

Nissan's emerging market strategy and Japan's monozukuri

December 1, 2011

**Toshiyuki Shiga, COO
Nissan Motor Co., Ltd.**



POWER

Brand & sales power

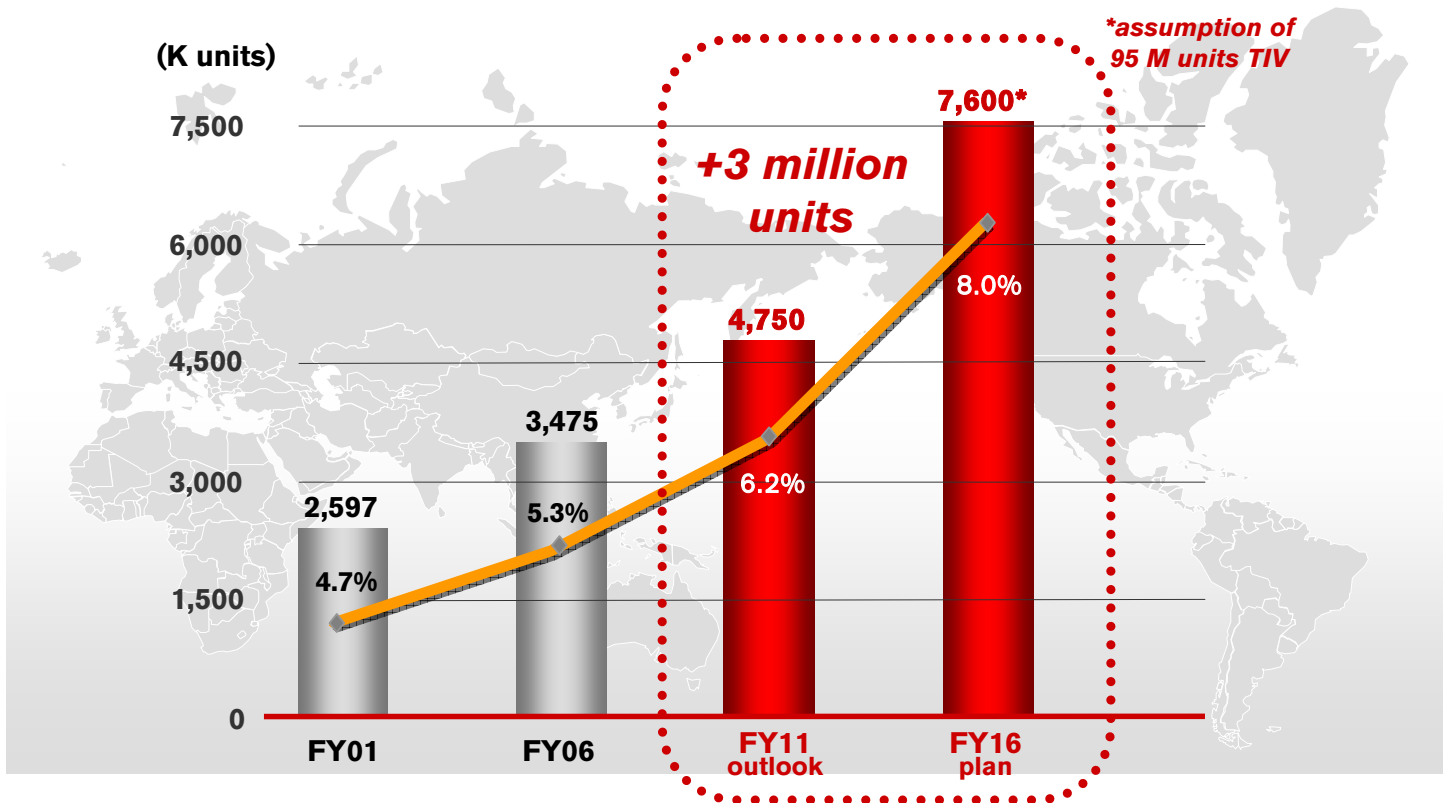
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**Global market
share by FY16 (%)**

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Sustainable COP (%)

