

A new step for the Alliance Accelerating synergies



Analysts conference call by Renault and Nissan
May 29th, 2009


RENAULT NISSAN

Agenda

→ A new step for the Alliance

Alliance synergies: 1.5 billion € for 2009

Alliance team to accelerate synergies

A new step for the Alliance

Yesterday

The Alliance was a **preferred option** to optimize the performance of each partner in an environment where each company had the ability to grow.

Today

The Alliance is a **priority lever** to go through the crisis and prepare for the future growth to follow post-crisis

→ Collaboration is no longer optional, but **MANDATORY**

→ Our 10 year relationship is a **UNIQUE COMPETITIVE ADVANTAGE** to push the synergies further in a context of industry consolidation

Agenda

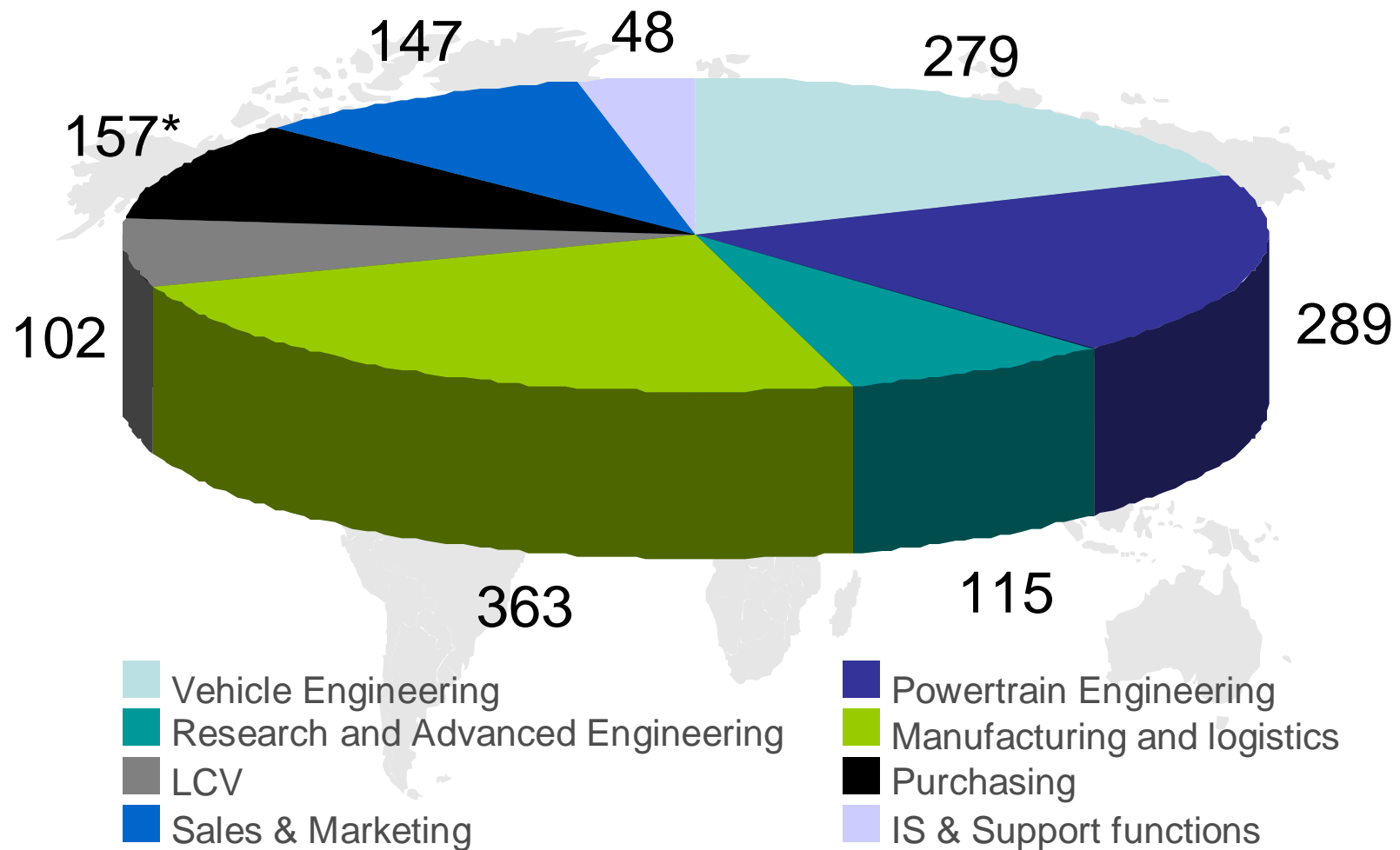
A new step for the Alliance

