

NISSAN MOTOR CORPORATION



The Promotional Activities for the Innovation Creation in Japan

April 19-20, 2018

Toshiyuki Shiga

Member of the Board of Directors

Nissan Motor Co., Ltd.

Chairman and CEO,

Member of the Board of Innovation

Network Corporation of Japan

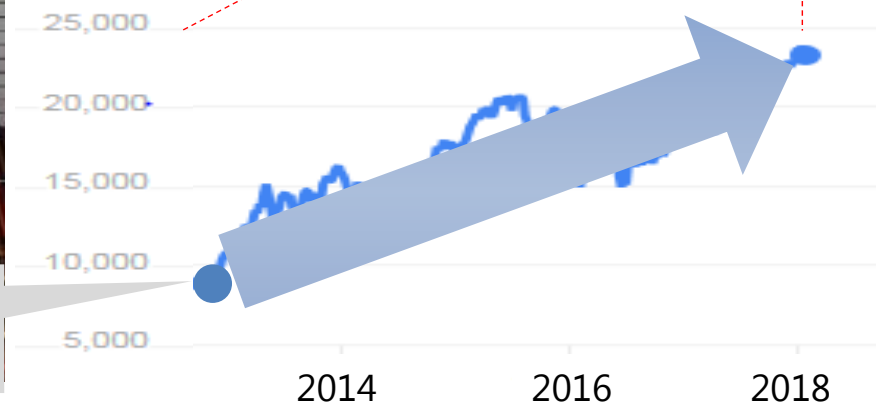
The stock market in Japan

**Stock price in Tokyo, the highest value
in 26 years**

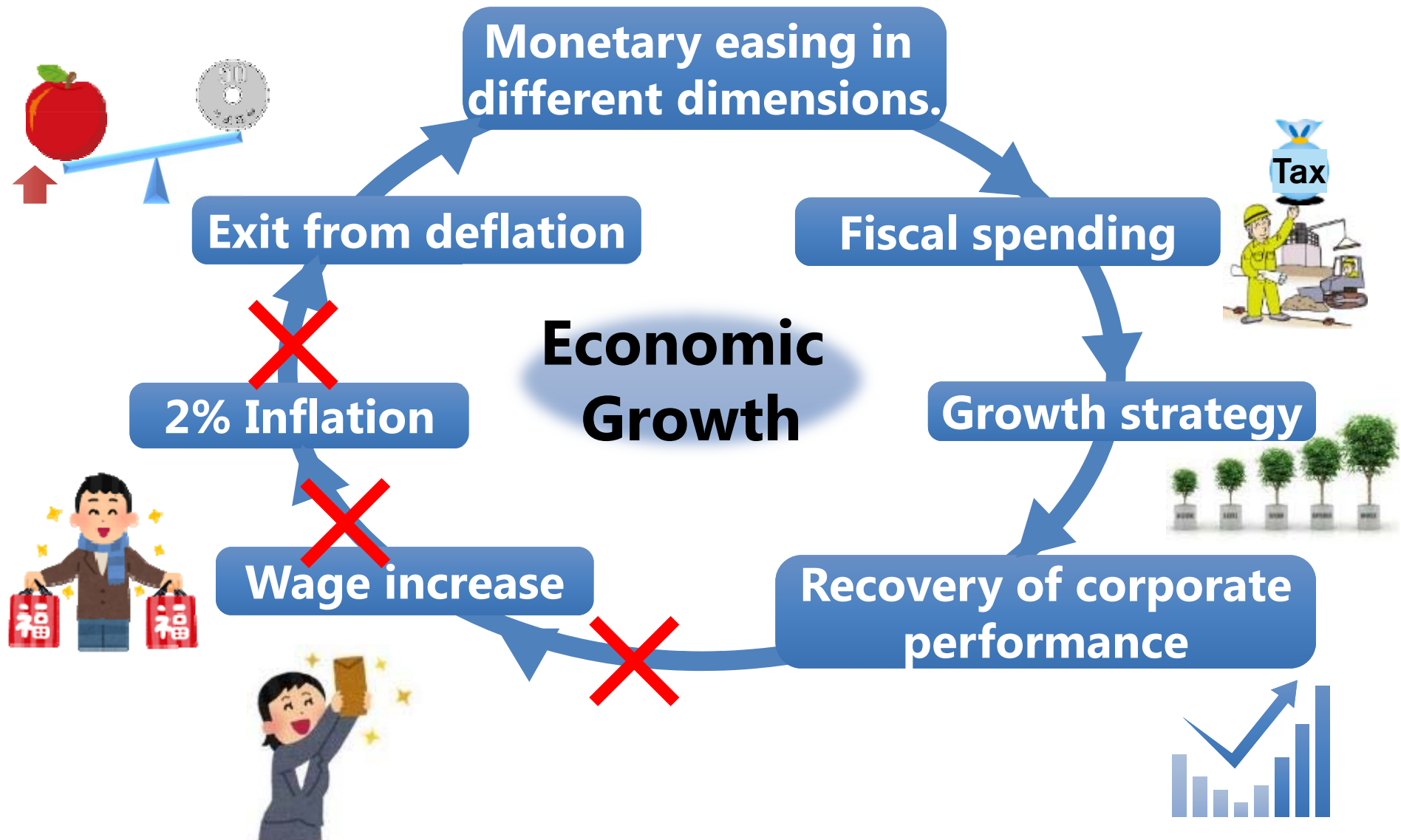


**Second Abe Cabinet
(Dec. 2012)**

Reference ; Prime Minister's Office



The Abenomics virtuous cycle



Growth Strategy 2017

未来投資戦略2017

Achievements in Abenomics

Promotion of unexperienced reforms

Reformation of
Electric power, Farm cooperative
gas system



the first time in 60 years



Regenerative medical
system creation



Corporate tax
reduction



34.6%('14)⇒29.7%('18)

