



Capital Market Day

16 September, 2004

Stefano Chmielewski
President Renault Trucks

Renault Trucks :

A multispecialist with a wide offer, always customer-focused



General haulage



Express parcels



Controlled temperature



Bulk liquids



Bulk powders



Construction



Local authorities

All others :



Defense



Timber



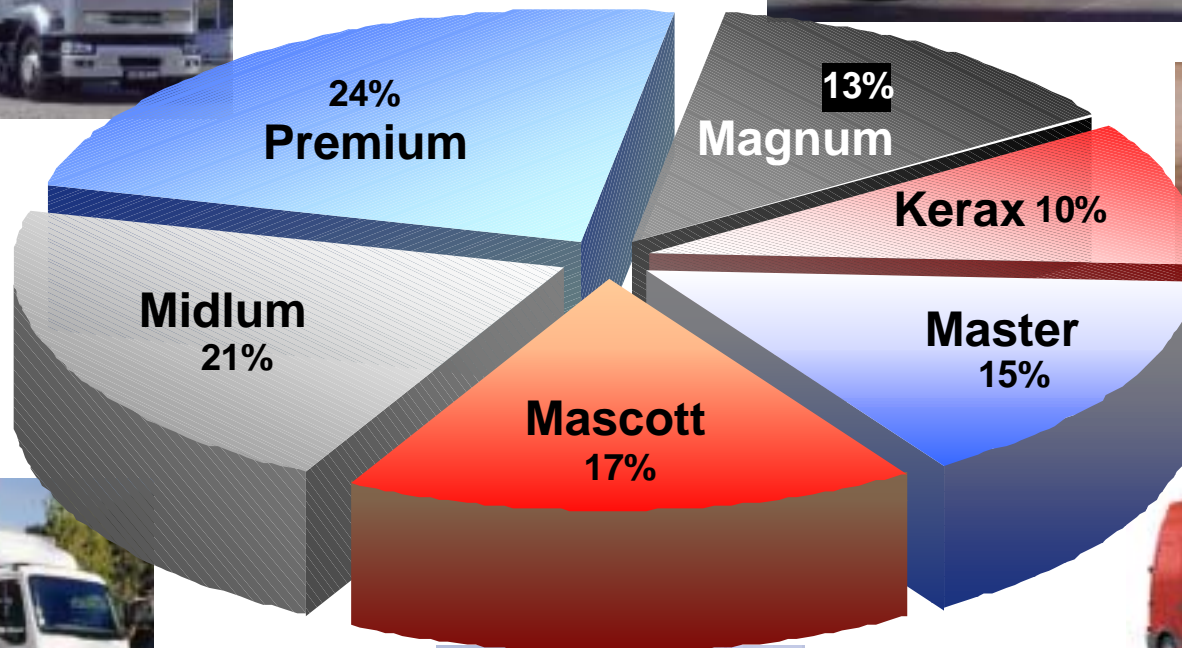
Special applications



Heavy haulage

Breakdown of sales per range

YTD July 2004





Achievements

SALES DEVELOPMENT

YTD July 2004 / YTD July 2003

New trucks : + 14%

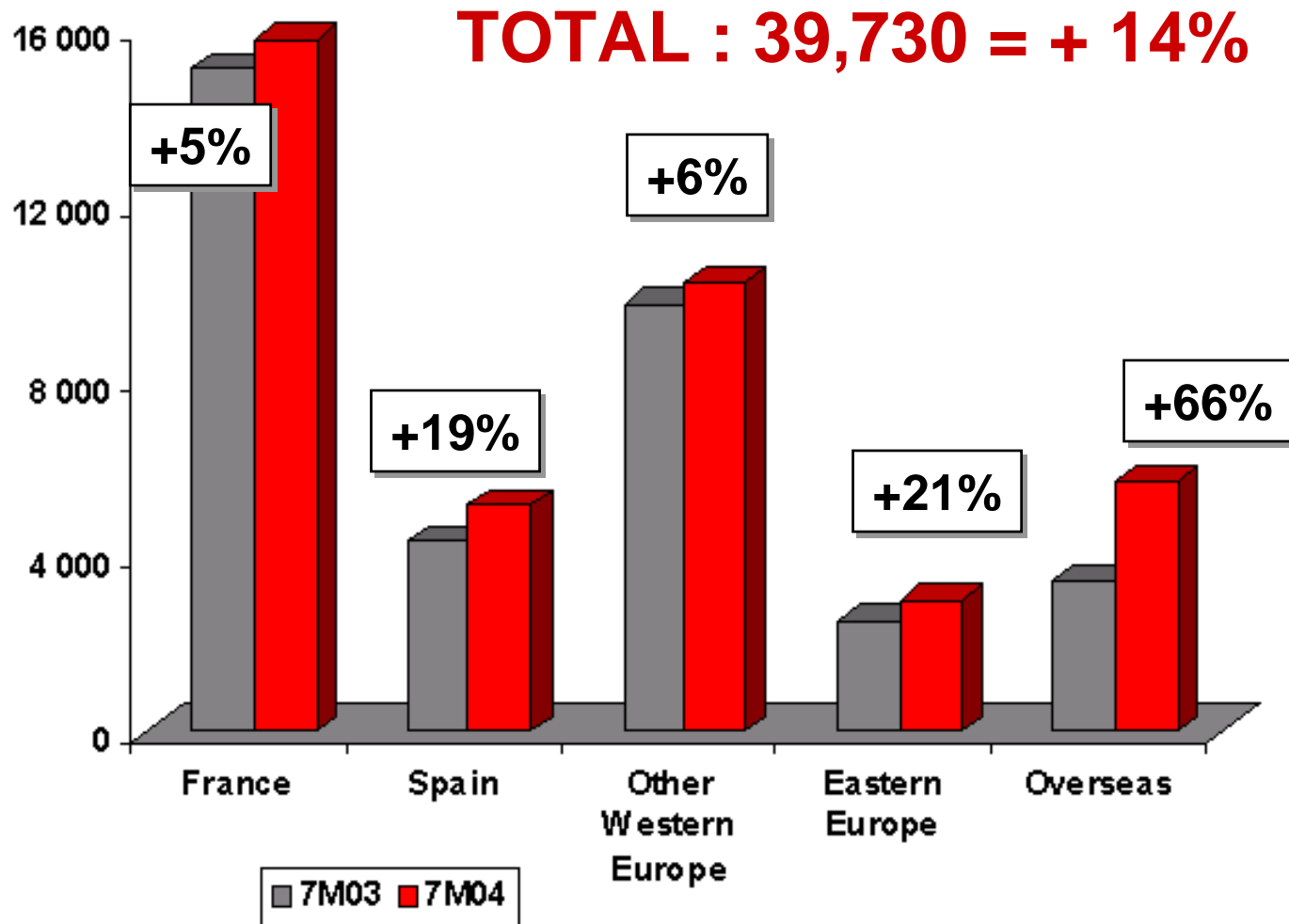
Spare Parts : + 5%

Used Trucks : + 24 %

New truck sales per destination (units)

