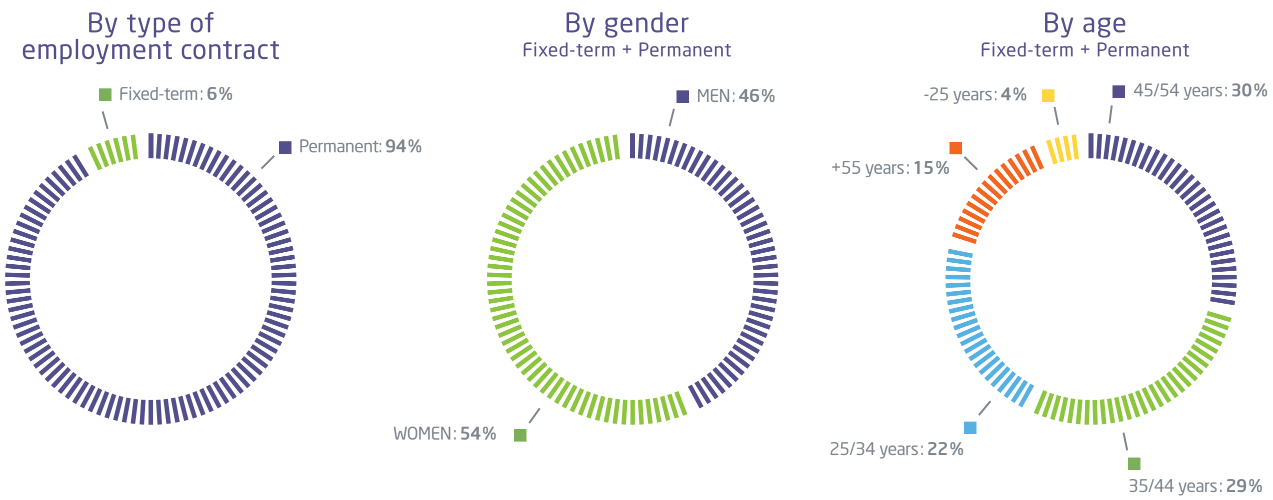
- The Russian employees (Eurasia region) were transferred to the local JV in 2014 and so are no longer included in the consolidated RCI Banque scope.
- Romania (69 employees) was moved from the Euromed-Africa region to Eurasia
- South Korea (Asia-Pacific region) saw a 26% cut in its workforce, partly as a result of the continuing staff downsizing program made necessary by the affiliate's economic situation, and partly because of the staff reshuffle.

This report provides detailed information about 95% of the total workforce and covers all regions in which the RCI Banque group operates, of which 96% of the workforce in European countries.

In 2014, six countries (Austria, Belgium, Netherlands, Poland, Portugal and Switzerland) were thus added to the reporting carried out in 2013. All main countries are therefore presented in this report.

The reporting scope will continue to be extended over the coming years, and in 2016, the report will cover all countries in which RCI operates.

DISTRIBUTION OF EMPLOYEES



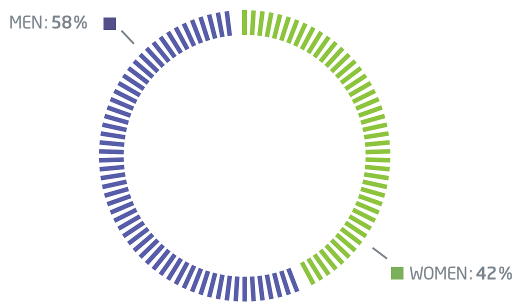
DISTRIBUTION OF APPOINTMENTS

During the course of 2014, RCI Banque appointed 189 employees (against 136 in 2013) on permanent employment contracts, equivalent to 7% of the total workforce in the main countries.

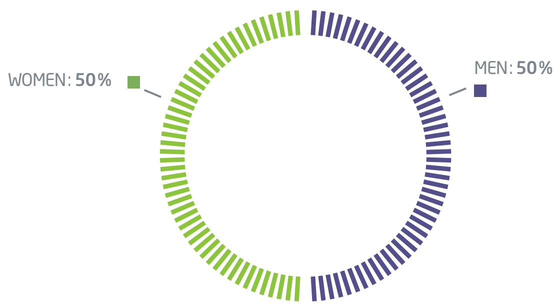
DISTRIBUTION OF DEPARTURES

During the course of 2014, 199 employees on permanent employment contracts left the RCI Banque group, of which 71 redundancies, which is equivalent to approximately 7.1% of the total workforce in the main countries.

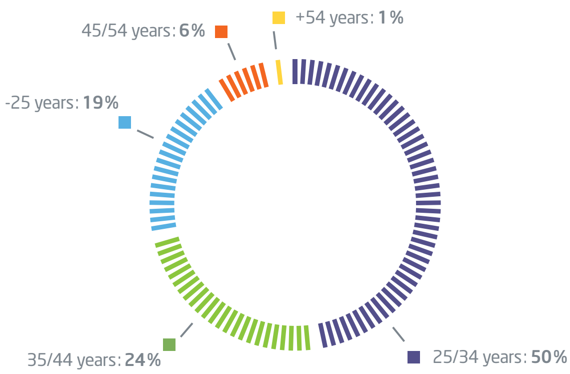
Permanent by gender



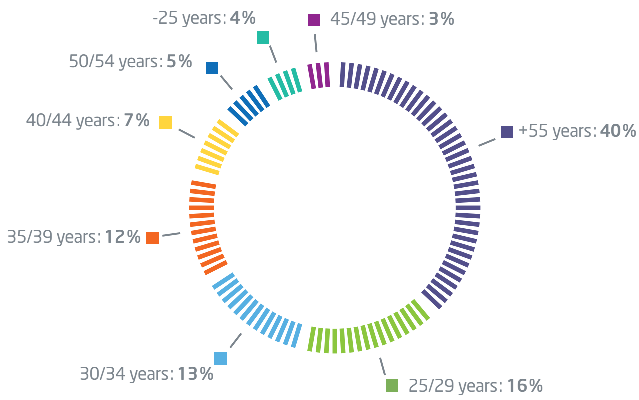
Permanent by gender



Permanent by age



Permanent by age



ABSENTEEISM

Distribution of absenteeism for the eight main countries. This rate includes absences for illness and occupational accidents. It does not include paid annual leave, family events or unpaid leave.

Country	2013 Absenteeism rate	2014 Absenteeism rate
Germany	4.65%	**9.10%**
Austria	Not reported	**4.00%**
Belgium	Not reported	**3.50%**
Brazil	1.30%	**2.70%**
South Korea	3.40%	**7.70%**
Spain	3.00%	**1.40%**
France	2.50%	**3.70%**
Italy	1.90%	**3.00%**
Netherlands	Not reported	**5.00%**
Poland	Not reported	**9.00%**
Portugal	Not reported	**3.50%**
Romania	0.80%	**3.10%**
United Kingdom	2.20%	**2.10%**
Switzerland	Not reported	**1.40%**

The overall absenteeism rate for 2014 was 4.2% over the scope considered.

Over the same scope, 13 occupational accidents with lost time were reported in 2014.

