

Nissan announces complete exit from Russian market

Nissan's Executive Committee yesterday, 11 October, approved the sale of its Russian operations to Nami, the Central Research and Development Automobile and Engine Institute, signalling its imminent exit from the market.



Source: [Unsplash](#)

The sale will transfer all Nissan operations in Russia under the Nissan Manufacturing Russia LLC (NMGR) legal entity to Nami for future passenger vehicle projects. This covers Nissan's manufacturing and R&D facilities in St. Petersburg, and sales and marketing centre in Moscow, which will operate under a new name.

The announcement follows the suspension from March of operations in the market. Under the new ownership of the NMGR entity, all of Nissan's employees in the market will receive employment protection for 12 months. The sale is expected to be formalised in the coming weeks following approvals from the relevant authorities. The terms of the sale would allow Nissan the option to buy back the entity and its operations within the next six years.

Nissan will take a one-off impact of approximately ¥100bn (R12,4tn) from this exit. However, Nissan will maintain its full-year guidance. Details will be reported after further assessment as part of the regular disclosure during the second quarter results in November 2022.

“On behalf of Nissan, I thank our Russian colleagues for their contribution to the business over many years. While we cannot continue operating in the market, we have found the best possible solution to support our people,” said Nissan president and CEO Makoto Uchida.

Since Nissan assumed zero activity in the market in this fiscal year, Nissan remains on track to achieve its business objectives under the Nissan Next transformation plan, as the company progress towards its Ambition 2030 goals.

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