Realizing the positive economics cycle

GDP UP



495 T Yen('12) ⇒
537 T Yen('16) 9% UP

Employment UP



Employed population
1.85M UP ('16 vs. '12)

Wage increase



Over 2%
in '14, 15, 16

Current Profit Up



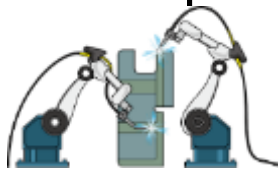
Record-high
48.5 T Yen('12) ⇒
68.2 T Yen('15) 41%UP

Abenomics in the future

Next issues

Lack of

- Capital investment
- Consumption propensity



Secular Stagnation

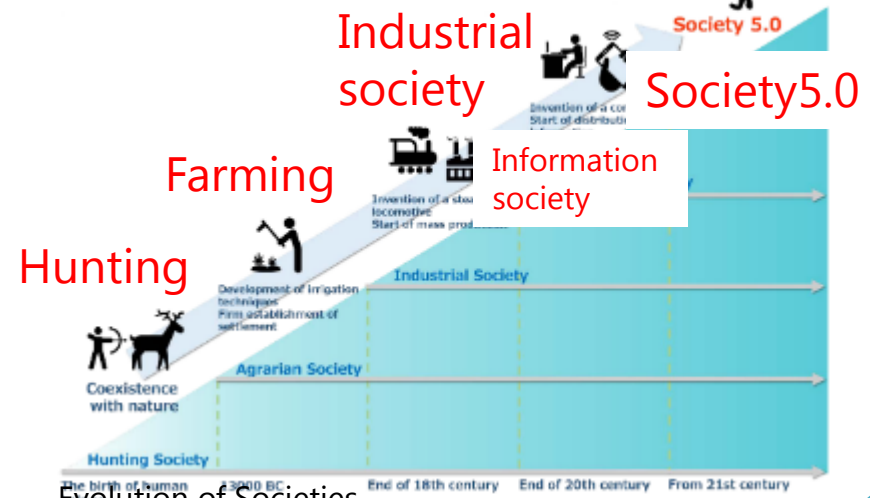
- Lack of new demand creation
- Slow growth of productivity

What we need

Fourth Industrial Revolution

- The introduction of advanced technology such as **IoT, Big data, AI and Robot**

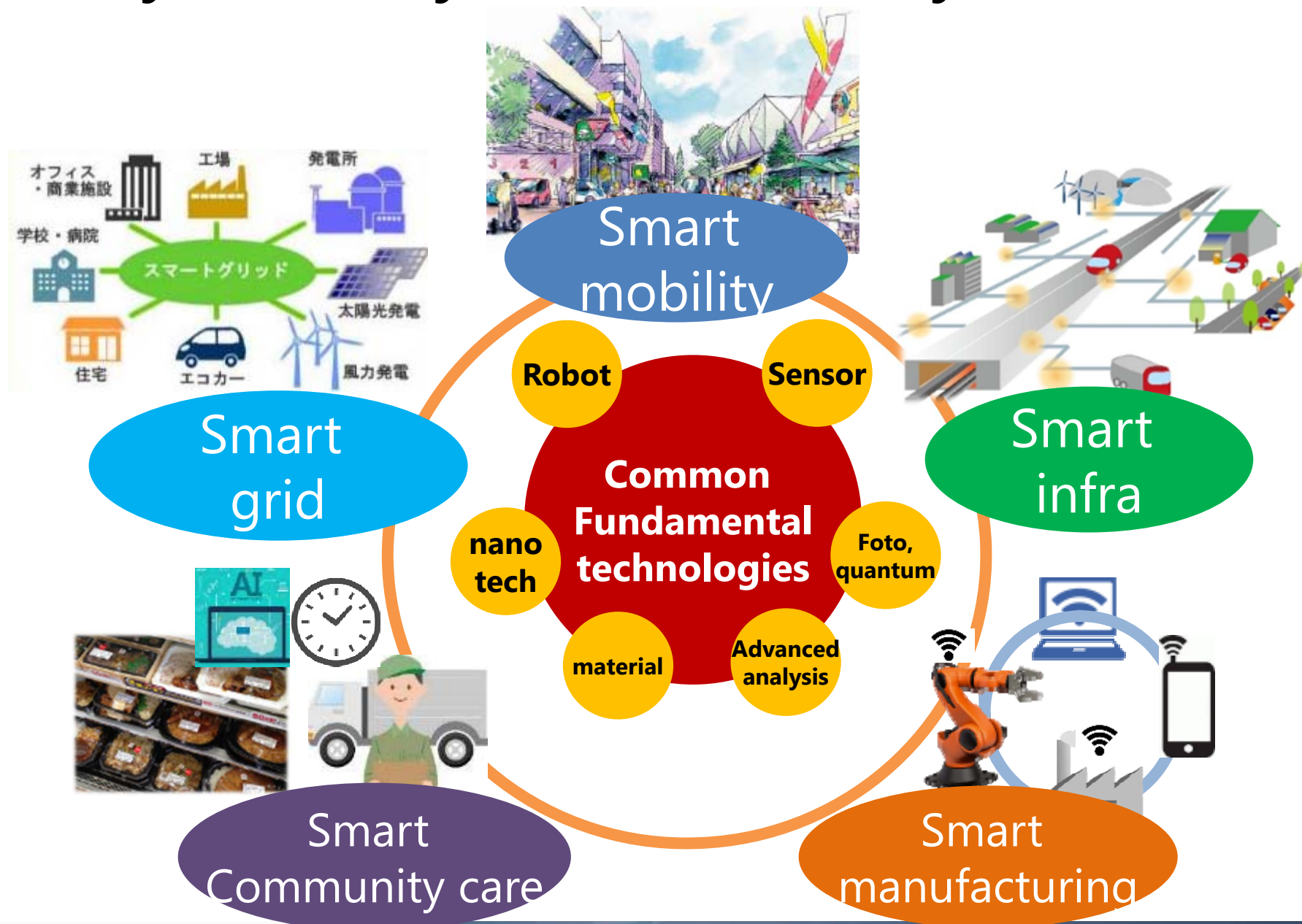
Realization of Society 5.0



Evolution of Societies

up to Society 5.0 (Source: Keidanren)