Theoretical length of the working week in the main countries

PAYS	Nombre d'heures
Germany	**39.0**
Austria	**38.5**
Belgium	**39.0**
Brazil	**40.0**
South Korea	**40.0**
Spain	**40.0**
France	**37.8**
Italy	**39.0**
Netherlands	**40.0**
Poland	**40.0**
Portugal	**37.5**
Romania	**40.0**
United Kingdom	**37.5**
Switzerland	**41.0**

1.1 DEVELOPMENT OF SKILLS AND TALENTS

Before detailing the achievements characterizing the RCI Banque group's commitment to its employees in 2014, a few words need to be said about two major changes that occurred in 2013 and 2014, relating to, respectively:

1. **the creation of a France entity in mid-2013**
2. **a change in the RCI Banque group's governance structure as from 1 October 2014**

1. On 1 July 2013, the group's organization changed significantly. The decision was made to give the France entity a single management chain in order to boost the group's performance in the country. Under this move, DIAC kept its single company status but its employees were divided up between RCI Banque's Corporate departments (some 450 employees) and the France Head Office (some 800 employees), depending on their area of work. Thus, the Corporate departments are now in a position to exercise fully their responsibility to supervise the countries in which RCI operates, and likewise, the France team is now fully dedicated to performance in France. The improvement in the sales results already recorded by the France entity shows the pertinence of this strategic move.
2. Pursuant to the Capital Requirements Directive IV (new European banking regulations), its transposition into France's Monetary and Financial Code (*Code Monétaire et Financier*) and the subsequent changes made to CRBF (*Comité de la réglementation bancaire et financière* - France's banking and finance regulatory body) regulations, significant changes were recently made to the RCI Banque group's governance structure. Previously under the responsibility of a Chairman and Chief Executive Officer, since 1 October 2014, the RCI Banque group has had a separate Chairman and CEO. Changes have also been brought to the group's governance bodies, with the creation of and/or adjustments made to the Board of Directors and the following governance bodies: Accounts and Audit Committee, Risk Committee, Nomination Committee, Remuneration Committee. This new organization became fully effective on 1 January 2015.

In 2014, RCI Banque implemented new French legislation requiring a specific meeting of the Works Council to be dedicated to the company's strategic policy. This meeting gave rise to in-depth discussions with employee representatives. Attention focused in particular on the changing workplace in relation to the rollout of D4B, with discussions about, for example, sales methods, services, CRM and the digital world, company activity, the customer relationship and information systems.

TRAINING

RCI Banque makes every effort to provide training for each and every one of its employees, regardless of their age, status or position within the group.

With that aim in mind, the group's offer covers all areas of vocational training, from specific training for each area of work, job and profession in the company, to more individual action geared towards personal development or the acquisition of language or cross-disciplinary skills.

The aggregate number of hours of paid training received by employees in the main countries came to a total of approximately 39,400 hours.

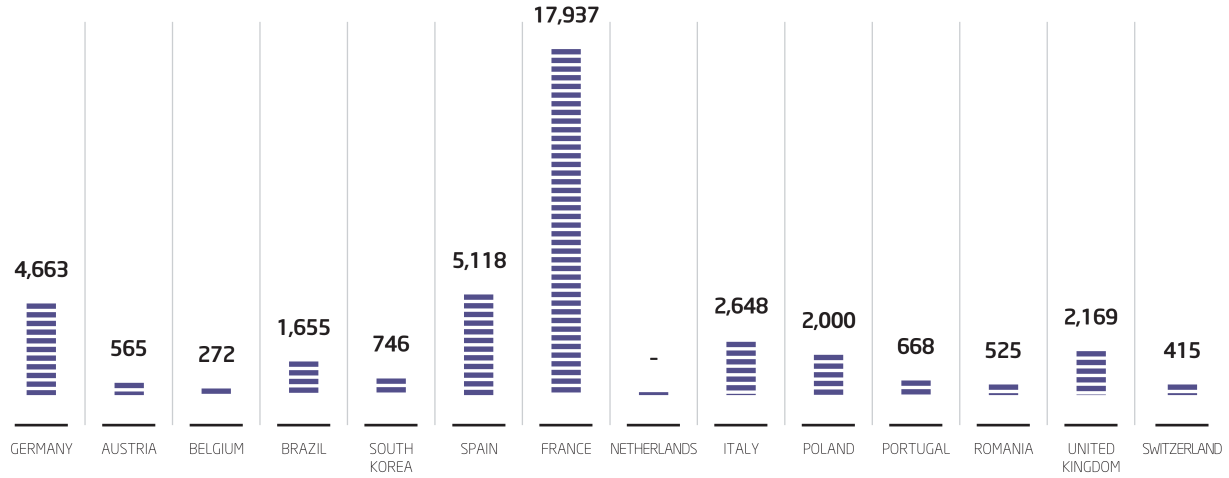
In France, where almost 4% of the wage and salary bill is devoted to training, 73% of employees had access to training.

A number of important training programs were initiated in 2014 in connection with the development of the new businesses and new lines of work resulting from D4B. These programs, designed for both employees working in RCI Banque's Corporate Departments and those doing related jobs in the subsidiaries, were in addition to the more traditional training programs available.

For instance, from 1 to 3 April 2014, the Corporate teams dedicated to the Corporate Customer activity were brought together at a seminar with the fleet sales directors and sales and marketing methods managers from sixteen subsidiaries. The seminar looked at the fleet sales strategy, training policies and training measures, and was rated as excellent by the seventy people who took part. After that, it was the turn of seventeen instructors from fourteen countries to come together from 28 to 30 April 2014 to learn about the training modules in detail and take them on board with a view to their implementation. It should be noted that this training has been included in the manufacturers' programs in the Renault and Nissan "Academy".

Similar processes were also initiated in 2014 in relation to Digital and Retail Sales Methods activities. They are continuing and will be increased in 2015.

Hours of paid training per country in 2014



APPRAISAL BY MEANS OF INDIVIDUAL REVIEWS

At RCI Banque, the individual review is an important time for dialogue between each employee and his or her line manager. It provides an opportunity to review the employee's performance over the past year, to set objectives for the coming year and to explain their contribution to the company's performance. During their individual reviews, employees also have a chance to formally express their training needs and to discuss their career development prospects in detail with their line manager.

In 2013, a new talent development tool was introduced in five RCI entities (Corporate + France, Brazil, Spain, Morocco, Romania). One of its major features is that it enables individual reviews to be carried out online.

Rollout of this new tool, which by nature is meant for all employees, continued in 2014. The tool was introduced in ten new countries (Argentina, Benelux, Colombia, Italy, Hungary, Malta, Poland, Portugal, Sweden, UK). Rollout should be fully completed during the first six months of 2015.

Besides digitalizing the annual individual review process, this new tool is also used as support in the collective assessment by managers of a/ how employees bring their knowledge and skill to their jobs, and b/ their career development potential. This evaluation process, known as a "people review", is carried out pre-individual review campaign. Its collective nature helps to bring objectivity to the assessments of employees by managers during individual reviews. Managers who took part in people reviews on an experimental basis in 2013 and then on a wider scale in 2014, expressed their great satisfaction with the system, unanimously acknowledging its merits and effectiveness. In 2014, 150 managers were able to benefit from this process.

