

**Fiscal Year 2000 Financial Results
and
Nissan Revival Plan in Review**

Carlos Ghosn

**President
Nissan Motor Co., Ltd.**

NRP Commitments

- ✓ ~~• FY00 Return to profitability~~
- FY02 Reduce net consolidated debt to less than 700 billion yen
- FY02 Operating profit \geq 4.5% of sales

Agenda

- Introduction
- Fiscal Year 2000
- Fiscal Year 2001
- Preparing for the Future
 - Conclusion

Fiscal Year 2000

- NRP computed no growth
- Global retail sales volume for FY up 4.0%

FY 1999:	2,530,000
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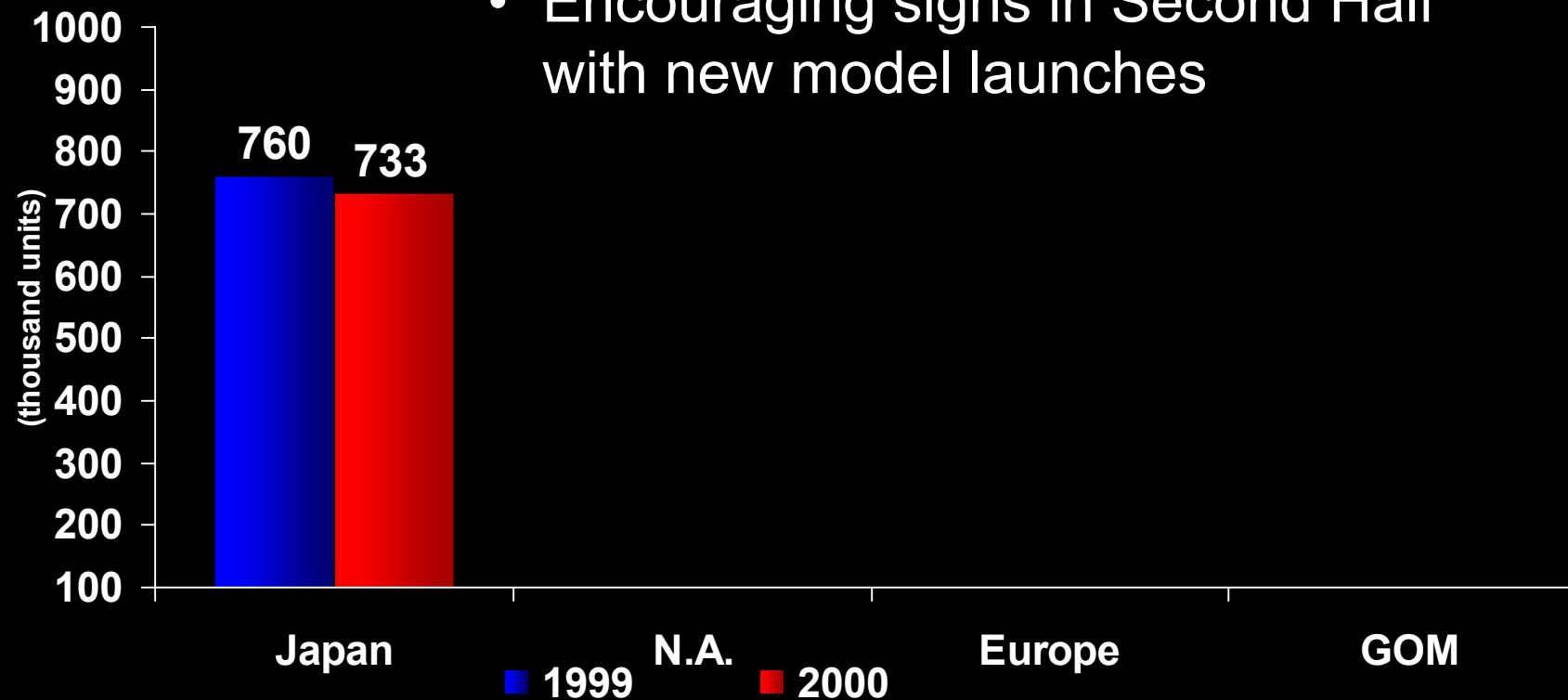
FY 2000:	2,632,000
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Fiscal Year 2000

Nissan Retail Sales (FY00 -v- FY99)

Japan: down 3.6%

- TIV Up 3.5%
- Encouraging signs in Second Half with new model launches

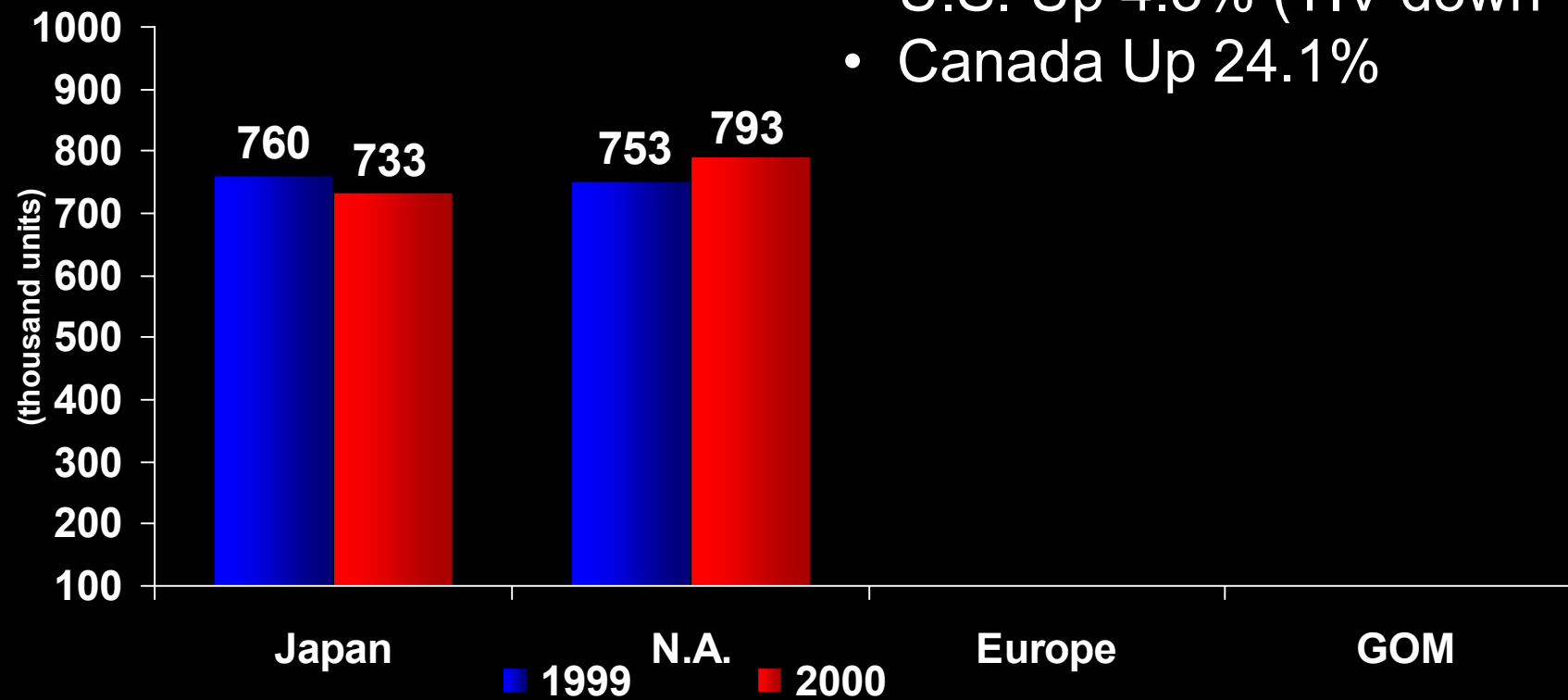


Fiscal Year 2000

Nissan Retail Sales (FY00 -v- FY99)

North America up 5.3%
(US & Canada)

- U.S. Up 4.3% (TIV down 1.5%)
- Canada Up 24.1%

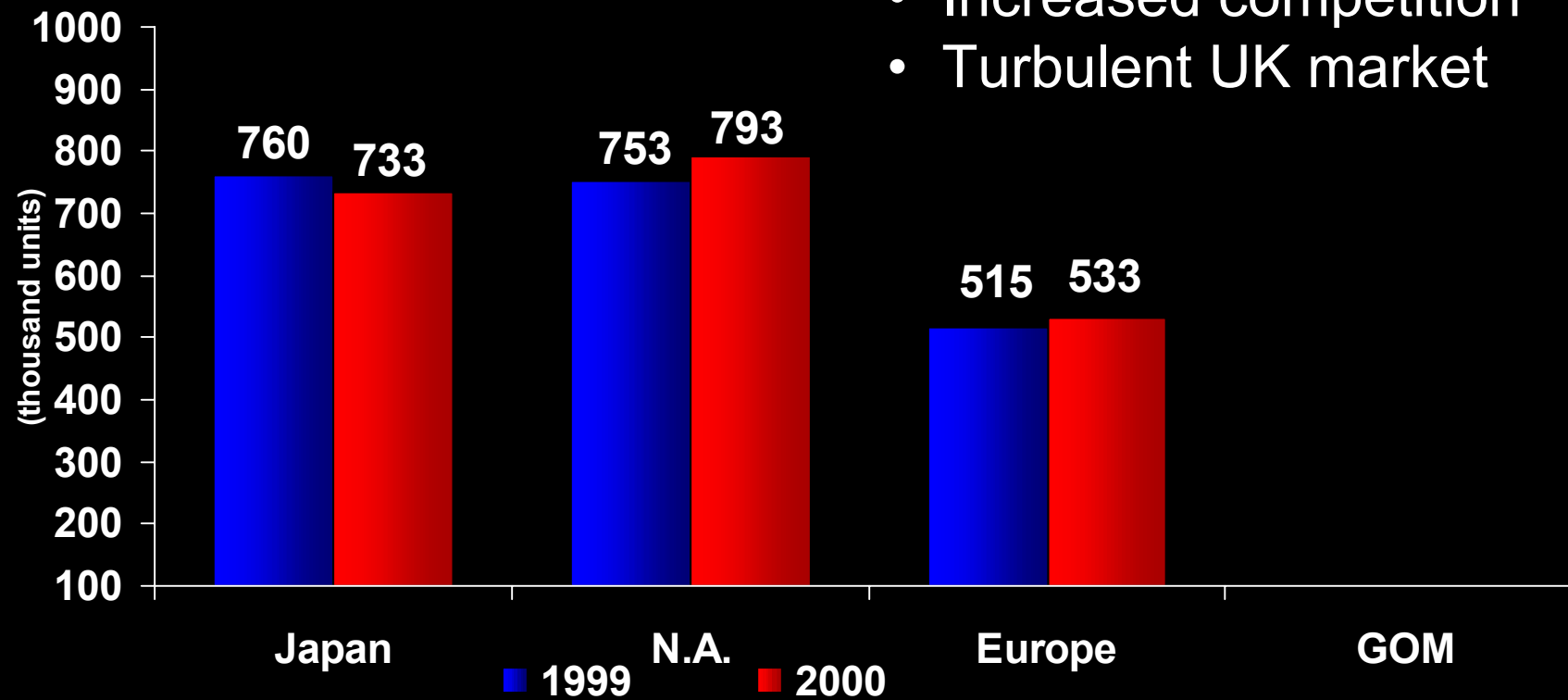


Fiscal Year 2000

Nissan Retail Sales (FY00 -v- FY99)

