

GRIGNY (UK) LIMITED

Report and Financial Statements

31 December 2002



REPORT AND FINANCIAL STATEMENTS 2001

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DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2002.

PRINCIPAL ACTIVITY

The company owns the shares and participation in Renault F1 Team Limited, the Formula One Grand Prix racing team.

REVIEW OF THE BUSINESS

During the year the company acted as a holding company.

DIVIDENDS AND TRANSFERS TO RESERVES

The directors do not recommend the payment of a dividend. The loss for the year of £ 2,043 (2001 – £613) has been transferred from reserves.

DIRECTORS AND THEIR INTERESTS

The following served as directors during the year:

J P Faure (Chairman)

C Contzen Resigned 1st March 2002

F Briatore

J J Hiss Appointed 20th February 2002

No directors held any beneficial interest in the shares required to be disclosed by Schedule 7(2) of the Companies Act 1985.

POST BALANCE SHEET EVENT

On 26 March 2003 the company increased its authorised share capital to 25,725,000 Ordinary shares of £1 each and allotted 15,000,000 Ordinary shares of £1 each at par to its parent undertaking Renault Group BV.

AUDITORS

The company has introduced the Elective Regime by which it has dispensed with the laying of accounts, the holding of the annual general meeting and the annual reappointment of auditors.

Approved by the Board of Directors
and signed on behalf of the Board on 10th June 2003



L Eckle

Joint Secretary

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
GRIGNY (UK) LIMITED**

We have audited the financial statements of Grigny (UK) Limited for the year ended 31 December 2002 which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the company's directors' are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report for the above year and consider the implications for our report if we become aware of any apparent misstatements.

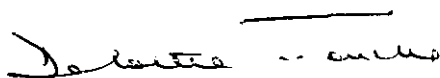
Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Chartered Accountants and Registered Auditors
Birmingham

11 June 2003

PROFIT AND LOSS ACCOUNT
Year ended 31 December 2002

	Note	2002 £	2001 £
Operating expenses		(2,170)	(1,112)
OPERATING LOSS		(2,170)	(1,112)
Interest receivable and similar income	3	127	500
Interest payable and similar charges	4	-	(1)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	5	(2,043)	(613)
Tax on loss on ordinary activities	6	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(2,043)	(613)
Retained loss brought forward		(200,866)	(200,253)
Retained loss carried forward		(202,909)	(200,866)

All activities derive from continuing operations in the current and prior year.

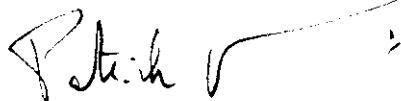
There are no recognised gains and losses other than the loss for the financial years. Accordingly, no statement of total recognised gains and losses is given.

BALANCE SHEET
31 December 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Investments	7	10,500,000	10,500,000
CURRENT ASSETS			
Cash at bank and in hand		23,745	25,186
CREDITORS: amounts falling due within one year	8	<u>(1,654)</u>	<u>(1,052)</u>
NET CURRENT ASSETS		<u>22,091</u>	<u>24,134</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,522,091</u>	<u>10,524,134</u>
CAPITAL AND RESERVES			
Called up share capital	9	10,725,000	10,725,000
Profit and loss account		<u>(202,909)</u>	<u>(200,866)</u>
EQUITY SHAREHOLDERS' FUNDS	10	<u>10,522,091</u>	<u>10,524,134</u>

These financial statements were approved by the Board of Directors on 10th June 2003

Signed on behalf of the Board of Directors



J P Faure

Director

NOTES TO THE ACCOUNTS

Year ended 31 December 2002

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Consolidation

Consolidated accounts have not been prepared as the company is a wholly owned subsidiary of a company registered in the European Community.

Investments

Investments held as fixed assets are stated at cost less provision for any impairment.

Deferred taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The directors who were the company's only employees received no emoluments from the company during the year (2001 - £Nil).

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2002 £	2001 £
Interest receivable on bank deposits	127	500

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2002 £	2001 £
On bank loans and overdrafts, and other loans, repayable within five years	-	1

5. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

Loss on ordinary activities before taxation is stated after charging:	2002 £	2001 £
Auditors' remuneration		
Audit services	1,278	1,058

NOTES TO THE ACCOUNTS

Year ended 31 December 2002

6. TAX ON LOSS ON ORDINARY ACTIVITIES

There is no current year corporation tax credit as a result of the non payment for losses surrendered as group relief to Renault F1 Team Limited.

7. INVESTMENTS HELD AS FIXED ASSETS

	Shares in Group undertaking £
Cost	
At 1 January 2002 and 31 December 2002	11,400,000
Provision	
At 1 January 2002 and 31 December 2002	900,000
Net book value	
At 31 December 2002 and 31 December 2001	10,500,000

The investment represents 11,400,000 ordinary £1 shares in Renault F1 Team Limited, a company registered and operating in England. Its principal activity is that of running a Formula One Grand Prix racing team.

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002 £	2001 £
Trade creditors	705	-
Accruals and deferred income	949	1,052
	<u>1,654</u>	<u>1,052</u>

9. CALLED UP SHARE CAPITAL

	2002 £	2001 £
Authorised		
12,500,000 (2001 - 12,500,000) Ordinary shares of £1 each	12,500,000	12,500,000
Called up, allotted and fully paid		
10,725,000 (2001 - 10,725,000) Ordinary shares of £1 each	10,725,000	10,725,000

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2002 £	2001 £
Loss for the financial year	(2,043)	(613)
Net addition to shareholders' funds	(2,043)	(613)
Opening shareholders' funds	10,524,134	10,524,747

NOTES TO THE ACCOUNTS
Year ended 31 December 2002

Closing shareholders' funds	10,522,091	10,524,134
	<u> </u>	<u> </u>

11. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption within Financial Reporting Standard 8 from reporting transactions with other investee companies in the group.

12. ULTIMATE PARENT COMPANY

The smallest and largest group of which Grigny (UK) Limited is a member and for which group accounts are drawn up is that headed by Renault SA, incorporated in France. The consolidated accounts of this group are available from 13-15 Quai Le Gallo, 92100 Boulogne – Billancourt, France.