

FY 2008 3rd Quarter Financial Results

February 9, 2009
Nissan Motor Co., Ltd.

FY08 third quarter financial results

Tough business environment

➤ **Global financial and economic crisis continues to evolve :**

▪ **Total industry volumes:**

Global total industry volume was estimated to 69 million units, now to be 62 million / -10% as FY08 estimation

Recession in mature markets and slow-down in emerging markets

▪ **Foreign exchange rates:**

Significant negative impact from the yen strengthening against major currencies

114.2 JPY/USD at end of Dec '07 -> 91.0 JPY/USD at end of Dec '08 [+20%]

4.64 JPY/RUB at end of Dec '07 -> 3.10 JPY/RUB at end of Dec '08 [+33%]

▪ **Financial market:**

Severity of the financial crisis has far exceeded expectations

Consumer confidence fell and access to credit tightened

(US consumer confidence : 37.7 in January to the lowest level since 1967)

FY08 sales results (9 months)

FY08 financial results (9 months)

FY08 outlook

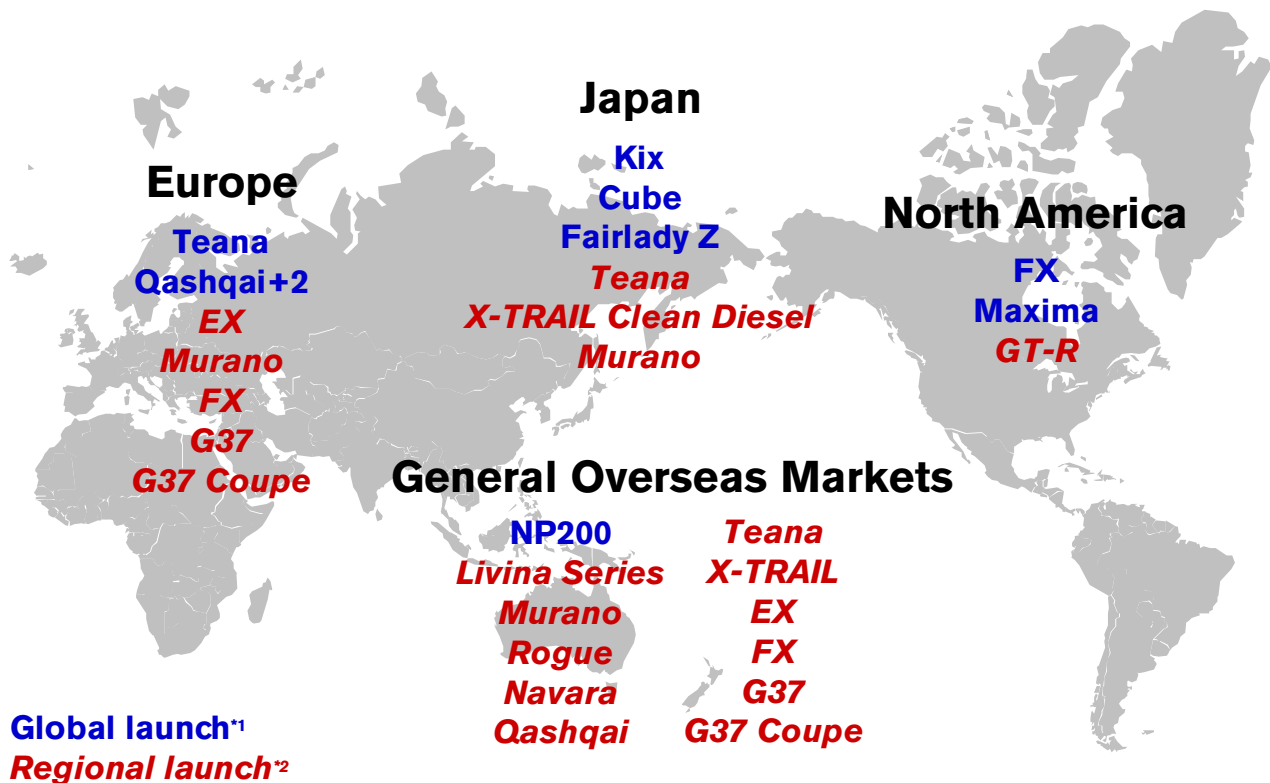
Recovery plan

Future opportunities

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FY08 third quarter financial results

FY08 product launches (9 months)