YTD July 2004 / YTD July 2003 – All ranges

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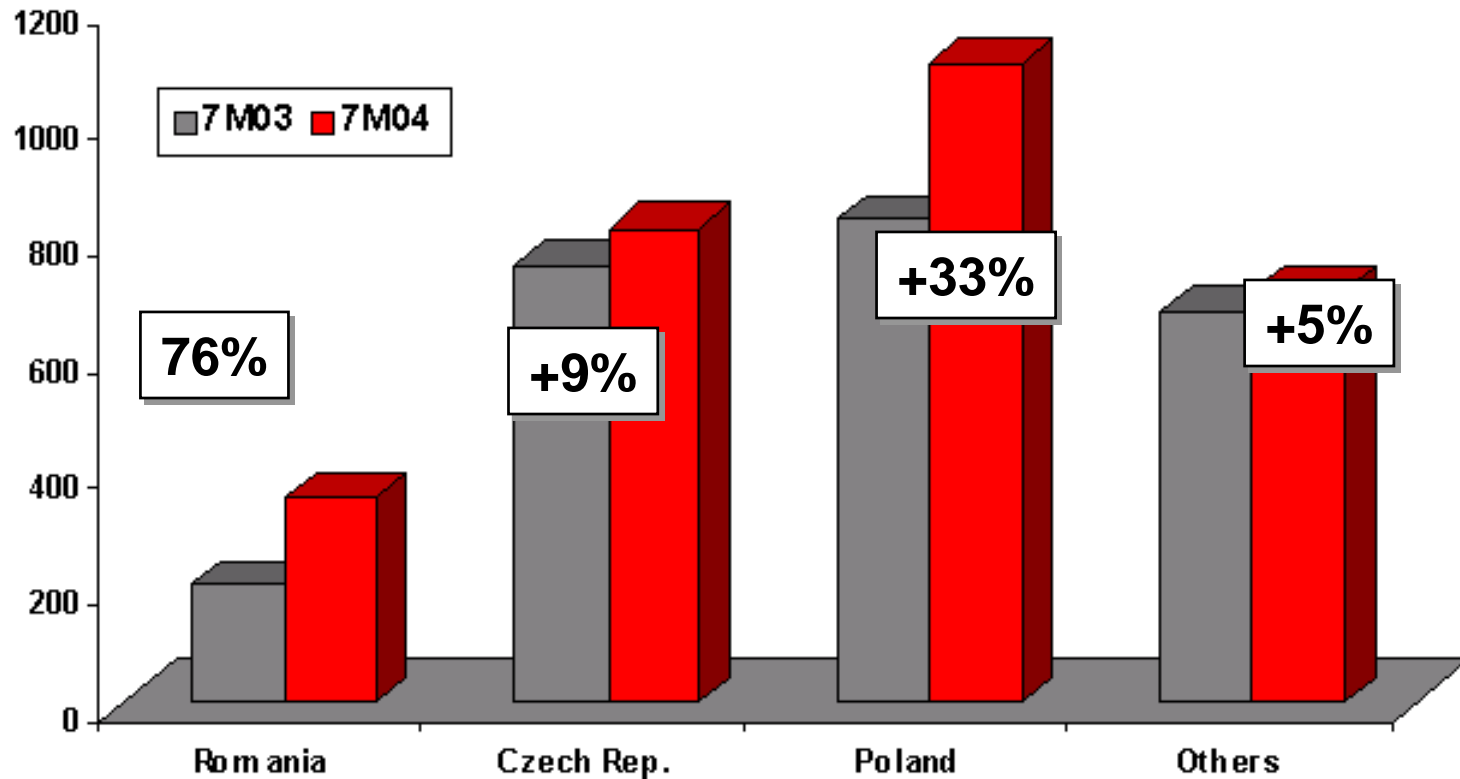