Europe: Up 3.5%

- TIV Down 1.2%
- Increased competition
- Turbulent UK market

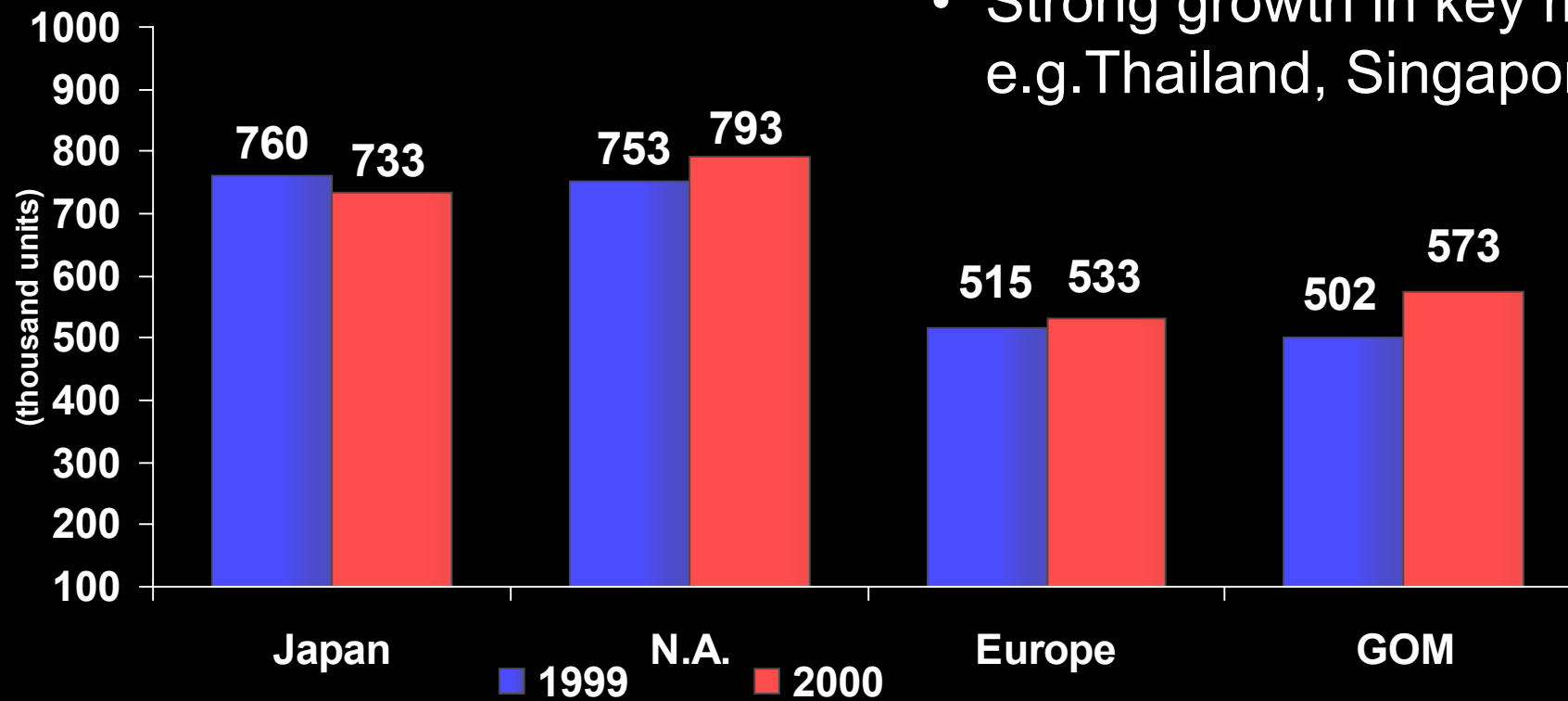


Fiscal Year 2000

Nissan Retail Sales (FY00 -v- FY99)

GOM: Up 14.1%

- Mexico up 28.3% (20.3% share)
- Strong growth in key markets e.g. Thailand, Singapore



Fiscal Year 2000 Wrap-Up

Business Development

- **Active brand management started**
 - Continued training -- 4,000 trained in Japan and North America
 - New badge unveiled

Fiscal Year 2000

Investments

- Important Investments to ensure future growth
 - Increase in U.S. capacity:
 - Smyrna, Decherd, Canton
 - Mercosur
 - U.K.: Sunderland
 - Thailand
 - Fuel cell program with Renault

Fiscal Year 2000 Global Management

GNX
(Global Nissan)

Europe

Japan

North America

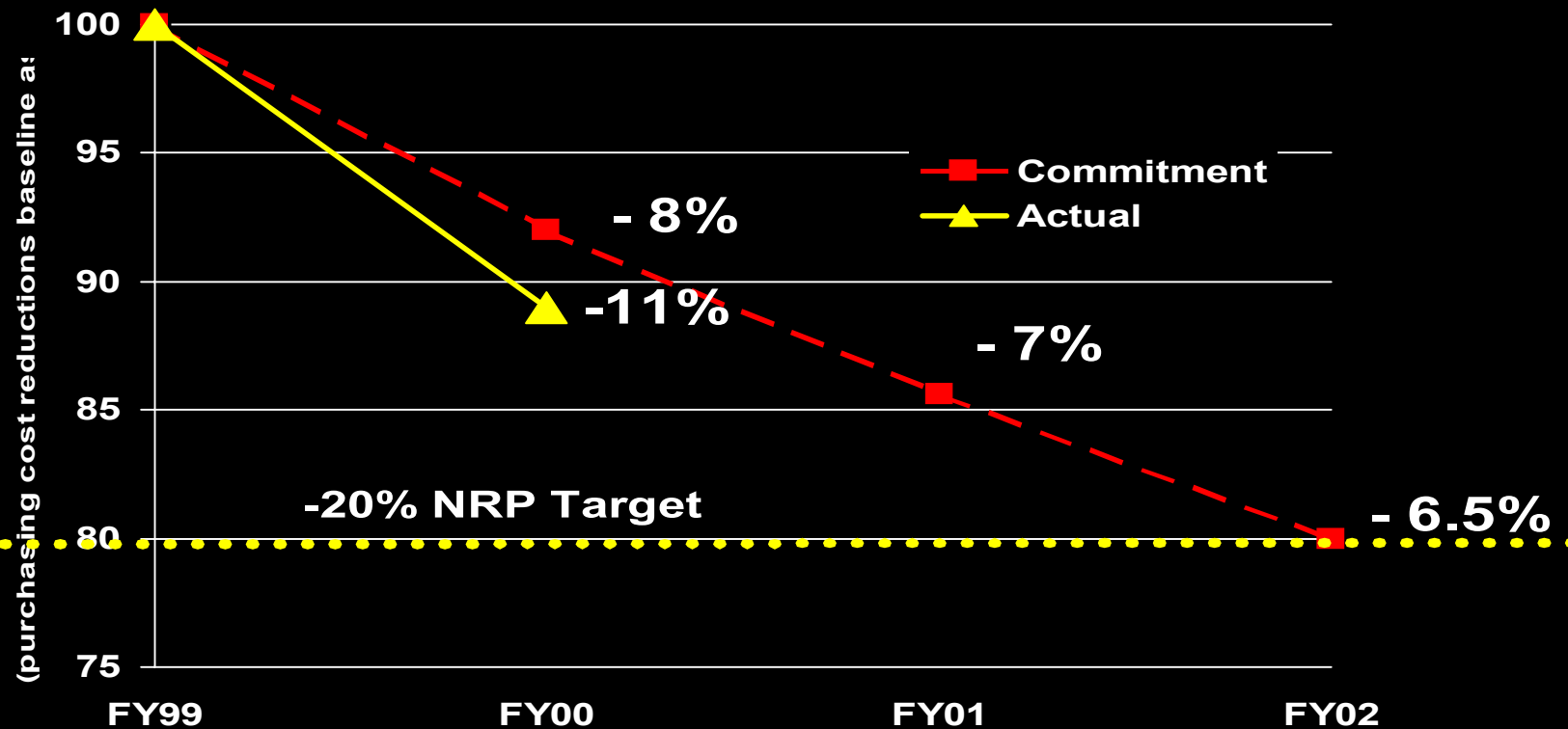
GOM

(General Overseas Markets)



Fiscal Year 2000 Cost Reductions

- Purchasing cost reductions overachieved targets and commitments



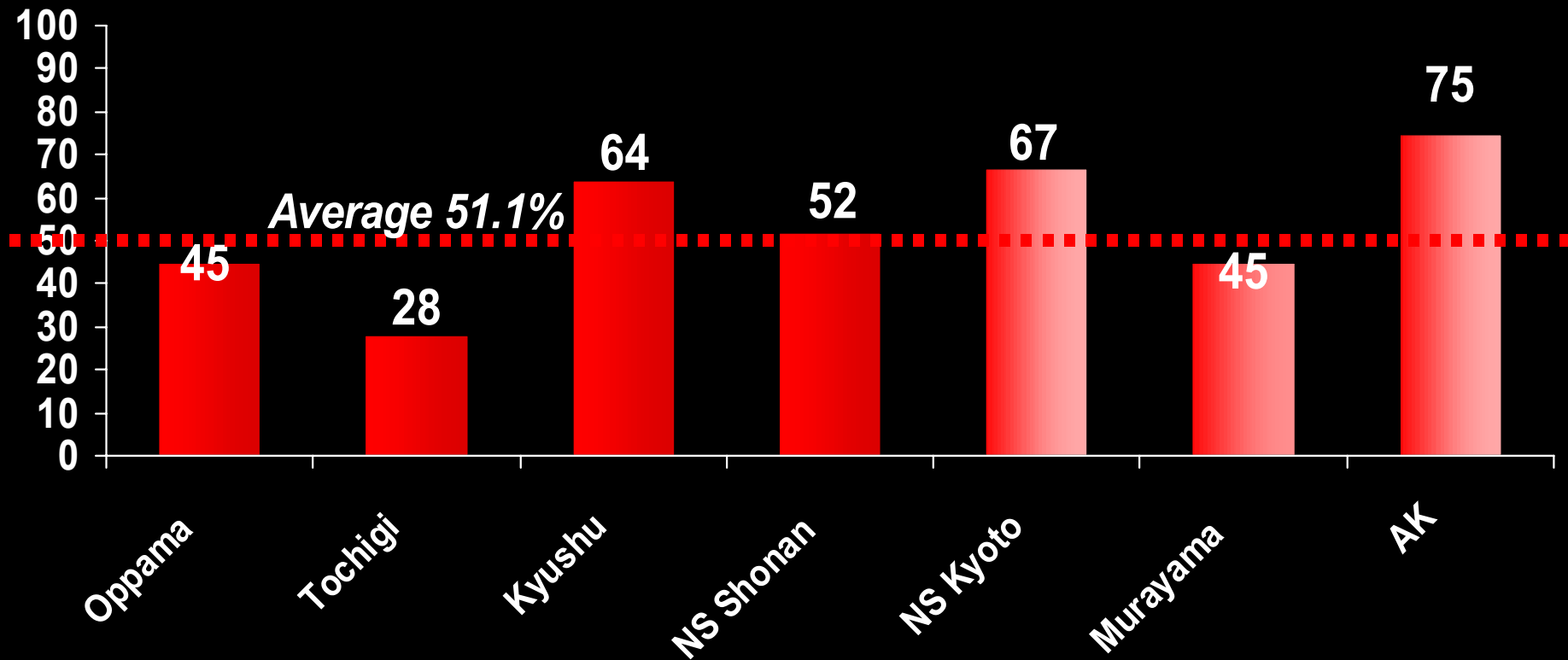
Fiscal Year 2000

Cost Reductions

- Purchasing cost reductions overachieved targets and commitments
 - Parts suppliers reduced 30%
 - from 1,145 to 810
 - Services suppliers reduced 40%
- Plant closures proceeding smoothly