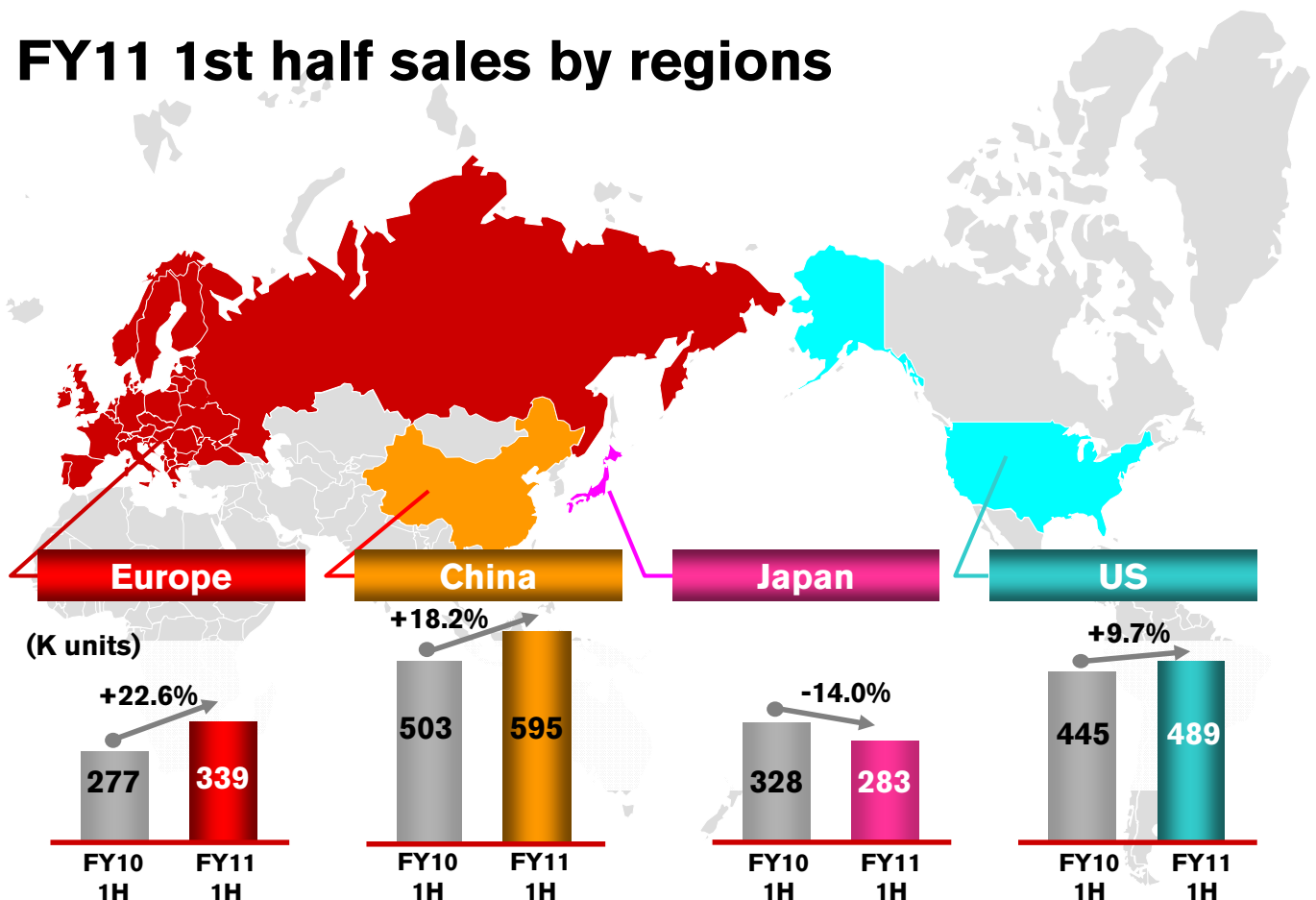
Nissan's global sales assumptions



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FY11 1st half sales by regions



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Nissan's emerging market strategy

1. Clear product strategy and market strategy

2. Monozukuri power to execute strategy

3. Diverse organization supporting global growth

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V-platform strategy: V = Versatile

Cost competitiveness + weight reduction + fuel efficiency



High carry-across ratio

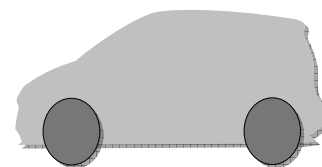
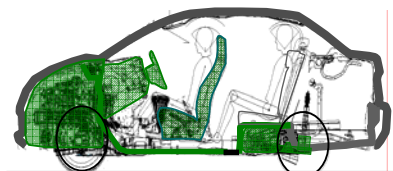
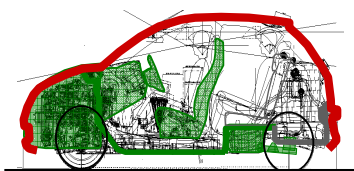


Over 80% localization
in each site



A → B

Complexity reduction



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V-platform strategy: localization

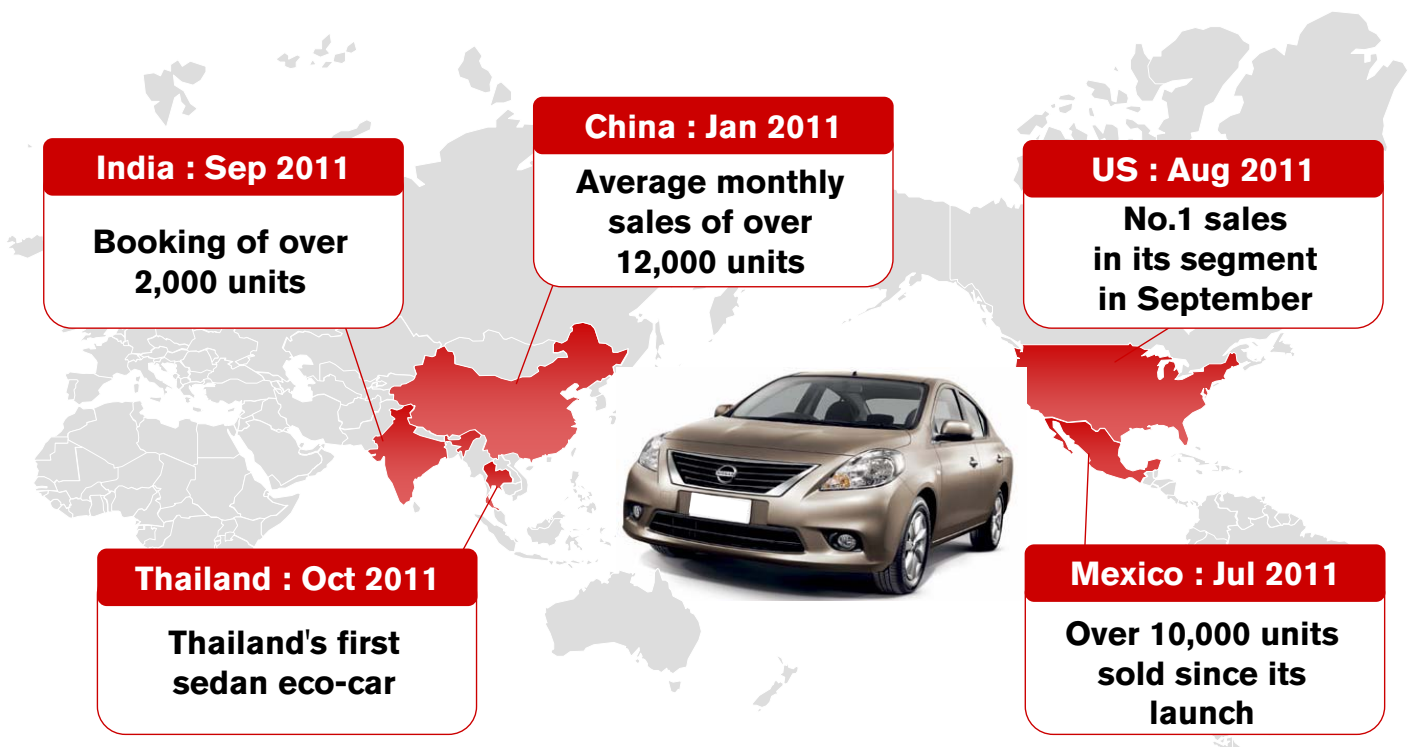
Offensive in both emerging and mature markets