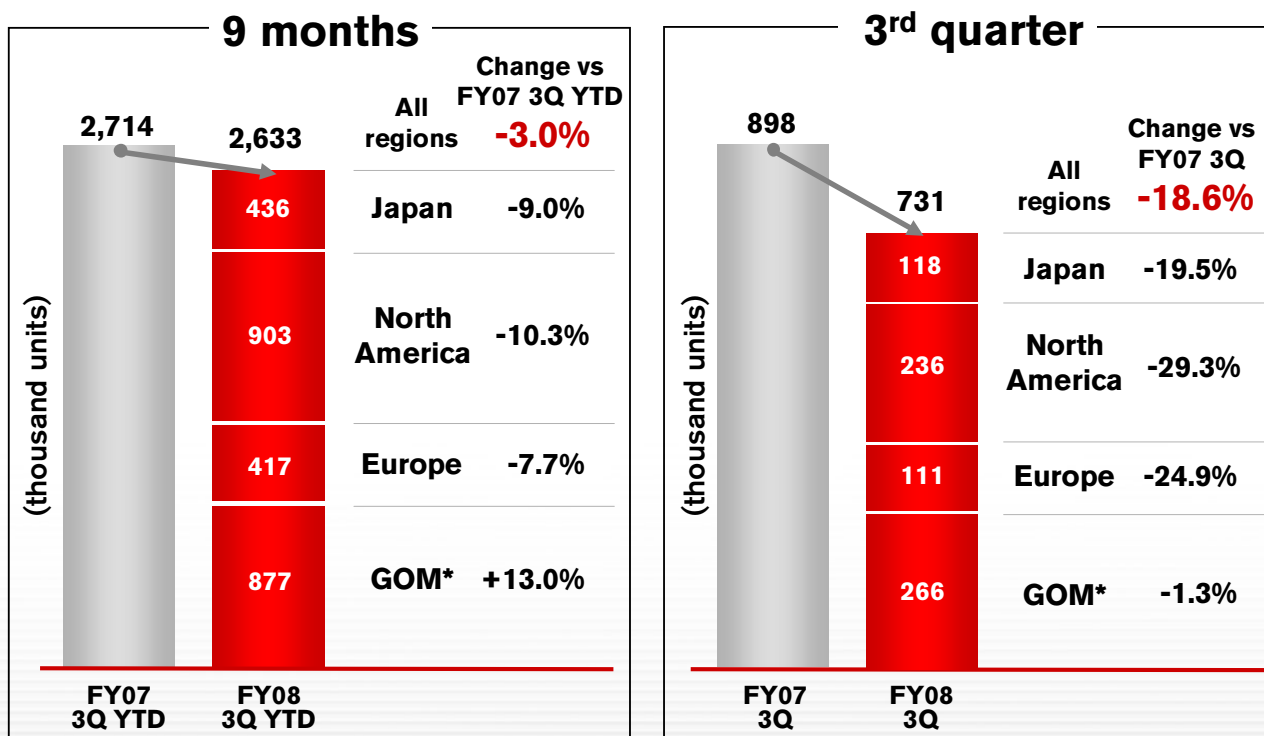
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^{*1} Global launch: new model as global basis

^{*2} Regional launch: new model that has already sold in other region

FY08 third quarter financial results

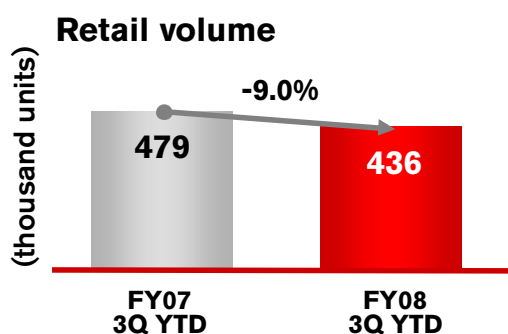
FY08 global sales results



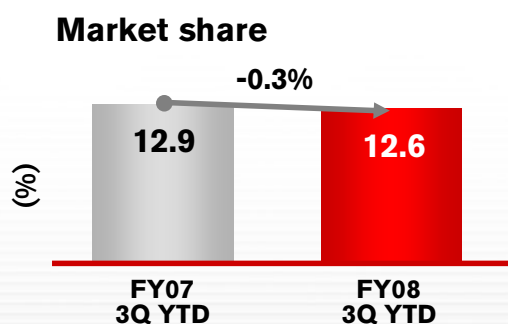
4 * GOM: General Overseas Markets

FY08 third quarter financial results

FY08 sales results (9 months): Japan



- TIV decreased 6.4% with the lowest registered car demand in December since 1968
- Launched Kix in October, Cube in November and Fairlady Z in December
- Domestic production decreased 29.5% in Oct. to Dec.



Cube



Fairlady Z



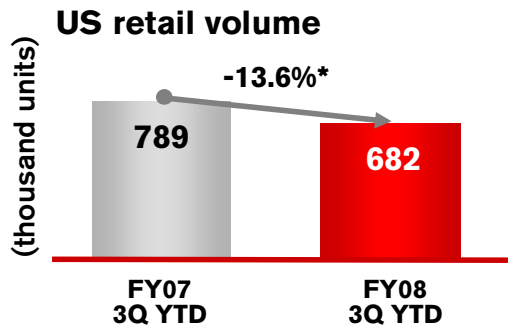
Kix



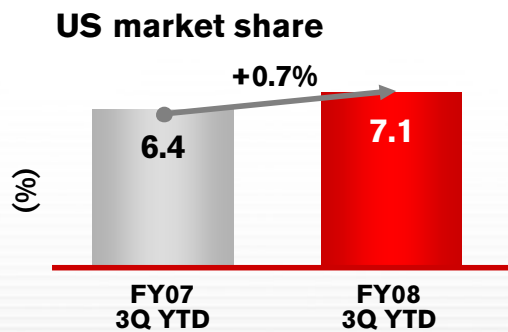
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FY08 third quarter financial results

FY08 sales results (9 months): North America



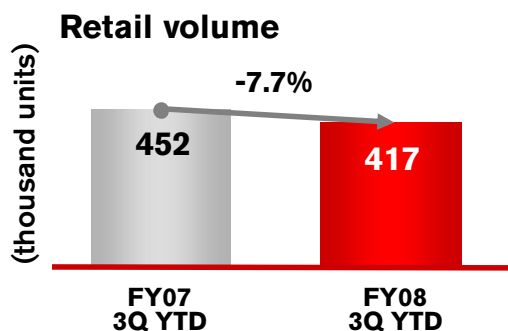
- TIV decreased 21.2%* in US
- Nissan's US market share improved 0.7% to 7.1%
- Production in North America decreased 37.3% in Oct. to Dec. (US: -52.6%, Mex: -13.3%)
- Canada: Sales up 11.1% to 64.6 k units, market share improved 0.7% to 5.1%
- Mexico: Sales down 2.3% to 154.8 k units, market share improved 1.0% to 20.3%



