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**2020 ANNUAL RESULTS: RCI BANK AND SERVICES MAINTAINS A ROBUST  
COMMERCIAL AND FINANCIAL PERFORMANCE  
IN A CAR MARKET IN STEEP DECLINE**

- **Against the backdrop of the Covid-19 pandemic and a global automotive market down 19.4%<sup>1</sup>, RCI Bank and Services reached a record penetration rate<sup>2</sup> of 47.5% of registrations compared with 44.2% vs 2019.**
- **In Europe, RCI Bank and Services supported Renault, the leading brand in electric vehicle sales, in reaching its CAFE objectives<sup>3</sup> and financed 49,434 ZOE contracts, for an increase of +104% vs 2019.**
- **With 349,243 financing contracts, down -5.2% from 2019, the used vehicles business showed resilience in 2020.**
- **RCI Bank and Services sold 4.6 million service contracts in 2020, down -9.6% on 2019, with 1.8 services sold for each vehicle registered.**
- **Cost of risk remained under control at 0.75% of average performing assets, compared with 0.37% in 2019. The increase can be attributed to provisions aimed at covering the non-payment risk of some customers and business sectors made fragile by lockdown measures and the slowdown in business.**
- **In this context, RCI Bank and Services maintained a robust financial performance, with pre-tax group income of €1,003 million, down -24.4% from 2019.**
- **Deposits from individual customers grew by €2.8 billion to reach €20.5 billion, 43% of the company's net assets at end December 2020.**
- **With a Net Promoter Score<sup>4</sup> of +47 points in 2020, RCI Bank and Services maintained a high level of customer satisfaction. During the first half of the year, RCI Bank and Services' Net Promoter Score was 19 points higher than that of other captive finance companies, and 27 points higher than that of traditional banks.**

*"With a pre-tax income of €1,003 million, RCI Bank and Services is continuing to make a strong contribution to Groupe Renault's results. Its profitability, its investment capacity, and its high rate of customer satisfaction are strengths that Groupe Renault can draw on. Starting in 2021, RCI Bank and Services will use its expertise in automotive financing and fleet management to support Mobilize,"* said Clotilde Delbos, Deputy Chief Executive Officer and Chief Financial Officer of Groupe Renault, CEO of the Mobilize brand and Chairman of the Board of Directors of RCI Bank and Services.

*"Despite a sharp decline in registrations in 2020, RCI Bank and Services maintained its average performing assets at the level recorded of 2019. We have been supporting the sharp upturn in the Alliance brands"*

<sup>1</sup> In the operating scope of RCI Bank and Services, or 36 countries.

<sup>2</sup> Penetration rate excluding companies accounted for under the equity method: Russia, Turkey and India.

<sup>3</sup> CAFE: Corporate Average Fuel Economy.

<sup>4</sup> The Net Promoter Score (NPS) is the percentage of customers who evaluate their likelihood of recommending a company, product or service to a friend or a colleague at 9 or 10 ("promoters") minus the percentage evaluating this probability at 6 or less ("detractors") on a scale of 0 to 10.

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*business activity since June. This is reflected in a penetration rate of 47.5%, up 3.3 points. I would like to thank all our employees for the commitment they have shown throughout 2020. In 2021, we will offer digital journeys and even more flexible offers to our customers in order to strengthen our performance and boost our support to the Alliance brands,” explained João Leandro, Chief Executive Officer of RCI Bank and Services.*

### **SALES PERFORMANCE: A PENETRATION RATE ON THE RISE FOR ALL THE BRANDS**

In a global automotive market down 19.4%<sup>5</sup>, RCI Bank and Services achieved a record penetration rate<sup>6</sup> of 47.5%, compared with 44.2% in 2019. RCI Bank and Services also confirmed its successful integration in the sales policies of the Alliance brands, with a penetration rate of 49.0% for Renault (up +3.8 points on 2019), 48.7% for Dacia (up +3.5 points) and 39.2% for Nissan (up +1.8 points).

The total volume of vehicle financing contracts was down -15.5% with 1,520,330 contracts financed at end 2020, generating €17.8 billion in new financings.

With 49,434 ZOE financing contracts, an increase of +104% on 2019, RCI Bank and Services supported Renault in reaching its CAFE objectives and maintaining its momentum on the electric vehicle market in Europe.

Used-car vehicle financing activity showed a slight decline of -5.2%, with 349,243 contracts financed in 2020.

A pillar of the group's strategy, the services business continued to show resilience by selling 4.6 million contracts, down -9.6 % from 2019. RCI Bank and Services sold 1.8 services for each vehicle registered by the Alliance brands in its business scope, compared with 1.5 services in 2019.

### **RCI BANK AND SERVICES ACHIEVES A HIGH-LEVEL OF FINANCIAL PERFORMANCE IN A CHALLENGING CONTEXT**

Average performing assets (APM) stood at €46.9 billion, down by -1.1% compared to 2019. Of this amount, €37.6 billion was directly linked to the Customers business, up +1.1 %.

Net banking income stood at €1.95 billion, or a decrease of -6.7% compared with 2019, impacted by a negative currency effect of €64 million. Net banking income as a percentage of APA stood at 4.17%.