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V-platform strategy: sedan

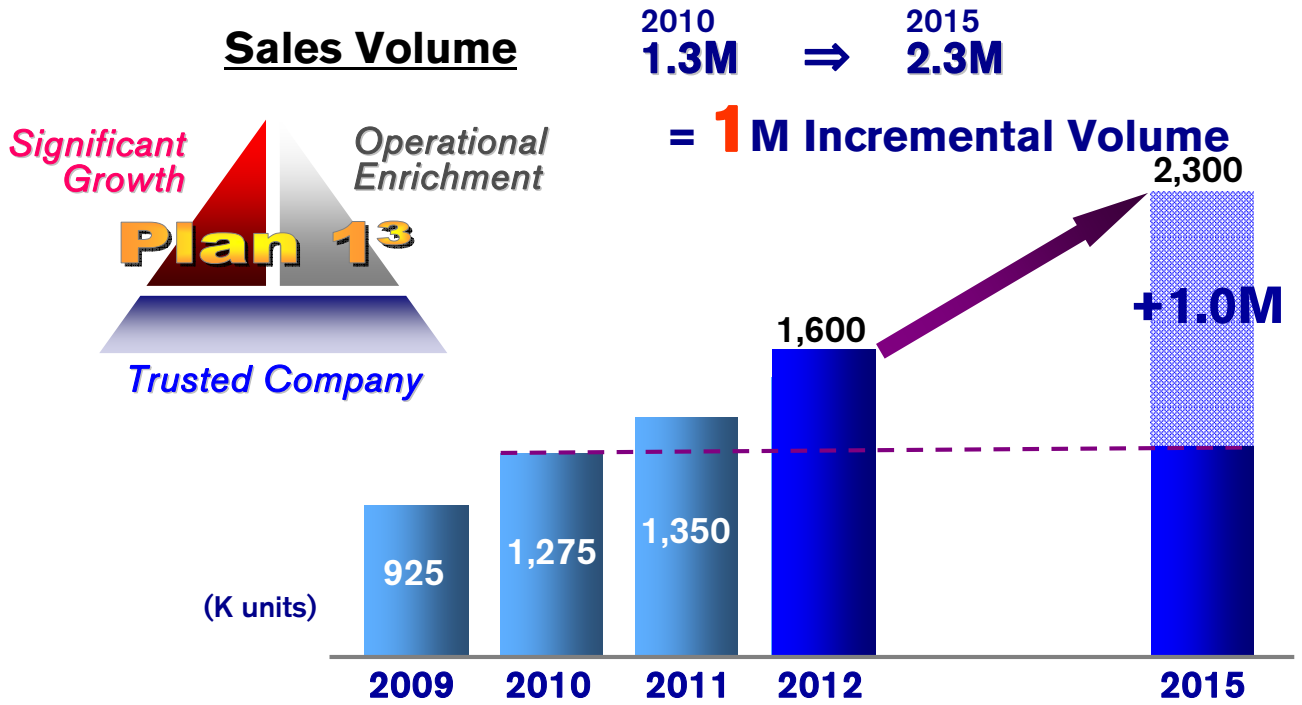


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Emerging market offensive in China

Announcement of DFL Mid-Term Plan **Plan 13**



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Emerging market offensive: India

Collaborate with partners for business expansion



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Emerging market offensive: Russia

Become No.1 Asian brand with 7% market share

St. Petersburg production



X-TRAIL Teana Murano

- Production capacity: 50 k units/year

Synergy with Avtovaz



- Platform commonization
- Mutual usage of production facilities



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Emerging market offensive: Brazil

Become No.1 Japanese brand with 5% market share

- Build a new plant with capacity of 200 k units/year
- Increase dealer network and segment coverage



