## Alliance with Renault Concrete Achievements

## **RENAULT NISSAN**

## An Overview of the Alliance

- 1999 March Alliance agreement between Renault and NissanJuly Renault increases its stake in Nissan Diesel to 22.5 percent
- 2000 May Nissan begins marketing Renault cars in Japan May Joint European sales and marketing strategy launched October Nissan enhances operations in Morocco with Renault support December Renault Scénic production begins at Nissan in Mexico
- 2001 April Renault Nissan Purchasing

   Organization (RNPO) established
   May First Renault showroom opens in
   Australia with Nissan support
   July Renault begins marketing in
   Taiwan with Nissan support
   November Renault begins marketing
   in Indonesia with Nissan support
   December Renault Clio production
   begins at Nissan in Mexico
   December New Renault-Nissan
   common plant inaugurated in Brazil
- 2002 March Renault increases stake in Nissan to 44.4 percent
   March Nissan Platina production begins at Nissan in Mexico
   March Renault Vel Satis launched with Nissan V6 engine
   March Renault-Nissan BV incorporated in the Netherlands
   March Nissan acquires a 13.5 percent stake in Renault
   April Nissan Frontier pickup production begins at Renault-Nissan common plant in Brazil
   May Nissan increases stake in Renault to 15 percent

Nissan's Alliance with Renault has been integral to the company's return to profitable growth: success in the NRP would have been impossible without the Alliance, and success for the Alliance would have been impossible without the NRP.

The relationship continues to grow in NISSAN 180. In the coming years, the Alliance will move in three main directions:

- Marketing and sales will see a common approach in specific markets, such as Mexico, South America and North Africa;
- Greater efficiency will be derived by selective communization, such as 10 shared platforms, including the B compact and C mid-size platforms already in production, by 2010, eight engine families and seven transmission families;
- The extensive exchange of best practices will continue to streamline and strengthen both companies.



The Alliance Board, a team of managers from both Nissan and Renault which steers the Alliance's mid- to long-term strategy of profitable growth, and supervises joint activities: (left to right, back) Georges Douin, Nobuo Okubo, Tadao Takahashi, François Hinfray; (front) Pierre-Alan De Smedt, Norio Matsumura, Louis Schweitzer, Carlos Ghosn

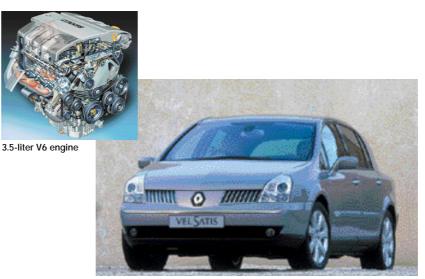




New Renault-Nissan common plant in Brazil

Fiscal year 2001 represented the realization of Alliance activities in actual products, building cars in each other's plants and releasing cars based on the joint B compact platform—such as the March. The completion of the first common Renault-Nissan plant in Brazil in December was one of many other joint developments, such as the sharing of back-office operations and the creation of the Renault Nissan Purchasing Organization (RNPO) to leverage the purchasing strength of both manufacturers. The RNPO began by handling some 30 percent of the two companies' annual global purchasing turnover, a figure which is expected to grow to some 70 percent.

The bonds continue to grow stronger. Along with an announcement in October, 2001, that Renault would raise its equity in Nissan to 44.4 percent, Nissan in turn announced its intention to purchase 37.8 million shares of Renault stock, bringing its ownership of the company to 13.5 percent. As of May, 2002, the completed transaction, as agreed, brings Nissan's ownership to 15 percent. The Alliance also created Renault-Nissan BV, a jointly and equally-owned company with sole responsibility for decisions on mid- to long-term planning, on common products and powertrains, on financial planning, and which owns and manages the RNPO.



The Renault Vel Satis, equipped with the Nissan 3.5-liter V6 engine