Society 5.0 for Beyond “Smart Society”



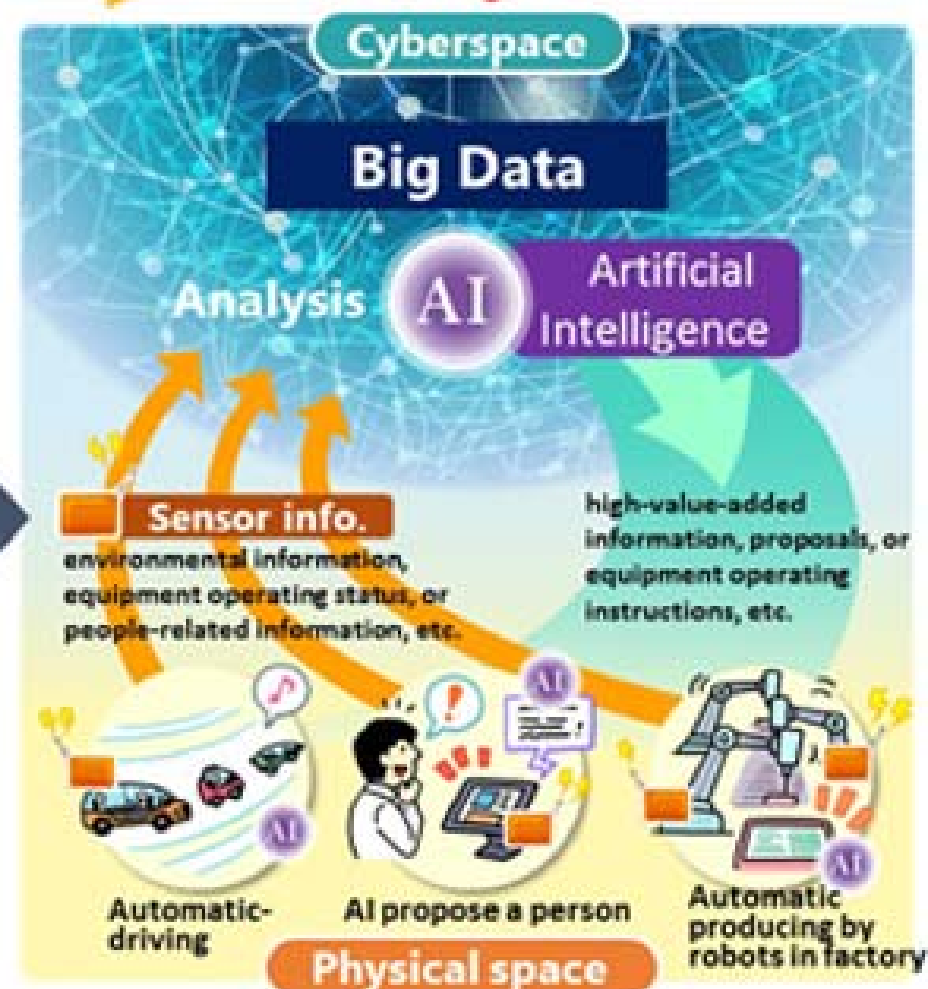
Society 5.0 for Beyond “Smart Society”

Current information society (4.0)



[source: CAO,Japan]





Society 5.0







www8.cao.go.jp/cstp/english/society5_0/index.html

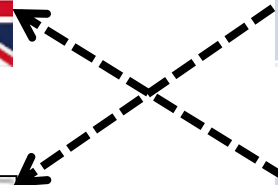
Global innovation index vs. R&D Expenditure