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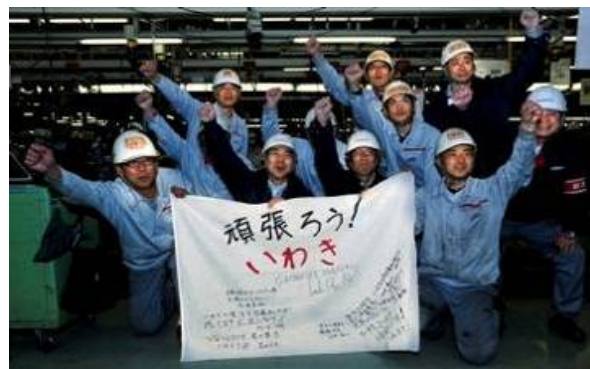
Nissan's emerging market strategy

1. Clear product strategy and market strategy

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Restoration of Iwaki/Tochigi plant operations



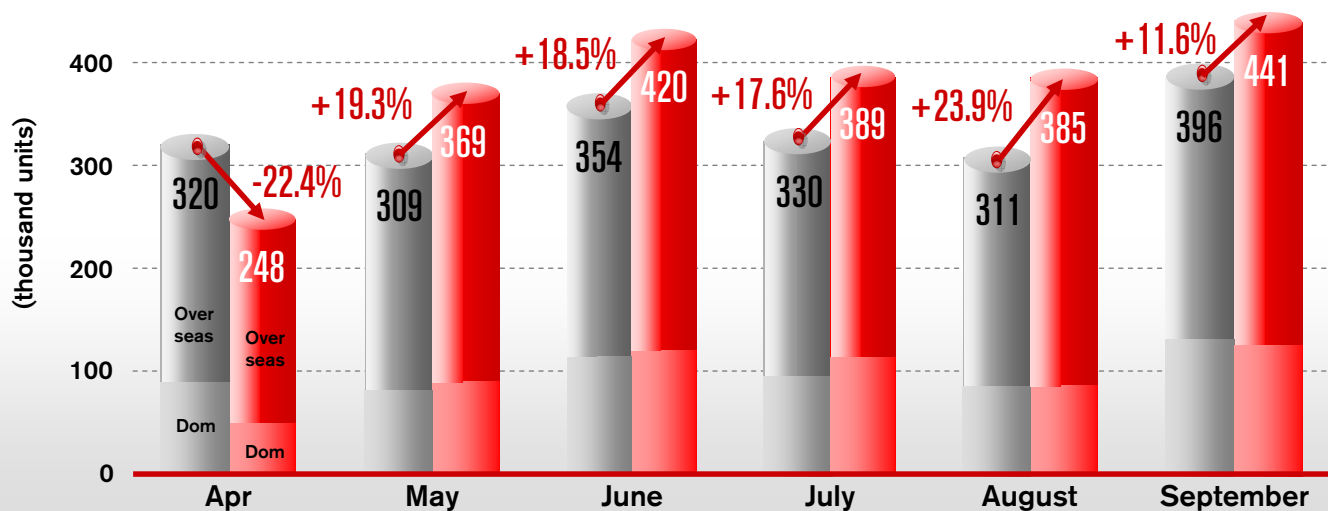
The recovery actions

Global production in calendar base

April to September total

| | FY10 1H | FY11 1H | Variance |
|----------|---------|---------|----------|
| Dom | 575 | 540 | -35 |
| Overseas | 1,445 | 1,712 | +267 |
| Total | 2,020 | 2,252 | +232 |

