

Japanese Car Sales in China Decline for Fourth Quarter

Japan's three biggest automakers saw their combined sales in China fall for a fourth consecutive quarter, showing they're still recovering from the backlash against Japanese brands. Total sales at Toyota Motor Corp. (7203), Nissan Motor Co. (7201) and Honda Motor Co. last quarter declined 4.9 percent from a year earlier, according to monthly figures released today. Individually, Nissan and Honda saw lower deliveries, although their drops narrowed, while Toyota posted a 0.6 percent gain. The results illustrate how Japanese automakers continue to struggle winning back customers after last year's territorial dispute between China and Japan led to demonstrations at major cities across China. Toyota last year reported its first sales decline since at least 2002 and pushed back a plan to make the country its third million-unit market. "Their total sales will recover in the second half," said Vivien Chan, a Hong Kong-based analyst at Oriental Patron Holdings. "In terms of market share, however, it will be impossible for the Japanese cars to rebound to the 22 percent level they had before the island disputes" as competitors offer or plan to sell more affordable, smaller cars, Chan said. Toyota's recovery has been the fastest, with sales rising 9 percent in June, the second straight monthly gain. For the year, the maker of the Corolla and Camry sedans is targeting deliveries to rise about 7 percent to 900,000 in the country this year. Nissan and Honda's June sales in China fell. Bloomberg