SELECTION AND MANAGEMENT OF HIGH POTENTIAL EMPLOYEES

Every year, the RCI Banque group carries out a selection process to single out high potential employees. Candidates are put forward by HR Directors and Managers from Corporate and subsidiary departments to the group's Executive Committee meeting as the Career Committee, for examination and approval.

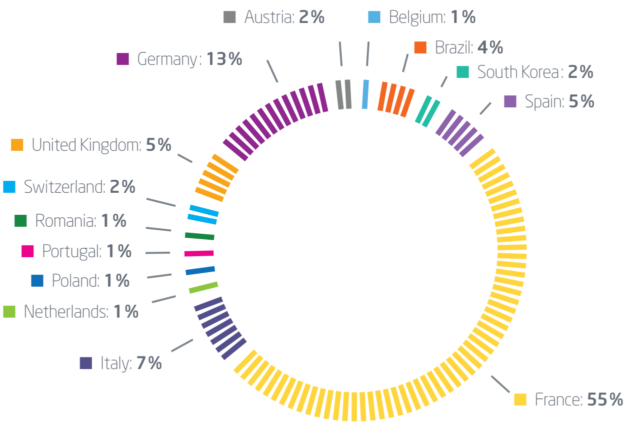
Employees selected and included on the list of high potential employees are monitored very carefully and benefit from special career path and salary progression measures.

Specific events and activities are also organized for them. For example, in 2010, the first "HPP Convention" (High Potential and Performer Convention) was held. The HPP Convention is a regular two-day seminar bringing together all of the group's high potential employees, at which they able to meet the group's senior management and build up their professional networks.

The most recent HPP Convention was held on 18 and 19 March 2014, on the theme of "New frontiers, new challenges". This convention put the spotlight on the RCI Banque group's international expansion, focusing on the steps taken by RCI Banque to support the Renault-Nissan Alliance in Eurasia. It also addressed the issue of the challenges raised by RCI Banque's digital transformation through a learning expedition to a startup incubator in Paris. This convention was exceedingly highly rated by participants.

1.2 MANAGEMENT OF THE WAGE AND SALARY BILL AND REMUNERATION POLICY

In 2014, personnel costs for the eight main countries came to a total of €210m.



With regard to France, the main components of pay are as follows:

- employee pay consists on an individual basis of a fixed regular amount plus a variable component, and on a collective basis, of profit-sharing;
- the fixed regular salary reflects the responsibilities of the post concerned, the command the holder has of that post and the development potential of the interested party. The variable component (e.g. group incentive bonus, performance-related bonus, sales bonus) is an expression of the annual performance achieved by the individual employee. Profit-sharing (e.g. the participation in France) recognizes collective performance;
- remuneration policy: every year, RCI Corporate defines an annual pay variation for each country, and each country then draws up its pay policy within that framework. For example, it may decide to award general (collective) pay increases and individual increases according to different categories (e.g. non-managers/managers) and national legislation, as well as bonuses. In France more particularly, the pay policy includes mandatory annual negotiations (négociation annuelle obligatoire, or NAO) required by law. In 2014, in line with the performance culture that is a key feature of D4B and HR4B, the principle of general pay increases, which non-management staff had previously enjoyed, was not renewed.

At the crossroads between the individual management of talents and the development of a performance culture (two of the four priorities of HR4B), in 2014, the RCI Banque group, with the Renault Group, developed a "levels of responsibility " reference base.

Under this reference base, all jobs in RCI are classified, or graded, according to the "weight" of the responsibilities or accountabilities they entail. This is known as "job grading", which could be summarized as the mapping of job levels. The reference base was developed using the methodology promoted by the Hay Group, an organization that is particularly well-known in the job evaluation and grading field.

This job grading system, which is already widely used by a number of large companies worldwide, has a number of key advantages. For example, it delivers:

1 - **greater clarity and consistency to the organization**

2 - **facilitation of career paths,** by providing individuals with input for thought about their career development and mobility.
HR Managers responsible for talent management are already using the levels of responsibility (job grading) reference base on a regular basis in their work on career paths and mobility.

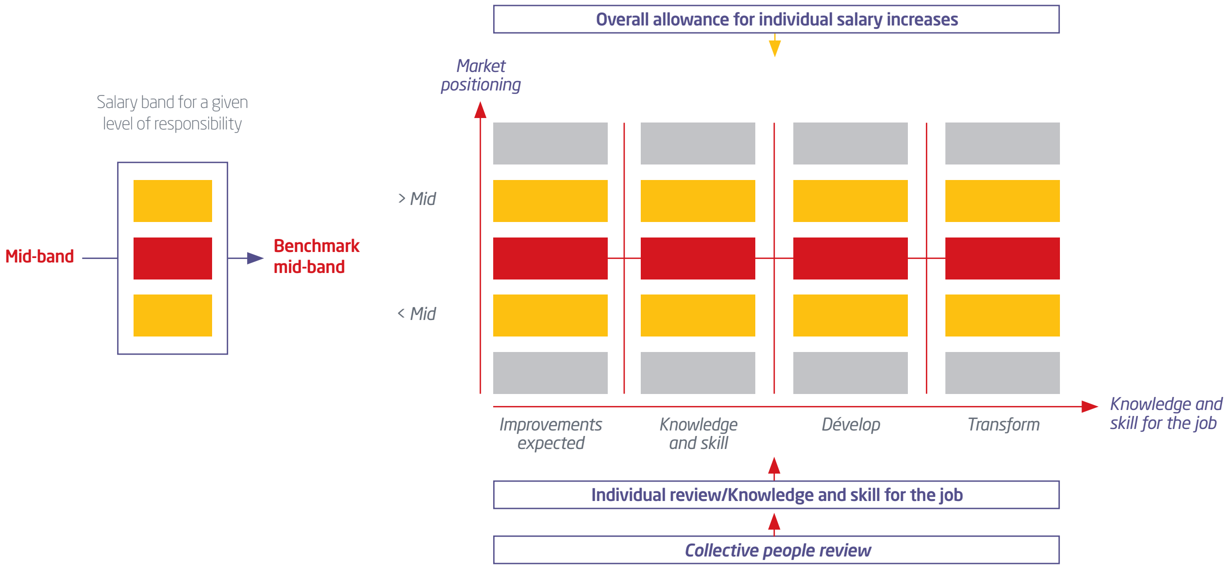
3 - **clarification of the link between responsibility/accountability, performance and reward,** and therefore greater transparency and fairness in employee salaries.

For each level of responsibility/accountability (job grade), there is a salary band benchmarked against the market in the country under consideration. Market positioning enables salaries for jobs with the same level of responsibility/accountability to be compared with local salary levels.

In countries where the levels of responsibility/accountability (job grading) reference base has been rolled out, such as in France for employees with executive/management status, it will be used for the salary reviews that will take place in the spring of 2015.