FY10
FY11

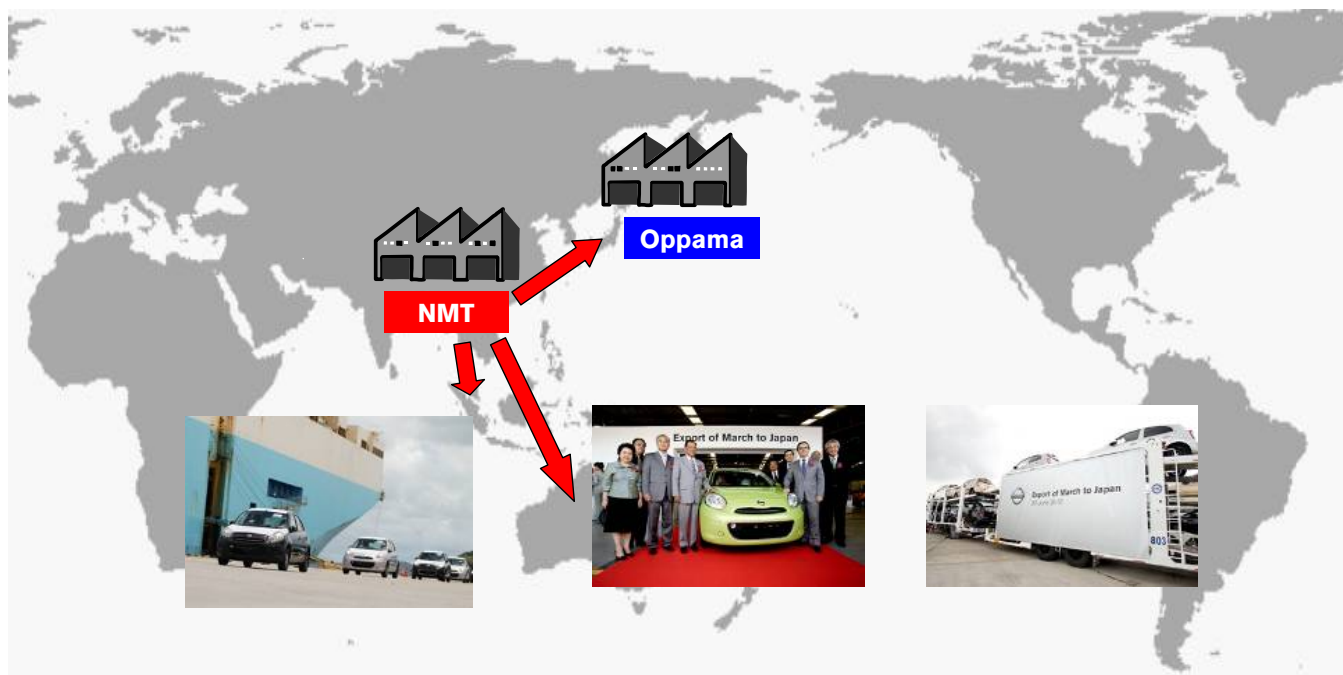


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Nissan March production in Thailand

Japan's monozukuri supported exports to Japan

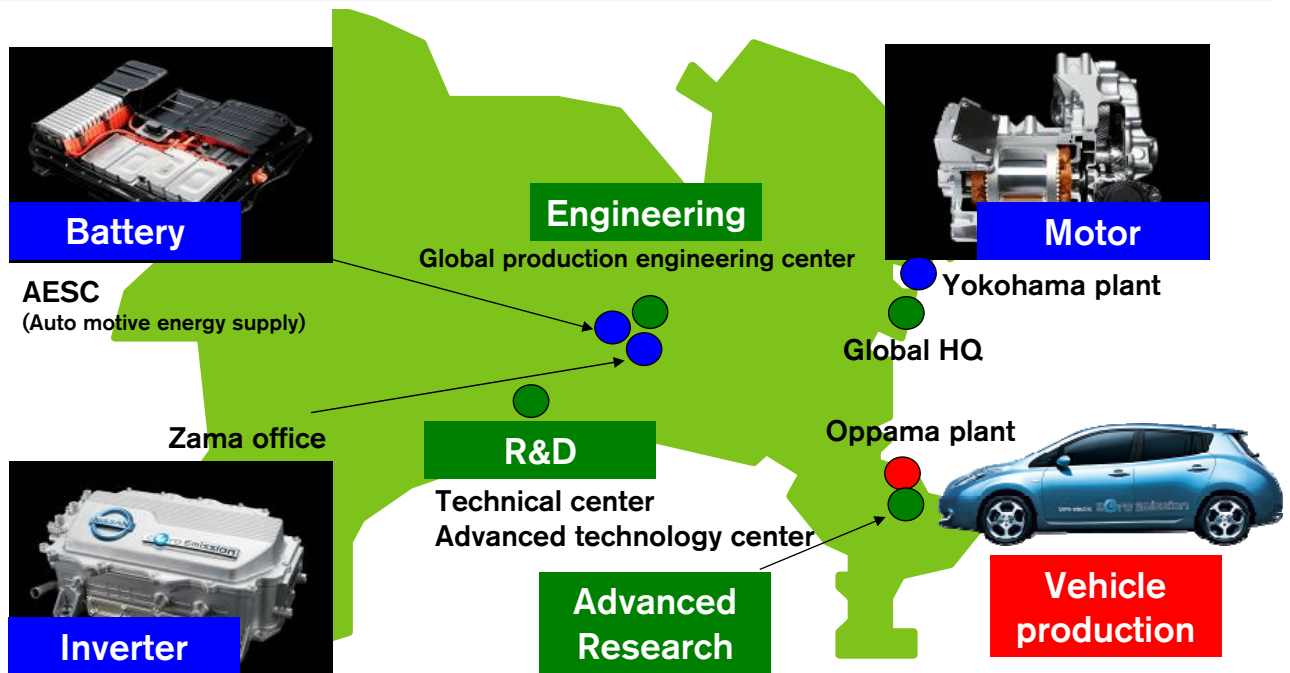


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100% electric vehicle: Nissan LEAF production

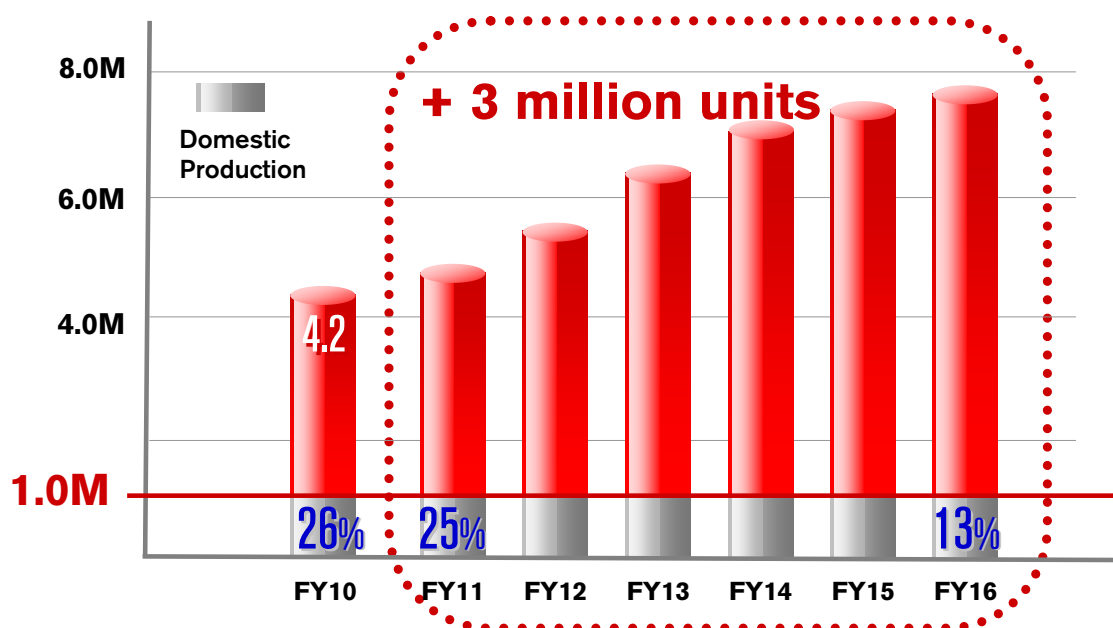
Japan's monozukuri as the base for launch of Nissan LEAF