Innovation

Rank	Country	
1	Switzerland	
2	Sweden	
3	UK	
14	Japan	

R&D Expenditure

Rank	Country	
1	USA	
2	China	
3	Japan	
8	UK	



2017



JOHNSON
Cornell University

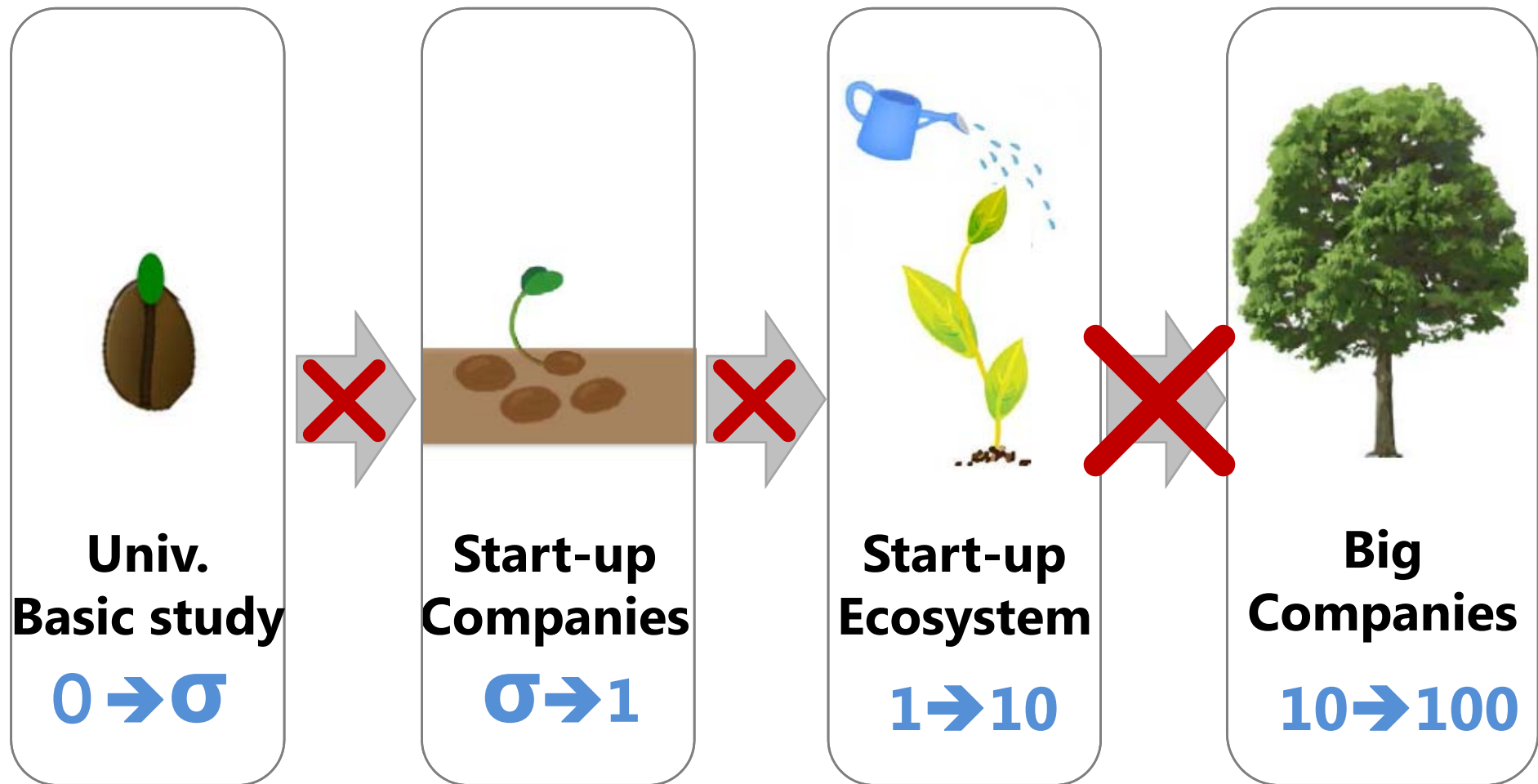


2015




Barriers in Innovation Ecosystem

Inactive collaboration b/w **Start-ups** & Big Co.



The shortage of investment in Japan

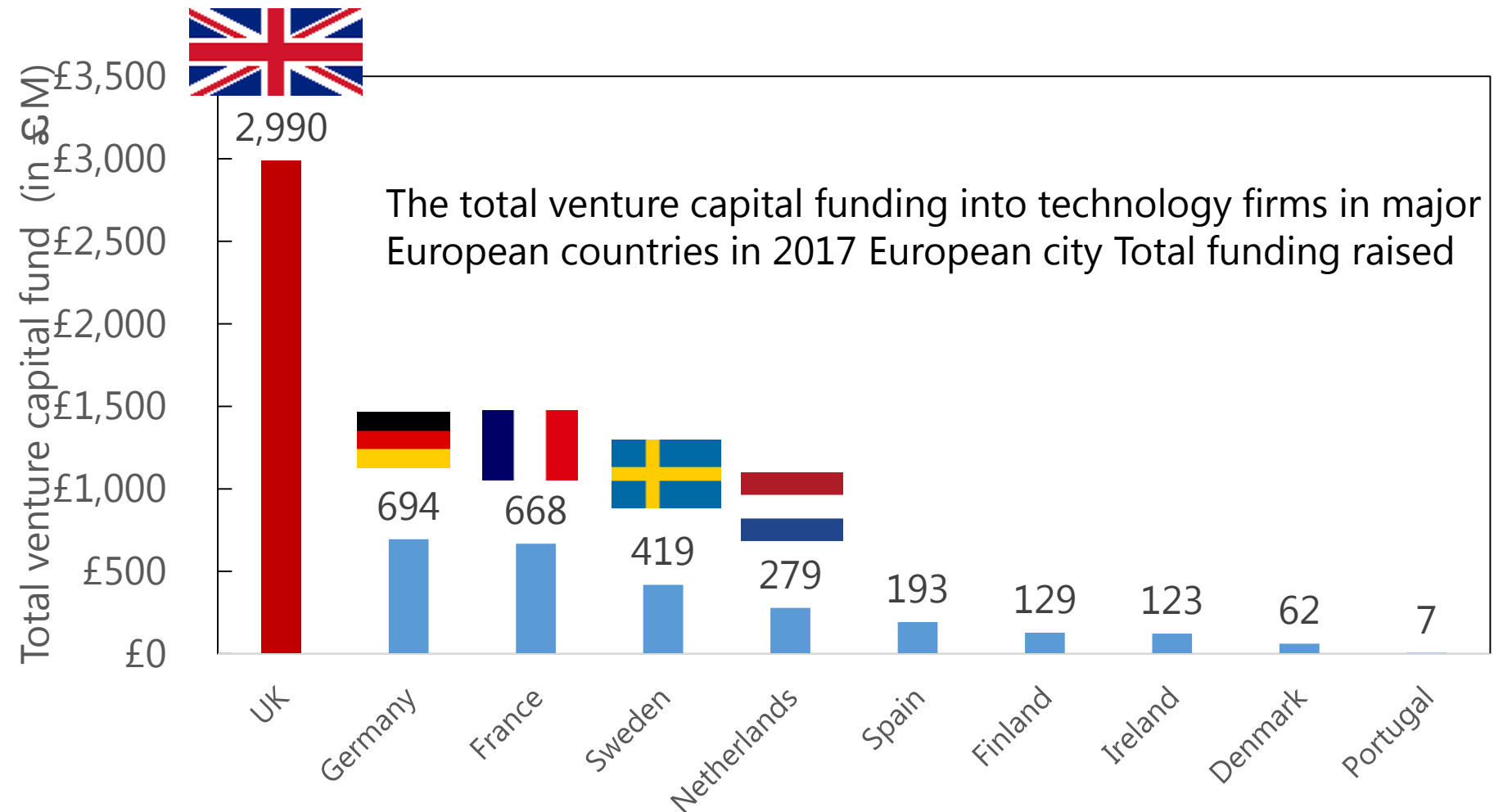
Venture capital investment in main countries(2015)