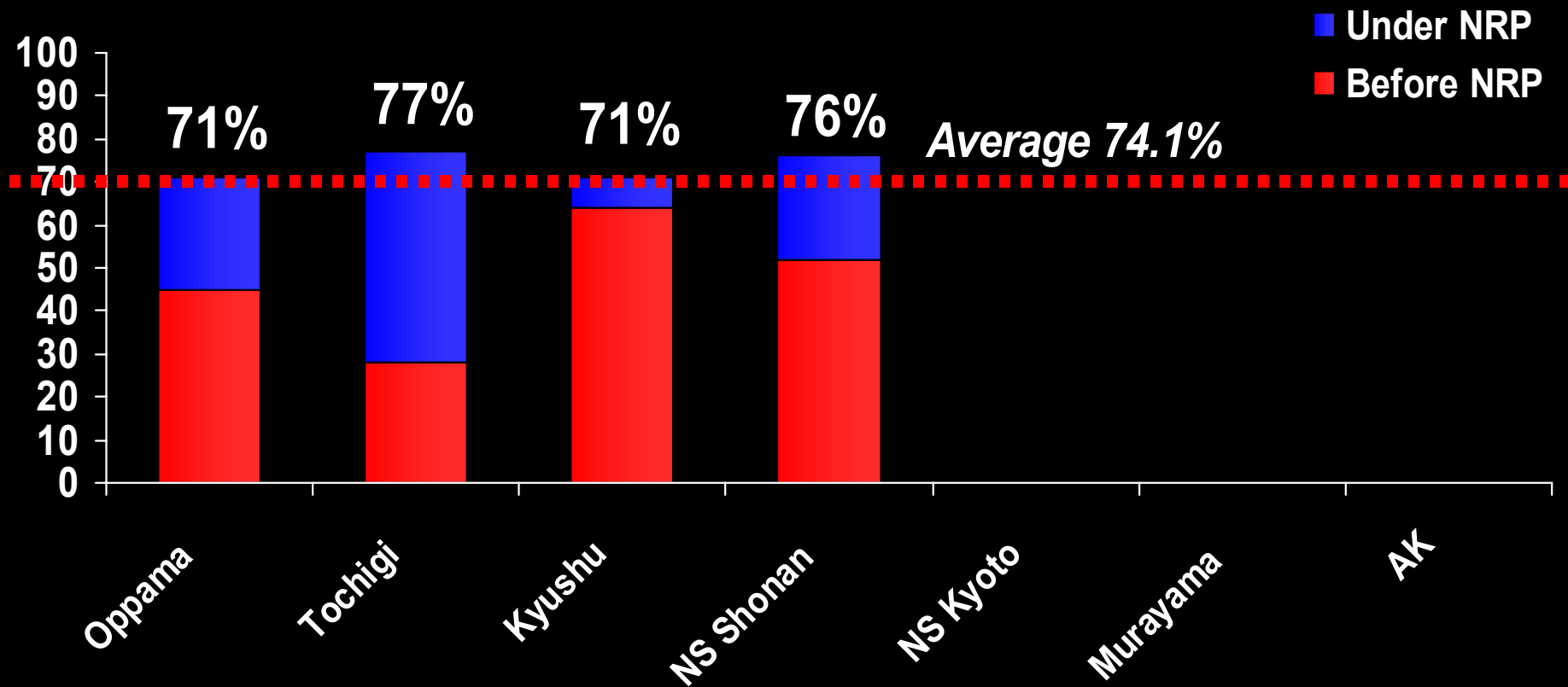
Capacity Utilization in Japan

Fiscal Year 2000



Capacity Utilization in Japan

Fiscal Year 2001



Source: Nissan FY01 production plan based on 1.6 million unit capacity

Fiscal Year 2000

Cost Reductions

- Purchasing cost reductions overachieved targets and commitments
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 - from 1,145 to 810
 - Services suppliers reduced 40%
- Plant closures proceeding smoothly
- R&D Efficiencies increased 17%

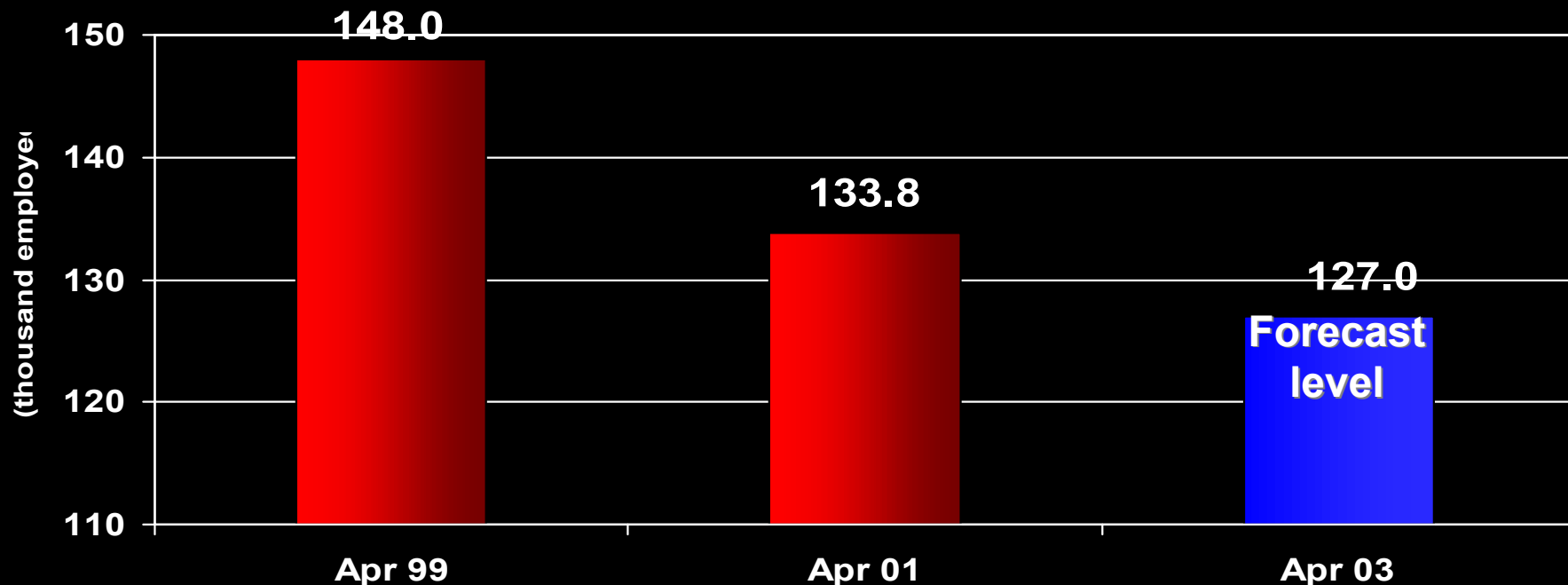
Fiscal Year 2000

Cost Reductions

- Japan
 - Closed 300 retail outlets in Japan
 - 10 dealers moved to private owners
 - Reduced incentive spending
- Common hubs with Renault in Europe
- Held incentives down in U.S.

Fiscal Year 2000 Cost Reductions

- Consolidated Headcount: 133,800
 - Net Reduction: 14,200
 - Including: 9,100 hired to support growth



(including temp & part time at start of FY99)

Fiscal Year 2000

Reallocating Resources

	(billion yen proceeds)
Total:	341
Real estate:	87
Marketable securities:	146
Non-core spin-offs:	40
Affiliate companies:	68

Fiscal Year 2000 Summary Review

(billion yen)	03/00	03/01	% Change
Unit Sales (consolidated retail)	2,530,000	2,632,000	4.0.%
Net Sales (revenue)	5,977	6,090	1.9%
Operating Profit			
Operating Margin			
Ordinary Profit			
Net Income			
Net Margin			
Shareholders Eqty			
Debt Equity (net automotive debt/shareholders equity)			

Impact on Net Sales

Total:	1.9% increase
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Accounting & Scope:	0.5% increase
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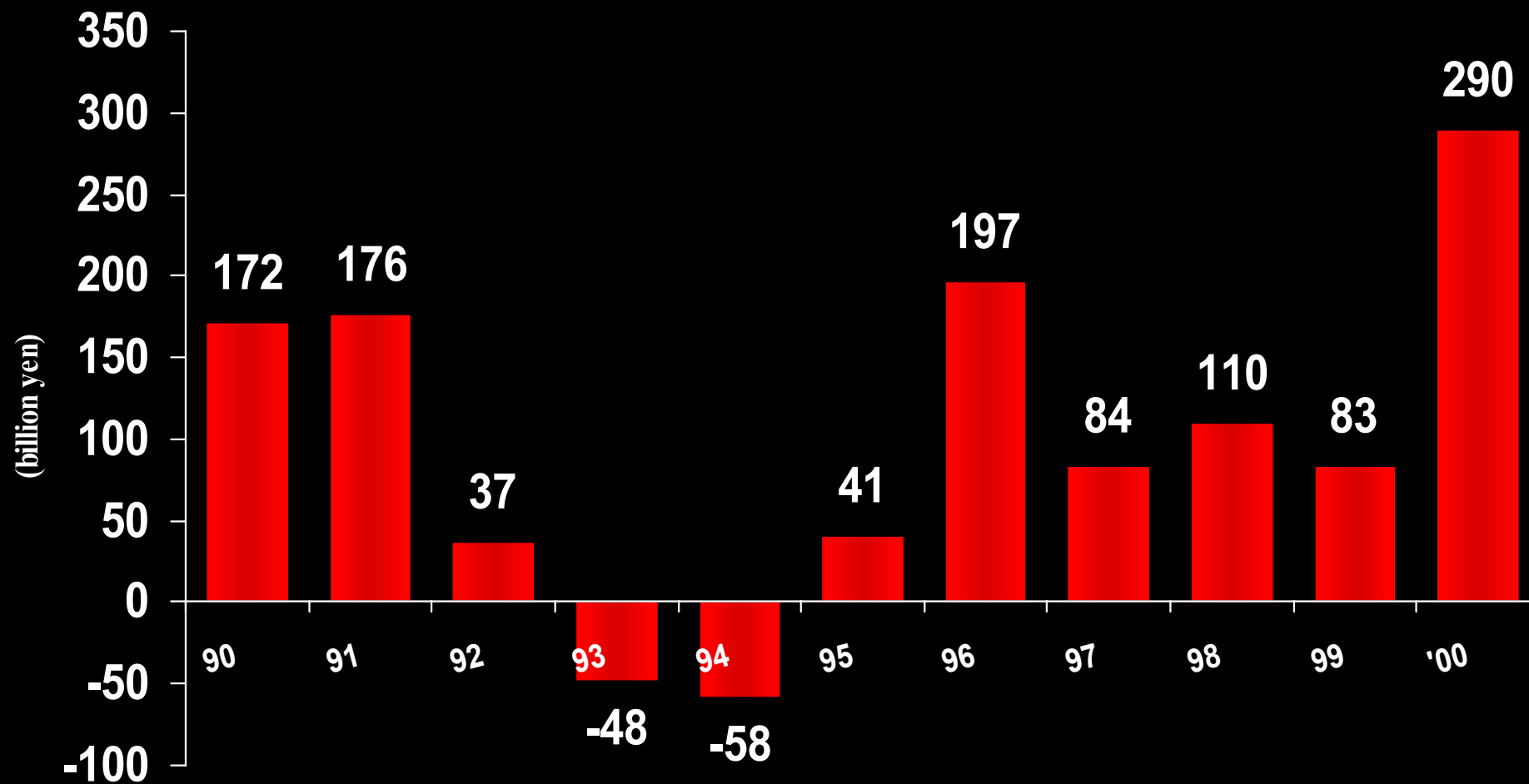
Volume/Mix/Price:	4.7% increase
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Foreign Exchange:	3.3% decrease
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Ordinary Profit			
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Consolidated Operating Profit FY90-00