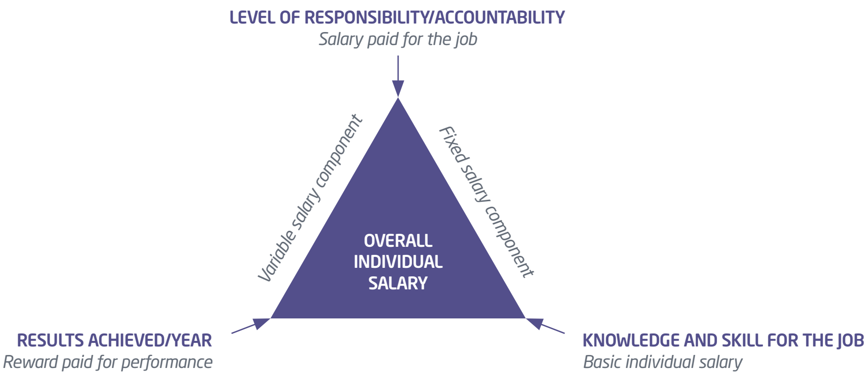
Managers will in this way have a decision support tool, enabling them to award relevant individual salary reviews based on 1/ the overall allowance allocated by the company for individual salary increases, 2/ the positioning of the employee's salary in the benchmark salary band for his/her level of responsibility/accountability (job grade) and 3/ the employee's level of knowledge and skill for the job.

The following diagram summarizes this process:



In conclusion, with the new HR evaluation and remuneration processes and tools used within the RCI Banque group, the company is equipping itself with a more efficient reward system:

- the level of responsibility/accountability determines the salary for the job;
- knowledge and skill for the job determines the individual's basic salary;
- the results achieved in relation to the targets set determine the reward paid for performance;
- these three components combined form the overall individual.



EMPLOYEE SAVINGS

The Diac group's company savings plan (*Plan Épargne Entreprise*) is intended to encourage the build-up of a collective reserve and offer Diac group employees the chance to build up a portfolio of securities.

The company savings plan has four unit trusts for employees to choose from in addition to an inaccessible special-purpose current account, as follows:

- Amundi Label Monétaire F
- Amundi Label Equilibre Solidaire F
- CPR ES Croissance
- Amundi Label Dynamique F

Employees are able to make voluntary payments into the plan of up to 25% of their annual pay. They receive a bonus contribution from the company of 27.5% of those voluntary payments, up to a maximum of €1,210 gross per year.

1.3 PROMOTION OF HIGH-QUALITY MANAGEMENT

The Renault Group has had a management charter entitled the "Renault Management Way" (RMW), for a number of years. Based on the values of the Renault Group, this charter underlines the roles and responsibilities of managers as "leaders, coaches and pathfinders". All managers in the RCI Banque group have received training to ensure that they grasp and embrace the principles of RMW. With a view to continuing this work, a number of new courses have been organized, such as one looking at "day-to-day feedback".

France	Number of hours (RMW)	Number of employees
2014	98	14

RCI Banque has also established its "Managerial Gatherings" in France, the purpose of which is to examine in greater depth the values of the RMW using original approaches. These gatherings consist of conferences given by outside speakers (from the worlds of sport, culture and business, etc.) on a quarterly basis, and are usually attended by around one hundred people.

Research conducted among audiences after each managerial gathering confirms not only that they are greatly interested in such events, but also that they make a useful contribution to their daily management work.

1.4 REINFORCEMENT OF INDIVIDUAL MOTIVATION AND COMMITMENT

The RCI Banque group pays very special attention to the well-being of its employees in the workplace, and in this respect, agrees with the expectations expressed by employees in a number of internal surveys.

HEALTH COVER

At the end of 2011, Diac decided to introduce a mandatory insurance policy for its employees with a *mutuelle* (insurance company providing complementary health cover), and to pay a contribution towards the premiums payable. This came into effect in January 2012. The company, consulting fully with the unions and employee representatives, made the decision to introduce this mandatory health insurance, a solution that offers greater flexibility to employees already present in the company, on a unilateral basis.

Discussions were also held with the unions and employee representatives about the level of cover and the contribution to be made by the company, as a result of which it currently pays between 32% and 45% of the premiums payable.

At year-end 2014, some 740 employees had signed up for this new complementary health cover. The beneficiaries of this measure particularly appreciate the level of services and cover provided for the premiums paid.

DIAC has proved to be a forerunner in this field, as only now have measures been introduced into French legislation requiring companies to make complementary health cover available to their employees by 1 January 2016.

RCI Switzerland and RCI Austria have launched vaccination campaigns for their teams and full health check-ups for their employees.

WELLBEING IN THE WORKPLACE

RCI Banque attaches great importance, particularly in France, to the prevention of psychosocial risks in the workplace.

Various surveys have been carried out among all employees on all sites in France in order to measure stress factors and their impact on employees.

Surveys to measure occupational stress carried out first in 2010 and then again 2012 (by a specialist firm) showed that the level of "overstress" experienced was within reasonable limits and less than the average seen in the sector.

Using the findings of these surveys as a basis, Diac developed its occupational stress prevention action plan, which was approved by all trade union organizations.

This plan includes three levels of prevention:

- Primary: reduce and even remove sources of occupational stress;
- Secondary: correct the effects of stress;
- Tertiary: take care of individuals who are particularly concerned by occupational stress.

Within this framework, several kinds of action have been put in place:

- *creation of Stress, Anxiety and Depression Medical Monitoring (Observatoire médical du stress, de l'anxiété et de la dépression, or OMSAD):* this is an assessment questionnaire which each employee is asked to fill in at the time of their annual medical and is then analyzed on an individual basis with the doctor carrying out the medical;
- *introduction of stress prevention training* for all managers, which was completed in 2013. 177 managers took part in the course, and all unanimously stressed how extremely effective it was with respect to their day-to-day management work. A special session was also held for employee representatives with responsibility for health, safety and working conditions;
- *introduction of relaxation workshops* run by nurses.

In 2013, the psychosocial risk prevention plan saw a new development, with psychological support for individuals suffering from stress provided by specialists supervised by the occupational medical officer. This scheme was also used again in 2014. The psychosocial risk prevention plan is regularly assessed and consequently updated in cooperation with the trade unions and employee representative bodies.

INCLUSION IN EMPLOYMENT OF DISABLED PEOPLE

The RCI Banque group is sensitive to the situation of disabled people. In Spain in particular, the group gave its support to the Fundación ONCE in 2013 with a donation of 11.183 €.

Summary of the number of disabled individuals listed in the eight main countries:

COUNTRIES	Number of disabled individuals 2013	Number of disabled individuals 2014
Germany	8	8
Austria	Not reported	1
Brazil	3	3
South Korea	2	2
Spain	2	2
France	32	28
Italy	8	13
TOTAL	55	57

EQUALITY BETWEEN MEN AND WOMEN IN THE WORKPLACE AND WORK-LIFE BALANCE

RCI Banque is also very careful to ensure equality between its male and female employees in the workplace, and that they are all able to achieve a balance between their work and private lives.

In France, as the 2011 agreement on "equality between women and men in the workplace and on reconciliation of work and family live" signed with all trade union organizations has been implemented, its effects have gradually been reinforced. The agreement includes a number of particularly significant measures, including:

- salary realignment for female employees who have been on maternity leave. Under this provision, fourteen female employees were repositioned following an analysis of their career histories;
- RCI Banque's participation in a network of inter-company nurseries. This scheme allows young parents to apply for and be awarded nursery places at public nursery prices.

