



## **Renault-Nissan Alliance launches \$1.8 billion “Brazilian offensive”**

- *Nissan to invest 2.6 billion reais (US\$1.5 billion, or €1.1 billion) to build new plant in Resende and develop new products for Brazil*
- *Renault to invest 500 million reais (US\$285 million or €212 million) to expand plant in Curitiba*
- *Companies to increase combined annual capacity to 580,000 vehicles and launch 23 new models in Brazil in the next five years*

RIO DE JANEIRO (October 6, 2011) – The Renault-Nissan Alliance announced new investments this week of at least 3.1 billion Brazilian reais (US\$1.8 billion or €1.3 billion\*) to expand manufacturing and sales throughout Brazil, one of the fastest growing economies in the world.

Nearly two dozen new products specifically adapted to Brazilian consumers’ needs are the cornerstone of Alliance’s aggressive “Brazilian offensive.” Renault and Nissan have a combined market share of 6.5 percent in Brazil today. The companies aim for a combined market share of at least 13 percent of the expanding market by 2016.

“Brazil represents a tremendous opportunity – both as a manufacturing base and as the home of a new generation of Renault and Nissan customers,” said Renault-Nissan Alliance Chairman and CEO Carlos Ghosn. “Brazil weathered the recession and emerged as the clear engine of growth for Latin America in the 21<sup>st</sup> century. We look forward to contributing to the region’s rapidly evolving manufacturing and technological expertise.”

Ghosn, a native of Brazil, outlined the strategy for growth there and in other emerging markets during a news conference today in Rio de Janeiro and on this video blog: <http://blog.alliance-renault-nissan.com/node/419/>

### **Plants, Products, Progress**

Nissan announced an investment of 2.6 billion Brazilian reais (US\$1.5 billion or €1.1 billion) to construct an all-new manufacturing facility and to develop, industrialize and launch new products in Resende, in the state of Rio de Janeiro.

The all-new Nissan factory, scheduled to begin production in the first half of 2014, will have the capacity to produce up to 200,000 units annually and will create up to 2,000 jobs directly associated with the plant.

On Wednesday, Renault announced an investment of 500 million reais (US\$285 million or €212 million) to expand an existing factory in Curitiba, in the state of Parana.

The expanded plant will have an annual capacity of 380,000 vehicles per year starting in 2013. During the product cycle spanning 2010-2015, Renault will have invested an additional 1 billion Brazilian reais (US\$571 million, or €423 million) to cover the development, industrialization and launch of new vehicles for Brazilian consumers.

Renault already employs 6,000 people in Brazil, its second largest market after France. The expansion will add 1,000 more workers. From 1998, when the Curitiba plant opened, to the end of 2010, Renault invested US\$2.25 billion in the plant and its products.

Over the next half-decade, Renault and Nissan plan to double the number of dealerships in Brazil by 2016. Nissan currently has 117 dealerships, and Renault has 186 dealerships in Brazil.

### **23 New Products through 2016**

Brazil, which overtook Germany in 2010 as world's fourth biggest car market, is second to China among the emerging markets for new-car sales. Brazil has unique personal transportation needs given its size and geography, which incorporates 22 percent of world's arable land and the world's third largest road network.

Nissan will launch 10 new models in Brazil by 2016, including the Nissan Versa next month. By 2016, Nissan's product offering will cover 87 percent of the Brazilian market, up from 66 percent today, driven by an expansion of models from the company's 'V' platform.

Just this week, Renault launched the Duster 4X4, a compact SUV specifically tailored to Brazilian customers' preferences. Renault will debut 13 more products for Brazil from 2012 to 2016. By 2016, Renault's product mix will cover 90 percent of the Brazilian market, up from 76 percent today.

In September, Brazil's government announced new taxes on vehicles that are imported and sourced overseas. Expanding the Curitiba plant and building another factory in Resende will minimize import duties and reduce transport and logistics costs.

Having two scalable manufacturing facilities in Brazil will provide flexibility and contingency options for both Renault and Nissan. Site selection was optimized to keep Renault and Nissan designers and engineers in close proximity to South American supplier hubs in Rio de Janeiro, Sao Paulo, Minas Gerais and Parana.

Purchasing for Renault and Nissan in Brazil will operate through the common Renault-Nissan Purchasing Organization, which will work closely with suppliers throughout Brazil to ensure that all parties maximize economies of scale. In addition to purchasing, the companies will also work closely on supply chain management and manufacturing issues.

\* Currency conversion based on 1.75 Brazilian reais to US\$1, and US\$1.35 to €1.

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<http://blog.alliance-renault-nissan.com>

For more information on the Renault announcement, go to:

<http://www.media.renault.com/global/en-gb/home/welcome.aspx>

For more information on the Nissan announcement, go to:

<http://www.nissan-newsroom.com/EN/>

## ABOUT THE RENAULT-NISSAN ALLIANCE

The Renault-Nissan Alliance is a strategic partnership between Paris-based Renault and Yokohama, Japan-based Nissan, which together sell one in 10 cars worldwide. The companies, which have been strategic partners since 1999, have 350,000 employees and sold 7.28 million cars in 2010, including those from Russian partner AvtoVAZ. Since its founding 12 years ago, the cross-cultural Renault-Nissan Alliance has expanded significantly, particularly into emerging markets.

### Top 10 Renault-Nissan markets worldwide 2010

Country	Total volume 2010	Market share 2010
China	1,038,343	6.2%
USA	908,570	7.8%
France	803,336	30.1%
Russia	699,416	36.5%
Japan	647,864	13.2%
Germany	232,661	7.5%
UK	209,812	9.3%
Mexico	207,564	25.3%
Italy	201,498	9.4%
Brazil	196,073	5.9%

### Renault-Nissan market share in Brazil 2010

Automaker	Sales 2010	Market share 2010
Fiat	760,146	22.8%
Volkswagen	697,283	20.9%
GM	657,769	19.8%
Ford	336,354	10.1%
Renault- Nissan	196,204	5.9%
Honda	126,478	3.8%

Hyundai	106,054	3.2%
Toyota	99,584	3.0%
Peugeot	90,342	2.7%