



RE:NISSAN

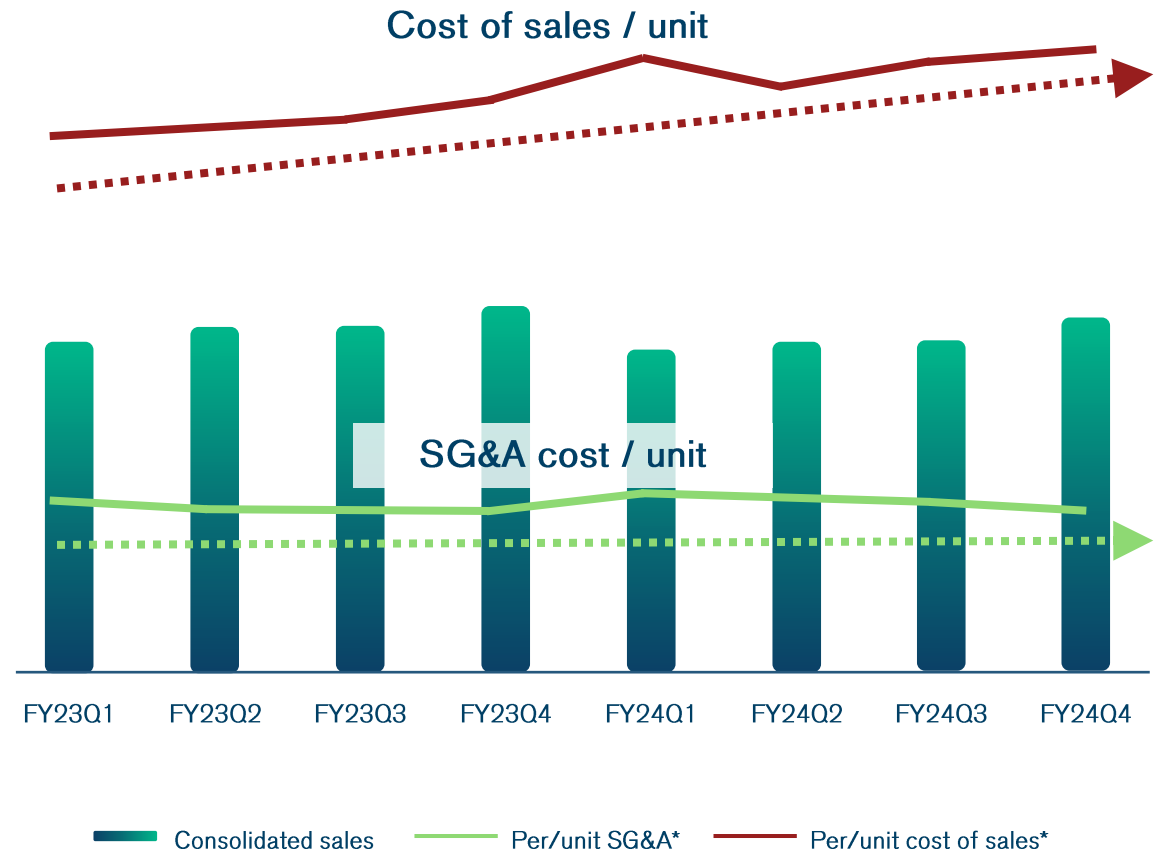
FY25-26

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Rising variable costs

Fixed costs remain higher than current revenue can support

FY25 net revenue to remain flat



*Ratios calculated as net sales

Challenges

Cost structure

Market uncertainty

Must Ensure:


**Self
improvement
at speed**

**Profitability
with
less reliance
on volume**

Key Drivers

- 1 Reduce cost structure
- 2 Redefine market and product strategy
- 3 Reinforce partnerships