New truck sales (units) : Focus on Eastern Europe

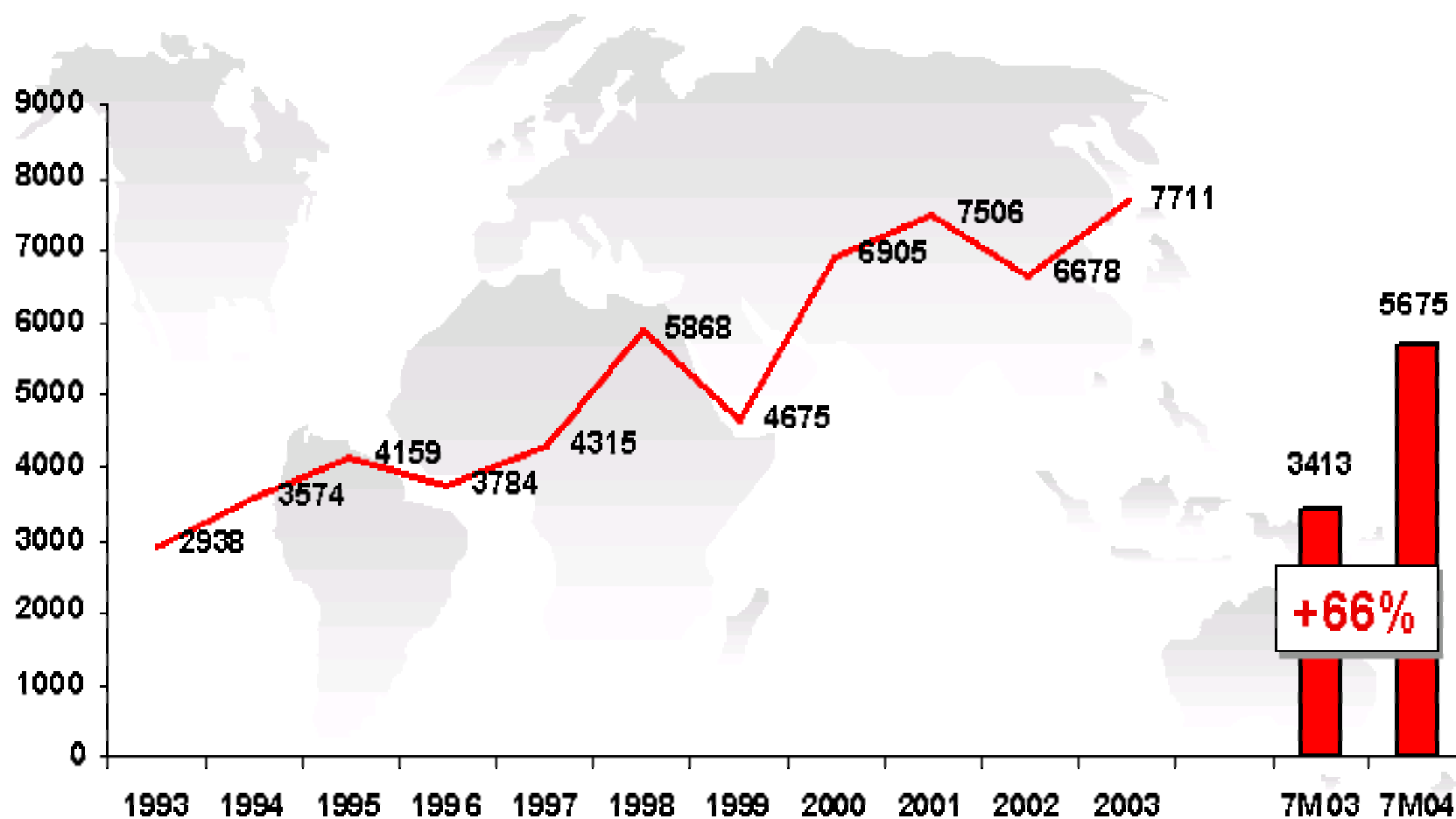
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YTD July 2004 / YTD July 2003 – All ranges

