

The Nissan Revival Plan

Success Ahead of Schedule

First announced in October of 1999, the Nissan Revival Plan (NRP) went into action in April, 2000. Today, as it comes to its end, the NRP legacy is nothing less than a new Nissan. One that is profitable; one that is more efficient; one offering widely enhanced products and services; one that has created a new sense of excitement for employees, customers and other stakeholders. One full year ahead of schedule, the NRP has produced the best financial results in the company's history.

When the NRP was first announced, Nissan's executive committee announced three bold commitments; if any of these were not met, the members promised to resign:

- A return to net profitability in fiscal year 2000
- A minimum operating income to sales margin of 4.5 percent by fiscal year 2002
- Consolidated net automotive debt reduced to less than ¥700 billion by fiscal year 2002

Every one of these core commitments has been met—a full year ahead of schedule.

Net profitability was achieved in the first year with net after-tax profits of ¥331.1 billion. This then grew in fiscal year 2001 to ¥372.3 billion—the highest yearly profit in the company's history.

The operating margin had already reached 4.75 percent by the end of the first year of the NRP; at the end of 2001 this had risen to a remarkable 7.9 percent—the highest in the company's history.

Consolidated automobile debt has been reduced to just ¥431.7 billion by the end of 2001—the lowest level in 24 years.

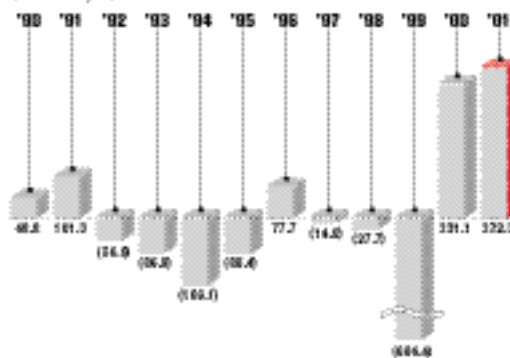
Every one of **these core commitments** has been

met—one full year ahead of schedule

Fiscal year 2001 **Consolidated Net Income**

372.3
Billions of yen

Fiscal years 1990-2001
(Billions of yen)



Fiscal year 2001 **Consolidated Operating Margin**

7.90
%

Fiscal years 1990-2001
(Percent)

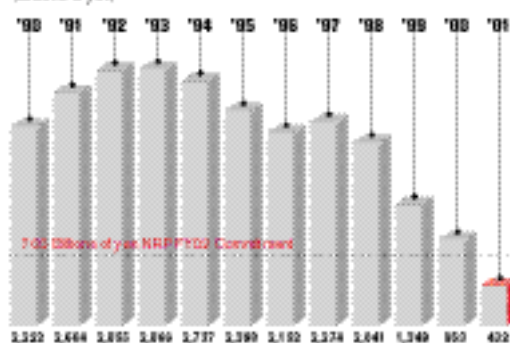


Figures prior to FY 1994 are adjusted by the current rate method

Fiscal year 2001 **Consolidated Net Automotive Debt**

431.7
Billions of yen

Fiscal years 1990-2001
(Billions of yen)

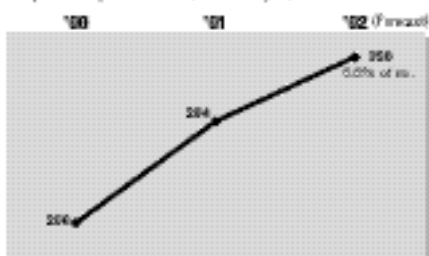


The Nissan Revival Plan **Success Ahead of Schedule**

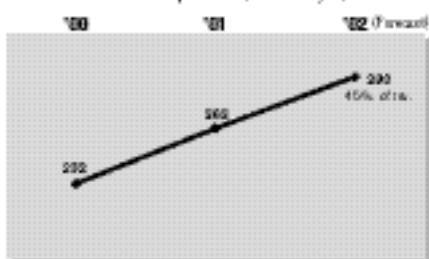
Investment for Growth

Fiscal years 2000-2002

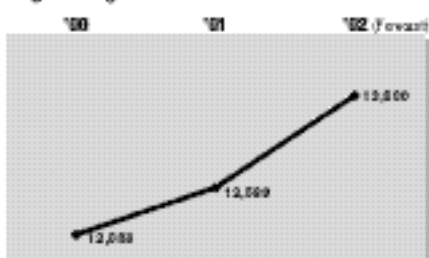
Capital Expenditure (Billions of yen)



Research & Development (Billions of yen)



Engineering Headcount



Attaining the NRP Goals

The NRP has recreated and repositioned the entire company—one year ahead of schedule. All of its major goals have been met:

- Purchasing costs have been reduced by 20 percent;
- Plant capacity utilization has risen from an average 51 percent to 75 percent;
- A revamping of the domestic sales system has reduced sales and administrative costs;
- Worldwide staffing has been brought in accordance with needs;
- Non-core assets have been sold;
- A rededication to R&D has been matched by a 25 percent increase in efficiency;

Even in this period of restructuring, the NRP included the investments needed to pave the way for the future, with an additional 1,000 engineers being added to Nissan's technical team, and massive investments in R&D (to 4.5 percent of revenues) and in capital expenditures (to 5.5 percent of revenues).

Profitability was another major concern successfully addressed by the NRP. When it began, only four Nissan models were profitable; today, a significantly increased number of all Nissan cars provide profit to the company.

"This performance was made possible because the execution of the NRP was swift, relentless and without compromise," said Nissan President and CEO Carlos Ghosn. "Completing the NRP in just two years is testimony to what we—the people of Nissan, our partners, suppliers, dealers, distributors and all those who embraced the spirit of the NRP—have accomplished."

Nissan is not just back—it's moving ahead in strength to long-term, profitable growth.

This **performance was made possible** because the execution of the NRP was **swift, relentless and without compromise**