In 2014, fifteen infant places were offered and taken up. At a follow-up meeting on the agreement with the trade union organizations, the latter again underlined how satisfied the families benefiting from this measure were.

The 2011 agreement, which was initially signed for a three-year period, was renegotiated at the end of 2014. Management and the trade union organizations restated their determination to actively promote "equality between women and men in the workplace and the reconciliation of work and family life". A new agreement has been signed on March 2015 by the parties.

Teleworking is also an aspect of RCI's efforts to help its employees achieve a better work-life balance.

At the end of the experimental initiative stage, which particularly concerned the IT and Human Resources Departments, on 20 December 2013 Management and the trade union organizations signed a company-wide agreement aimed at gradually extending teleworking within the company and making it more widespread. This agreement was followed by a number of new applications from employees wishing to work from home, and RCI Banque now has a total of eighty three employees in teleworking arrangements in France.

A number of other countries, for example Spain and the Netherlands are also engaged in action in this area.

At year-end 2014, a total of 196 RCI employees worldwide enjoyed the benefit of teleworking arrangements.

1.5 QUALITY OF LABOR RELATIONS

In addition to the above, in France, the Management of Diac and three trade union organizations signed an "intergenerational company agreement" on 11 October 2013. This three-year agreement, approved by the Government in reference to the Act of 1 March 2013, includes a set of measures in four areas: the sustainable inclusion of young people in employment, the employment of seniors, the transfer of knowledge and skills, and equality of access to employment and during a career. Quantified objectives have been set for these measures.

In Spain, at the end of 2012, RCI Spain signed a wage agreement for 2013 and 2014. This agreement closely links pay reviews with the company's expected performance and includes provisions introducing flexible working hours into the working time arrangements.

In conclusion, as shown by the company agreements already mentioned in this document (see above), good relations and dialogue with trade unions and employee representative bodies are a strong tradition within the RCI Banque group.

2. SOCIAL PROVISIONS AND COMMITMENT TO SOCIETY

2.1 CORPORATE SOCIAL RESPONSIBILITY PROJECTS

In 2014, the RCI Banque group led a number of Corporate Social Responsibility (CSR) projects.

These projects were mainly in the areas of education, humanitarian aid and road safety.

EDUCATION

RCI Banque Spain works with a number of Madrid universities (e.g. Universidad Complutense, CUNEF, ICADE), providing internships in order to promote access to employment for students.

In addition, every year, the amount saved by not sending greetings cards to suppliers and customers is donated to the Opkikker, foundation, which supports sick children.

In France, DIAC has traditionally had an ambitious "Young Persons Policy", characterized by the acceptance of students on sandwich course placements and internships. In 2014, seventy-one young people with two to five years' higher education were awarded internships, and five secondary school pupils were accepted on work experience placements.

In Morocco, in association with Renault Morocco, the subsidiary is helping to improve access to education and protect against school dropout. Renault Morocco has become involved with local voluntary organizations in Tangier and financed the purchase of school buses for €150,000, from which seven hundred pupils have benefitted. The aim is to ensure transport and educational support for pupils in the Fahs Anjra province, to help reduce the number of children dropping out of school in this region.

Again in the Moroccan youth field, RCI and Renault have launched a special program for secondary and high school pupils in the Melloussa and Tangier areas, via two sponsorship operations:

- Sponsorship of the Junior Film Club, the "*Lanterne Magique*": a project for children between the ages of eight and twelve from Tangier's "tough" neighborhoods.
- Sponsorship of the film initiation scheme for Melloussa Secondary/High School and the Centre for Young Girls in Melloussa.

More than 1,000 pupils (secondary and high school) are concerned by this €10,000 project, which encourages young people from all social backgrounds to come together and be part of society, through access to culture and a wider understanding of the world of film.

HUMANITARIAN SUPPORT

In Belgium, the subsidiary's management gave each employee a Christmas bauble in support of the fight against breast cancer launched by "Pink Ribbon".

In France, the Management of Diac and its Works Council jointly organized a food collection for the "*Les Restaurants du Cœur*" charity, which helps homeless people. This operation was suggested by a company employee who is a volunteer with the charity.

ROAD SAFETY

RCI and Renault Morocco rolled out a program called "Tkayes" for 70,000 people at a cost of €180,000. The idea was to raise awareness of the dangers of roads and road travel. In collaboration with the Ministry for Transport and Logistics, and with the National Committee for the Prevention of Traffic Accidents, a number of operations to raise awareness of road safety were organized for different target demographics (school pupils, young people, businessmen, general public, etc.).

RCI Spain also carried out operations to promote sustainable mobility and culture.

SUSTAINABLE MOBILITY

RCI contributed €15,000 to the *Fundación Renault para la movilidad sostenible.*

CULTURE

RCI Banque Spain encourages its employees to join the Friends of the Prado Museum society (*Amigos del Museo del Prado*), in association with the Renault Foundation (*Fundación Renault*), by means of an 80% contribution to the society's membership fees. In 2014, the sum of €1,800 was paid out in this way.

Also of note is the fact that the Spanish subsidiary has been awarded the Family-Responsible Company certificate by the "*Fundación Mas Familia*" for its efforts to promote fairness and work-family life balance.

2.2 PROVISIONS DIRECTLY RELATED TO THE RCI BANQUE GROUP'S CUSTOMER BUSINESS ACTIVITIES

REGULATORY COMPLIANCE

Like all lenders, RCI Banque is required to abide by strict rules and regulations concerning the information that must be given to its customers, and more especially to consumers, before they take out a loan, and the processing of their confidential data.

These rules and regulations result from the transposition of EC Directives or are introduced by local legislators. RCI Banque has put in place a system that ensures its compliance in this area:

- each subsidiary or branch has a structure that monitors changes in regulations, through reference to newsletters sent out by legal firms and auditors, membership of professional organizations, and by reading regulatory texts, etc.
- the monitoring structure keeps the line staff concerned continuously informed about any changes in the regulations. The latter are then responsible for taking the relevant and necessary action;
- a compliance committee made up of members of the management committee meets quarterly in each subsidiary or branch to review changes in the regulations and the progress made on the requisite action plans;
- any major events or problems are reviewed by the Group Compliance Committee;
- the Permanent Control department carries out inspections to ensure independent assessment of the situation.

LOAN APPROVAL POLICY

As part of its role and responsibilities towards its shareholder, RCI Banque endeavors to facilitate access to financing and vehicle purchase while being careful not to expose its customers to difficulties as a result of over-borrowing and at the same time securing expected profitability.

RCI Banque also makes sure that it complies with any current regulations governing checks on a potential customer's solvency (gathering of information and documentary evidence, dialogue with the customer, record checks, use of decision-support scores, etc.). Processes, tools and training for dealership staff and sales employees are continuously improved in order to secure the best possible performance.

In France, this results in a loan approval rate of about 90% of customers on average over each business cycle. The figures do of course differ from one country to another, but management and oversight of loan approval and debt collection follow the same method.