TOTAL : 2,977 = + 21%

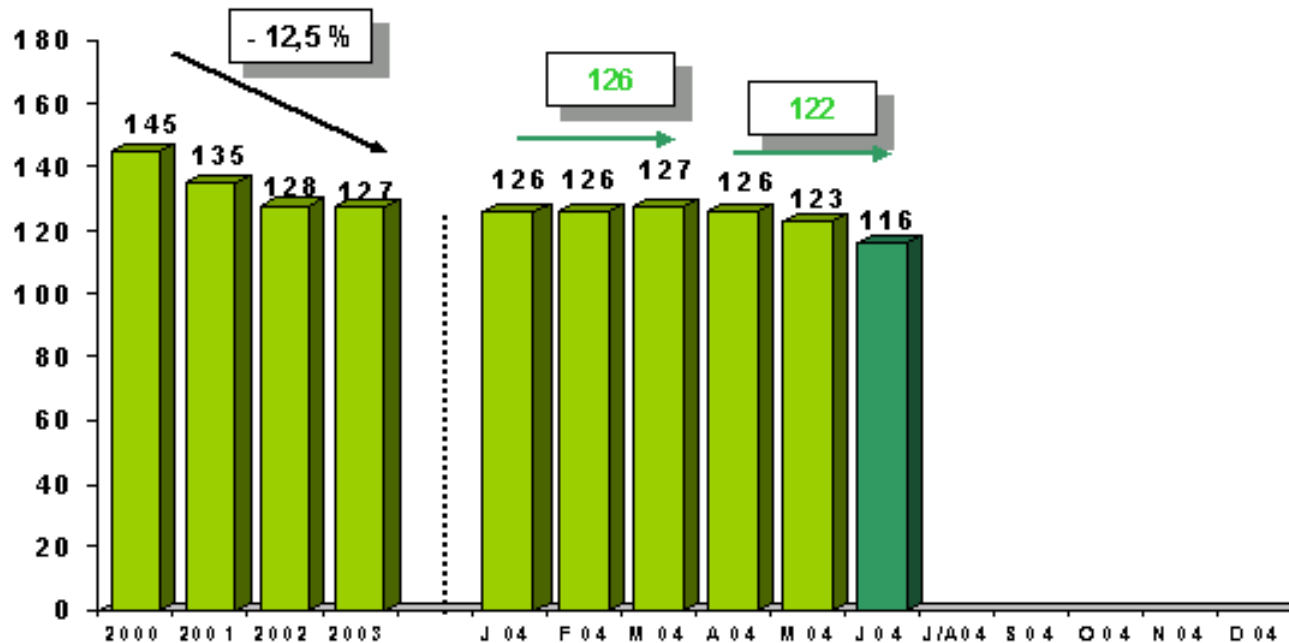


New trucks sales (units): Overseas evolution



Productivity improvements continue

Man Hours per Vehicles and Cabs



**CAPACITY
UTILIZATION**

- capital intensive → 3 shifts/day + we (ie stamping)
- capital & labour intensive → 3 shifts/day (ie welding, painting)
- labour intensive → 2 shifts/day (ie assembly)



Preparing the future

Manufacturing activities : concentrating on core business ¹

Renault Trucks' assembly plants

Blainville

- Manufacturing of all Renault Trucks cabs, DAF LF
- Midlum assembly

Bourg-en-Bresse

- Magnum and Premium assembly (Kerax in 2006)

Saint-Priest

- CKD activities all ranges

Limoges

- Military vehicles

Villaverde

- Kerax assembly (until 2006)