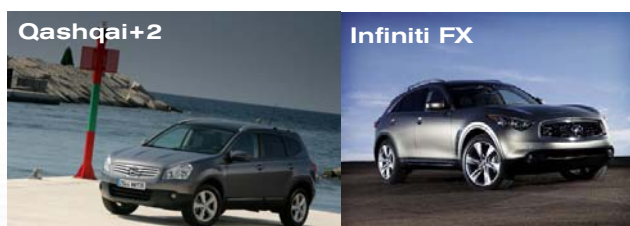
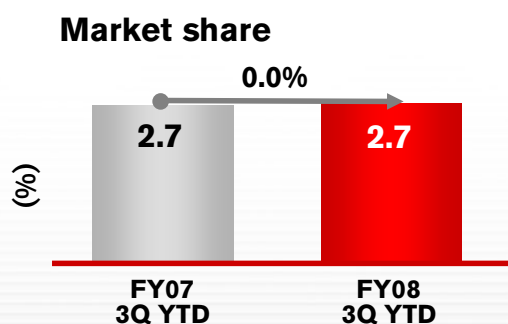
6 *Variances on a straight-percentage basis

FY08 third quarter financial results

FY08 sales results (9 months): Europe



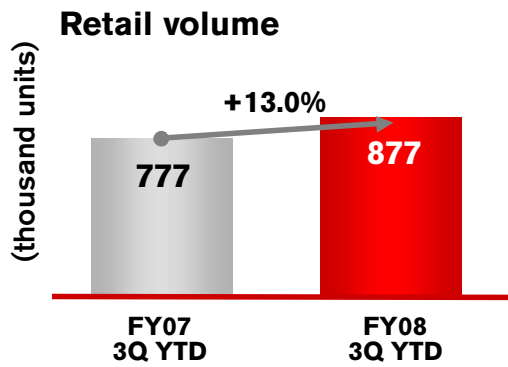
- TIV decreased 8.3% especially in Spain (-34.3%) and UK (-16.2%)
- Sales in Russia increased 12.5% while TIV increased 8.3%
- Infiniti launched in Western Europe
- Production in Europe decreased 44.6% in Oct. to Dec.



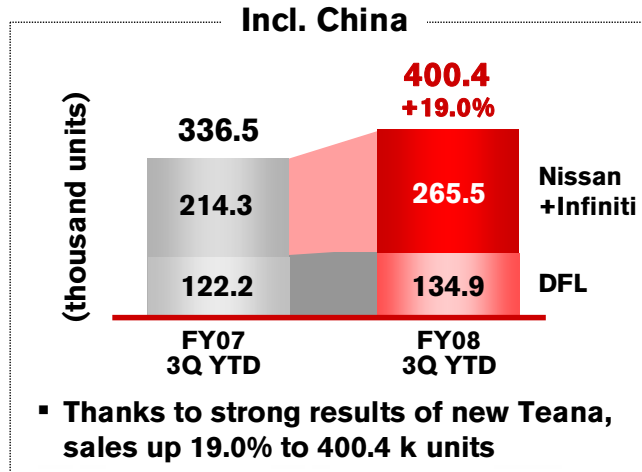
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FY08 third quarter financial results

FY08 sales results (9 months): GOM*



- General Overseas Markets increased 13.0% to 877 k units
- Middle East: Increased 30.9% to 184.9 k units



X-TRAIL



Teana



FY08 sales results (9 months)

FY08 financial results (9 months)

FY08 outlook

Recovery plan

Future opportunities

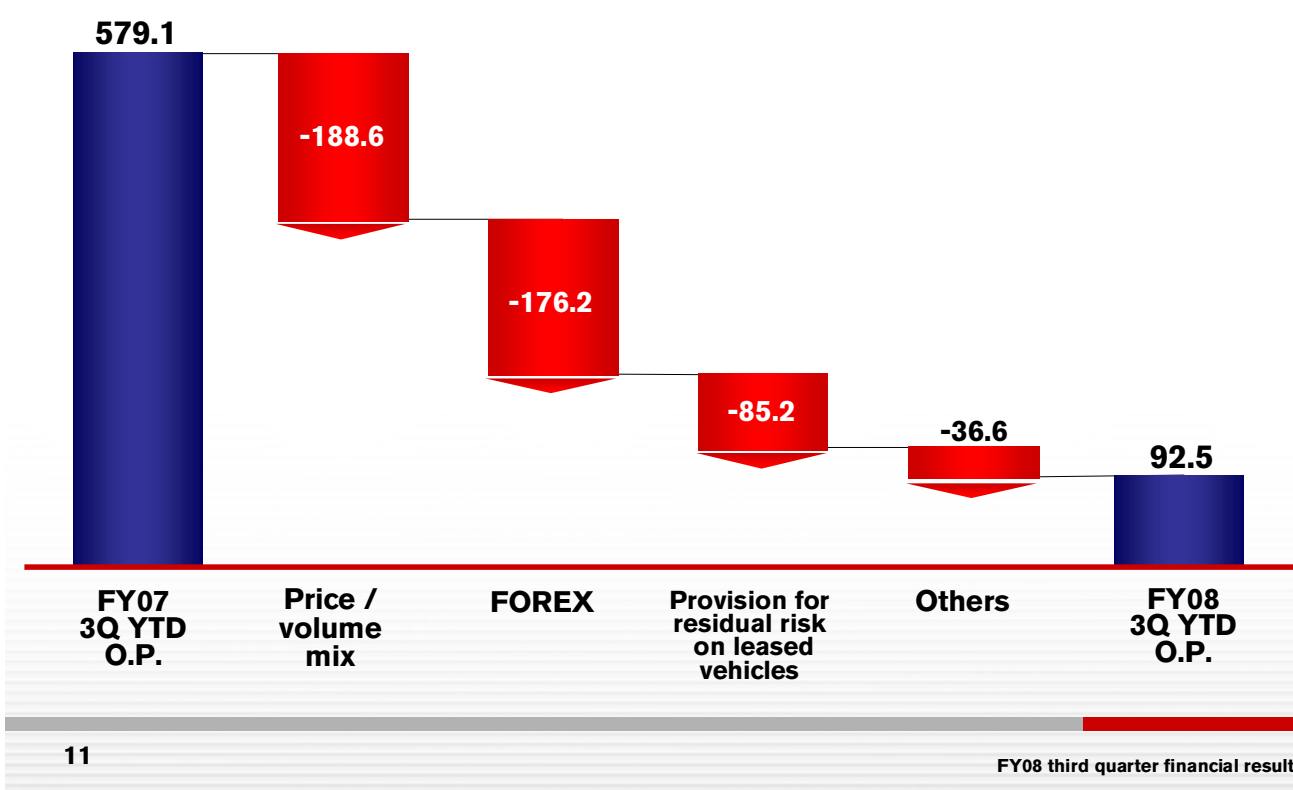
FY08 financial results (9 months)