**Positive
auto operating
profit
&
free cash flow
by FY26**



**Reduce
Cost
Structure**

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Revisited Cost Targets

Targeting savings to total

500B

Vs FY24 actuals

Variable Cost

Fixed Cost

Announced vs the Arc

Revisited Target vs the Arc

Revisited target vs FY24 actuals**

For reference

~100B
by FY26

200B
by FY26

250B
by FY26

>300B
by FY26

350B
by FY26

250B
by FY26



**■ Variable
Cost
Reduction**

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Cost Reduction: 250B

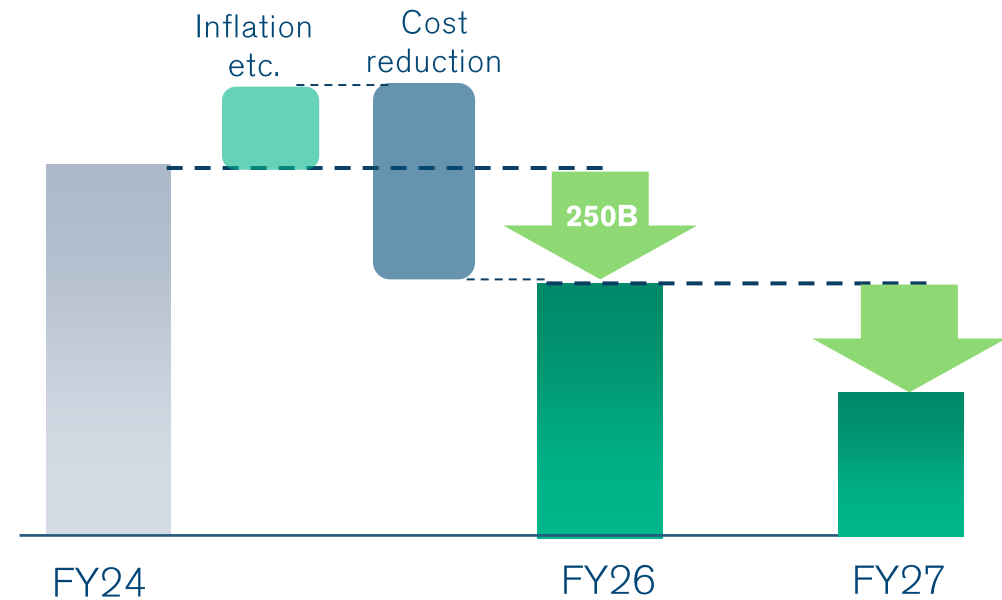
Initiate Variable Cost Transformation Program

Achieve engineering and cost efficiencies

Rethink supply chain

- Challenge internal standards
- Increase efficiency: more for few

Target 10% Over 3 years



Rapid-Response Team



- TdC transformation office led by Chief of TdC
- Up to 300 experts from R&D, Purchasing, Manufacturing, TCS and Cost Control
- Pause some advanced and post-FY26 projects to reassign 3,000 employees for TdC reduction; utilize new shortened development process to ensure no impact on start of production

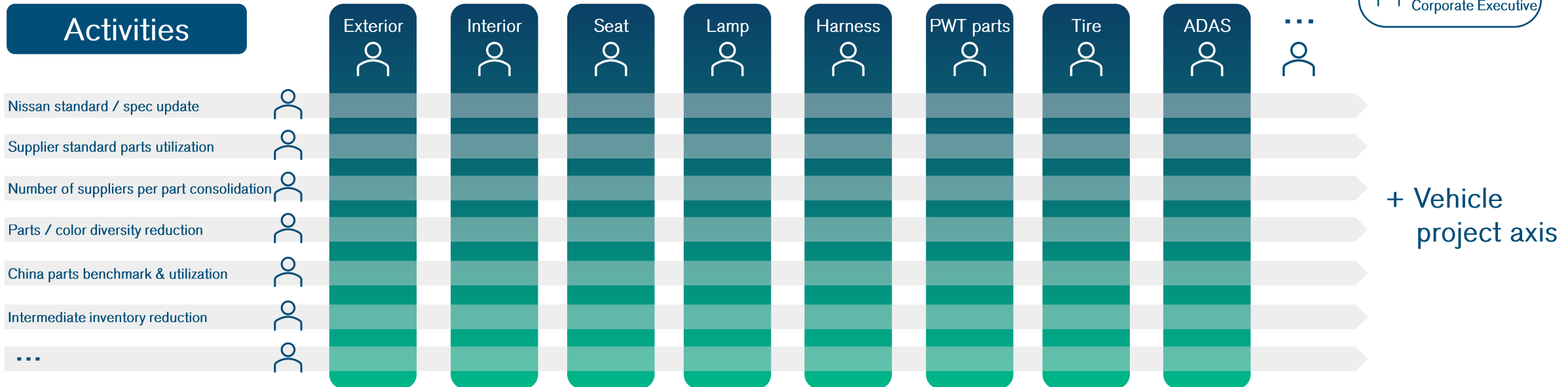
Executive Committee

Chief of Total Delivered Cost Transformation

Commodities

Full-support

- R&D Corporate Executive
- Purchasing Corporate Executive
- Manufacturing Corporate Executive



