



RENAULT NISSAN MITSUBISHI

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ALLIANCE 2022: NEW PLAN TARGETS ANNUAL SYNERGIES OF €10 BILLION AND FORECASTS UNIT SALES OF 14 MILLION & COMBINED REVENUES OF \$240 BILLION

RENAULT, NISSAN & MITSUBISHI MOTORS TO STRENGTHEN COOPERATION AND ACCELERATE USE OF COMMON PLATFORMS, POWERTRAINS & NEW TECHNOLOGIES

New six-year plan set to achieve the following objectives:

- More than 9 million vehicles to share four common platforms
- Proportion of common powertrains to rise from a third to three-quarters of total volumes
- Additional synergies expected from electrification, connectivity and autonomous technologies
- 12 pure electric models to be launched, utilizing common EV platforms and components
- 40 vehicles to be launched with autonomous drive (AD) technology
- To become an operator of robo-vehicle ride-hailing services

Alliance 2022, a six-year plan announced today, has set a new target to double annual synergies to €10 billion by the end of the plan.

Carlos Ghosn, chairman and chief executive officer of the Alliance, said: “Today marks a new milestone for our member companies. By the end of our strategic plan Alliance 2022, we aim to double our annual synergies to €10 billion. To achieve this target, on one side Renault, Nissan and Mitsubishi Motors will accelerate collaboration on common platforms, powertrains and next-generation electric, autonomous and connected technologies. From the other side, synergies will be enhanced by our growing scale. Our total annual sales are forecast to exceed 14 million units, generating revenues expected at \$240 billion by the end of the plan.”

Under Alliance 2022, the member companies will increase their use of common platforms, with nine million units based on four common platforms. The plan will also extend the use of common powertrains to 75 percent of total sales.

Alliance 2022 plans a major expansion in shared electric vehicle technologies, alongside the development and deployment of advanced autonomous drive systems, vehicle connectivity and new mobility services.

Twelve new zero-emission electric vehicles will be launched by 2022, utilizing new common electric vehicle platforms and components for multiple segments. Over the same period, 40 vehicles will be introduced with different levels of autonomy, all the way to fully autonomous capability. Becoming an operator of robo-vehicle ride-hailing services is a major part of the new mobility services strategy.

The launch of a new logo and online presence was also revealed today for the Alliance, symbolizing the growing convergence and cooperation between the member companies.

Mr. Ghosn concluded: “This plan will boost the growth and profitability of our member companies. We intend to deliver on growing synergies, with three autonomous companies cooperating with the efficiency of one. The Alliance has grown and performed with two members since 1999. With Alliance 2022, we will prove that we will grow and perform with three companies or more.”

➤ ABOUT RENAULT-NISSAN-MITSUBISHI:

Groupe Renault, Nissan Motor and Mitsubishi Motors represent the world's largest automotive alliance. It is the longest-lasting and most productive cross-cultural partnership in the auto industry. Together, the partners sold close to 10 million vehicles in nearly 200 countries in 2016. The member companies are focused on collaboration and maximizing synergies to boost competitiveness. They have strategic collaborations with other automotive groups, including Germany's Daimler and China's Dongfeng. This strategic alliance is the industry leader in zero-emission vehicles and is developing the latest advanced technologies, with plans to offer autonomous drive, connectivity features and services on a wide range of affordable vehicles.

www.alliance-2022.com

www.media.renault.com

www.nissan-newsroom.com

<http://www.mitsubishi-motors.com/en/newsrelease/>

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ALLIANCE 2022 – TARGETS & DETAILS

Alliance 2022 unit-sales, revenues and synergies

This year, Renault, Nissan and Mitsubishi Motors became the world's largest automotive group by sales volume. In the first half of 2017, volumes increased by seven percent year-on-year to 5.27 million units, whilst aggregate sales of electric vehicles reached a combined total of more than 500,000 units.

Total unit sales by the member companies are expected to exceed 14 million vehicles per year by the end of the plan. Combined financial revenues are forecast to reach \$240 billion by the end of the plan, up more than 30 percent on the \$180 billion aggregate revenues achieved in 2016.

The increased synergy target of €10 billion by the end of the plan follows a 16 percent rise in synergies in 2016 to €5 billion. The doubling of synergies will be achieved partially by contributions from Mitsubishi Motors, specifically through deeper localization, joint plant utilization, common vehicle platforms, and an expanded presence in mature and emerging markets.