| (billion yen) | FY07 3Q YTD | FY08 3Q YTD | Variance | |
|----------------------|--------------------------------|--------------------------------|--------------------------------|--------|
| Net revenue | 7,834.6 | 6,685.8 | -1,148.8 | -14.7% |
| Operating profit | 579.1 | 92.5 | -486.6 | -84.0% |
| <i>Non-operating</i> | -17.2 | -2.5 | | |
| Ordinary profit | 561.9 | 90.0 | -471.8 | -84.0% |
| <i>Extraordinary</i> | -30.6 | -42.3 | | |
| Profit before tax | 531.3 | 47.7 | -483.5 | -91.0% |
| Net income | 344.6 | 43.2 | -301.5 | -87.5% |
| FX rate | 117.4 JPY/USD 162.9 JPY/EUR | 102.9 JPY/USD 151.1 JPY/EUR | -14.5 JPY/USD -11.8 JPY/EUR | |

10 FY08 third quarter financial results

FY08 financial results (9 months)

Operating profit variance analysis (billion yen)



FY08 sales results (9 months)

FY08 financial results (9 months)

FY08 outlook

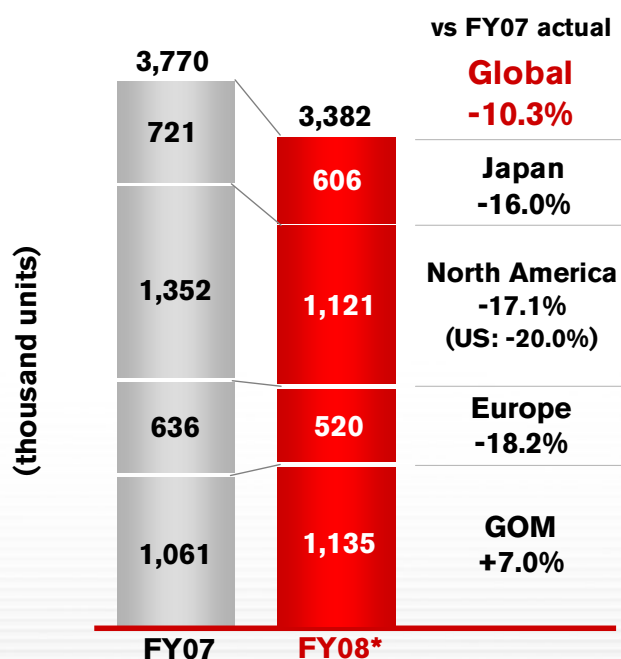
Recovery plan

Future opportunities

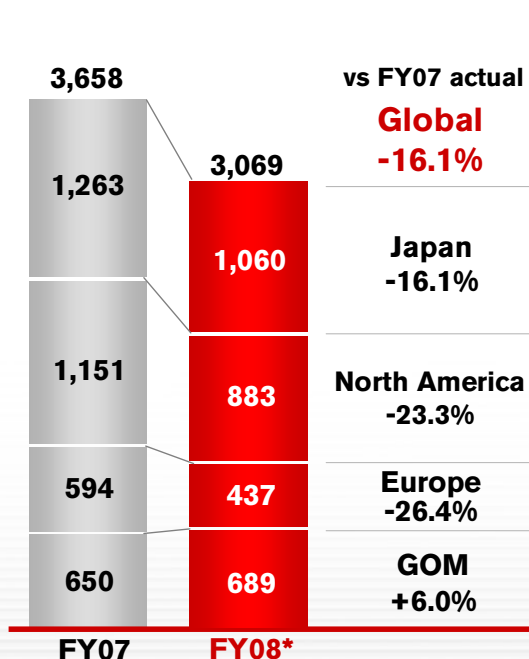
FY08 outlook

Revised retail sales objective and production plan

- Retail volume -



- Production volume -



FY08 outlook

Revised on Feb 9, 2009

| | (Actual) | (Previous) Oct. 31, 2008 (A) | (Revised) Feb 9, 2009 (B) | (B)-(A) Variance |
|------------------------------------|----------|------------------------------------|---------------------------------|---------------------|
| (billion yen) | FY07 | FY08 * | FY08 * | |
| Net revenue | 10,824.2 | 9,600.0 | 8,300.0 | -1,300.0 |
| Operating profit | 790.8 | 270.0 | -180.0 | -450.0 |
| Ordinary profit | 766.4 | 260.0 | -190.0 | -450.0 |
| Net income | 482.3 | 160.0 | -265.0 | -425.0 |
| R&D | 457.5 | 460.0 | 460.0 | |
| <i>sales ratio</i> | 4.2% | 4.8% | 5.5% | |
| CAPEX | 516.4 ** | 420.0 | 415.0 ** | |
| <i>sales ratio</i> | 4.8% | 4.4% | 5.0% | |
| FX rate assumption (JPY/USD) | 114.4 | 103.1 | 99.7 (Q4: 90.0) | |