Fixed Cost Reduction



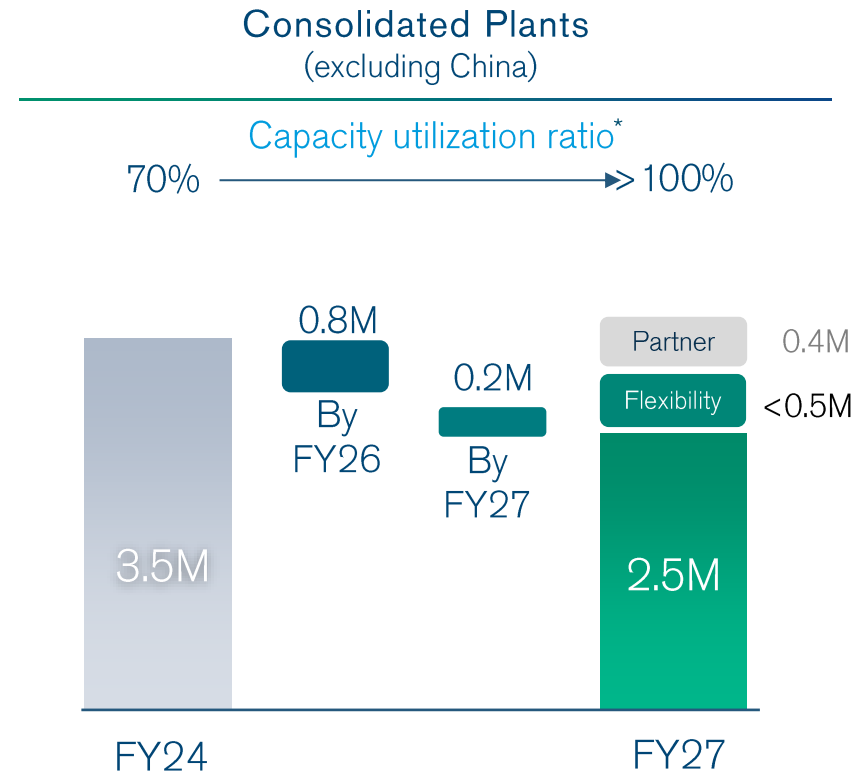
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From 17 plants to 10 by FY27