Additional synergies are expected from light commercial vehicles (LCV), aftersales and technology-sharing in electric vehicles, autonomous drive, connected cars and new mobility services. This will complement synergies from existing converged functions in engineering; manufacturing engineering and supply-chain; purchasing and human resources.

Extension of common platforms and powertrains

Alongside the three technology building blocks, the member companies will extend their use of shared common platforms and powertrains.

New developments include:

- In 2022, more than 9 million vehicles will be built on four common platforms, up from 2 million vehicles on two platforms in 2016
- By the end of the plan, the member companies will share 22 engines out of a total of 31, compared with 14 engines out of a combined total of 38 in 2016
- The common platform strategy – based on the CMF architecture – will be extended to a new common EV platform with advanced autonomous drive capability and to a new B-segment common platform for mid-sized vehicles.
- Mitsubishi Motors will gain access to the CMF architecture and utilize common powertrains by 2020

The extension of the Common Module Family follows the success of the shared vehicle architecture by Renault and Nissan in recent years, which has included the use of common platforms and powertrains across a widening portfolio of vehicles including the Nissan Rogue, Qashqai and X-Trail, Renault Espace, Kadjar and Megane, as well as Renault Kwid and Datsun redi-GO.

Alliance 2022 technology building blocks

The technology building blocks will contribute synergies by avoiding development duplication and providing greater and faster access to innovation for the member companies.

1. Reinforcing electric vehicle leadership

As the original pioneer and global leader in pure EV sales, the objective remains to be the number one provider of mainstream, mass market and affordable EVs around the world. By 2022, the member companies will significantly increase their product range to cover all main segments in their key markets of Japan, the USA, China and Europe.

The electrification building block will involve:

- Common, scalable EV platforms for multiple segments by 2020, with a forecast that 70 percent of EV volumes will be based on shared platforms by 2022
- A new family of EV motor and batteries to be introduced from 2020, shared across the member companies
- 12 new pure electric vehicles to be launched by 2022
- More than 600km EV range reached by 2022, based on NEDC homologation methodology
- 30 percent decrease in battery cost from 2016 to 2022
- 15 minutes charging time to deliver range of 230km by 2022, up from 90km in 2016, based on NEDC homologation methodology
- Optimized, flat packaging of the battery, providing additional cabin space and greater styling flexibility
- Adoption of Mitsubishi Motors' new PHEV technology as the common C/D segment PHEV solution by 2022

2. Delivering autonomous-drive and robo-vehicles

The member companies are on track to launch 40 vehicles with different levels of autonomous drive (AD) technologies by 2022.

Test programs are underway in different regions of the world as part of the development of autonomous technologies, which will enable member companies to offer advanced AD functionality for mainstream, mass-market vehicles. The timetable for AD deployment will include:

- 2018: Highly autonomous drive vehicle for use on highways – with a human driver's continuous monitoring of the environment.
- 2020: Highly autonomous drive vehicle for use in cities – with a human driver's continuous monitoring of the environment.
- 2020: Highly autonomous drive vehicle for use on highways – with occasional human driver intervention.
- 2022: First fully autonomous drive vehicle – with no human driver intervention necessary

Field tests are continuing on robo-vehicles with partners DeNA (Japan) and Transdev (France), which will pave the way for a new era of mobility in which the group aims to become:

- A key operator of robo-vehicle ride-hailing mobility services, that will include further partnerships
- A major player and provider of vehicles for public transit use and car-sharing

3. Enabling connectivity and mobility services

The Alliance Connected Vehicles and Mobility Services team is developing new mobility services and partnerships. In addition, new connectivity solutions for end-customers will be available in vehicles starting in 2018. These will include:

- A common in-vehicle infotainment system and common in-vehicle connectivity system
- Launch of a Connected Cloud platform to manage all data interfaces
- The cloud platform will provide a gateway to AD capability for robo-vehicle services, self-driving delivery vehicles and shuttles

The Connected Cloud platform will deliver operational efficiencies for member companies such as improved logistics-management and enhanced use of data-sharing in manufacturing and as a mechanism to reduce warranty costs.

The connectivity plan will include the development of an open ecosystem that will allow new services and features to be deployed throughout the vehicle lifecycle.

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