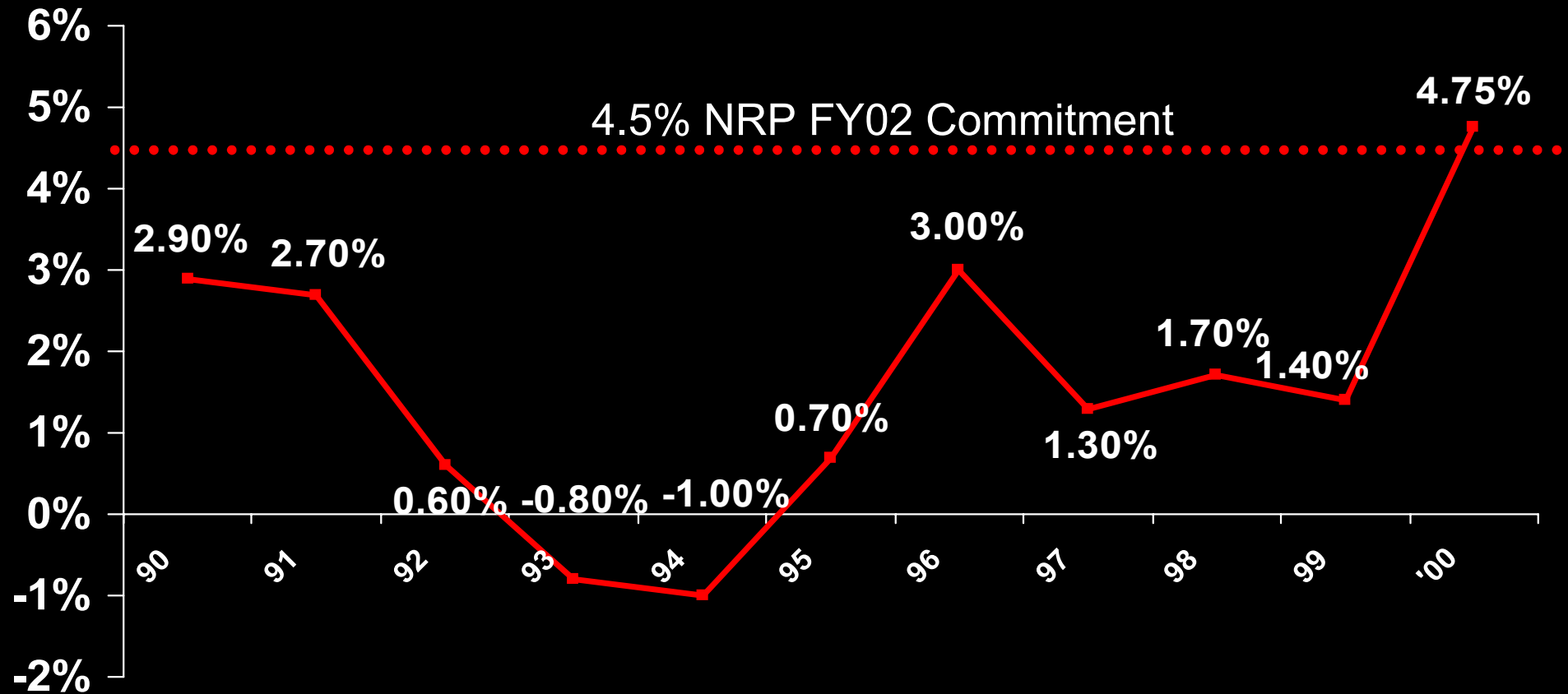


Figures before FY94 are adjusted by current rate method

Fiscal Year 2000 Summary Review

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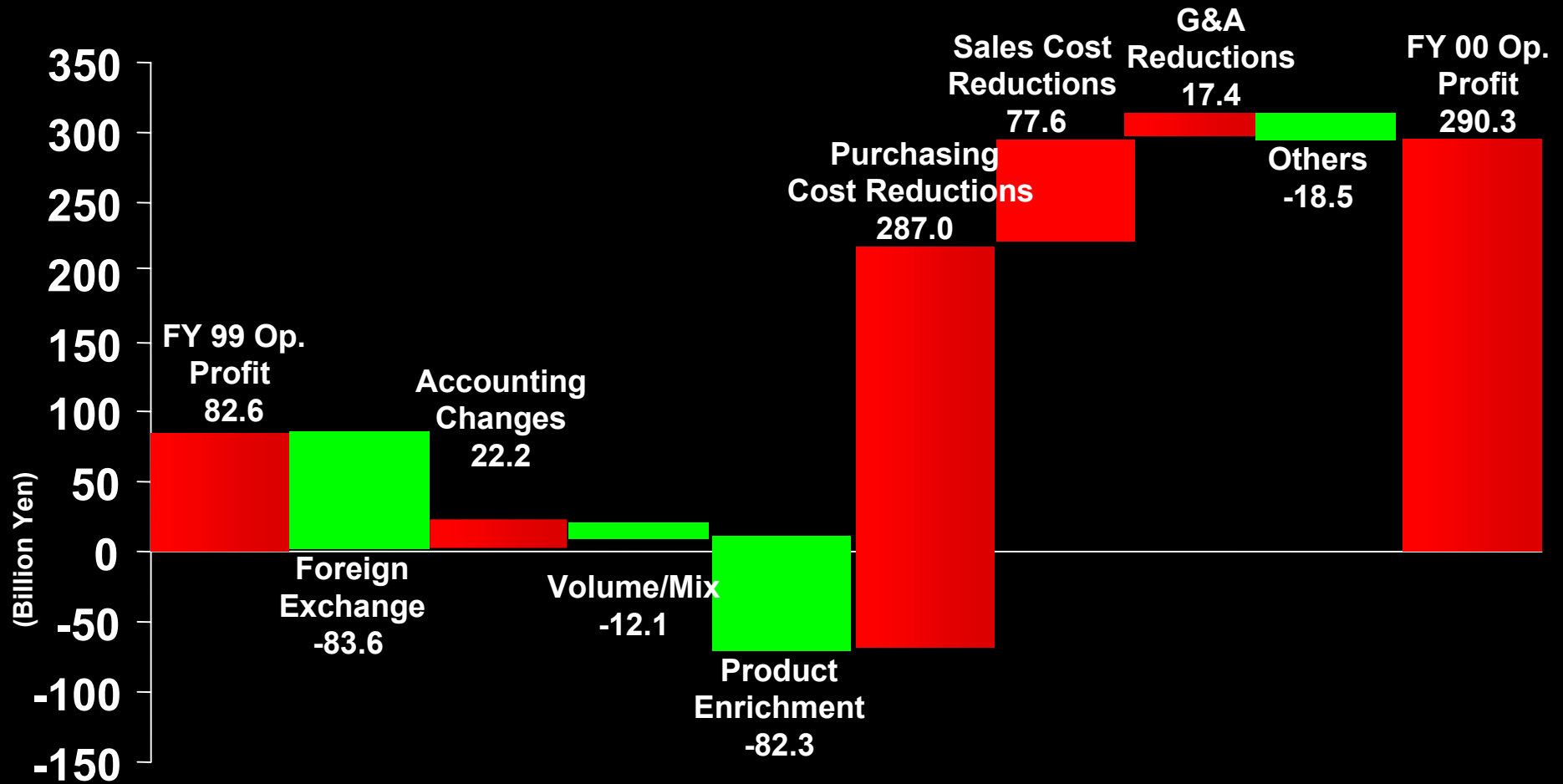
Consolidated Operating Margin FY90-00



