



NISSAN TAKES FURTHER ACTION AMID GLOBAL CRISIS

- New organizational structure to lead through downturn -

TOKYO (Feb. 9, 2009) - Nissan Motor Co., Ltd. (NML), today announced recovery actions designed to enhance the company's performance during the current global economic and financial crisis. The company also revealed a new organizational structure to guide Nissan through current challenges and support its future direction.

New recovery actions

Despite actions already taken during 2008 to respond to the global crisis, worsening conditions are prompting the need for further changes to the company's cash management strategy, business structure and investment plans. Countermeasures include the following:

- In order to focus on recovery actions, our 2008-2012 midterm business plan, Nissan GT 2012, will be suspended, but commitments on quality and zero-emission vehicles will be retained.
- Labor costs will be reduced in line with the decrease in revenues. During FY2009 labor costs in high-cost countries will be reduced by 20%, from 875 billion yen to 700 billion yen.
- Bonus payments to the board of directors will be eliminated for FY2008. Starting in March and until the situation clearly improves, salaries paid to board members and corporate officers will be reduced by 10% and those paid to managers in NML and affiliate companies in Japan by 5%.
- Nissan will negotiate the implementation of a work sharing scheme for staff workers, to be announced by the end of the fiscal year.
- Global headcount will be reduced by 20,000 through FY2009, reducing Nissan's headcount from 235,000 to 215,000.
- Inventory will be tightly controlled. In March 2008, company and dealer inventory was 630,000 units; that level will be reduced by 20%, to 480,000, by March 2009.
- Production will be right-sized through changes such as shift elimination, non-production days and shorter working hours. These actions will reduce global production by 787,000 units - a 20% decrease compared to planned volume - by the end of this fiscal year.
- Capital expenditure reductions will result in a 21% contribution to saving cash by the end of FY2008 compared to FY2007. An additional reduction of 14% will be made in FY2009, taking overall capital expenditures from 384 billion yen in FY2008 to less than 330 billion yen in FY2009.
- Joint manufacturing projects with Alliance partner Renault in Morocco and India will be revised. In Chennai, India, the joint plant will proceed with a reduced ramp-up speed. In Morocco, Nissan will suspend its participation in the industrial project near Tangiers.
- The product portfolio will be revised, including the cancellation of selected future programs. Nissan will launch an average of 10 all-new vehicles per year in the 2009-2012 period, including the company's all-new, A-Platform entry-car lineup and a dedicated all-electric vehicle.
- By improving working capital, mainly accounts payable and receivable, Nissan will generate 130 billion yen of cash in FY2009.
- A detailed review is ongoing to identify deeper synergy opportunities within the Renault-Nissan Alliance. The focus is on future investments in products, technology, support functions and purchasing cost reductions. Each company will contribute to free cash flow with a minimum of 90 billion yen (750 million euros) in synergy benefits during FY2009.

New organizational structure

In addition to actions being taken to streamline its business, Nissan is announcing changes to its executive management structure in order to provide an enhanced focus on both regional and functional activities. The changes are effective immediately.

Toshiyuki Shiga, Chief Operating Officer, expands his responsibilities to include management of a newly created three-region structure, in addition to government affairs manufacturing, research and development, purchasing, product planning, design, and marketing and sales. Shiga continues to report to President and CEO Carlos Ghosn.

Colin Dodge is appointed to the newly created position of Chief Recovery Officer, reporting to Ghosn. In this position, Dodge will lead the company's ongoing recovery activities, and he also assumes responsibility for the corporate planning and control functions. Dodge is leading the newly created region encompassing Africa, the Middle East, India and Europe.

Hiroto Saikawa, Executive Vice President, takes responsibility for a new region that is comprised of Japan, China and the Asia-Pacific markets. Saikawa retains his responsibility for purchasing and adds responsibility for the company's affiliates.

Carlos Tavares, Executive Vice President, is responsible for a new region that consolidates all markets in North, Central and South America.

Andrew Palmer is appointed Senior Vice President with responsibility for product planning, the Infiniti business unit, the Light Commercial Vehicle business unit and a newly created electric vehicle business unit. Palmer is newly elected to serve on Nissan's Executive Committee.

In addition to those named above, the Nissan Executive Committee includes the following executives:

- Alain Dassas, Chief Financial Officer (reports directly to Ghosn);
- Junichi Endo, Senior Vice President, Global Sales and Marketing;
- Hidetoshi Imazu, Executive Vice President, Manufacturing and Supply Chain Management; and
- Mitsuhiro Yamashita, Executive Vice President, Research and Development and Total Customer Satisfaction.

Commenting on the countermeasures and executive changes, President and CEO Ghosn said: "The additional actions we are announcing today will reinforce our ability to manage through this global crisis, but they also position Nissan for rapid, strong growth when conditions improve. An organization needs to be flexible enough to meet the changing needs of the business, and I am confident we have the talent, diversity and experience to lead Nissan effectively."

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