→ Alliance synergies: 1.5 billion € for 2009

Alliance team to accelerate synergies

Alliance synergies: 1.5 billion € for 2009

breakdown

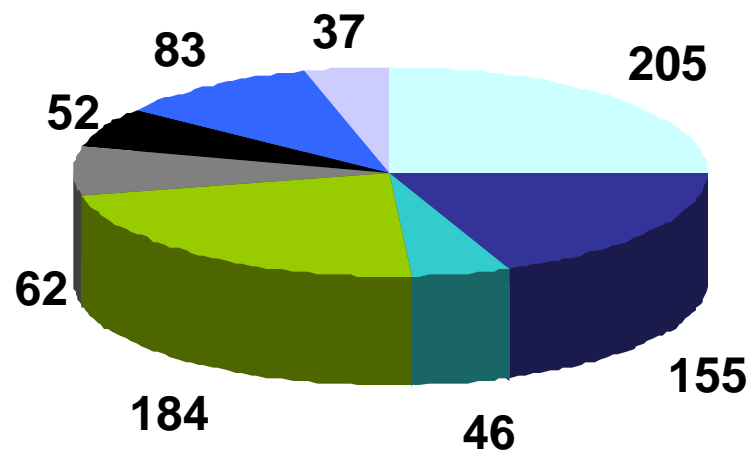


* €231m including synergies on purchasing costs spread in other functions

Alliance synergies: 1.5 billion € for 2009

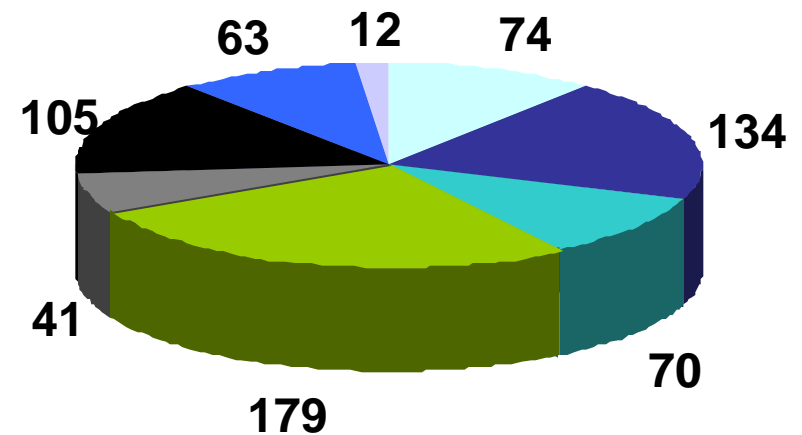
breakdown

NISSAN
€824m



- Vehicle Engineering
- Research and Advanced Engineering
- LCV
- Sales & Marketing

RENAULT
€678m



- Powertrain Engineering
- Manufacturing and logistics
- Purchasing
- IS & Support functions

Vehicle engineering (€279m)

Examples

Common Platform:

- **Use the same platform for entry level project in India**

Common Parts:

- **Heated ventilation air conditioning (HVAC)**
- **Suspension and links**
- **Wiring Harness connectors**
- **Wiper systems**

Light Commercial Vehicles (€102 m)