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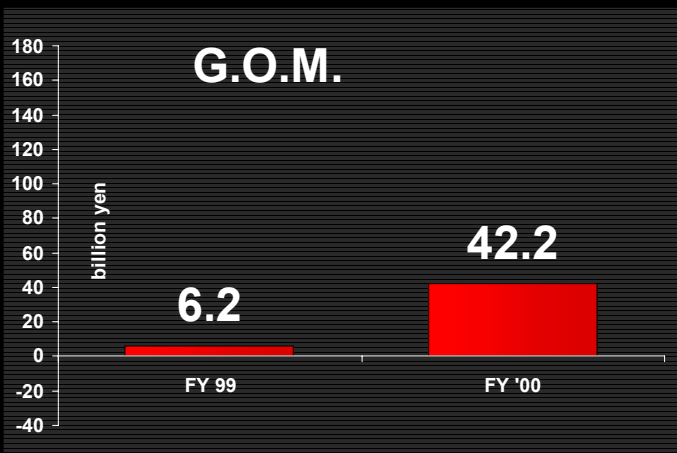
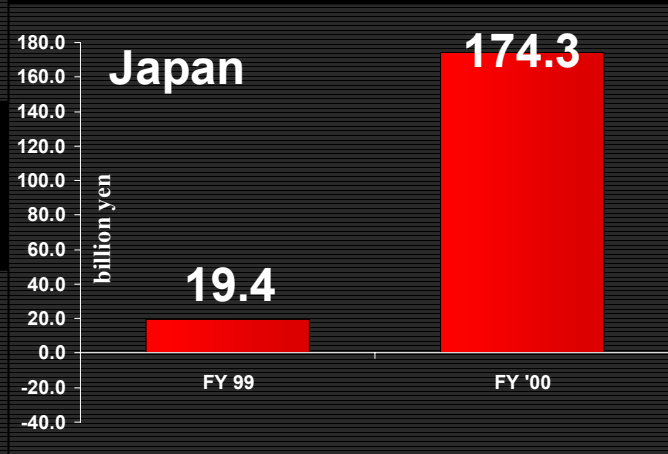
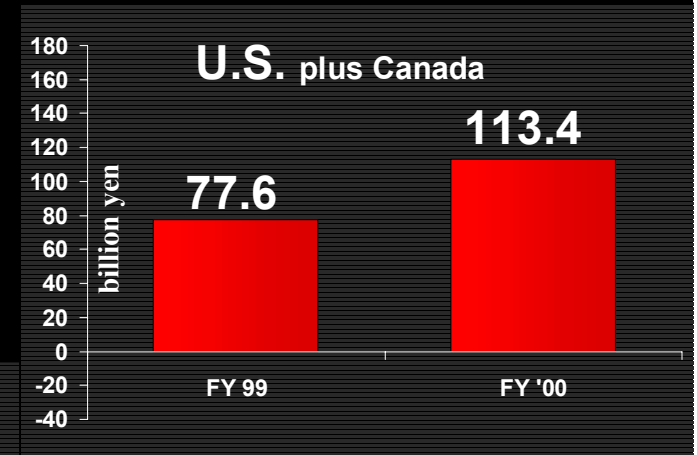
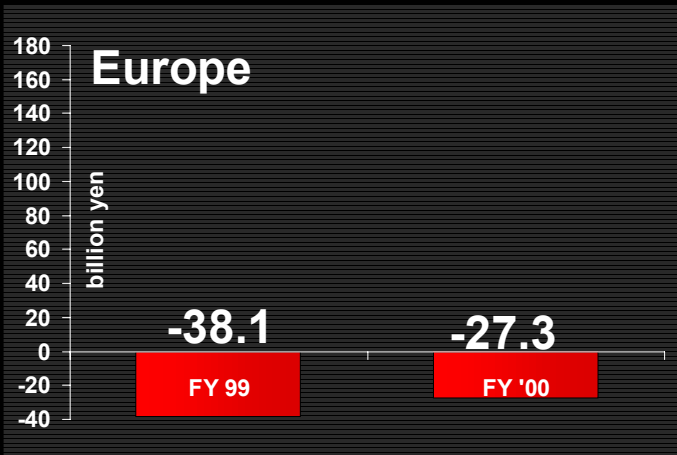
Fiscal Year 2000

Impacts on Operating Profit: FY99 -v- 00



Fiscal Year 2000

Operating Profit by Geographic Segment



Eliminations: bn yen

FY99:	17.5
FY00:	-12.3

Fiscal Year 2000 Summary Review

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Operating Margin	1.4%	4.75%	--
Ordinary Profit	-1.6	282.3	--
Net Income			
Net Margin			
Shareholders Eqty			
Debt Equity (net automotive debt/shareholders equity)			

Impacts on Ordinary Profit

FY99 -v- 00

Non-operating Profit & Loss	(billion yen)	
	FY99	FY00
Financial costs:	-60.6	-31.1
Sale of marketable securities:	14.3	38.6
Past pension liabilities:	0	-24.7
Other non-operating items:	-37.9	9.2
Contribution from affiliates:	-19.0	9.2

Impacts on Net Income

FY99 -v- 00

	billion yen
Current Taxes:	68.1
Deferred Tax Assets:	-130.6
Minority Interests:	21.1

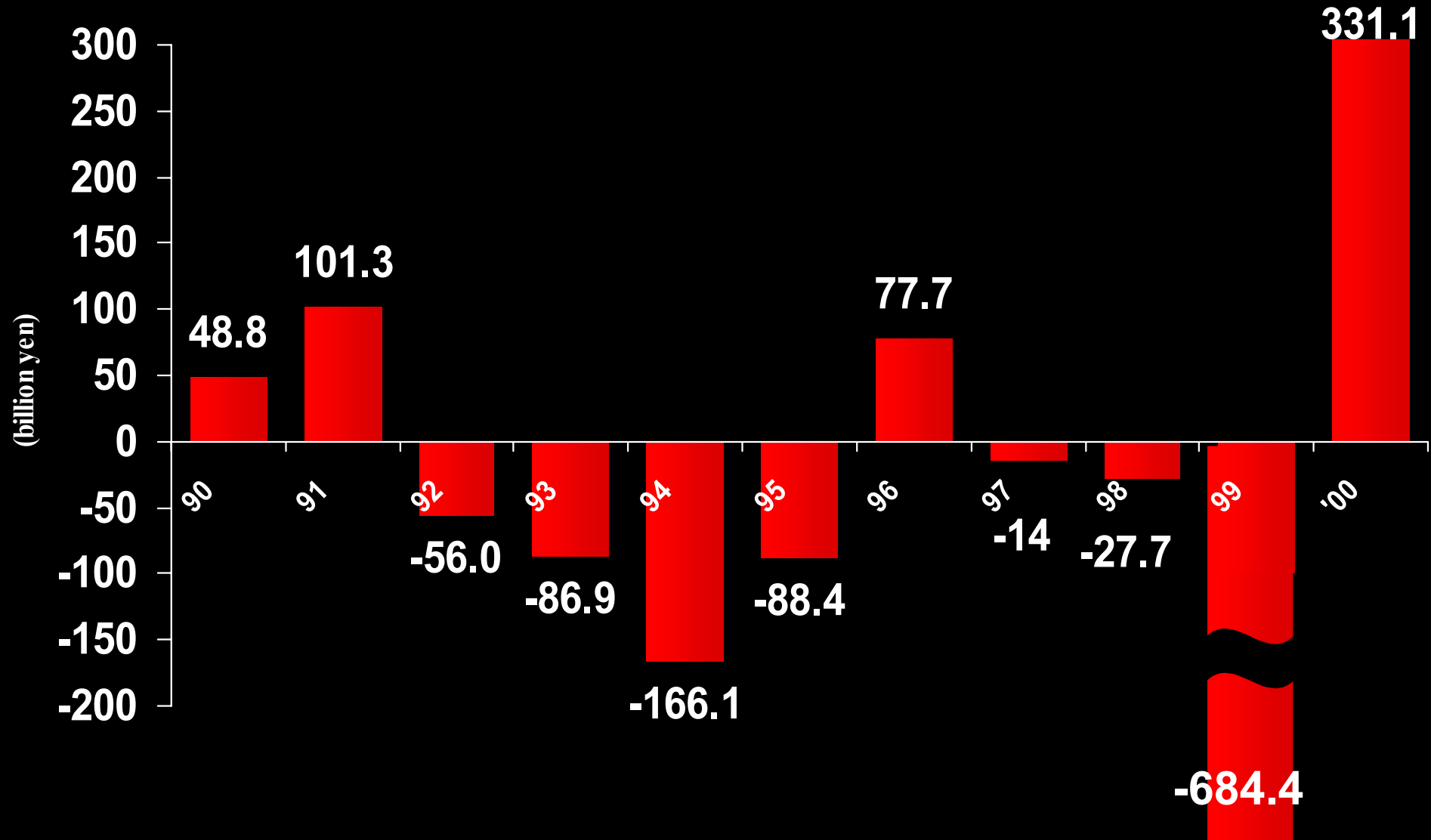
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Net Margin			
Shareholders Eqty			
Debt Equity (net automotive debt/shareholders equity)			

Fiscal Year 2000 Summary Review

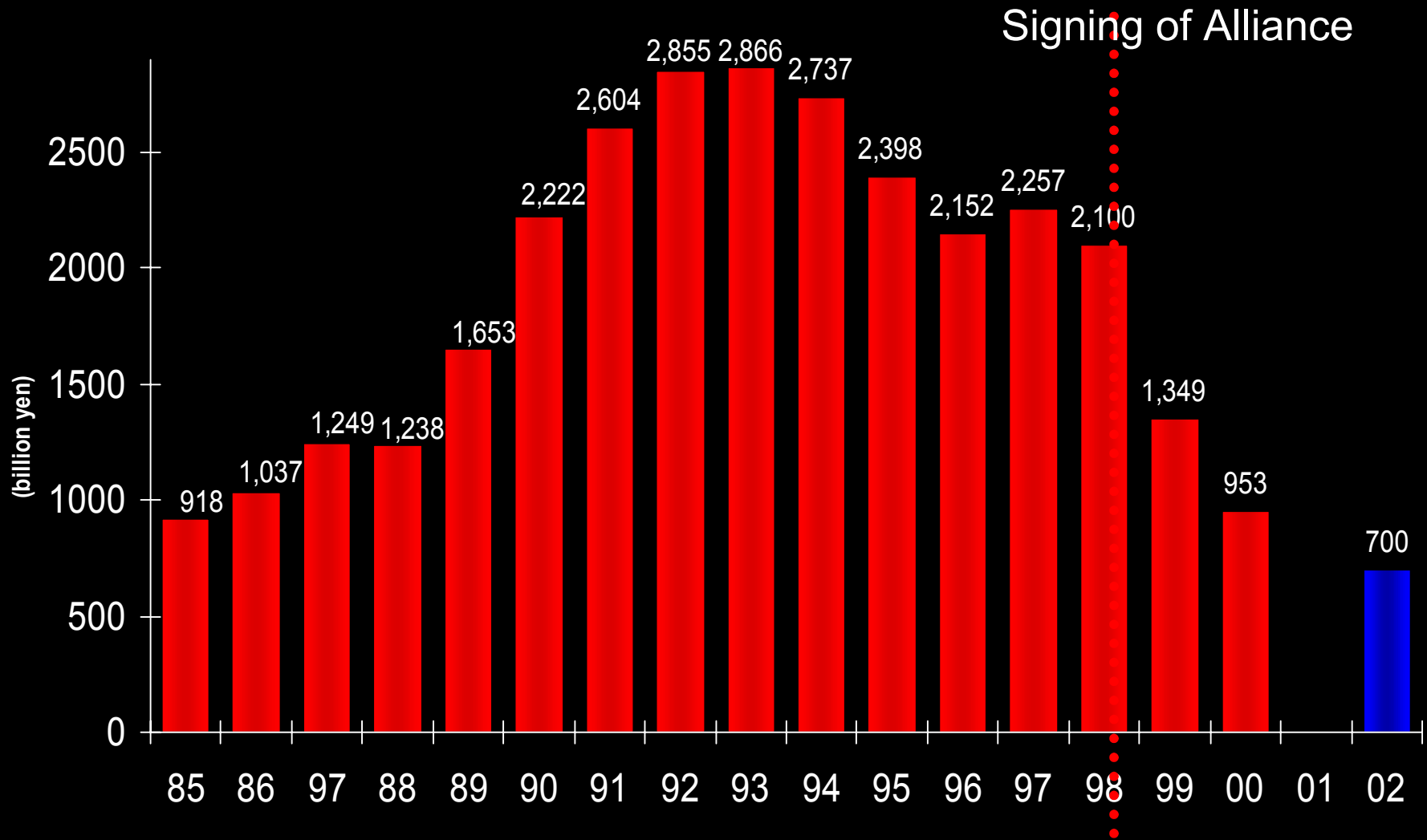
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Shareholders Eqty			
Debt Equity (net automotive debt/shareholders equity)			

Consolidated Net Income FY90-00



Fiscal Year 2000

Consolidated Net Automotive Debt



Fiscal Year 2000 Summary Review

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Shareholders Eqty	563.8	957.9	69.9%
Debt Equity (net automotive debt/shareholders equity)			

