

DONGFENG MOTOR Co., Ltd.

'04-'07 Mid-term Plan "Plan 2³" Review & New Mid-term Plan "Plan 1³" Overview

June 16th, 2008
Dongfeng Motor Co., Ltd.
President Kimiyasu NAKAMURA

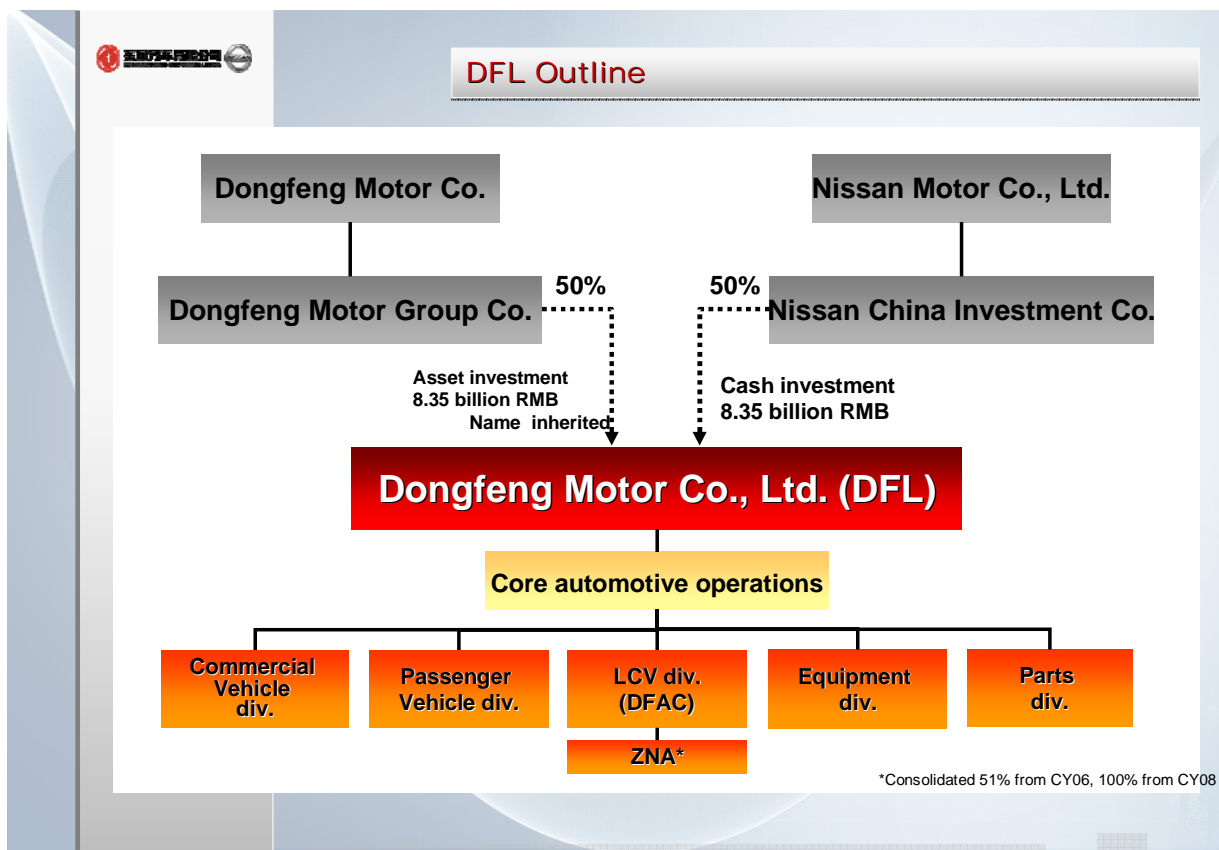
Agenda

Review of "Plan 2³"

Overview of "Plan 1³"