PRICING

Pricing has to cover the cost of the resource, distribution costs, operating expenses and the cost of risk, while securing the return on equity demanded by the shareholder and investors and required to comply with prudential ratios. It also needs to be competitive in comparison to that applied by rival lenders. Consequently pricing will vary from one country to another and take into account the loan term, personal contribution and type of good financed (new or used vehicle), to ensure that the aforementioned objectives are achieved.

When running special promotional campaigns, manufacturers or dealers may make a contribution to the rate of return so that they can advertise particularly attractive interest rates for customers.

INSURANCE AND RELATED SERVICES

The RCI group also offers a comprehensive range of insurance products covering borrower (payment protection) and auto risks, and services related to vehicle use.

To summarize, these provisions concerning the range of products and services, risk management and pricing show the RCI group's ability to facilitate access to vehicle use and achieve a high penetration rate on sales by Alliance brands (35.2%) while keeping the cost of risk down (0.50% of average performing loan outstandings), both in its own interest and in the interest of its customers.

CORRUPTION

As a result of its status as a banking institution, RCI Banque is subject to current banking regulations, including those concerning the Internal Control Function (compliance with CRBF Regulation 97-02) and more recently, the Order of 3 November 2014 concerning the internal control of banking sector companies).

All RCI Banque group employees have received a copy of the Renault Group's Charter of Ethics.

Similarly, anti-money laundering e-learning training has been provided by a number of subsidiaries (France, Portugal, Belgium, Netherlands and Spain).

2.3 PROVISIONS DIRECTLY RELATED TO THE SAVINGS BUSINESS

The so-far successful growth of this business in France and in Germany and its more recent launch in Austria in 2014, outstandings for which totaled €6.5 billion at year-end 2014 (up 51% compared to 2013) and accounted for 25% (up 8 points compared to 2013) of the RCI group's average performing loan outstandings, involves the group's customers (193,000 of them, a 44% increase compared with the previous year) in the development of the real economy and at the same time offers them an attractive return.

Changes in the retail savings business

(in billion euros)

3. ENVIRONMENTAL PROVISIONS

It is considered that the environmental information required by the Grenelle 2 Act is not relevant to RCI's activities for the following reasons:

RCI's own impacts are related to its offices worldwide and to its employees. The reporting in place only allows an estimation of these impacts:

- energy
- water
- paper
- waste...

As regards impacts related to its activities, RCI finances vehicles manufactured by Renault and Nissan, the types of which are chosen by customers.

In 2014, RCI provided financing for 1,270,141 vehicles, including 22,734 electric vehicles.

RCI plays a part in defining the electric vehicle business model by financing vehicle batteries so that they are marketed competitively in relation to the rest of the range.

GENERAL INFORMATION

I. GENERAL INFORMATION ABOUT THE COMPANY

A/ GENERAL PRESENTATION

NAME AND REGISTERED OFFICE

Registered name: RCI Banque S.A.

At the Extraordinary General Meeting held on 13 November 2001, the name of the Company was changed from Renault Credit International S.A. Banque to RCI Banque S.A.

Nationality: French
Registered office: 14, avenue du Pavé Neuf
93168 Noisy-le-Grand Cedex
Tel.: +33 1 49 32 80 00

LEGAL FORM

Société anonyme (a public limited company under French law) registered at the Paris Commercial Court on 4 June 1974, upon instrument notarized on 9 April 1974 and approved at the Ordinary General Meeting of 28 May 1975.

GOVERNING LAW

The Company is governed by the provisions of the *Code de Commerce* (French Commercial Code). On 7 March 1991, RCI Banque received approval from the *Banque de France* to make the requisite changes in its articles and by-laws allowing it to become a bank. Since that date, RCI Banque has been subject to all the laws and regulations applicable to credit institutions, in particular the provisions of the French's Act 84-46 of 24 January 1984, incorporated into the *Code monétaire et financier* (French Monetary and Financial Code).

DATE CREATED AND TERM

The Company was created on 9 April 1974. It began operating on 21 August 1974, for a term of 99 years, i.e. until August 2073.

CORPORATE PURPOSE

The main purpose of RCI Banque is to engage in credit and banking operations of all kinds, in France and abroad, directly or indirectly, on its own behalf or on behalf of third parties, for the purposes of:

- financing the acquisition of goods or services or for other purpose; in particular, long-term credit transactions as well as issuance or management of payment systems in connection with such transactions;
- conducting studies of all kinds relating to the formation, expansion and transformation of industrial, commercial, financial and service undertakings;
- conducting full or partial studies, and engaging in consulting and negotiating activities in economic, financial, commercial and managerial areas;
- conducting research on designing and improving managerial, organizational and financial systems;
- carrying out projects resulting from the aforementioned studies, or contributing to the execution thereof by any appropriate means, including taking equity interests in existing or new entities;
- financing business entities, in particular by acquiring holdings of their equity or debt securities, using the Company's own funds or borrowed funds;
- providing investment services as defined by the French Financial Activities Modernization Act (96-597) of 2 July 1996;
- managing the portfolio of securities resulting from these activities, in particular by carrying out all purchase, sale, exchange and transfer transactions in securities of all kinds;
- doing business as an insurance intermediary within the meaning of the French law of 15 December 2005 transposing the European Directive of 9 December 2002, acting as agent, commissioner or broker;
- more generally, carrying out any industrial, commercial, financial or property transactions directly or indirectly related to the corporate purpose or to any similar or connected purposes useful to, or facilitating the realization and development of that purpose.

REGISTRATION AND IDENTIFICATION NUMBER

The Company is registered with the Bobigny Register of Companies under number 306 523 358, APE code 6419Z (business activity code), Siret: 306 523 358 00068.

ACCESS TO LEGAL DOCUMENTS

Legal documents pertaining to the issuer may be consulted at the Company's registered office.

FINANCIAL YEAR

The Company's financial year starts on 1 January and ends on 31 December of each calendar year.

B/ SPECIAL BY-LAW PROVISIONS

STATUTORY ALLOCATION OF EARNINGS

(Article 36 – distribution of dividends)

Net income consists of net revenues for the year, less overhead costs and other corporate expenses, and after depreciation, amortization and impairment allowances. At least five percent of net income less any prior-year losses is appropriated to fund the legal reserve. Once the amount of the legal reserve is equal to one-tenth of the share capital, this appropriation is no longer mandatory. It is resumed in the event that the legal reserve falls below one tenth of the share capital for any reason. Distributable income consists of the current year's net income less any prior-year losses and amounts appropriated to the legal reserve in accordance with the foregoing paragraph, and any other transfers required by applicable law, plus unallocated retained earnings brought forward from previous years. From this income, the Ordinary General Meeting may decide to distribute dividends.

Such dividends shall be appropriated first from the distributable income generated in the current year. From the available surplus, the Ordinary General Meeting may appropriate any amounts it deems appropriate, to be carried over to one or more general or special reserve accounts to be allocated or used as it sees fit.

GENERAL MEETINGS

(articles 27 to 33 of the by-laws)

Types of General meeting

Each year, the shareholders convene in an Annual General Meeting, which must be held within five months of the end of the financial year. In addition, the shareholders may hold Ordinary General Meetings that meet on an extraordinary basis, or Extraordinary General Meetings when their purpose is to amend the by-laws, except as otherwise provided for by law, may also be held. The General Meeting, duly constituted, represents all shareholders. Its decisions, taken in accordance with law and the Company's by-laws, are binding on all shareholders, even those who are absent, incapable of attending or in disagreement. Shares held in treasury by the Company are not counted when calculating the quorum for the various meetings.