Note: FY99 equity after translation adjustment declassified basis

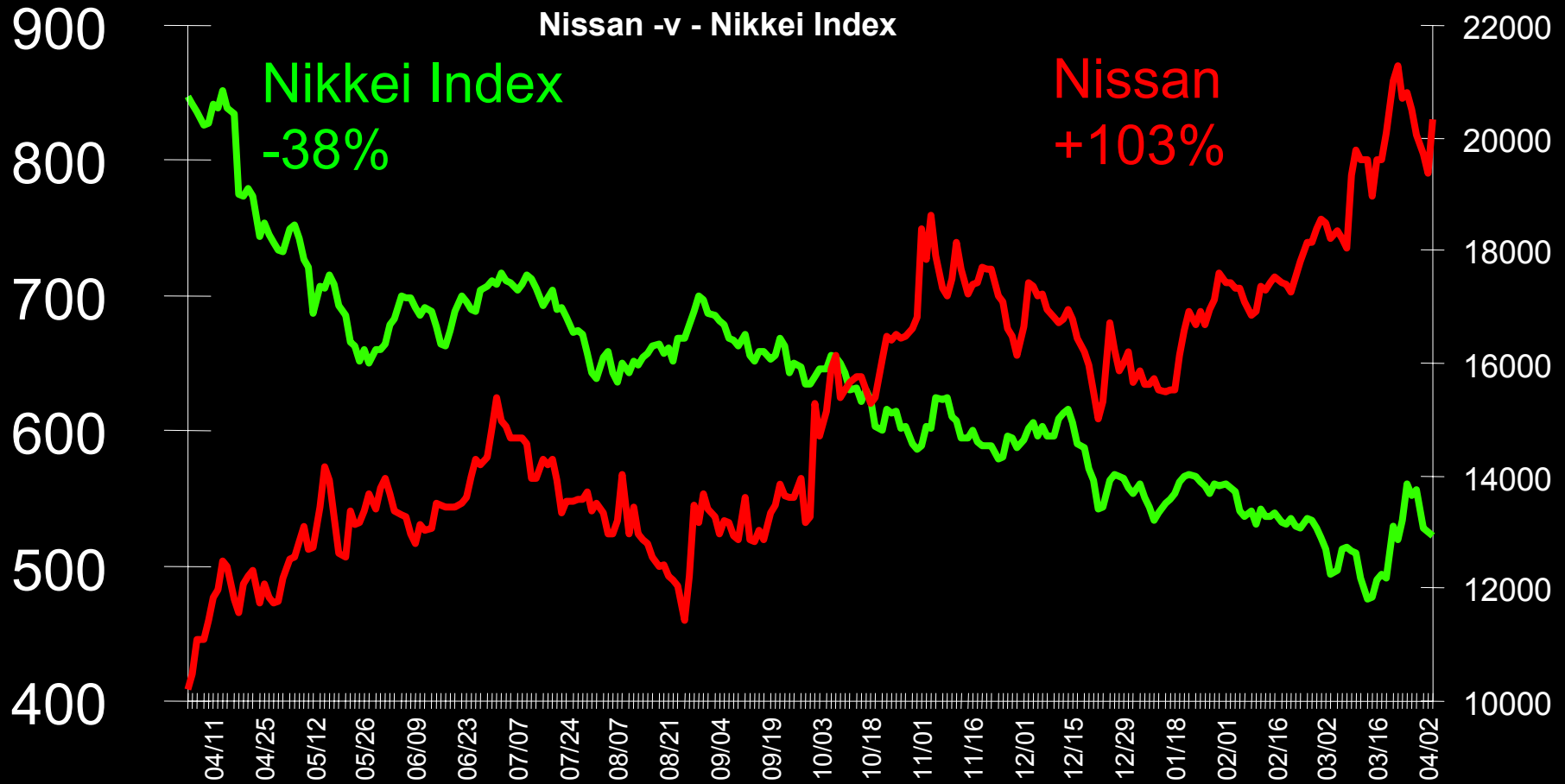
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Note: FY99 equity after translation adjustment declassified basis

Fiscal Year 2000 Wrap-Up

Return & Rewards



Summary Review

Non-consolidated FY00

(billion yen)	03/00	03/01
Net Sales (revenue)	3,000	3,000
Operating Profit	-15.6	127.7
Ordinary Profit	-35.8	135.6

Agenda

- Introduction
- Fiscal Year 2000
- Fiscal Year 2001

Fiscal Year 2001

Forecast Currency Rates

FY01 Currency Assumptions

JPY 114 = USD 1

JPY 105 = EUR 1

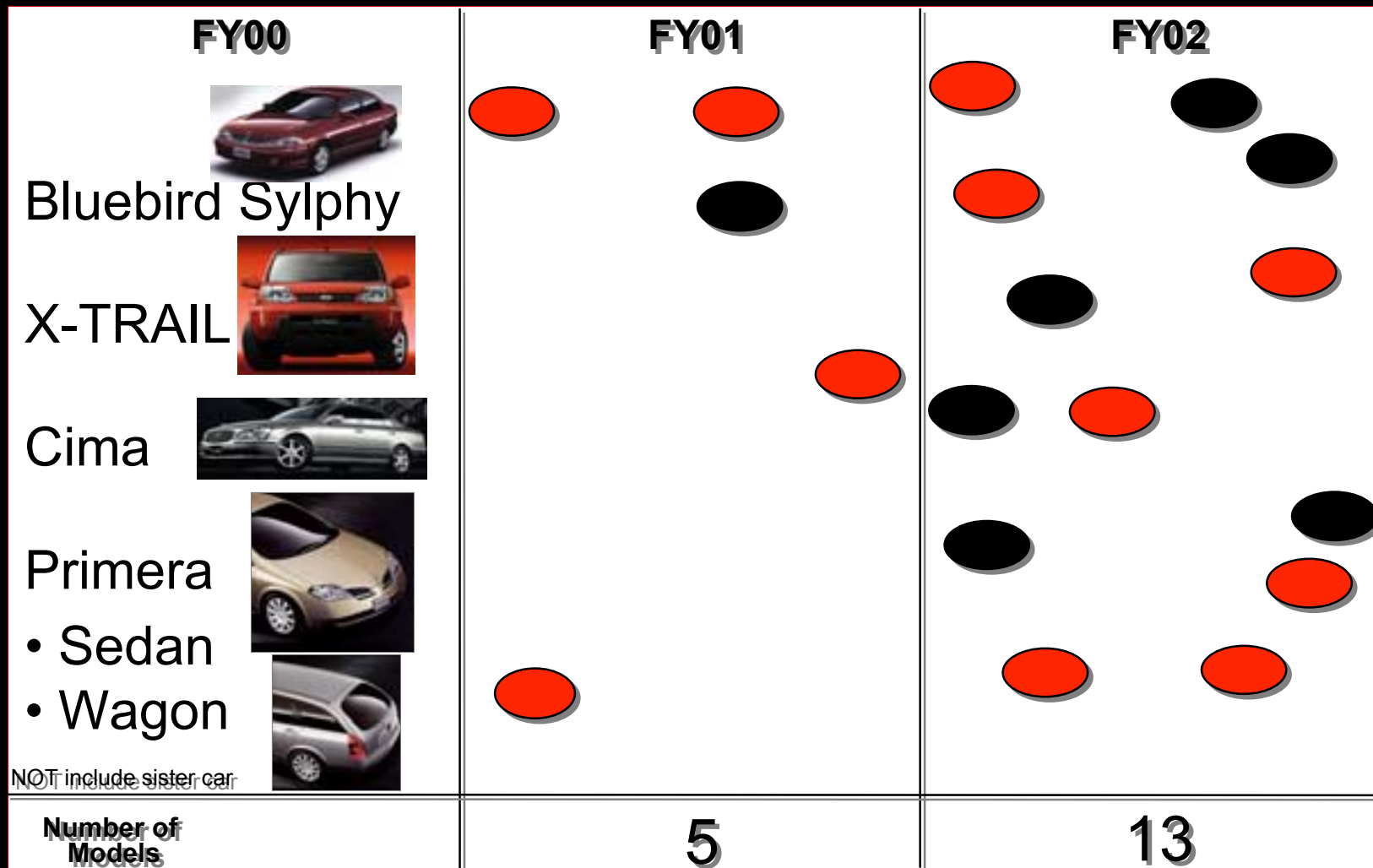
Fiscal Year 2001

Japan TIV:	4.2 million	up 2.0%
Volume:	764,000	up 4.2%
Market Share:	18.2%	
(U.S.) TIV:	15.9 million	down 7.3%
Volume:	762,000	up 2.4%
Market Share:	4.8%	
Europe TIV:	16.4 million	down 2.0%
Volume:	523,000	down 1.9%
Market Share:	3.1%	
GOM Volume:	622,000	up 8.6%
Total Global Volume*:	2,721,000	up 3.4%

Global number includes Canada forecast of 50K units

Fiscal Year 2001

5 New Products Globally



 Domestic Market Launch

Fiscal Year 2001 Business Development

Fiscal Year 2001 Regional New Product Launch



Caravan

Skyline

Japan

Stagea

March

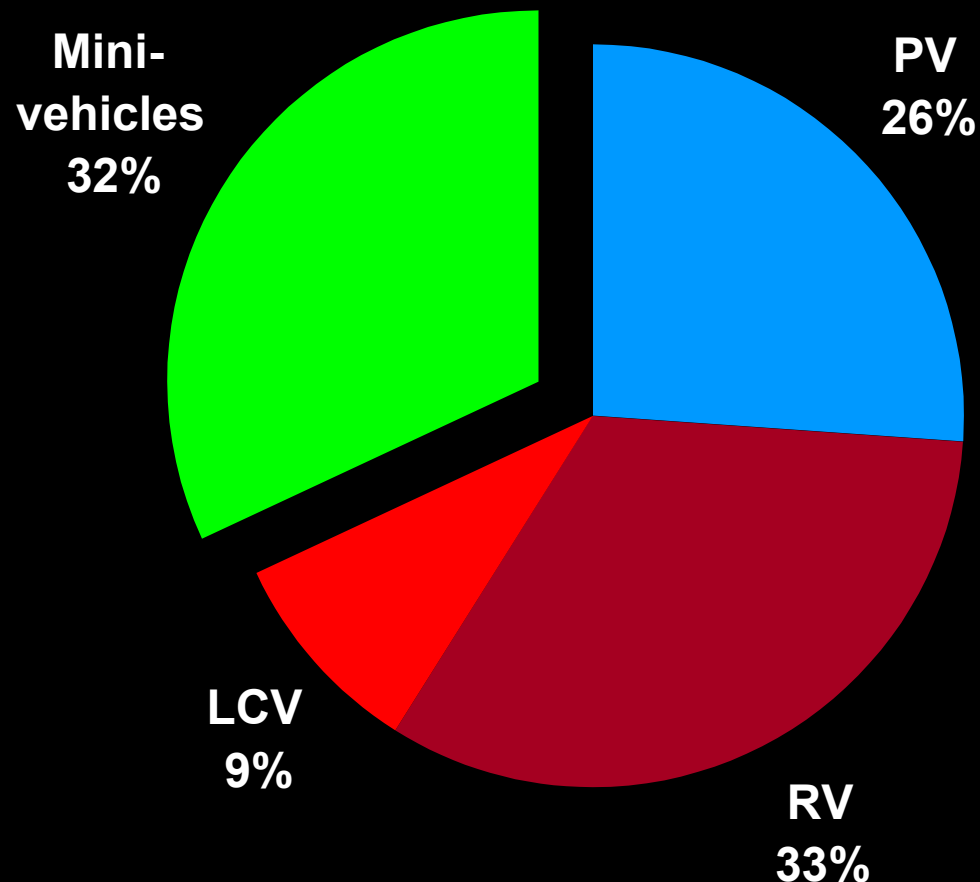
				<i>U.S.</i>								
				<i>Europe</i>								