Strategic Structure

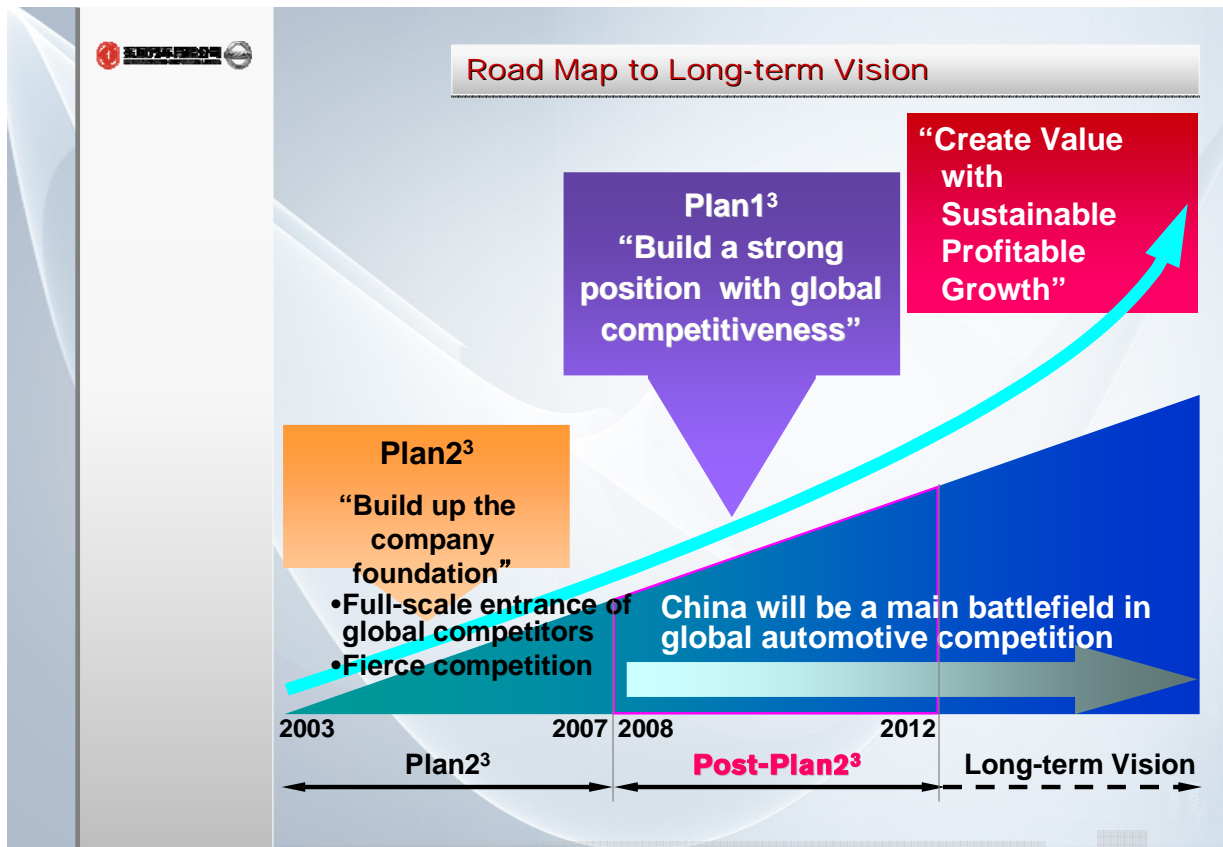
Objectives & Core Actions





Agenda

- Review of "Plan 2³"
- Overview of "Plan 1³"
 - Strategic Structure
 - Objectives & Core Actions



Plan 1³

Significant Growth

- Sales volume
 - **1** Million units
- Revenue
 - **1**00 billion RMB

Operational Enrichment

- **1st Class in**
 - Product quality
 - Sales & service quality
 - Cost competitiveness

Trusted Company

"Learning" by 2 companies ⇒ **1** company "DFL"

"Trusted Company" by Respect stakeholders

Review of "Plan 2³"

Overview of "Plan 1³"

Strategic Structure

Objectives & Core Actions



Strategic Objectives of "Plan 13"

Significant Growth

Market Share in China

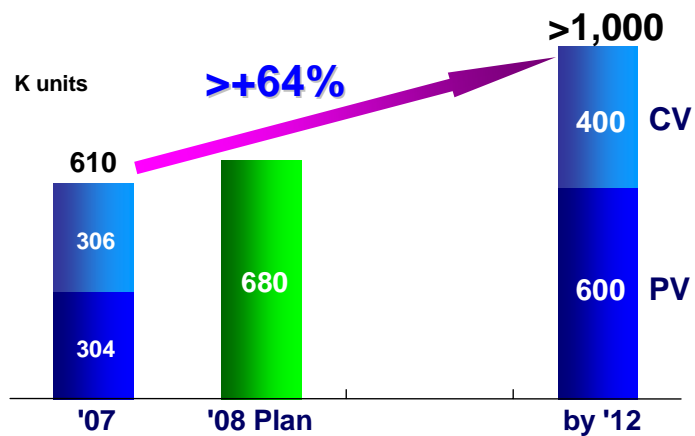
PV	Top Group
H&MDT	No.1 Position
LCV	Solid No. 2 Position with DF & N brands



Sales Objective

Significant Growth

'07 **by '12**
610K ⇒ More than 1 Million Units





PV Products

Significant Growth

Meet China customer needs

⇒ More than 10 new China-driven models by '12

New TEANA



1st vehicle roll-out Today:

Price: RMB 190,800~ RMB 332,800

Target Volume: 8,000 units/month

Sales starts from the end of June 2008.



