# Nissan future – which way will they go?

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Nissan has posted a dismal prediction for its global business into next year, writes Robin Roberts (and WheelsWithinWales).



Nissan Motor’s financial performance deteriorated significantly in the second quarter of the current fiscal year, between July and September 2024, with global revenues falling by 5% year-on-year to JPY2,986bn while its operating margin dropped below 0.2%.

The company incurred a net loss of JYP9.1bn (US$61m) in this period, compared with a net profit of JPY191 in the previous quarter, reports Global Data.

Nissan also announced it had cut its revenue projection for the full fiscal year, which ends in March 2025, by 10% to JPY12,700bn from its previous forecast of JPY14,000bn, indicating that it expects operating conditions to continue to deteriorate for at least the next two quarters.

The company reported that its global vehicle production fell for the fifth consecutive month in October, while global sales declined for the seventh straight month.

Earlier today (Thursday), reports from Japan indicated that Nissan and Honda may be moving towards a merger to better place both companies with lower manufacturing costs to compete against the much cheaper electric cars from Chinese brands, and to offset the expected US tariffs under the incoming Trump Administration.

It is not clear at this early stage how the Nissan & Honda agreement and production would sit with Nissan’s Renault operation or its control of Mitsubishi, but it seems likely there will be some slimming of labour and production sites if the deal is to generate the savings it could going forward.

Nissan Sunderland car and battery plant (aerial view shown below) might be a major beneficiary in the new enlarged company which would be bigger than Toyota, or it might face a threat from the deal in a bid to trim global costs. It’s simply too early to say.