	USA	Europe	China	Japan 	Ratio of Japan/USA
Total investment	7,100B JPY	540B JPY	2,500B JPY	130B JPY	1/55
Total number	4,380	3,000	3,450	1,000	1/4
Investment per each	1.62B JPY	0.18B JPY	0.73B JPY	0.18B JPY	1/9

出典：一般社団法人ベンチャーエンタープライズセンター
「Venture Hakusho 2016」

The total investment in Japan is significantly insufficient compared with other main countries. The appropriate investment could be about ¥1.7B based on the GDP comparison with US.

Venture capital investment in Europe



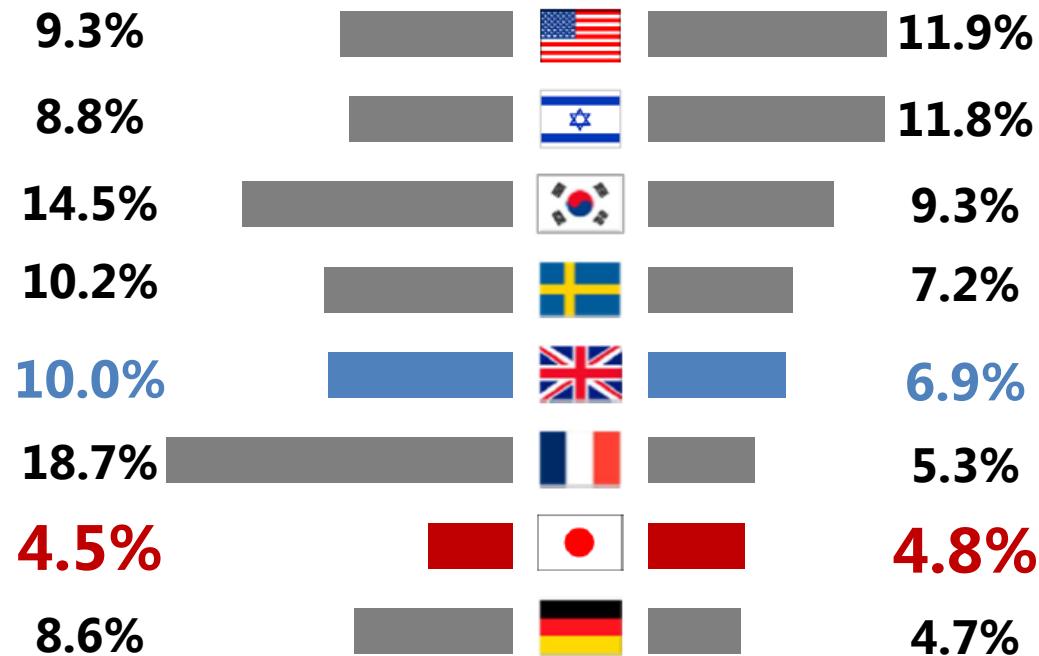
The Lack of Japanese Entrepreneurship

Start-up ratio

$$= \frac{\text{No. of starting BIZ}}{\text{No. of whole Co.}}$$



**Total Early-Stage
Entrepreneurial
Activity(TEA)**



Global Entrepreneurship Monitor, METI, 2015

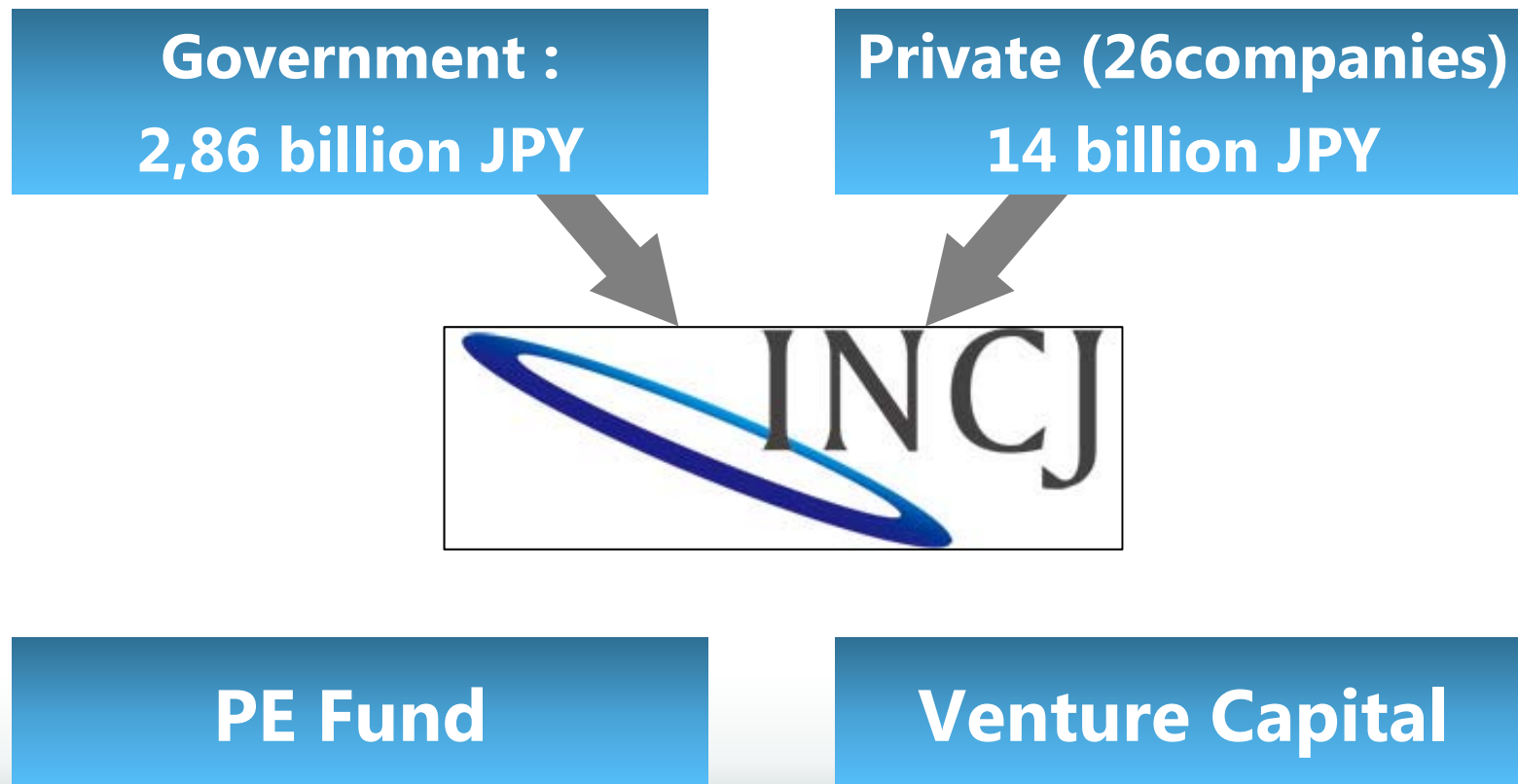
Innovation Network Corporation of Japan (INCJ)