14 * Forecast

** Incl. domestic vendor tooling (FY07 : 87.5 billion yen, FY08 : 53.0 billion yen)

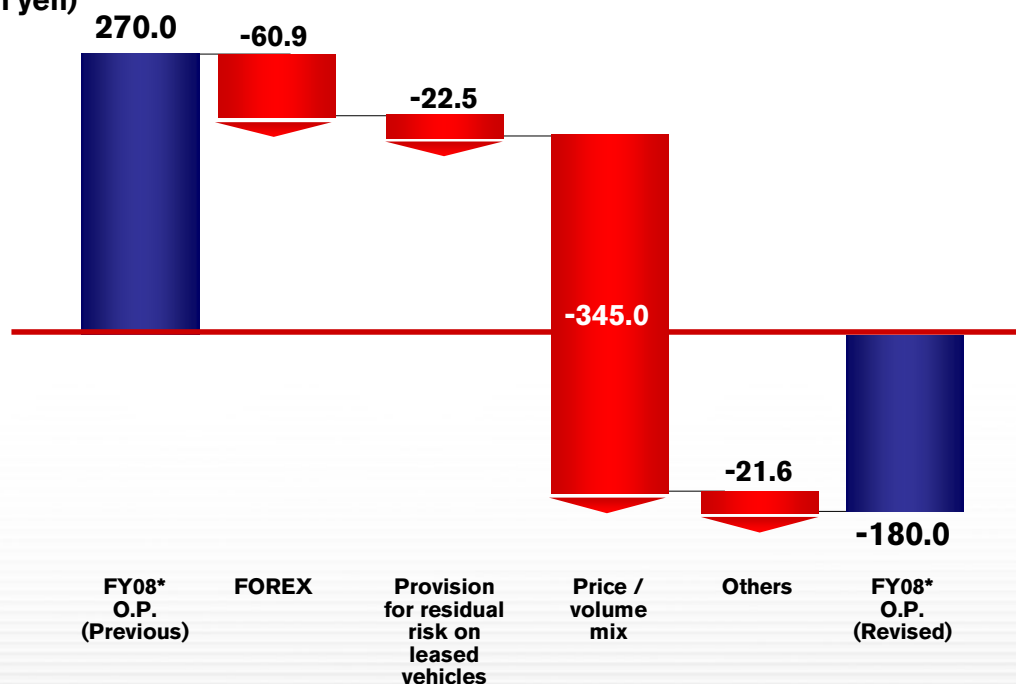
FY08 third quarter financial results

FY08 outlook

Operating profit variance analysis

(FY08 previous plan vs FY08 revised plan)

(billion yen)



15 * Forecast

FY08 third quarter financial results

FY08 sales results (9 months)

FY08 financial results (9 months)

FY08 outlook

Recovery plan

Future opportunities

Suspension of NISSAN GT 2012

Continue focusing on EV and quality

Zero-emission leadership

EV introduced in FY10 and mass marketed in FY12



During financial crisis

Remains a corporate objective

Quality leadership

In products, services, brands and management



Optimize with limited resources

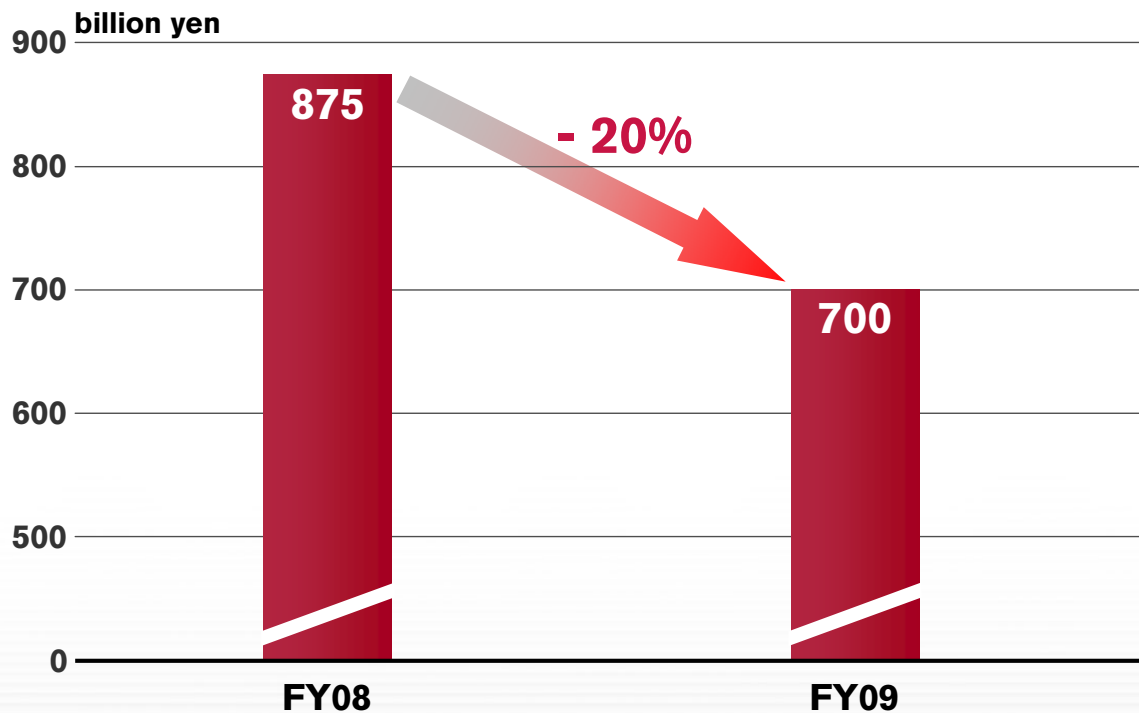
Revenue growth

5% growth on average over 5 years



Suspend and focus on free cash flow management

Labor cost reduction



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*exchange rate: 95 JPY/USD

**Labor cost in high-cost countries such as Japan, US., and Europe

FY08 third quarter financial results

Labor cost reduction

Additional measures

▪ Salary reduction:

Examples

- Cut by 10% for all board members and corporate officers from March 2009 until the situation improves
- Cut by 5% for all managers at Nissan Motor Company and at all of Nissan's affiliates in Japan from March 2009 until the situation improves
- No bonus for the board of directors in FY08