7 CKD assembly operations: Morocco, Tunisia, Egypt, Iran, Sudan, Uruguay, Malaysia.

Renault Trucks' components plants

Blainville

- Components (cabs & chassis)
- Electrical harnesses

Vénissieux

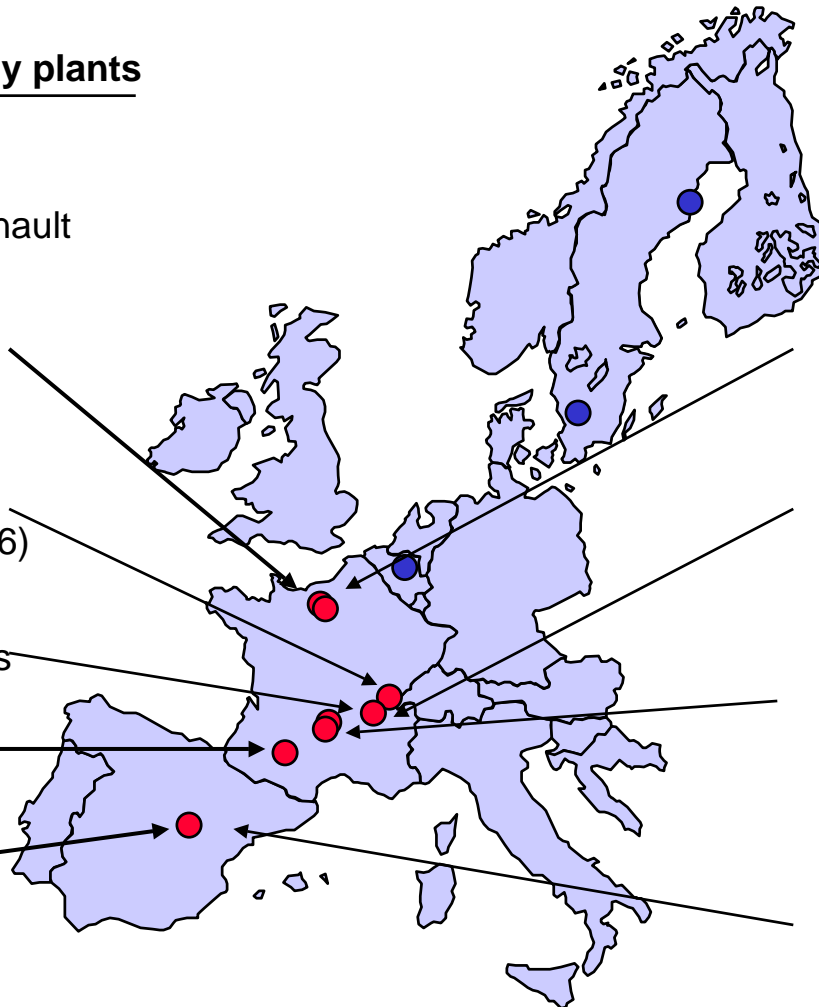
- Stamping (cabs & chassis)

Limoges

- Manufacturing of small series components (incl. axles)
- Remanufacturing center for engines and transmissions

Villaverde

- Machining of engines crankshafts



Policies : All factories ISO 14001 – Suppliers Park Concept

Renault Trucks' Launches

Renault Master (Oct. 03)



+ 9 % compared with 2003

Renault Premium Lander (Oct. 03)



- ✓ the advantages of a road vehicle
- ✓ the mobility of a construction vehicle

Renault Mascott (May 04)



+ 8 % compared with 2003

Sherpa range (June 04)



- ✓ A new range for special purposes
- ✓ 6x6 or 8x8 , from 5 to 12 tons

Renault Puncher (July 04)



A new range for refuse collector applications, answering Low Entry Cab Market demand

Renault Trucks' Retail Strategy

Basics

Renault Trucks objectives :

1. Consolidate a wide distribution network
2. Limit the costs and tied-up capital
3. Ensure "Proximity" with our customers

Renault Trucks is a multispecialist with a range from 3,5 t to 44 t
→ need for "Proximity" to the different specialist transport businesses

Our Strategy is therefore to :

1. Choose private entrepreneurship wherever possible.
2. Build a good franchise value and a complete competitive business offer
→ to attract strong, independent, financially viable, "local" dealers

Renault Trucks' Retail Strategy

Implementation : Three layers model



Renault Trucks' Retail Strategy

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RTCE: Renault Trucks Commercial Europe