Consolidate vehicle and powertrain plants globally

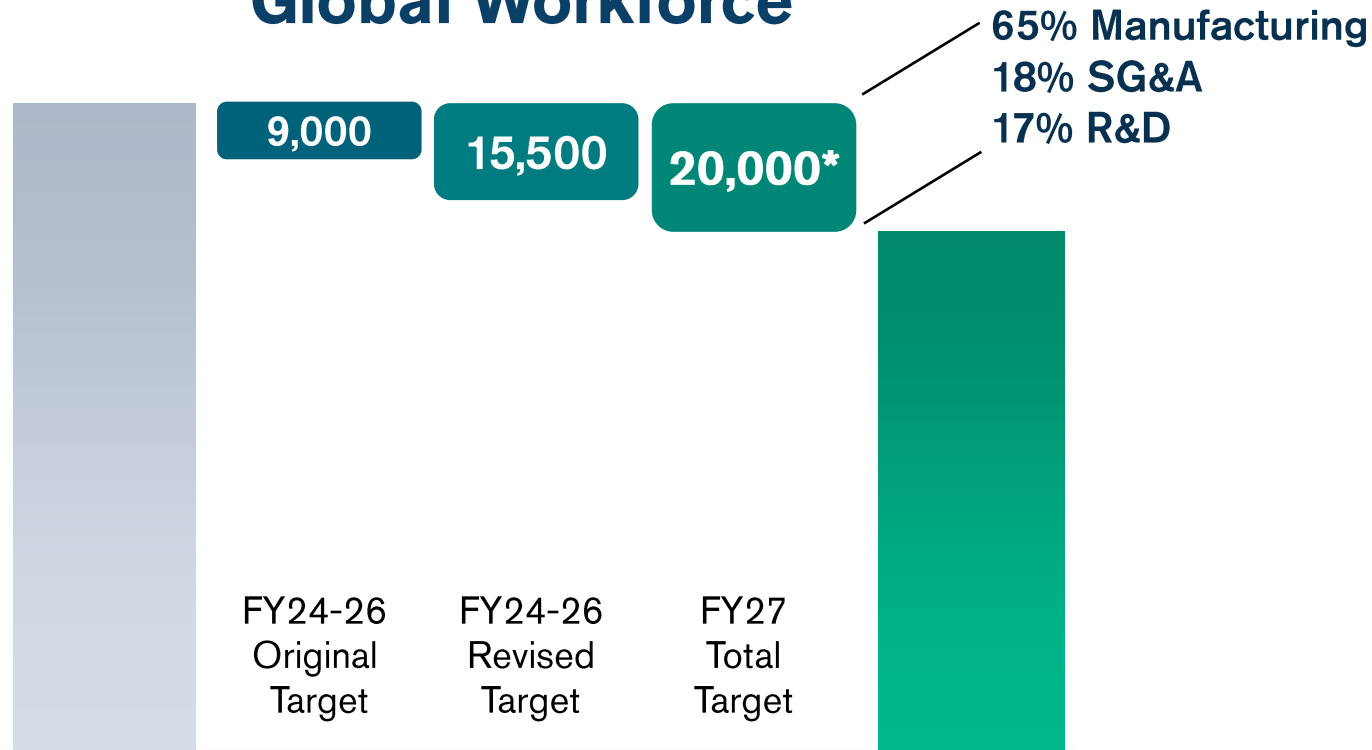
Reform jobs and adjust shifts

Reduce capital expenditures and refine efficiencies



*Harbour report base

Global Workforce



*includes contractual workforces (contract/temporary)

Expense Reduction

- Reduce labor cost and expenses
- Expand shared services
- Achieve marketing efficiency

Cost of engineering

20%↓

workforce average
cost per hour

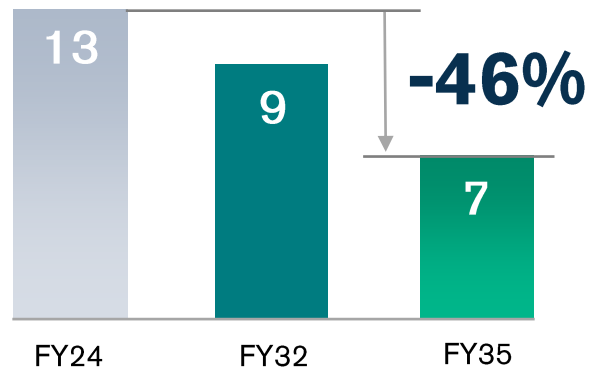
Rationalize global
R&D resources

Complexity

70%↓

reduction of
parts complexity

Global platforms



Development speed

30-month development time

Initial models



All-new
Nissan Skyline

All-new
Global C SUV

All-new
INFINITI Compact SUV

■ Redefined Strategy



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AWD

PLATINUM

Development Strategy


- Focus on core segments in key markets, supported by partners in other regions
- Utilize Nissan & partner developed models for other markets
- Explore business collaboration in the US

		N. America	Mexico	Japan	Europe	China	Others	
Segment coverage	Frame						DONGFENG NISSAN (Leverage for exports)	Mitsubishi Motors
	D							
	C							
	B					Renault Group		Renault Group
	A/Kei				Mitsubishi Motors	Renault Group		

 Nissan-developed models

 Partner-developed models

 Jointly developed models

 Covered by one of the above development approaches

Europe

Core models + partnership

- Target B & C SUVs
- Flexible powertrain strategy for 100% electrification
- Leverage Renault and China partnerships

China

Accelerate exports

- Sustain volume with NEVs
- Leverage local models for exports
- Proof of Concept for tech partnerships

United States

Core model focus to boost revenue/unit

- Focus on core (C/D/F) segments
- Leverage Nissan X INFINITI synergy
- HEV/e-POWER for revenue; PHEV/EV for strategy
- Align EV investment with market pace
- Utilize partnerships for coverage

Japan

Home market & brand showcase

- >100k unit models w/ exports
- Raise average lineup pricing
- Expand model coverage
- Kei cars through partnership

Middle East

Profit & competitive entry

- Focus on large SUVs
- Leverage products from China
- Optimize entry costs with partners

India/ASEAN/Oceania

Minimal investment for sustainability

- Partner with Renault, Mitsubishi Motors and China
- Leverage India for exports
- Maintain profitable ASEAN presence

Mexico/LATAM

Regional hub with exports

- Ensure profit and growth
- Core: 1-ton pickup & B-segment
- Leverage China and India products
- Optimize entry costs via platforms/partners