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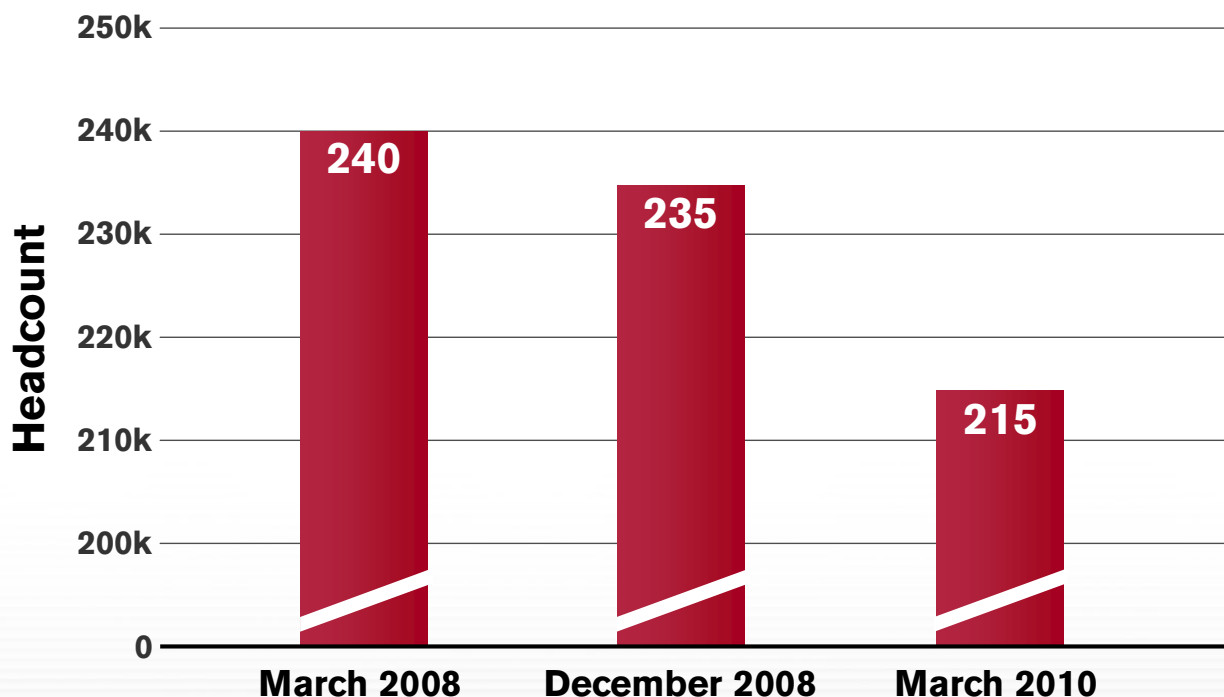
FY08 third quarter financial results

Labor cost reduction

Additional measures

- **Reduce working hours**
 - In Japan, overtime reduced by 30% since the beginning of FY08, with an additional 75% in FY09
- **Adjust production days**
 - In Japan, production days will be reduced by 50% in February and March
 - In U.S., operating on four-day work weeks
- **Negotiate work sharing scheme for employees**