Two members of the works council, appointed by that council, one representing engineers and managerial staff and the other representing support staff, may attend general meetings.
The Board of Directors may decide that shareholders will be able to take part in and vote at general meetings by videoconference or any other means of telecommunication that permits them to be identified as required by law.

Notice of meetings

The Board of Directors calls the shareholders to General Meetings by means of a notice indicating the date, time and place of meeting.

General Meetings may also be convened by:

- the Statutory Auditors;
- a representative appointed by order of the presiding judge of a French commercial court ruling in summary proceedings at the petition either of any interested party, or of one or more shareholders who together own at least 5% of the share capital;
- the receivers.

Quorum – majority

Ordinary and Extraordinary General Meetings are subject to the quorum and majority requirements prescribed by law and exercise the powers allocated to them by law.

Composition of meetings

All shareholders, regardless of the number of shares they own, may attend general meetings, participate in the proceedings and vote. Owners of registered shares who have requested that such shares be duly recorded in the Company register at least five days before the meeting are admitted upon presentation of identification. Shareholders may be represented by another shareholder, or by their spouse. Proxies prepared in accordance with the law must be received at the registered office at least five days before the date of the meeting.

All shareholders, regardless of the number of shares they own, may attend Extraordinary Meetings, take part in the proceedings and vote. The right to vote in Ordinary General Meetings belongs to the beneficial owner of the shares to which the right is attached; the right to vote in Extraordinary General Meetings belongs to the named legal owner.

When a general meeting has been called, the Company shall, at its own expense, deliver or send a mail ballot and attachments thereto, to any shareholder who so requests by registered mail (return receipt requested).

The Company must honor any request received by its registered office no later than six days before the date of the meeting. The mail ballot must include certain information as stipulated by Articles R.225-76 et seq. of the *Code de Commerce* (French Commercial Code).

It must clearly notify the shareholder that abstention from voting or failure to indicate voting instructions on any item shown on the form will be treated as a vote against the proposed resolution. The form may be included in the same document as the proxy form, if applicable. In this event, the applicable provisions are those of Article R.225-78 of the *Code de Commerce* (French Commercial Code).

The documents stipulated by the aforementioned Article R.225-76 must be attached to the mail ballot. A mail ballot sent to the Company for a given General Meeting is also valid for any subsequent meetings convened to address the same agenda. Mail ballots must be received by the Company at least three days before the date of the meeting. If a proxy is returned with a mail ballot, the proxy is taken into consideration subject to the votes indicated in the mail ballot.

Meeting officers - attendance sheet

The General Meeting is chaired by the Chairman of the Board of Directors or, in his absence, by the Vice Chairman, if one has been named, or by a director appointed by the board. If the meeting has been convened by the Statutory Auditors, by a court-appointed representative or by the receivers, one of their members chairs the meeting. The votes are counted by the two largest shareholders, either acting on their own behalf or as representatives, or, if they decline, by the next largest shareholders, and so on, until this responsibility is accepted. These officers appoint the secretary of the meeting, who need not be a member of the meeting. An attendance sheet containing all information required by law and regulation is drawn up at shareholders' meetings.

The meeting's officers may attach to the attendance sheet all proxy or mail ballots showing the last name, usual first name and address of each shareholder represented or casting a mail ballot, the number of shares that he or she owns, and the number of votes attached to those shares.

In this case, the meeting's officers shall indicate the number of proxies and mail ballots attached to the attendance sheet, together with the number of shares and voting rights associated with such proxies and mail ballots. Proxies and mail ballots shall be submitted at the same time and under the same conditions as the attendance sheet. The accuracy of the attendance sheet, duly initialed by the shareholders in attendance and by shareholders' representatives, is certified by the meeting's officers.

The responsibilities of the officers relate exclusively to the holding of the meeting and proper conduct thereof; their decisions are always provisional and remain subject to a vote by the meeting itself. Any interested party may initiate such a vote.

Agenda

The meeting's agenda is established by the Board of Directors or by the person who convenes the General Meeting.

However, under the conditions prescribed by law, one or more shareholders may request that certain draft resolutions not concerning the presentation of candidates for the Board of Directors be included on the agenda.

Minutes

The proceedings of general meetings are recorded in minutes that are entered in a special numbered and initialed register and signed by the meeting's officers. The minutes may be drawn up on sequentially numbered, initialed loose-leaf sheets.

Copies or extracts of the minutes to be provided for legal or other purposes are duly certified either by the Chairman of the Board of Directors or by a director serving as chief executive or by the meeting's secretary.

Such copies or extracts are valid with respect to third parties provided only that the signatures thereon are valid.

C/ GENERAL INFORMATION ABOUT THE SHARE CAPITAL

C-1/ GENERAL PRESENTATION

Share capital

The share capital, which was initially 2,000,000 French francs, was subsequently altered by capital increases and by conversion into euros. Following these changes, the share capital has stood at €100,000,000 since 22 November 2000. It is divided into 1,000,000 fully paid shares of €100 each.

C-2/ CHANGES IN SHARE CAPITAL OWNERSHIP OVER THE PAST THREE YEARS

Shareholders

At 31 December 2014, Renault s.a.s. owned all of the share capital (apart from the eight shares granted to the Directors as required under the regulations).

Changes in share capital ownership over the past three years

None

Individuals or legal entities that exercise or may exercise control over RCI Banque

Renault s.a.s. owns 99.99% of RCI Banque.

Organization - issuer's position within a group

The Renault Group consists of two separate and distinct branches:

- the automobile branch;
- the sales financing branch composed of the RCI Banque group. Through its status as a bank, its independent access to financial markets and its inclusion in Renault's marketing policy, RCI Banque offers a competitive range of automobile financing products and related services to Renault Group brand dealership networks worldwide and to Nissan brand dealership networks in Europe. The organization of the RCI Banque group is described on the back cover of this document.

C-3/ MARKETS FOR ISSUER'S SECURITIES

The Company's shares are not listed on any stock exchanges.

Securities listings

Publicly traded debt securities of the RCI Banque group are listed on the Luxembourg and Paris stock exchanges.

D/ BOARD OF DIRECTORS EXECUTIVE BODIES

The Board of Directors met five times in 2014.

At this time:

- There are no conflicts of interest between the duties of members of the governing and executive bodies and their private interests with regard to the RCI Banque group;
- There are no service contracts binding any member of the Board of Directors to RCI Banque or any of its affiliates and providing for rewards to be granted at the end of the contract;
- Independently of the regulated agreements, there are no arrangements or agreements with principal shareholders, customers, suppliers or others under which any member of the Board of Directors has been selected.

Details concerning the composition of the Board of Directors are given in the chapter on Financial Security, paragraph III.1.1.1.1 "Composition of the Board of Directors".

E/ COMPENSATION PAID TO OFFICERS AND DIRECTORS

For 2014, compensation paid by the RCI Banque group to its main senior managers totaled €1,673,442, compared with €1,395,033 in 2013.