Examples

- **Co-development on a common platform to build two differentiated light commercial vehicles**
 - **cancellation of Nissan M1 Van for Europe stand-alone development**

Powertrain engineering (€289m)

Examples

- **New development and co-ownership of a new 1.6L Diesel**
- **Renault development of new small turbocharged gasoline engines on Nissan engine base (instead of Renault stand-alone development)**
- **Common team for engine tuning in Europe (1.5L Diesel)**

Manufacturing and Logistics (€363m)

Examples

- **11 cross-manufactured models – including 4 new vehicles in 2009 (2 in South Africa, 2 in Brazil)**
 - **78% of Curitiba Renault LCV Plant capacity used by Nissan**
- **Benchmark process engineering to align on best practices (e.g. stamping: dye cost savings, material usage ratio, material specifications)**
- **Sharing of CKD centers**

Research & advanced technology (€115m)

Examples

- **Fuel cell and next generation Li-ion battery are developed by Nissan.**
 - **Renault stopped planned development on these technologies**
- **Share development of friction reduction technology in engines, future common Navigation systems, etc.**

Purchasing (€157m)

Examples

- **Increase of Nissan sourcing in Korea**
 - leveraging on Renault Samsung Motors suppliers network, to benefit from lower cost sourcing and volume effect (powertrain & vehicle parts, bolt and nuts...)
- **Purchasing performance**
 - fully leveraging common Renault-Nissan Standards and volume effect (e.g. Braking, Compressor...)
- **Systematic opportunity hunting**
 - by aligning performance on the best partner per commodity, per supplier and per region (parts in Western Europe; parts in overseas operations; after sales parts; services)

Sales and marketing (€147m)

Example

- **Common media buying in Europe through single supplier**

IS and support functions (€48m)

Example

- **Cancellation of several Nissan IS contracts in Europe to benefit from Renault's internal resources (development services and IT support)**
- **Consolidation of network infrastructure (elimination of double network capacity)**