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Global production and domestic production



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Countermeasures against the strong yen

1. Yen cost reduction: manufacturing cost reduction

2. Yen cost avoidance: localization & imported parts increase

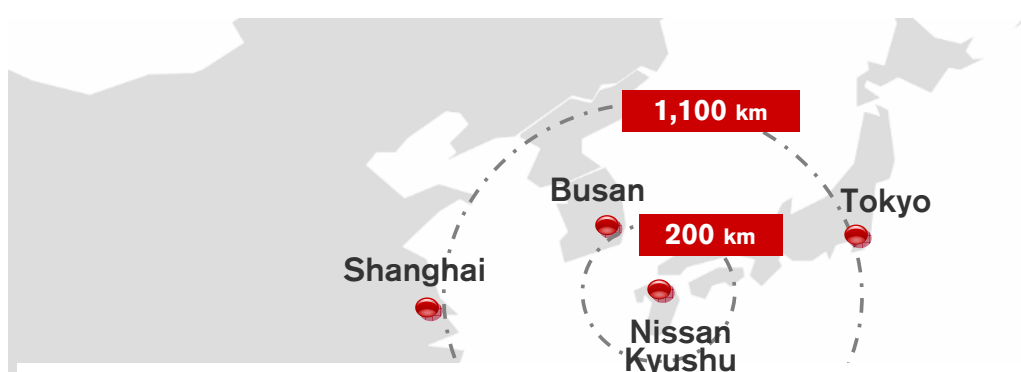
3. Yen revenue increase: domestic sales in Japan

4. Yen cost absorption: enhancement of brand

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Establishment of Nissan Motor Kyushu Co., Ltd.



Maximize manufacturing and cost competitiveness at Nissan in Japan.

- **Produce half a million units**
- **Utilize geographical advantage to be cost leader; aim to be the cost benchmark as a production base for the mass-market**

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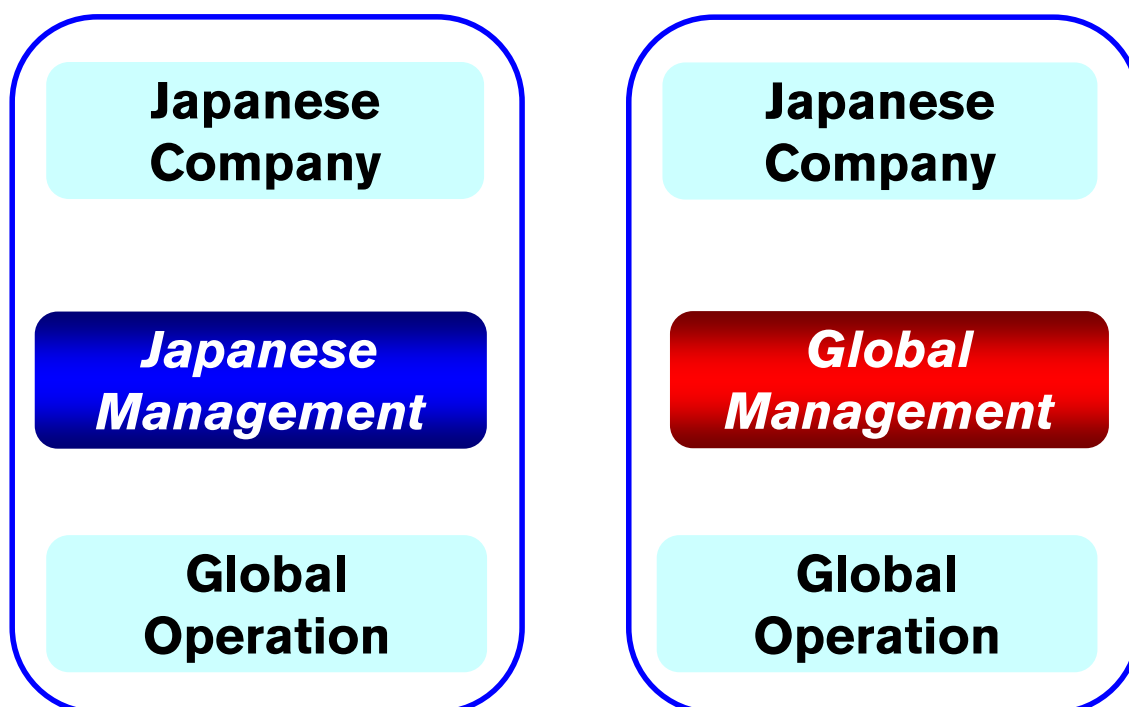
Nissan's emerging market strategy