Global headcount

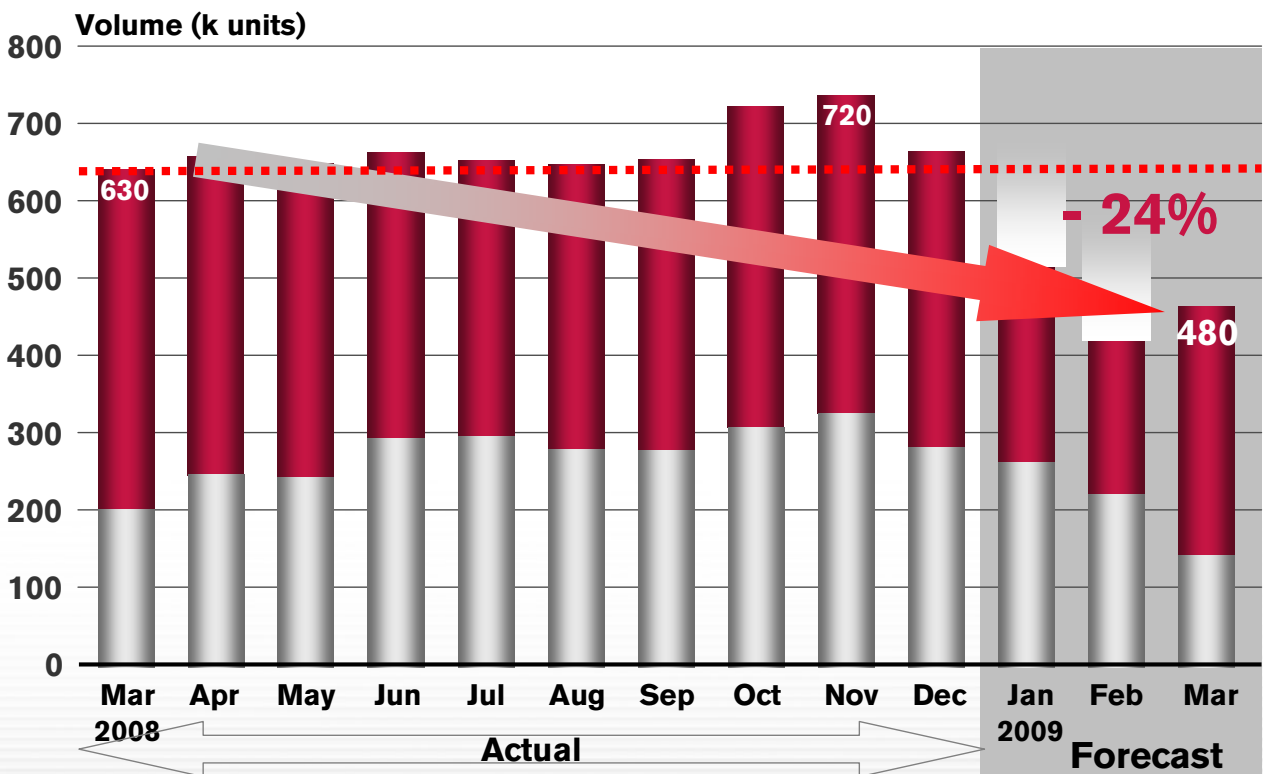


Labor cost reduction

Additional measures

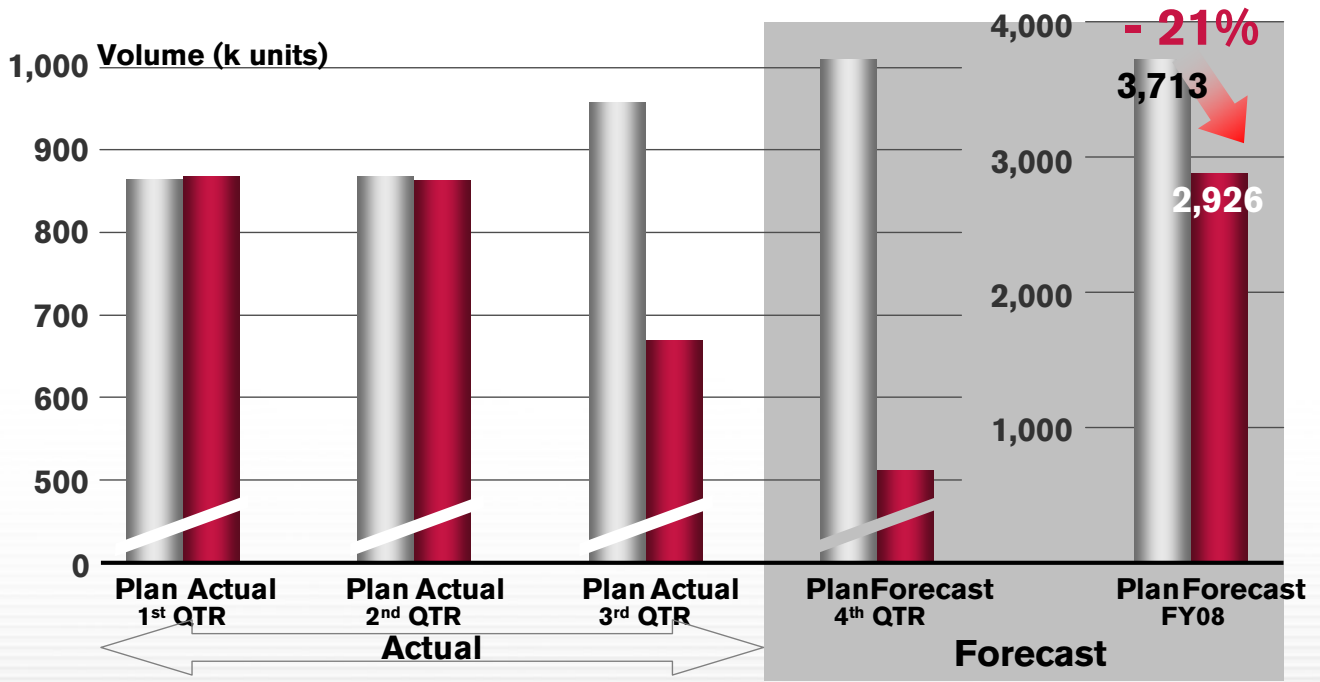
- **Keep hiring to a minimum in high-cost countries**
- **Cut travel by 75%**
- **Suspend sponsorship of corporate sports teams**
 - Baseball club (both in HQ and Kyushu) From January '10
 - Table tennis club From April '09
 - Track and field club From April '09

Tighter Nissan inventory management



Right-sizing operations

Revise global production based on market demand

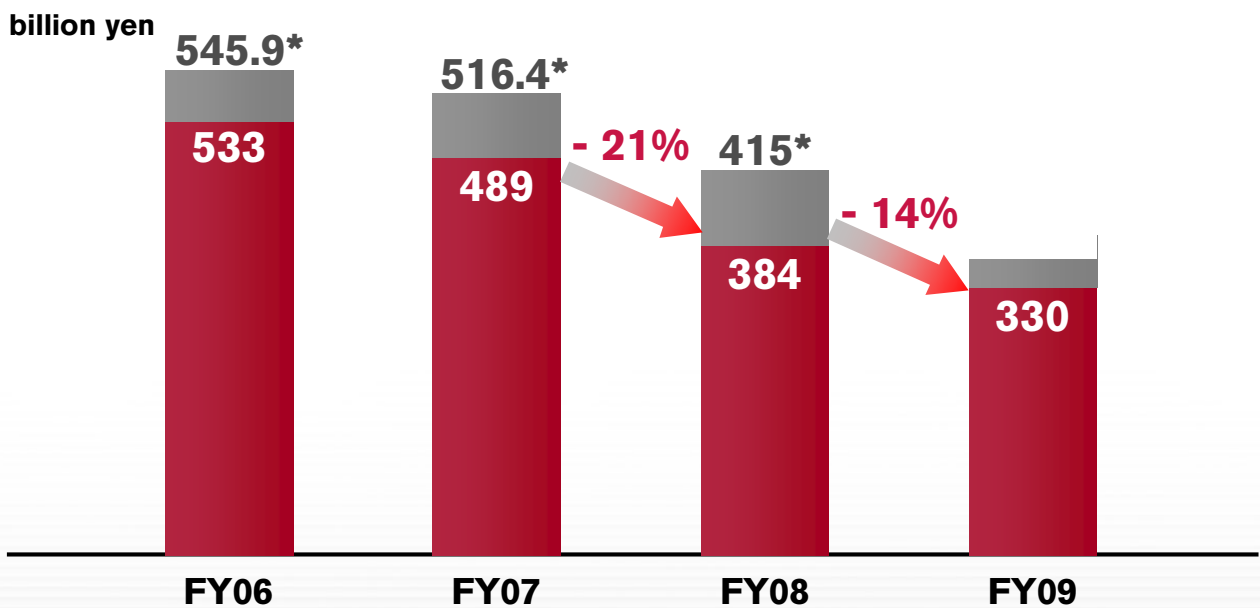


24 * Exclude DFL-LCV

FY08 third quarter financial results

Capital expenditure reduction

Reduce with frugal management



* Gross capex, including Japan vendor tooling (36.9Byen in FY06, 87.5Byen in FY07, 53.0Byen in FY08)