産業革新機構

Innovation Network Corporation of Japan (INCJ)

- **Establishment: 2009** Based on Industrial Competitiveness Enhancement
- **Time limit: 15 years**
- **Investment capacity: 2 trillion JPY(\$19B)**

Organizational structure



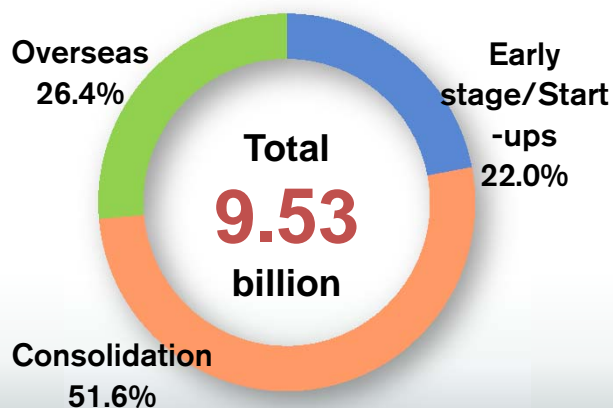
The investment by INCJ

No. of investment decision process(sum total)



No. of investments

sum
129

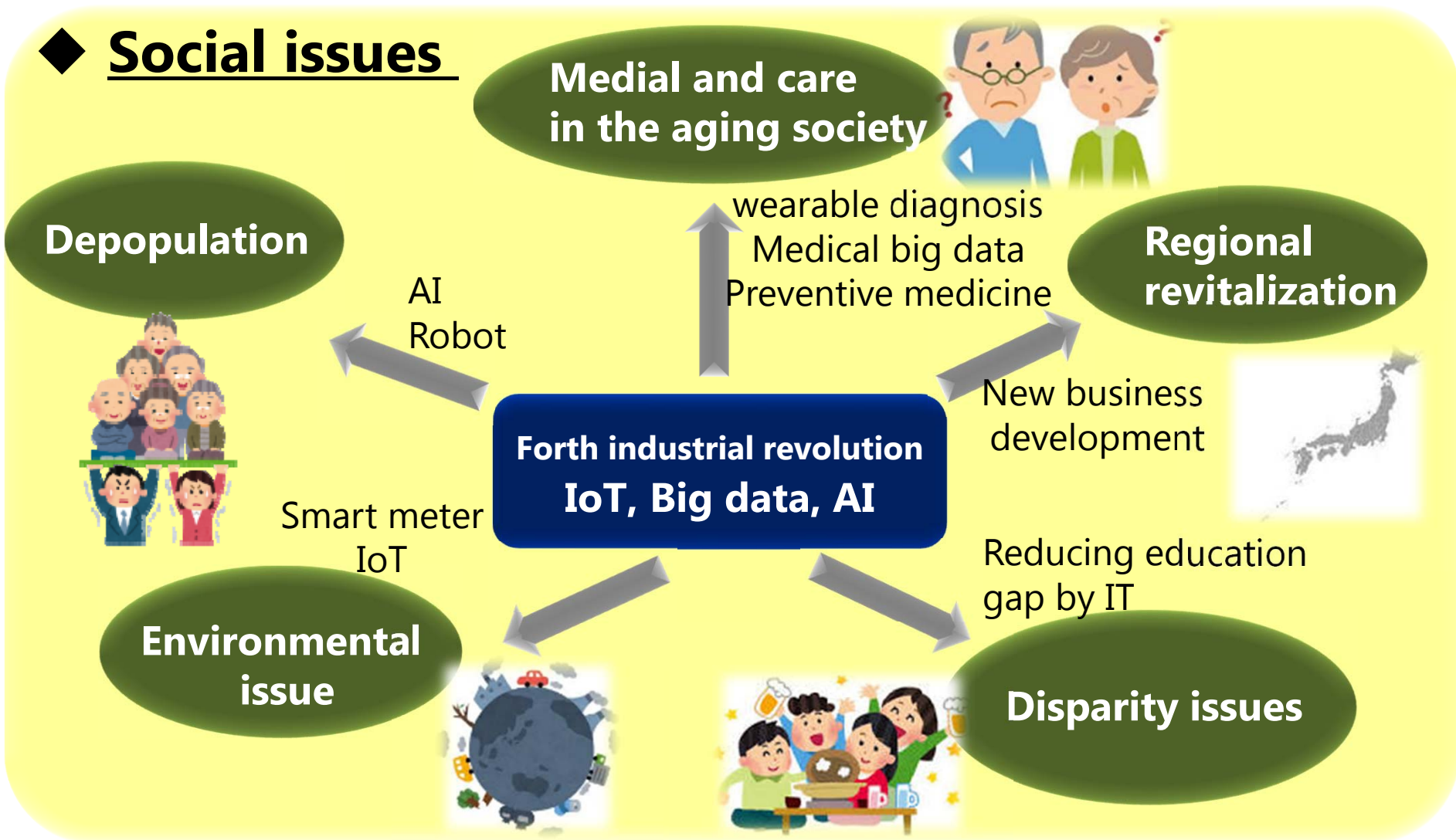


No. of exit

43 / 129