Key Product Strategy

Core

Volume and profit oriented models: Retention



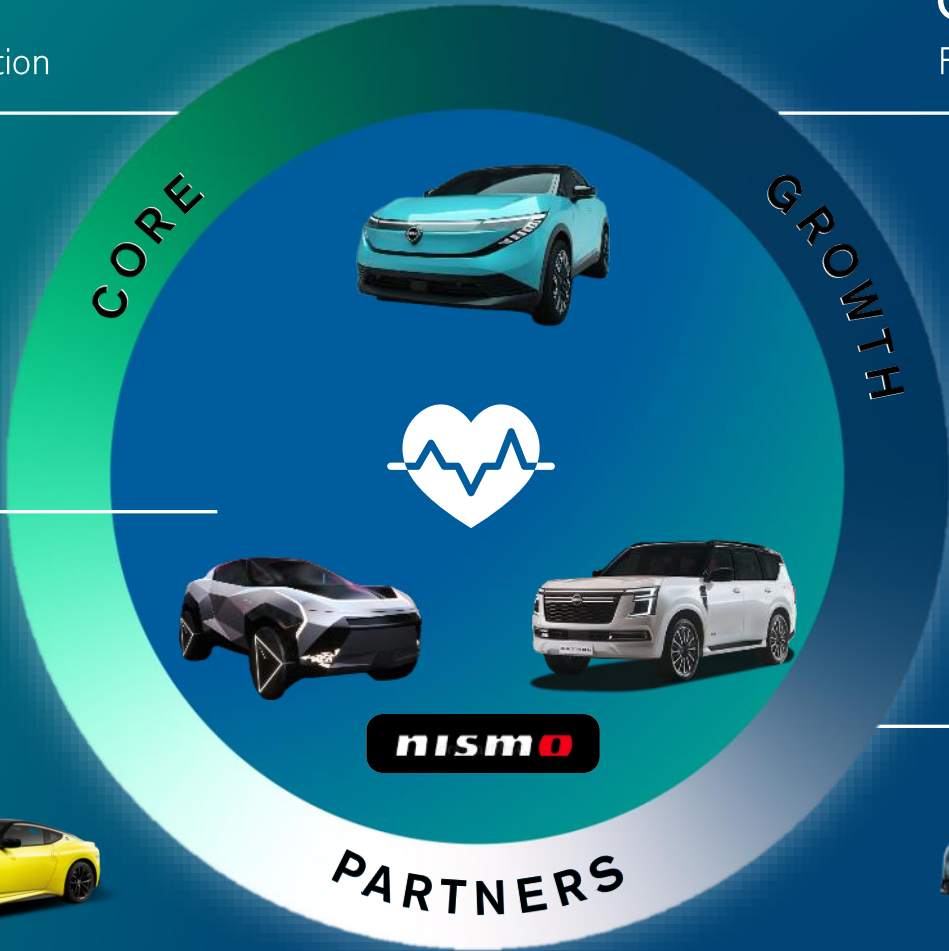
Growth

Future market growth models: Conquest



Heartbeat

Iconic brand name-plates representing Nissan DNA



Partnership

Portfolio-complimenting models



Complement Through Partnerships

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Renault Group

Strengthen collaboration in Europe, India, and Latin America
LCV collaboration in various markets



Explore vehicle intelligence and electrification



Collaborate on Pick-up & EV
Battery sharing

Europe

With Renault

- OEM-in: Micra EV ('25)
- OEM-in: A-seg. EV ('26)

China

With Dongfeng Nissan

- Local development and production
- N7 and Frontier Pro export
- More NEVs

Japan

With Mitsubishi Motors

- Kei car (ICE/EV):
Joint development and production

United States

With Mitsubishi Motors

- OEM-in: Rogue PHEV ('25)
- OEM-out: LEAF derivative ('26)
- US SUV: Explore joint investment and production

India

With Renault


- Joint development & production
- OEM-in: B-MPV ('26)
- C-SUV ('26/'27)

ASEAN/Oceania

With Mitsubishi Motors

- OEM-out (Philippines): Van ('25)
- OEM-in (Australia): Pick-up ('25)
- Explore OEM-out for EV