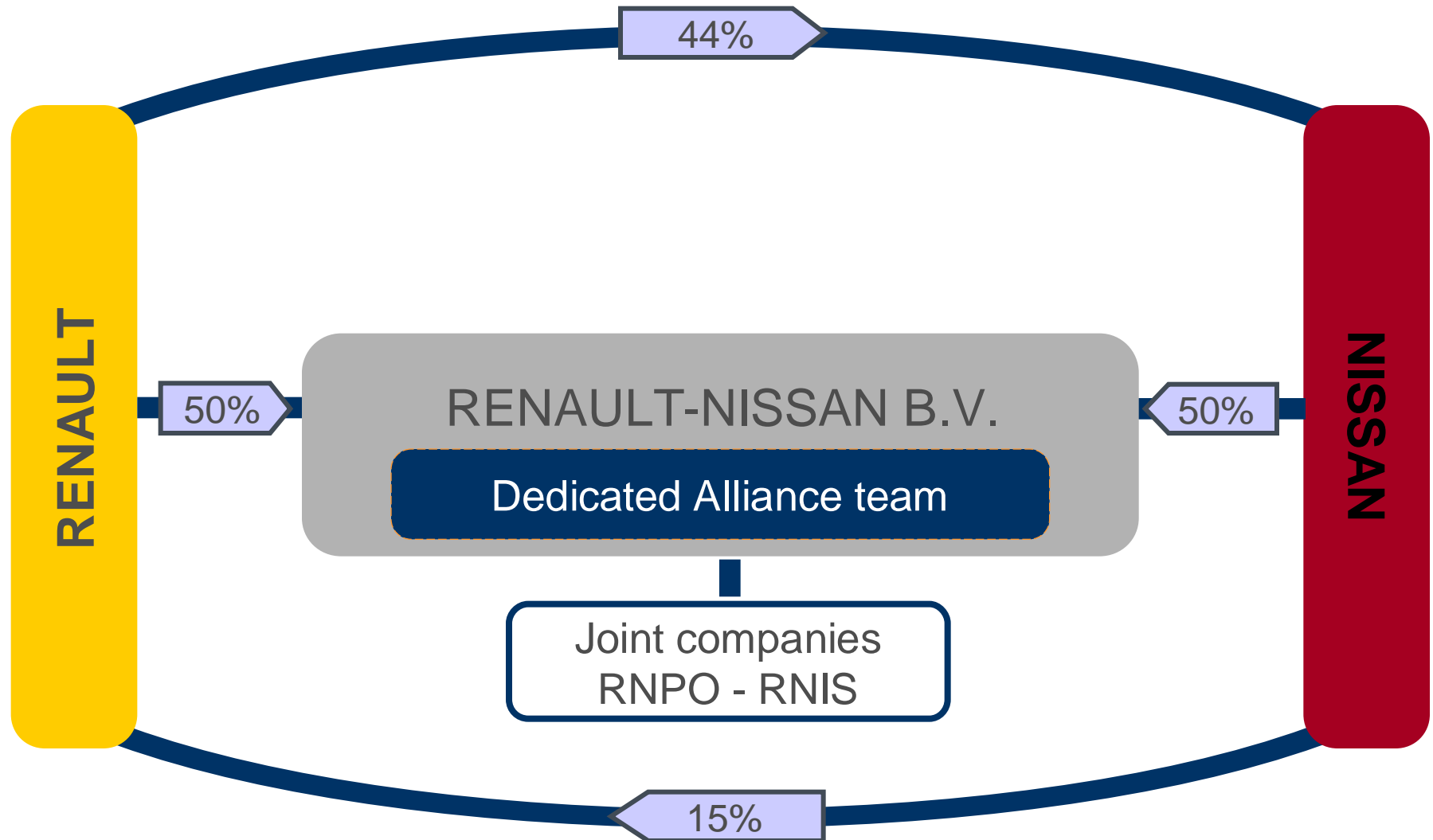
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A new step for the Alliance

