

Nissan to cut 20,000 jobs and shut down 7 factories

Nissan said it will cut 20,000 jobs and shut down several of its production plants as part of a major cost-saving effort aimed at reversing its recent financial slump. Ten of its 17 factories will close by 2027, and the cancellation of a planned battery plant in Kyushu is also on the cards.



Source: [Unsplash](#)

The Japanese car manufacturer announced in a press release that it will also be taking steps to reduce both fixed and variable costs by ¥500bn by fiscal year 2026. The job cuts, the closure of factories and the planned reduction of costs form part of a new plan Nissan called Re: Nissan.

Nissan said it cut both direct and indirect roles—including contract positions—across manufacturing, R&D and support functions. The job losses include the previously announced 9,000 cuts and span several markets worldwide. The cuts will take place between between fiscal years 2024 and 2027.

Nissan said the aggressive restructuring is necessary as it faces rising costs, poor FY2024 performance, and an unpredictable market. CEO Ivan Espinosa, newly appointed to lead the turnaround, said the company is “prioritising self-improvement with urgency and speed.”

Nissan will also halve the number of vehicle platforms it uses by 2035—from 13 to seven—as part of a broader push to simplify development and reduce engineering costs by 20%.

The restructuring includes a shift in Nissan’s product and market strategy, with a renewed focus on key regions including the US, Japan, China, and Europe. It also plans to lean more on partnerships with Renault, Mitsubishi, and Honda to fill product gaps and lower costs.

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Espinosa said: “In the face of challenging FY24 performance and rising variable costs, compounded by an uncertain environment, we must prioritize self-improvement with greater urgency and speed, aiming for profitability that relies less on volume.

As new management, we are taking a prudent approach to reassess our targets and actively seek every possible opportunity to implement and ensure a robust recovery. Re:Nissan is an action-based recovery plan clearly outlines what we need to do now.

All employees are committed to working together as a team to implement this plan, with the goal of returning to profitability by fiscal year 2026.”

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