Explore U.S. business collaboration to adapt to evolving market environment

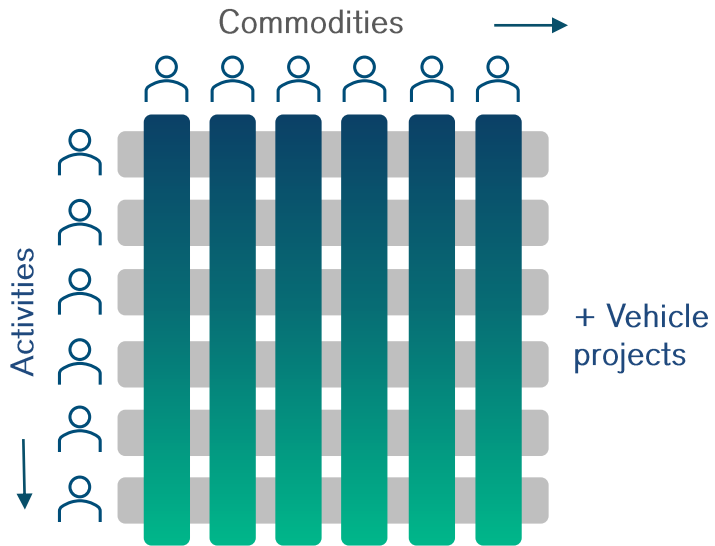
A photograph of a modern Nissan building with a large glass facade and a prominent entrance canopy. The word "NISSAN" is visible on the upper part of the building. The image is overlaid with a semi-transparent blue filter. On the left side, there is a dark blue vertical bar containing the text "Results-Oriented Team" in white. At the bottom center, the Nissan Motor Corporation logo is displayed in white.

Results-Oriented Team

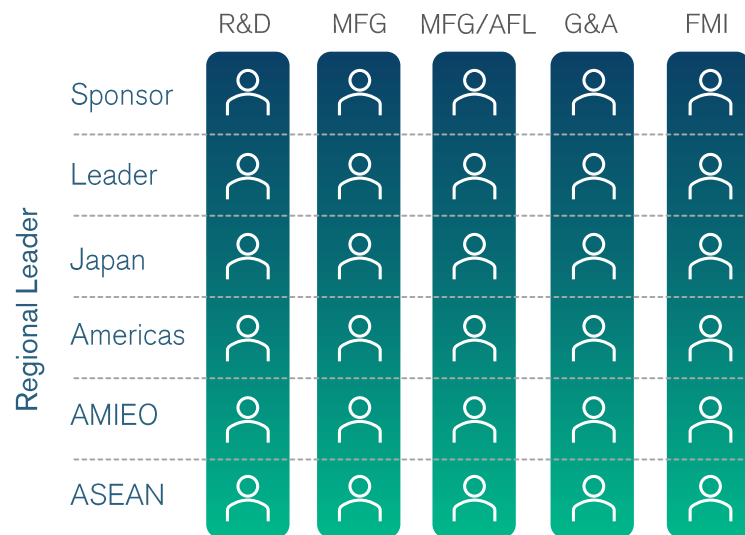
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Steering Committee Chaired by CEO

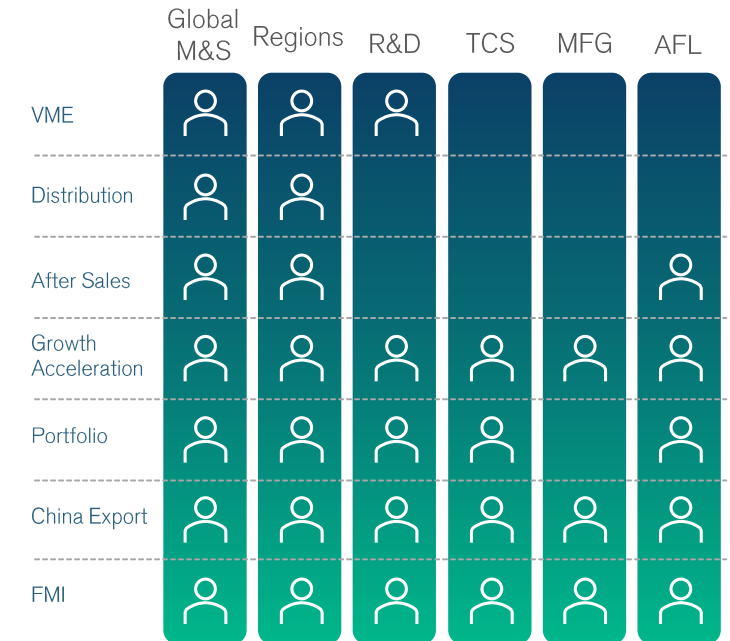
Variable Cost (TdC)



Fixed Cost



Topline Growth



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1. Reduce Cost Structure

**2. Redefine Market
& Product Strategy**

3. Reinforce Partnerships