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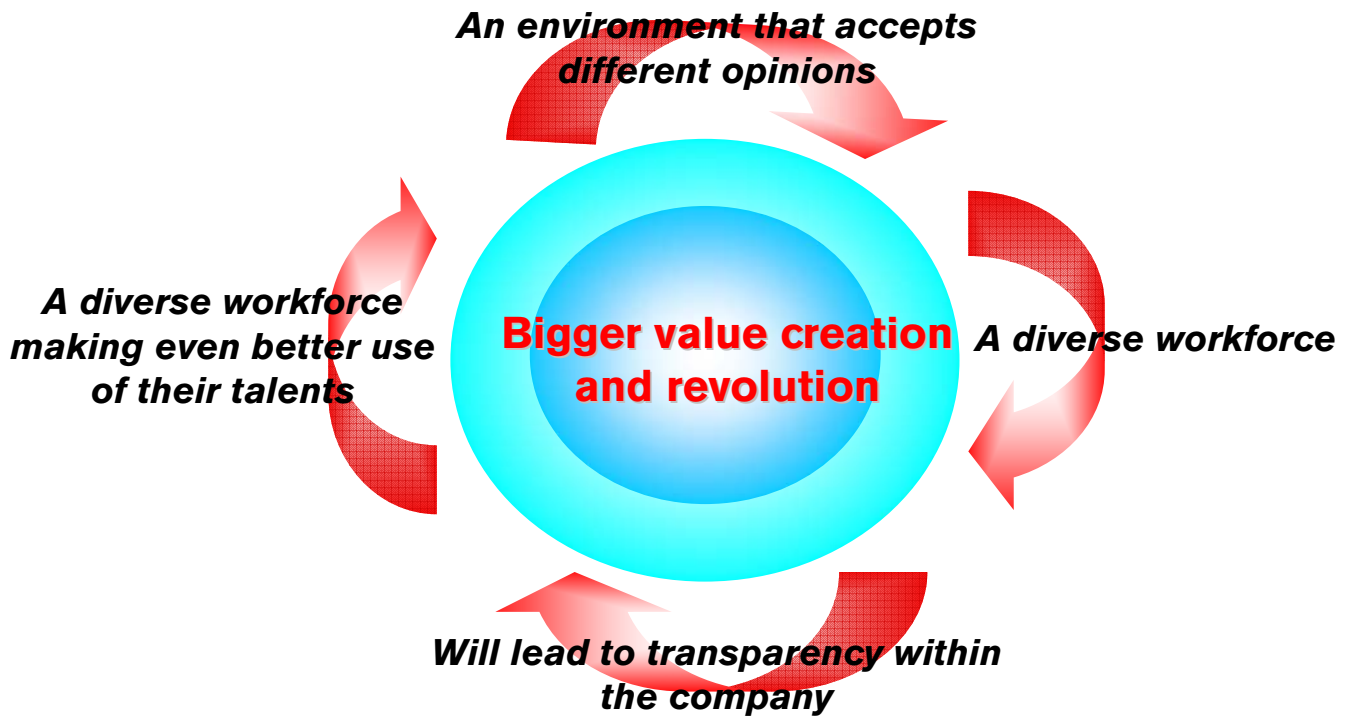
2. Monozukuri power to execute strategy

