

#### PRESS RELEASE

October 7, 2011

# RELOCATION OF FUTURE TRAFIC PRODUCTION TO FRANCE: RENAULT IS INVESTING €230 MILLION IN THE SANDOUVILLE PLANT

- On October 7, 2011, during his visit to the Sandouville plant in northern France, Carlos Tavares, Chief Operating Officer of the Renault group, congratulated the teams on the robust progress made on the transformation of the site, where Renault is relocating production of the future Trafic model, currently manufactured in Spain and the UK. The launch of the future Trafic model is planned for 2014.
- Thanks to the strategic €230 million investment in the plant, Renault will produce 100% of its light commercial vehicles for Europe in France. Alongside the Maubeuge and Batilly plants, Sandouville will enable Renault to confirm its leadership in the LCV segment in Europe, where it has been the number-one European brand since 1998
- The transformation work was accelerated this summer, mobilizing 1,000 people, including 500 Sandouville employees and 70 service providers.
- Sandouville is recognized for its production quality with Laguna III, which ranks topthree on reliability in the D segment. The plant contributes all its expertise and know-how to the brand's products – today with Espace and Laguna, and in 2014 with the future Trafic van. Peak production capacity is forecast at 100,000 units a year, compared with 69,000 units in 2010.

On his first visit to the Sandouville site, Carlos Tavares got to see how much the transformation work had advanced and thanked all the people involved: "At this working day with the teams at Sandouville, I saw how hard the people here were working to prepare the plant for production of the future Trafic model, until now manufactured outside France. The €230 million invested in relocating Trafic production is a practical expression of Renault's strategic commitment to Sandouville in France. With the future Trafic model – the first prototypes of which I recently had a

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chance to see at the Technocentre – and through the dedication of Sandouville employees, who are contributing all their talent and enthusiasm to this project, I am confident about the activity outlook for the plant. Sandouville will play a key role in strengthening Renault's leadership in light commercial vehicles in Europe, a position it has enjoyed since 1998. We are also working hard to support sales of Laguna and Espace, while maintaining our high standards on rigorously adapting production to demand."

### Large-scale project

Sandouville is to be equipped with a new stamping tool, new sheet metal workshop, new assembly facilities to adapt to LCV production and a new paint system adapted to vehicle body sizes. To prepare for the arrival of the future Trafic, Renault is investing €230 million in Sandouville with a view to:

- switching from two production lines to one production line for the five current models, to free up space for the future LCV line (new 600-m² part-picking area and 240 assembly workstations),
- making the metal shop facilities more compact to free up 10,000 m<sup>2</sup> of floor area for future vanmaking equipment (290 pieces of equipment moved),
- raising the paint facilities by 60 cm (300 m long surface treatment tunnel), as the future Trafic model is taller than the models currently produced at the plant.

The installation of the future LCV line is now ready to begin, with upcoming project phases to be rolled out in parallel with current production, apart from the changes to the paint building, which will require an eight-week production halt in 2012.

The first life-size production tests for the future Trafic will be carried out that same year. This is why a training program for all staff was introduced back in June, so that the people at Sandouville could get a firm grasp on the changes being made to the plant

#### Recognized quality

Renault Sandouville, a plant recognized by the automotive industry for its top-level quality results (Laguna III ranked top-three), is to become one of three Group plants in France producing light commercial vehicles, acclaimed by customers for their robustness and reliability.

In line with the industrial strategy it announced on February 2, 2011, Renault will produce a light commercial vehicle at Sandouville starting in 2014, namely the future Renault Trafic, together with the H2 high-roof version of the Opel / Vauxhall Vivaro.

Production capacity of the new van at Sandouville is expected to reach 100,000 units a year, once all the versions have been launched.

Since the launch of the first generation in the early 1980s, Trafic has become a benchmark in its segment. The success of the Trafic range – with its two roof heights, two lengths, and commercial and passenger versions – continues to grow. In 2010 it ranked second in its segment in Europe and made strong progress both in sales (up 24%) and market share (up 1.5 points).

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#### Renault and commercial vehicles

Europe's leading producer of LCVs since 1998, Renault offers a wide choice of vehicles with capacities ranging from 2 to 22 cubic meters (diversity, partner products, customized vehicles) to respond to the needs of professionals. The roll-out of the Renault Pro+ network, launched in 2009, is already more than half-way complete, with 230 centers out of the 400 planned for end 2012. The aim is to offer a one stop shop that caters to business customers' needs in specialized premises and with dedicated sales staff. 2010 was a banner year with an overall 15.9% market share (compact vans, small and large panel vans).

## Renault in the Normandy region

Renault is the number-one industrial employer in the Haute-Normandie region of France with five manufacturing and engineering sites: the Sandouville body and final assembly plant; the Cléon engine and gearbox production site; the Grand-Couronne international logistics platform; the Aubevoye test center site; and the Dieppe plant, birthplace of Alpine and now a body and final assembly site. The Group also has two subsidiaries in the region, Sofrastock International in Saint-André de l'Eure, handling the supply and distribution of small parts from suppliers, and Renault Tech in Heudebouville, a vehicle conversion specialist.

# Sandouville plant

## **History**

- 1964: Construction and inauguration of the plant, located in the industrial port area of Le Havre (France)
- 1965: Specialized in the production of passenger cars since its creation, the plant begins with R16, followed by R 12 (1970), R 15 and R 17 (1972), R 30 (1975), R 20 (1976), R 18 (1978), R 25 in 1984, R 21 in 1986, Safrane in 1992, Laguna in 1992, Vel Satis in 2001, Espace IV in 2002, and Laguna III in 2007
- 1998: Sandouville is the first Group plant to obtain ISO 14001 certification
- 2011: Sandouville is selected to produce the future Renault Trafic

The Sandouville plant has produced over eight million vehicles since construction.

# Sandouville today

The plant currently produces the hatchback, station wagon and coupé versions of Laguna, together with Espace and Grand Espace.

- 69,141 vehicles were produced in 2010, of which 16,876 Espace IV and 52,265 Laguna III
- 10,026 Espace IV and 33,704 Laguna III were produced in first-half 2011

Renault Sandouville employs nearly 2,400 people (end-2010).