It should be noted that as a result of the changes made to the Senior Management structure in 2014, the scope taken into account in determining this figure has been extended to include more individuals than previously.

F/ EMPLOYEE PROFIT SHARING SCHEME

In accordance with Articles L.442-1 et seq. of the Code du travail (French Labor Code), a profit-sharing agreement was signed on 2 June 2003. Profit-sharing is allocated to all group employees in proportion to the gross salary received by each eligible individual during the relevant year, up to the limits set by law. Each beneficiary may choose to allocate this amount:

- either to a current account in his or her name on the Company's books, or;
- to units in a unit trust.

The RCI Banque group does not have a stock option plan for its employees, officers and directors.

In millions of euros	2014	2013	2012	2011	2010
Profit-sharing	**7.5**	7.5	7.3	7.2	6.8
Beneficiaries	**1,393**	1,407	1,399	1,418	1,376

G/ FEES PAID TO STATUTORY AUDITORS AND THEIR NETWORK

	ERNST&YOUNG Statutory auditors network				KPMG Statutory auditors network				DELOITTE TOUCHE TOHMATSU Statutory auditors network				OTHERS Statutory auditors network			
	2014		2013		2014		2013		2014		2013		2014		2013	
	H.T.	%	H.T.	%	H.T.	%	H.T.	%	H.T.	%	H.T.	%	H.T.	%	H.T.	%
1- Audit fees																
Statutory auditing, certification, examination of single-company and consolidated financial statements	925	100	869	88	1,073	100	-	-	-	-	1,309	96	85	100	-	-
Other audit and audit-related engagements	-	-	118	12	-	-	-	-	-	-	51	4	-	-	-	-
Total audit fees	925	100	987	100	1,073	100	-	-	-	-	1,360	100	85	100	-	-
2- Other services																
Legal, tax and employment matters	-	-	-	-	66	56	-	-	-	-	-	-	7	18	21	32
Information systems	-	-	-	-	-	-	-	-	-	-	3	10	-	-	36	55
Other (inventory checks, etc.)	-	-	21	100	51	44	-	-	-	-	28	90	31	82	9	13
Total fees for other services	-	-	21	100	117	100	-	-	-	-	31	100	38	100	66	100
GRAND TOTAL	925		1,008		1,190		0		0		1,391		123		66	

H/ EXTERNAL AUDITORS

KPMG S.A

Immeuble Le Palatin. 3, Cours du Triangle
92939 LA DEFENSE CEDEX
Société Anonyme (Limited company under French law) listed on the Nanterre Nanterre Register of Companies under no. 775726417

Statutory auditor Member,
Compagnie régionale de Versailles

Term of office: six years

Term expires: Accounting exercise 2019

Represented at 31 December 2014 by Mr. Valery FOUSSE

ERNST & YOUNG AUDIT

Tour First - TSA 14444 - 1/2 Place des Saisons
92037 Paris La Défense Cedex
S.A.S. with variable capital

Statutory auditor Member,
Compagnie régionale de Versailles

Term of office: six years

Term expires: Accounting exercise 2015

Represented at 31 December 2013 by Mr. Bernard HELLER

II - BACKGROUND

RCI Banque is the result of the merger on 1 January 1990 between:

- Diac, created in 1924 to finance sales of Renault vehicles in France,
- and Renault Credit International, established in 1974 to finance sales of Renault vehicles in Europe. Under the terms of the agreement of 27 March 1999 between Renault and Nissan, the RCI Banque group acquired Nissan's sales financing subsidiaries in five European countries.

  Those subsidiaries have been consolidated by RCI Banque since 1 July 1999.At 31 December 2002, all shares were held by Compagnie Financière Renault, which in turn was wholly owned by Renault S.A. Compagnie Financière Renault served as the umbrella for all Renault Group finance companies. From 20 June 2003, as a result of its merger with Renault s.a.s., Compagnie Financière Renault stopped being a director and shareholder of RCI Banque and since then, 100% of the share capital has been held by Renault s.a.s.

A/ DEPENDENCE

RCI Banque provides financing to Renault Group and Nissan sales Dealers and Customers. RCI Banque is not subject to any patents, licenses, industrial supply contracts, commercial or financial sourcing agreements or agreements regarding new manufacturing processes.

B/ INVESTMENT POLICY

Main investments and disposals over the last four financial years.

	DISPOSALS - DISSOLUTIONS - MERGERS	ACQUISITIONS	CREATIONS
2014	**France:** Merger by absorption of SOGESMA S.A.R.L by DIAC S.A		
2013	**France:** Merger by absorption of COGERA S.A by DIAC S.A **United Kingdom:** Dissolution of R.F.S and of RENAULT ACCEPTANCE LTD **Italy:** Dissolution of OVERLEASE S.R.L **Mexico:** Transfer to NISSAN of the 15% interest in NRFINANCE MEXICO S.A **Poland:** Merger by absorption of RCI BANK POLSKA by RCI Banque S.A **Turkey:** Transfer of 50% of RCI PAZAR-LAMA VE DANISMANLIK HIZMETLERI LTD SIRKETI which becomes ORF KIRALAMA PAZARLAMA DANISMANLIGI ANOMIM SIRKETI		**South Korea:** RCI INSURANCE SERVICE KOREA **India:** Nissan Renault Financial Services India Private Limited **Netherlands:** RNSF B.V and BARN B.V holdings under the partnership with NISSAN & UNICREDIT for the creation of RN BANK in RUSSIA. **Russia:** RN BANK **Poland:** RCI BANQUE S.A oddzial W POLSCE (branch) opened
2012		**France:** Buy-out by Diac S.A. of the 5.19% interest in Cogera S.A. held by Renault s.a.s	
2011	**Austria:** Merger by absorption of RCI Banque GmbH **France:** Merger by absorption of SIGMA Services S.A by Diac Location S.A.		**Austria:** RCI Banque S.A. Niederlassung Österreich (branch) opened **Hungary:** RCI Services KFT (sales company) opened **Italy:** ES mobility S.R.L created **Ireland:** RCI Banque Branch Ireland (branch) opened **Turkey:** ORFIN Finansman Anonim Sirketi (financing subsidiary) opened

III. STATEMENT BY THE PERSON RESPONSIBLE FOR THE ANNUAL REPORT

I hereby declare that, to the best of my knowledge, the in- formation contained in this document is correct, and that all reasonable steps have been taken to that end. There are no omissions likely to alter the scope of this information, which is a fair and true reaction of the group's business development and results, and provides a description of the principal risks that the group may face.

I declare that the financial statements, prepared in accordance with applicable accounting standards, give a true and fair picture of the group's assets and liabilities, financial position, and profit or loss.

March 24, 2015
Chairman of the Board of directors

Dominique THORMANN

DOCUMENTS AVAILABLE TO THE PUBLIC

This document is available on the RCI Banque website **www.rcibanque.com.**

Anyone wishing for further information about the RCI Banque group may, without obligation, request documents:

RCI Banque

Direction Financements et Trésorerie
API LPN 45
14, avenue du Pavé Neuf
93168 Noisy-le-Grand CEDEX - France

RCI Banque
groupe **RENAULT**

RCI Banque - S.A. with share capital of €100,000,000
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