H&MDT Products

Significant Growth

Globally competitive performance and quality

⇒ HDT: D310 series, MDT: D530 series

HDT D310 Series



MDT D530 Series





LCV Products

Significant Growth

Double brand: DF & NISSAN

- Strong & popular DF-Brand
 - Advanced N-Brand for high-end market
- ⇒ More than 5 new China-driven models by '12

Euro3 Compatible LDT



DFAC-Jinba

New NISSAN-Brand LDT



ZNA 2nd Plant Establishment

Significant Growth

Location: Zhengzhou, Henan Province

Start Production: In 2010

Capacity: >120K units/year

Investment: Around 1 Billion RMB



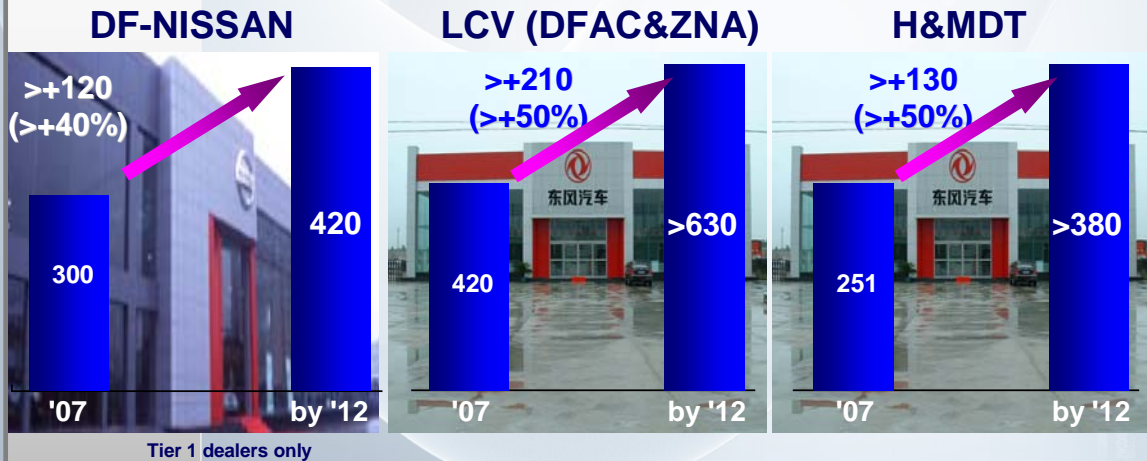
ZNA LCV New Plant (Image)