Fiscal Year 2001

Business Development

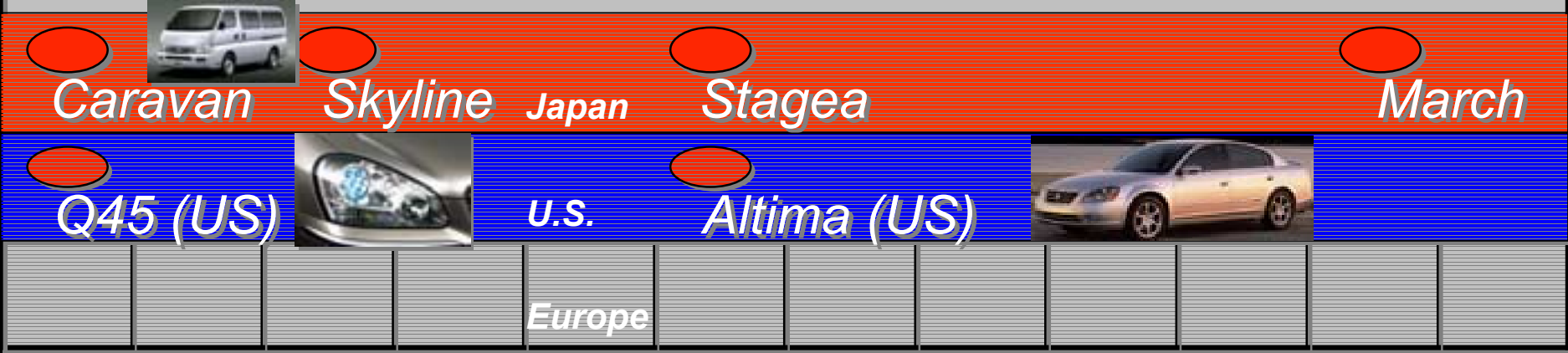
- Nissan will enter minicar segment

➤ *Japan Vehicle Market By Segment (CY00)*



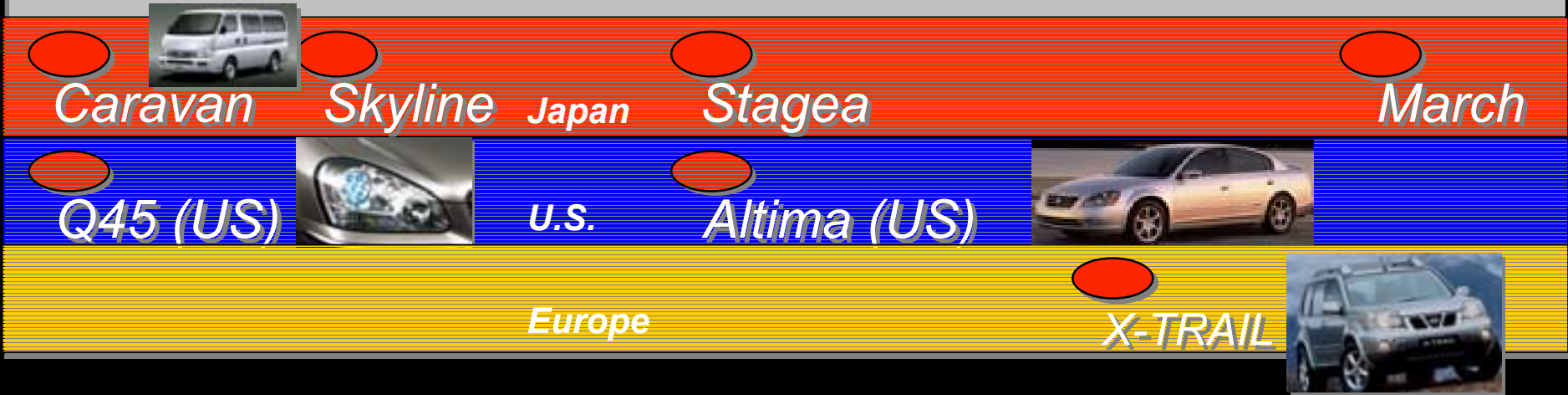
Fiscal Year 2001 Business Development

Fiscal Year 2001 Regional New Product Launch



Fiscal Year 2001 Business Development

Fiscal Year 2001 Regional New Product Launch



Fiscal Year 2001

Business Development

- Develop Asian Markets
 - Invest in Thailand operations
 - Search for opportunities in China

Fiscal Year 2001

Business Development

- Continue to grow brand program
 - Strong BI impact on new model introductions
 - Major auto show presentations culminating in Tokyo Motor Show in October 2001 with 6 new products

Fiscal Year 2001

Business Development

- Continue to grow brand program
 - Strong BI impact on new model introductions
 - Major auto show presentations culminating in Tokyo Motor Show in October 2001 with 6 new products
- Grow global parts business
- Leverage NMAC and NFS

Fiscal Year 2001

Cost Reductions

- Continue purchasing cost reductions
- Continued manufacturing cost reductions
- Reduce sales costs
 - Keep incentives down
 - Restructure domestic dealers network
- Continued asset sales
 - Securities
 - Real estate
 - Affiliates

Alliance Update

*Create the Premier Bi-national Automotive
Group in the World*

Alliance Update

- Continue work on B and C-platforms
- Joint production
 - Clio production in Mexico begins in December 2001
 - Frontier production in Brazil begins in early 2002
 - Light commercial vehicle will be built in Barcelona in 2002
- Renault Nissan Purchasing Organization (RNPO) formed April 12
 - 1% cost reduction on top of NRP target (2 years)

Risks & Opportunities

Risks

- **Threat of global industry slowdown**
- **Increasing incentive activity**

Opportunities

- **Foreign exchange**
- **Nissan Revival Plan**

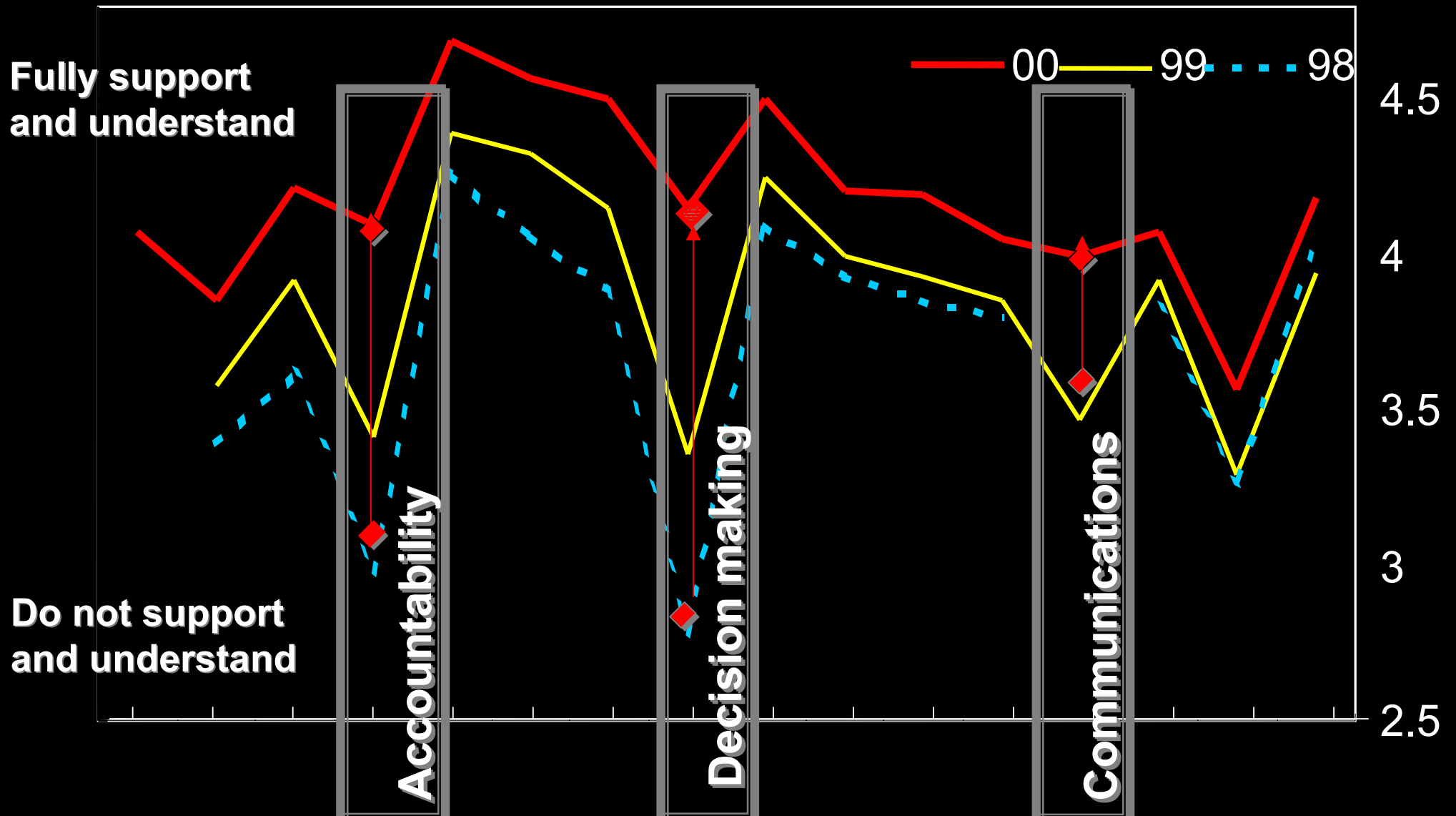
Forecast for FY 2001

<u>FY 01 Forecast:</u>	<u>(billion yen)</u>
Net Sales	6,300
Operating Profit	350
Ordinary Profit	290
Net Income	330
Capital Expenditures	315
Net Automotive Debt	<850