Alliance synergies: 1.5 billion € for 2009

→ Alliance team to accelerate synergies

Alliance team to accelerate synergies within existing RNBV structure



A dedicated Alliance team to accelerate synergies

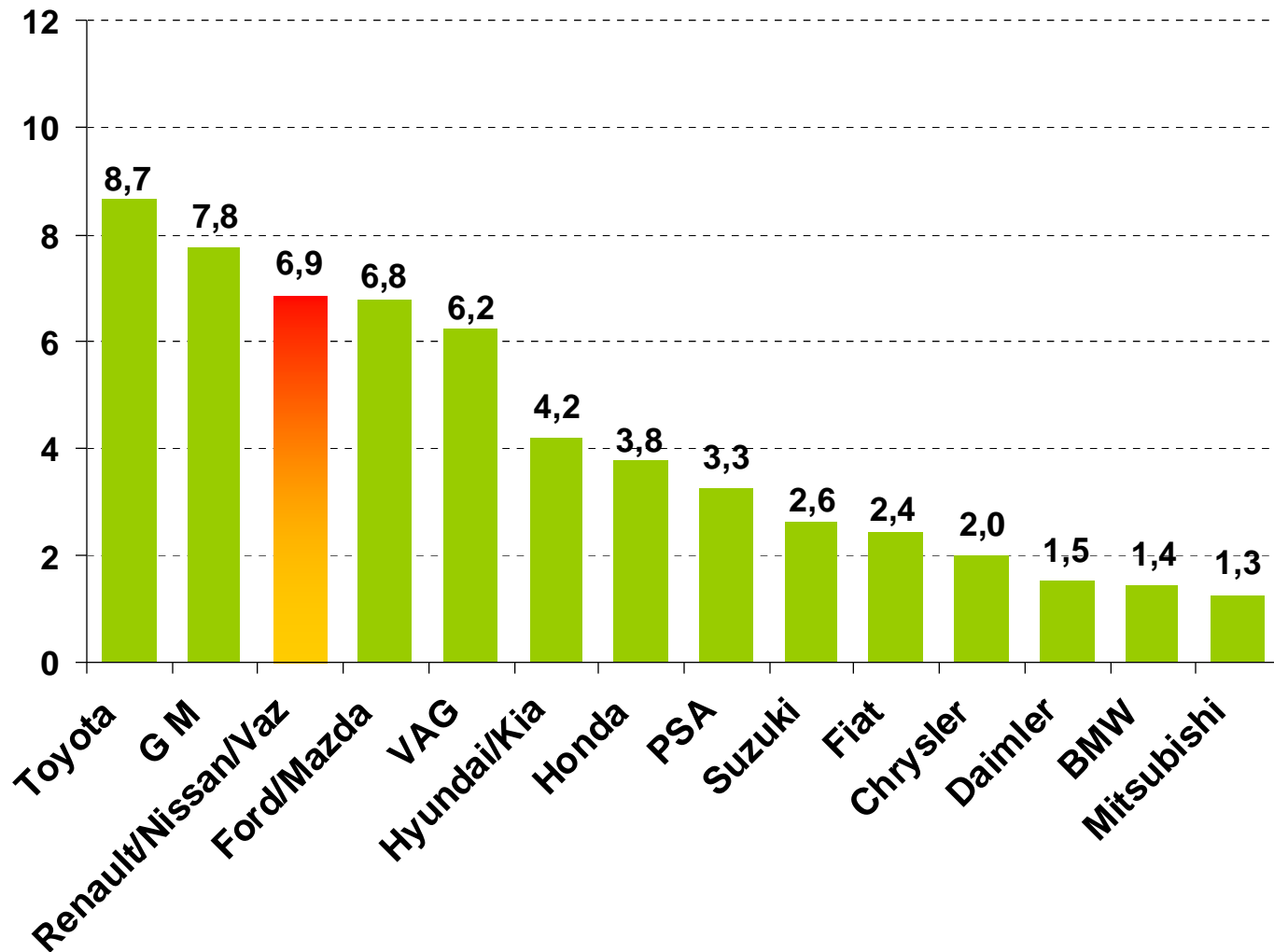
11 people fully dedicated to the generation and implementation of existing and future synergies

- **4 Alliance Managing Directors** responsible for managing both company's functions and accountable of their performance
 - Purchasing – RNPO
 - Zero emission business
 - Global logistics
 - IS/IT
- **5 Alliance Directors** coordinating functions in maximizing synergies (with power to stop projects)
 - Powertrain
 - Common platforms and parts
 - Support functions
 - Research and advanced technologies
 - Global sourcing
- **1 Alliance Director acting as Economic advisor** helping arbitration and providing common methodology
- **1 Alliance Director of the Alliance CEO-Office** dedicated to global coordination, corporate governance and global monitoring of synergies

2008 Global sales ranking in the industry

→ 2008 global sales ranking

Sales volumes in million of units



Q&A

Alliance team to accelerate synergies



VANDENHENDE
Christian
Managing Director,
RNPO
Alliance Director,
Global Purchasing



WATANABE
Hideaki
Alliance
Managing Director
Zero Emission
Business



MARDRUS
Christian
Alliance
Managing Director
Global Sourcing



GUIOTOKO
Celso
Alliance
Managing Director
IS/IT



SEPEHRI
Mouna
Director of the
Alliance CEO Office



VIADIEU
Thierry
Alliance Director
Powertrain Planning
Office



SAKAMOTO
Hideyuki
Alliance Director
Common Platforms
and Parts



GRIPPAY
Bruno
Alliance Director
Support Functions



SHINOHARA
Minoru
Alliance Director
Research and Advanced
Technology



ANCELIN
Bruno
Alliance Director
Global Sourcing



GALBRUN
Christel
Alliance Director
acting as Economic Advisor