We own strategic dealers in sensitive areas in Europe



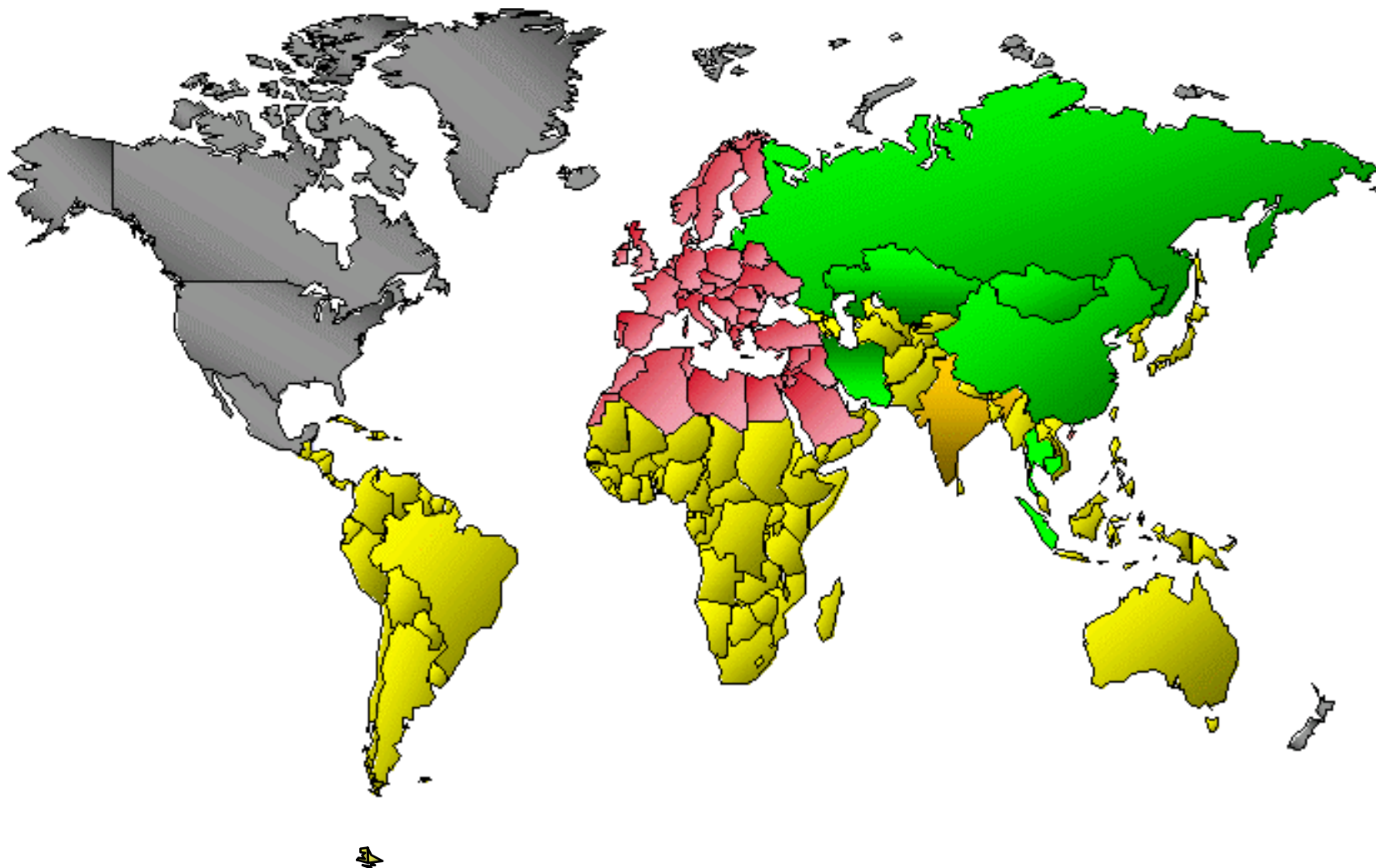
France	21 Branches
Spain	5 Branches
UK	7 Branches
Germany	4 Branches
Belgium	1 Branch
Netherlands	5 Branches

- Example for private dealers
- Expansion tool

Maintenance hours sold in France 2004 (estimate) : **1 200 000**

Expansion on Emerging Markets :

A pragmatic approach based upon profitable business case with a quick pay-back



Priorities 2005-2007

- ➡ Deliver the Product & Service Plan
- ➡ Profitable growth
- ➡ Margin improvement
- ➡ Network quality
- ➡ Reduce break-even point



**RENAULT
TRUCKS**