3. Diverse organization supporting global growth

Global management



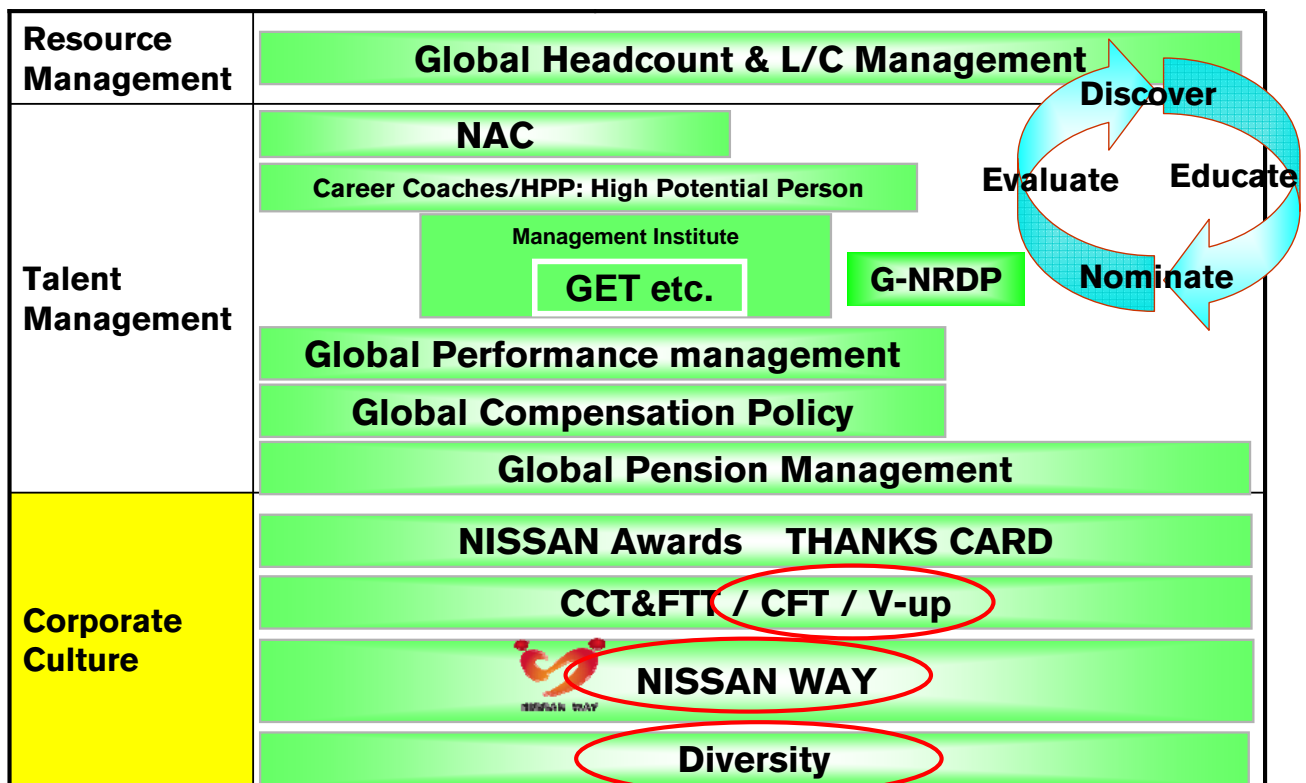
Diversity cycle



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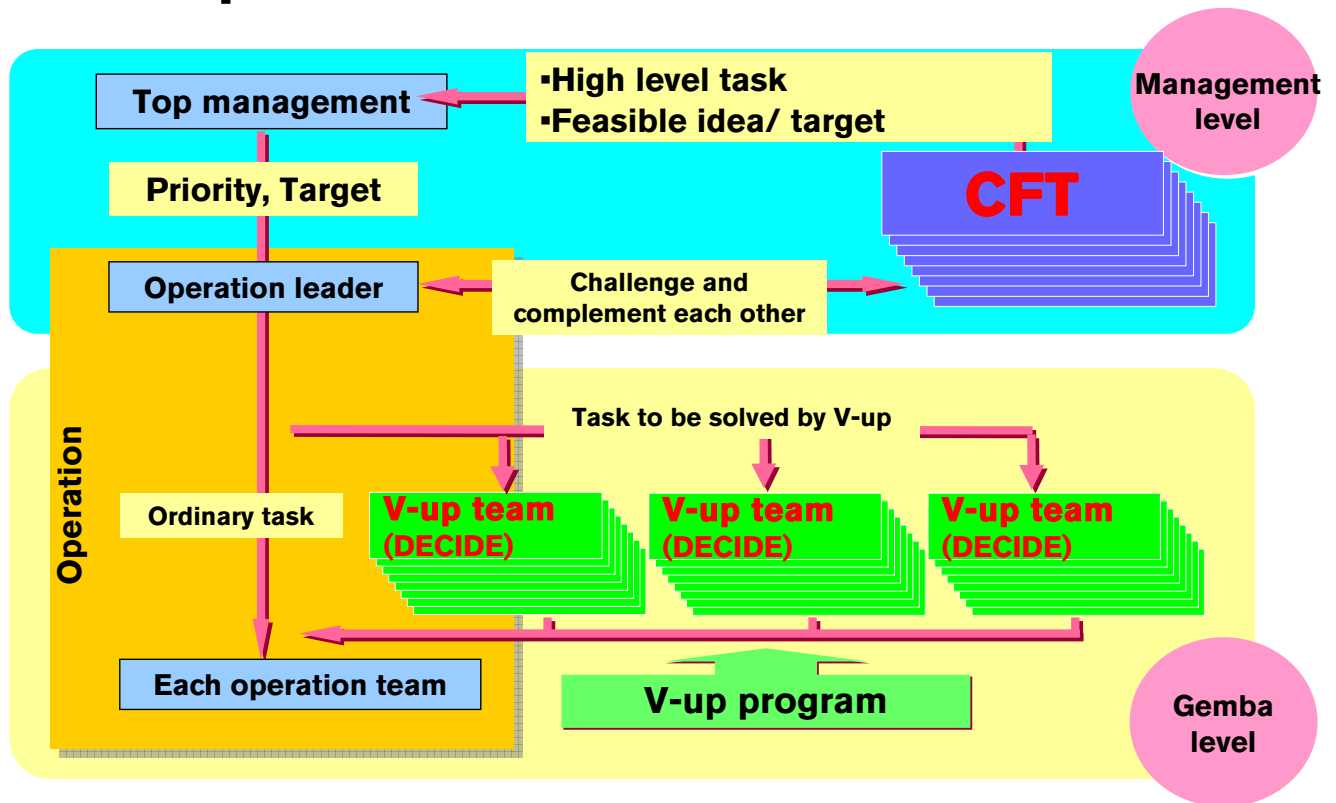
Nissan's global management



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CFT/V-Up



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“The power comes from inside”

The focus is the customer, the driving force is value creation, and the measurement of success is profit.

Mindset

1. Cross-functional, Cross-cultural

Be open and show empathy towards different views: welcome diversity.

2. Transparent

Be clear, be simple, no vagueness, and no hiding.

3. Learner

Be passionate, learn from every opportunity: create a learning company.

4. Frugal

Achieve maximum results with minimum resources.

5. Competitive

No complacency, focus on competition, and continuous benchmarking.

Actions

1. Motivate

How are you energizing yourself and others?

2. Commit & Target

Are you accountable and are you stretching enough toward your potential?

3. Perform

Are you fully focused on delivering results?

4. Measure

How do you assess performance?

5. Challenge

How are you driving continuous and competitive progress across the company?

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