March 31, 2018

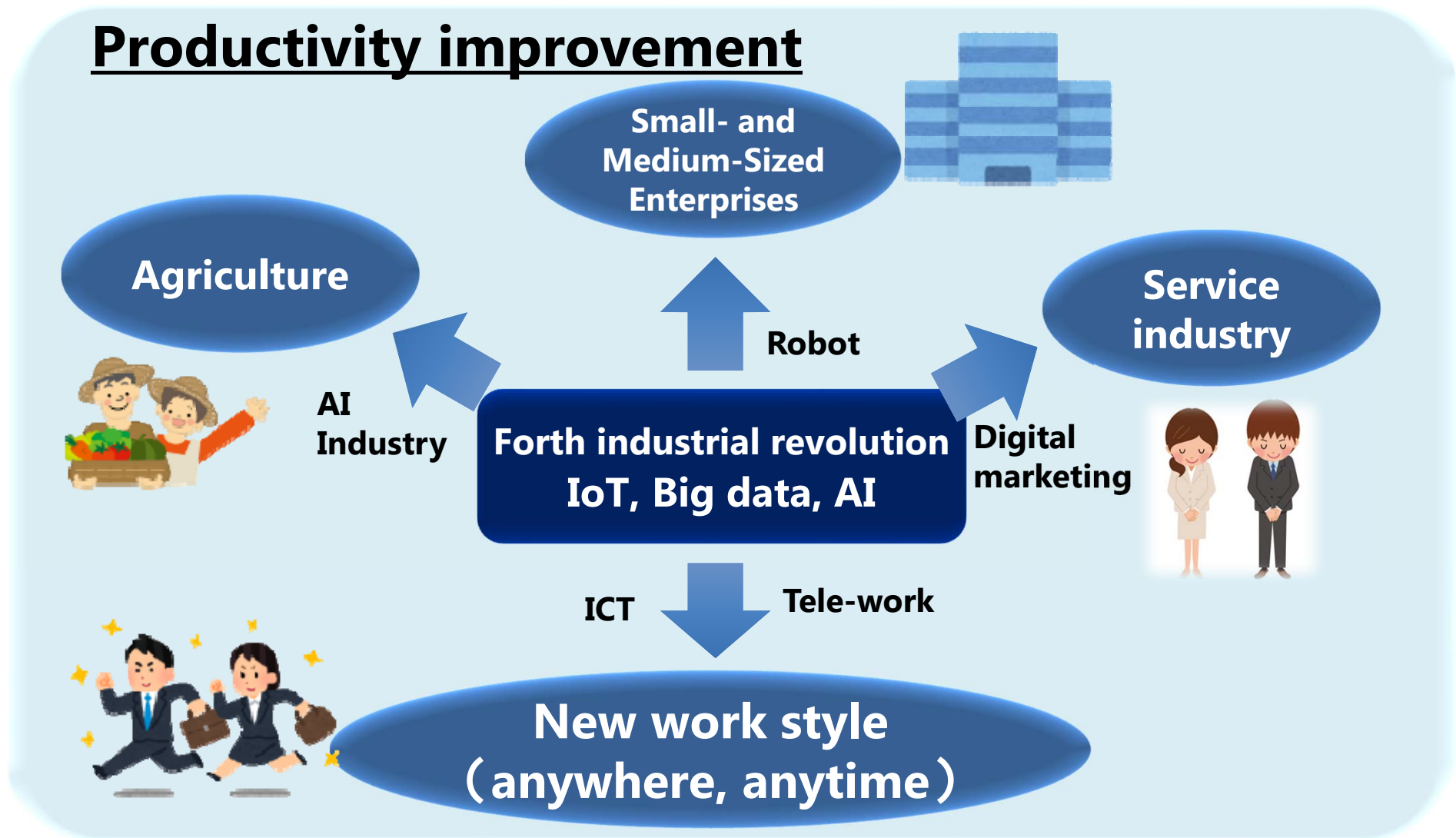
Social issues to be solved by 4th Industrial Revolution



The investment by INCJ

INCJ is supporting the VCs which tackle the social issues.

Productivity improvement



The investment by INCJ

Agriculture × AI Nileworks

Auto-drones fly above crops, assessing growth, spraying pesticides



SME's × AI



Robotics make up for Labor Shortage in SME's



Small shop × AI (Service sector)