Sales & Service Network

Significant Growth

Sales & Service capacity increase
⇒ Provide customers with convenient access



Overseas Business

Significant Growth

■ Geographic expansion

- South & East Asia, Middle East, South America, etc

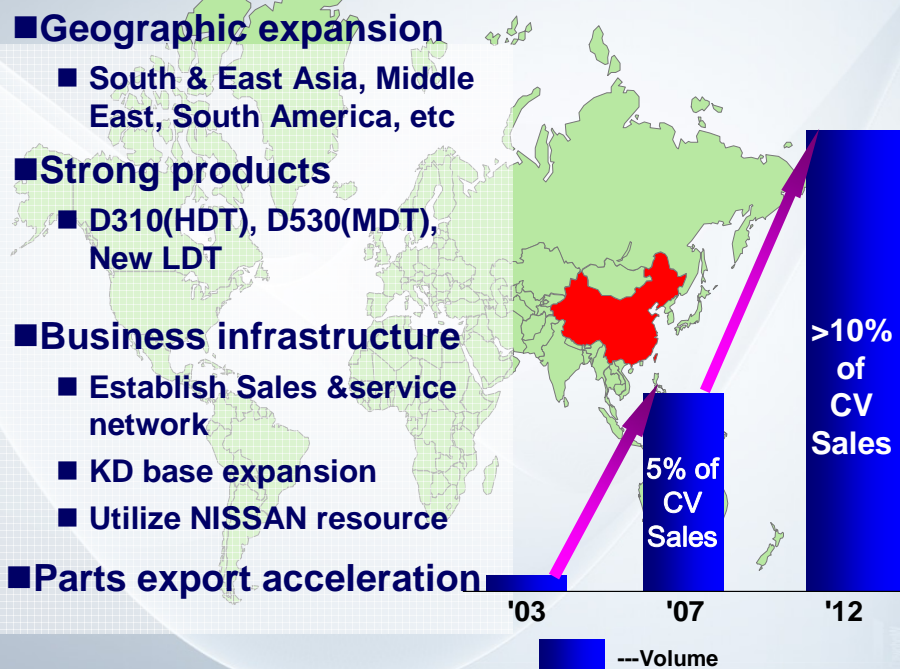
■ Strong products

- D310(HDT), D530(MDT), New LDT

■ Business infrastructure

- Establish Sales & service network
- KD base expansion
- Utilize NISSAN resource

■ Parts export acceleration





Quality

Operational Enrichment

PV: Top group in IQS, SSI, CSI

CV: Leading position in industry

■ Product Quality

- R&D capability enhancement
- Continuous Quality Kaizen activities



CV R&D Test Center in Wuhan

■ Sales & Service Quality

- Best Practice activities
- Customer-driven management



Purchasing

Operational Enrichment

■ PV

- Accelerate localization
with keeping same quality '07: 71% ⇒ by '12: 90%

■ CV

- Accelerate technical cost reduction
- Enhance concurrent development with suppliers



Xtronic
CVT (PV)

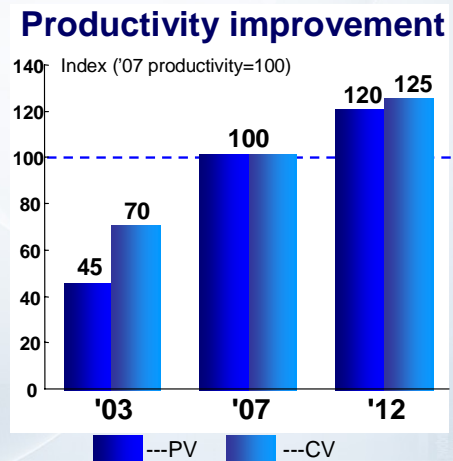
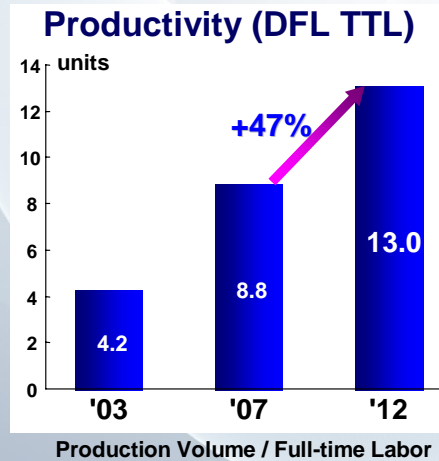
**KAIZEN
with
Suppliers**



Productivity

Operational Enrichment

- QCD activities
- Plant/Headcount rationalization
- Optimum product allocation



Trusted Company

Significant Growth

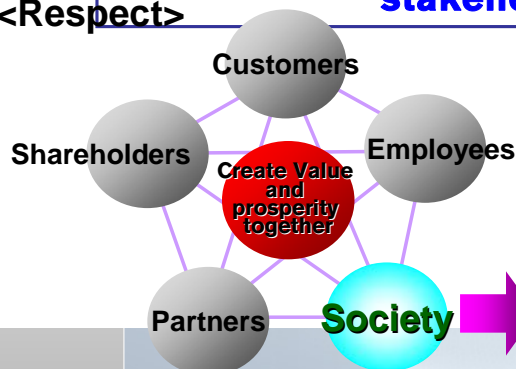
Operational Enrichment

Plan 13

Trusted Company

“Trusted Company” by Respect stakeholders

<Respect>



Creating robust DFL Culture
 ⇒ Customer-focus
 Cultures unification
 Best Practice
 Human Resources enhancement

New Pillar

Environmental friendliness
 Social contribution



Environmental Friendliness

Trusted Company

1) Product

- PV: Global top level by utilizing NISSAN technology
- CV: Energy saving, Low emission, Alternative energy

Xtronic CVT (PV)



Electronic Vehicle



PIVO2 (Concept Car)