Agenda

- Introduction
- Fiscal Year 2000
- Fiscal Year 2001
- Preparing for the Future

Change in Manager Attitudes

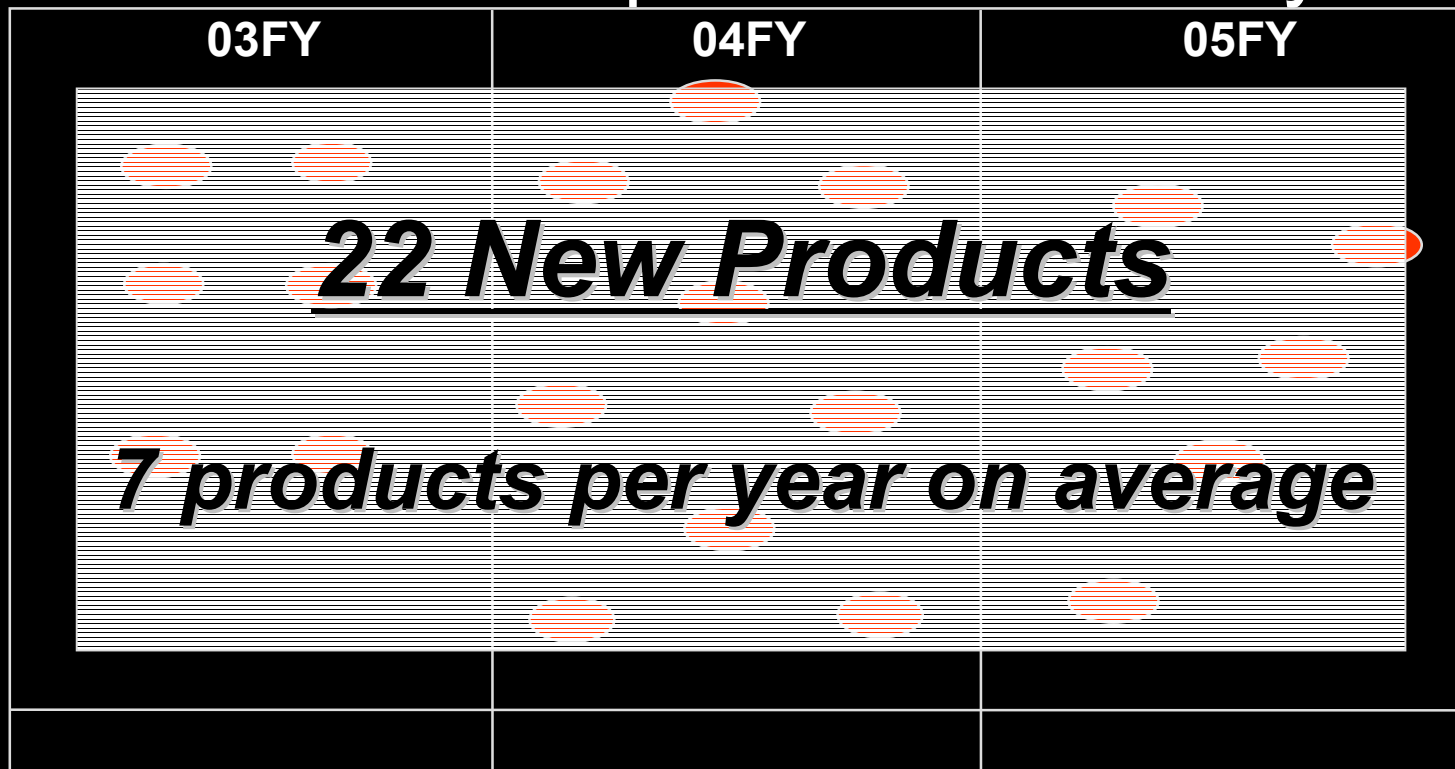


Post NRP Guide

- Three main goals:
 - Significant growth
 - Top level profitability
 - Zero debt

Post NRP Guide -- Growth

- First part is growth -- targeting 1 million units worldwide
- Product: 22 new products in three years



Post NRP Guide -- Growth Brand Power

- Creative, Attractive Design
- Creative, user-friendly IT
- High technology for superior driving performance
- Competitive services

Post NRP Guide -- Growth Technology

- Advanced technology for Driving Pleasure and Safety
 - Information at your fingertips
 - User friendly systems
- Advanced Environmental technology
 - SULEV (super low emission vehicles)
 - Bluebird Sylphy and Sentra CA
 - Fuel Cell Vehicles

Post NRP Guide -- Profit

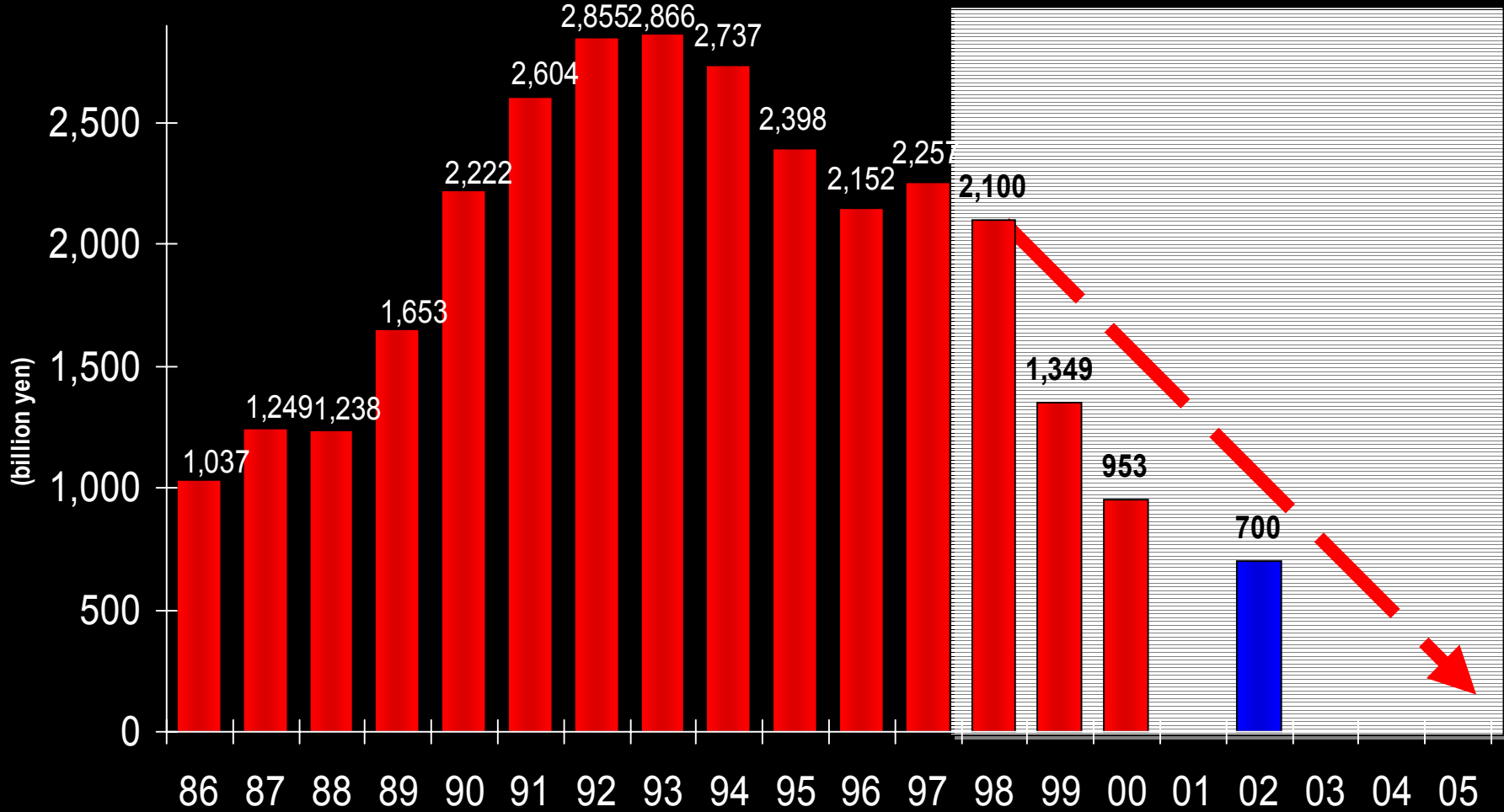
- Profitability -- reach top profitability in the industry
 - Volume growth
 - More favorable mix
 - Strong brand identity
 - Cost competitiveness
 - Accelerated synergies with Renault

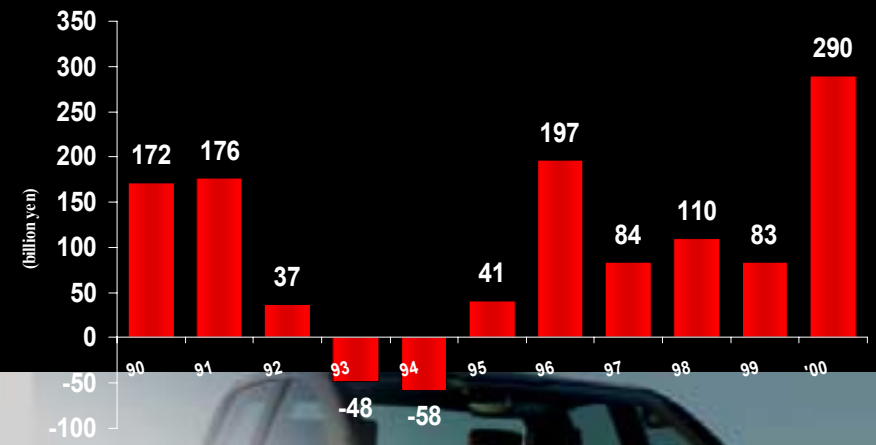
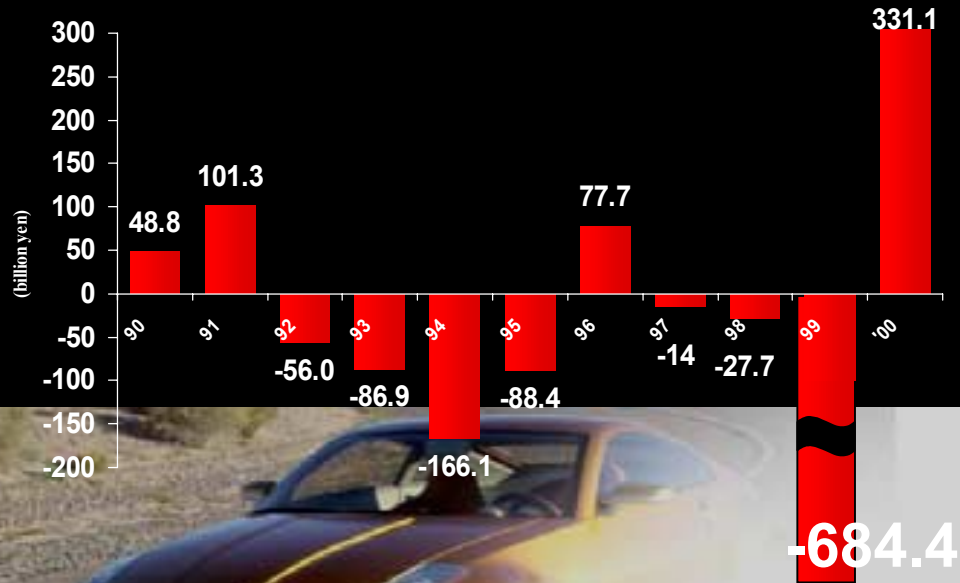
Post NRP Guide -- Profit Cost Competitiveness

- Distribution -- 26% of total costs
 - Reduce 3% on average by 2005
- R&D
 - Reduce development costs 20% on top of NRP targets
 - Cut in half development time from design freeze to SOP

Post NRP Guide

Consolidated Net Automotive Debt





Nissan is Back