AI analyzes reason of poor sales and proposes solution



Nursing-care service × AI

AI creates an elder care programs

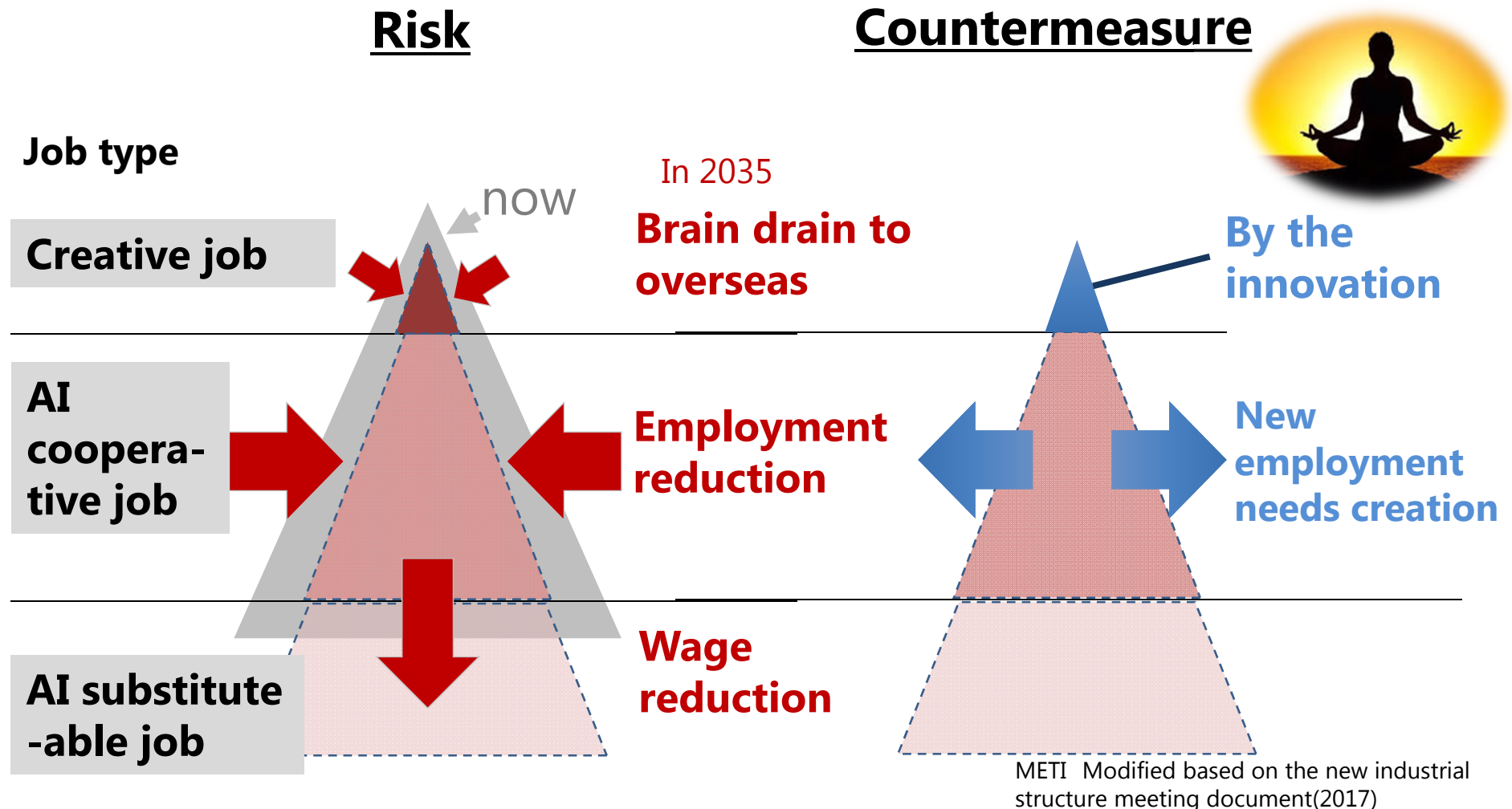
Care Design Institute Inc.

Trigence

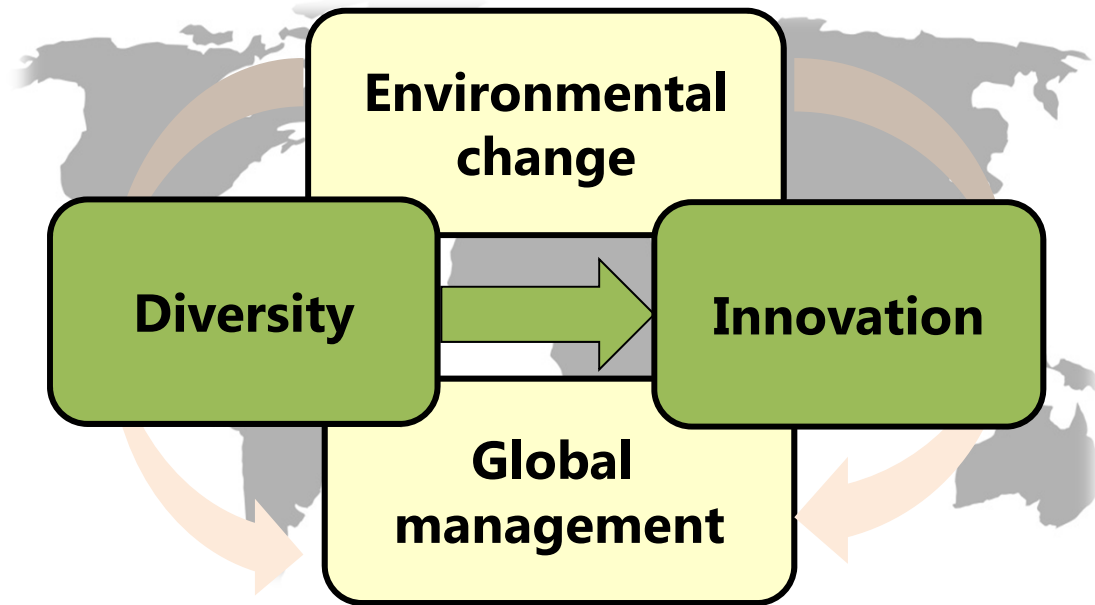


The Job Paradigm shift in Japan and necessary innovation

Innovations in job creation are needed against a market shrink, an employment reduction and a lowering of job quality.



How can we **survive** in a dramatically changing global competition?



"It is not the strongest of the species that survive, nor the most intelligent, but rather the one most *adaptable to change*."

Charles Darwin

End