LNG Truck

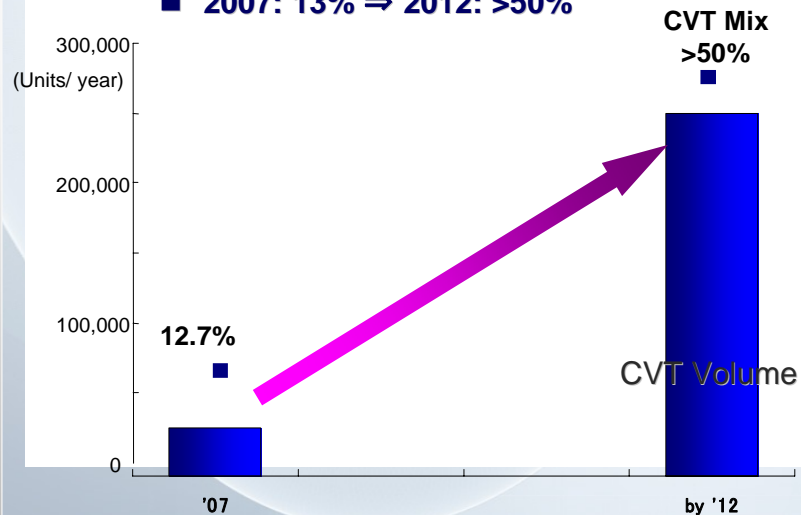


Environmental Friendliness

Trusted Company

Extend CVT Volume/Mix in PRC

- The rapid growth of CVT to be planned
- 2007: 13% \Rightarrow 2012: >50%



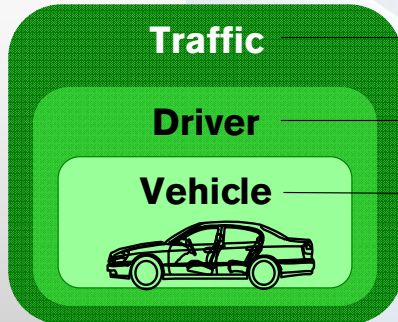


Environmental Friendliness

Trusted Company

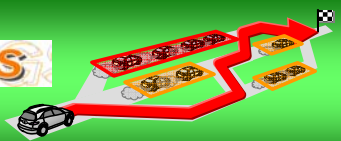
Better Fuel Economy and Environment

Triple Layered Approach



- Reduce Congestions

STAR WINGS



Integrated approach with other sectors

- Support eco-driving

Eco. Meter
Eco-driving Advice



- Engine/Transmission



CVT



High-efficient Engine

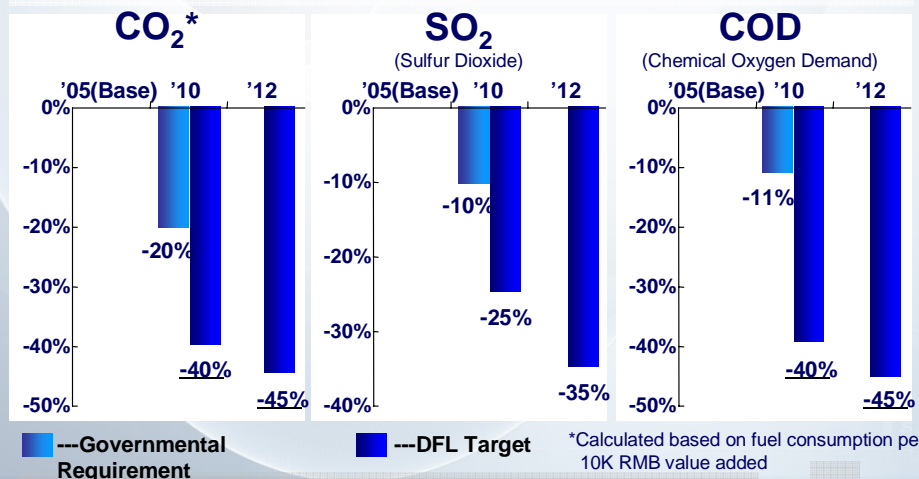


Environmental Friendliness

Trusted Company

2) Production

- Accelerate clean production
- Far beyond the governmental requirement





DFL Culture "DFL Way"

Trusted Company

Goal in '12

Globally competitive HR & Management

- Motivation
- Employees' Capability



Distinct Corporate Culture



Dongfeng Motor Co., Ltd.
'08-'12 Mid-Term Business Plan

Plan 13

Significant Growth

1 Million units

100 billion RMB

Operational Enrichment

1st Class

Trusted Company

1 company "DFL"

Thank You