Operating costs came to €585 million or 1.25% of APA, having improved by €11 million and 1 basis point compared with the previous year. With an operating coefficient of 29.9%, a 1.4 points improvement, RCI Bank and Services is showing its ability to adapt its operating costs to the level of its activity and is fully in line with Groupe Renault's fixed cost-cutting plan.

<sup>5</sup> In the operating scope of RCI Bank and Services, or 36 countries.

<sup>6</sup> Penetration rate excluding companies accounted for under the equity method: Russia, Turkey and India

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The total cost of risk therefore stood at 0.75% of APA compared with 0.37% in 2019.

The cost of risk in the Customers business (financing for individuals and companies) improved substantially to 0.89% of APA in 2020, compared with 0.47% of APA the previous year. This fall is due to the increase in provisions following the negative repercussions of lockdown policies on several sectors in the economy and the slight rise in the share of non-performing loans in outstandings. Moreover, the downward revision of micro-economic forecasts had a negative impact on the forward-looking adjustment of provisions under IFRS 9<sup>7</sup>. The cost of risk for the Dealer Networks business (dealership financing) stood at 0.18% of APA in 2020 compared with a negative cost of risk of -0.09% in 2019, also negatively impacted by the updating of macro-economic forecasts in connection with the forward-looking adjustment of provisions under IFRS 9.

Pre-tax income stood at €1,003 million at end 2020, compared with €1,327 million in 2019. This decline is primarily a result of the increase of €176 million in the cost of risk, of a negative currency effect of €35.9 million linked to the devaluation of the Brazilian real and the Argentine peso, and the non-repetition of non-recurring positive impacts linked to disposals carried out in 2019.

### DEPOSITS ARE CONTINUING TO GROW IN AN ENVIRONMENT OF LIMITED FUNDING NEEDS

RCI Bank and Services launched its deposit collection business in Spain in November 2020. At end December 2020, deposits from retail customers (savings accounts and term deposits) in France, Germany, Austria, United Kingdom, Brazil and Spain stood at €20.5 billion, compared with €17.7 billion at end December 2019, and accounted for 43% of net assets at end December 2020.

In the secure refinancing segment, revolving periods were extended for another year for private securitizations of automotive loans in the UK and of leasing in Germany. The French subsidiary also undertook its first debt securitization in automotive Leasing with Option to Buy (LOA) in France for €991.5 million.

The contraction of sales activity reduced financing needs. Only one bond issue, a seven-year, fixed-rate issue for €750 million, was completed in January.

In this context, the liquidity reserve increased sharply to €16.6 billion, compared with €9.6 billion at end 2019. This reserve allowed RCI Bank and Services to maintain the financing granted to its customers for more than 12 months without access to outside liquidity.

### RCI BANK AND SERVICES PLACES CUSTOMER SATISFACTION AT THE HEART OF ITS 2021 PRIORITIES

In 2021, RCI Bank and Services will place the satisfaction of its four types of customers (final customers, Alliance manufacturers, dealers, and employees) at the heart of its actions.

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<sup>7</sup> The IFRS9 provisioning standard provides an estimate of losses on the portfolio based on customers' profiles and their recent history of payment behavior. Forward-looking adjustment aims to anticipate the effect of the future economic context on this same payment behavior and therefore on expected losses.

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To this end, RCI Bank and Services is focusing on four priorities:

1. **Providing more digital journeys to customers** via a “phygital” approach that will offer them an ultra-personalized purchasing journey, whether they prefer to start the process online and complete it in a dealership, or vice versa.
2. **Transitioning from selling cars to selling kilometers** through the development of offers based on usage, even more with services included, notably using the subscription model.
3. **Strengthening and optimizing its economic model** while maintaining a high level of profitability, by applying strict control of operating expenses and optimizing the use of primary sources of financing (deposits, senior financing, secure financing).
4. **Developing new working methods** by drawing on both collective intelligence (through agile methods and the implementation of tribes) and the expertise of each employee and their capacity to take risks.

### Press contacts

<b>RCI Bank and Services</b> Amandine Monteil + 33(0) 6 87 71 80 63 <a href="mailto:amandine.monteil@rcibanque.com">amandine.monteil@rcibanque.com</a>	<b>Agence CLE</b>  + 33 (0)1 84 16 06 22 <a href="mailto:rcibspres@agencecle.fr">rcibspres@agencecle.fr</a>
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### About RCI Banque S.A.:

Created and wholly owned by Groupe Renault, RCI Banque S.A. is a French bank specializing in automotive financing and services for the customers and dealership networks of Groupe Renault (Renault, Dacia, Alpine, Renault Samsung Motors and Lada) worldwide, the Nissan group (Nissan, Infiniti and Datsun) mainly in Europe, Brazil, Argentina and South Korea and through joint ventures in Russia and India, and Mitsubishi Motors in the Netherlands.

RCI Bank and Services has been the new commercial identity of RCI Banque S.A. since February 2016.

With 3,800 employees in 36 countries, the group financed over 1.5 million contracts (for new and used vehicles) in 2020 and sold more than 4.6 million services.

At end-December 2020, average performing assets stood at €46.9 billion in financing and pre-tax income at €1.003 million.

RCI Bank and Services has rolled out a deposits collection business in six countries since 2012. At end-December 2020, net collected deposits totaled €20.5 billion, or 43% of the company's net assets.

Find out more about RCI Bank and Services: [www.rcibs.com](http://www.rcibs.com)

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