
Renault Group to sell to Nissan up to 211,000,000 Nissan shares representing approximately 5% of Nissan capital

Boulogne-Billancourt, December 12th, 2023

Renault Group announces that it will sell to Nissan up to 211,000,000 Nissan shares, representing approximately 5% of Nissan capital, among the 28.4% of Nissan shares that were transferred by Renault Group into a French trust on November 8, 2023.

This sale will be implemented as part of the share buyback program announced by Nissan on December 12, 2023, and that will be executed on December 13, 2023.

In accordance with the New Alliance Agreement, Renault Group and Nissan will continue to hold cross-shareholdings of 15%.

Assuming a maximum number of 211,000,000 Nissan shares sold at a share price of ¥568.5, this sale would result, at the transaction date, in:

- a disposal value of up to €765 million, which would improve the net financial position of Renault Group Automotive segment;
- a capital loss on disposal of up to €1.5 billion, which would impact the net income in Renault Group's consolidated financial statements (this capital loss, booked in "other operating income and expenses", would not impact the Group's operating income). This amount is a maximum that could be adjusted at year-end to reflect Nissan's capital allocation strategy;
- a capital gain on disposal of up to €50 million in the company statements of Renault S.A.

The transaction will have no impact on the remaining Nissan shares on the balance sheets of Renault Group and Renault S.A.

This disposal fits in with Renault Group's capital allocation strategy, which consists of 2 phases:

- Phase #1: implementing the strategic projects of the "Revolution" phase of the Group (including Ampere and Horse), while improving operating performance and free cash flow generation and reducing debt.
 - The priority is to return to an investment grade credit rating;
 - Until this investment grade rating objective is reached, the Group will apply its dividend policy, with a gradual increase of its pay-out ratio up to 35% of net income - Group share. It will also continue to implement employee shareholding plans, with the aim to reach 10% of employee shareholders by 2030;

- As announced at its Capital Market Day in November 2022, Renault Group plans to reinvest at least 50% of the excess cash generated by the Group. Renault Group will dedicate a maximum of 15 to 20% of its free cash-flow to financial investments (subject to be aligned with the Group's ROCE targets).
- Phase #2: further development of Renault Group around its various value chains and return to shareholders.

About Renault Group

Renault Group is at the forefront of a mobility that is reinventing itself. Strengthened by its alliance with Nissan and Mitsubishi Motors, and its unique expertise in electrification, Renault Group comprises 4 complementary brands - Renault, Dacia, Alpine and Mobilize - offering sustainable and innovative mobility solutions to its customers. Established in more than 130 countries, the Group has sold 2.1 million vehicles in 2022. It employs nearly 106,000 people who embody its Purpose every day, so that mobility brings people closer. Ready to pursue challenges both on the road and in competition, Renault Group is committed to an ambitious transformation that will generate value. This is centred on the development of new technologies and services, and a new range of even more competitive, balanced, and electrified vehicles. In line with environmental challenges, the Group's ambition is to achieve carbon neutrality in Europe by 2040.

More information: <https://www.renaultgroup.com/en/>

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