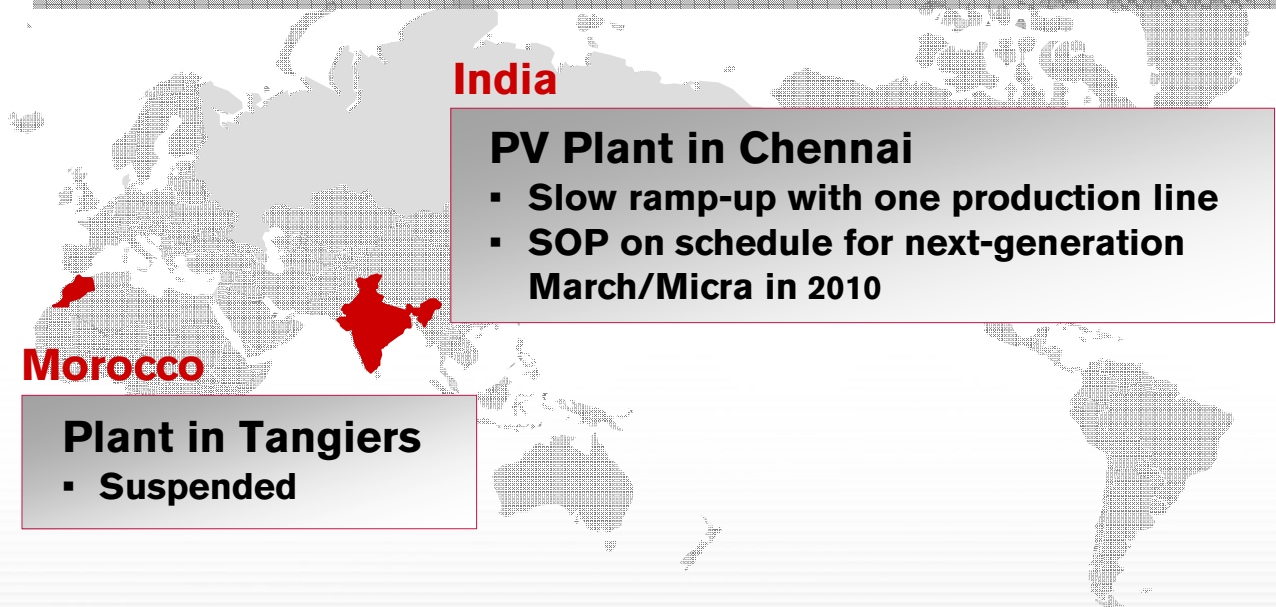
** Gray is for corporate vehicles

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FY08 third quarter financial results

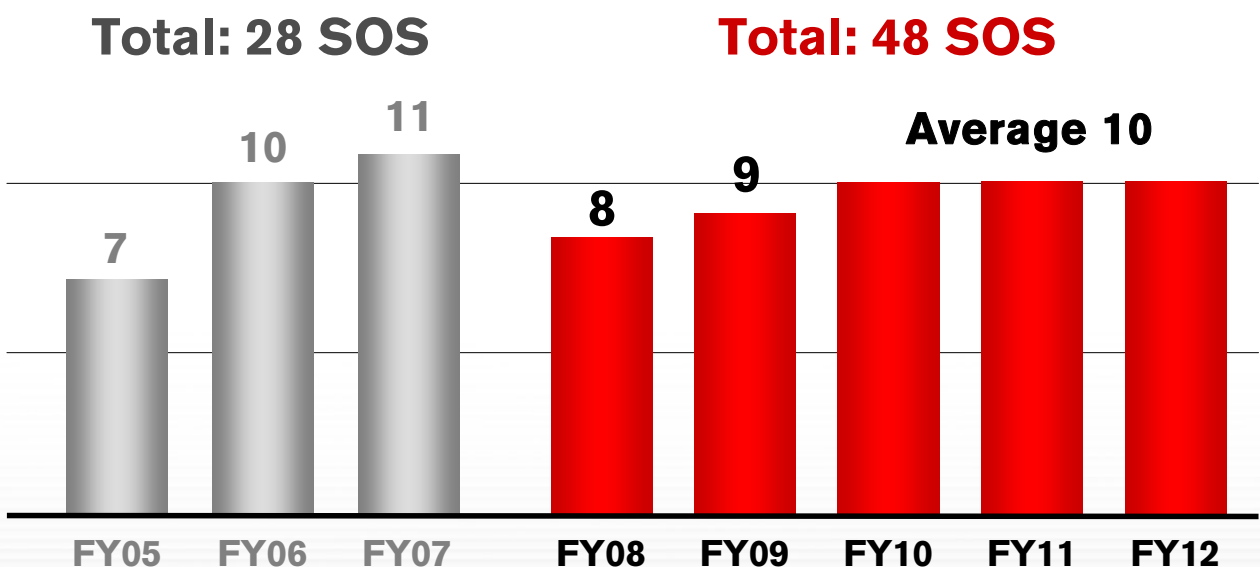
Capital expenditure reduction

Rationalize capacity expansion plans to reflect economic conditions



Product pipeline adjustment

Shift from 60 to 48 product launches over 5 years



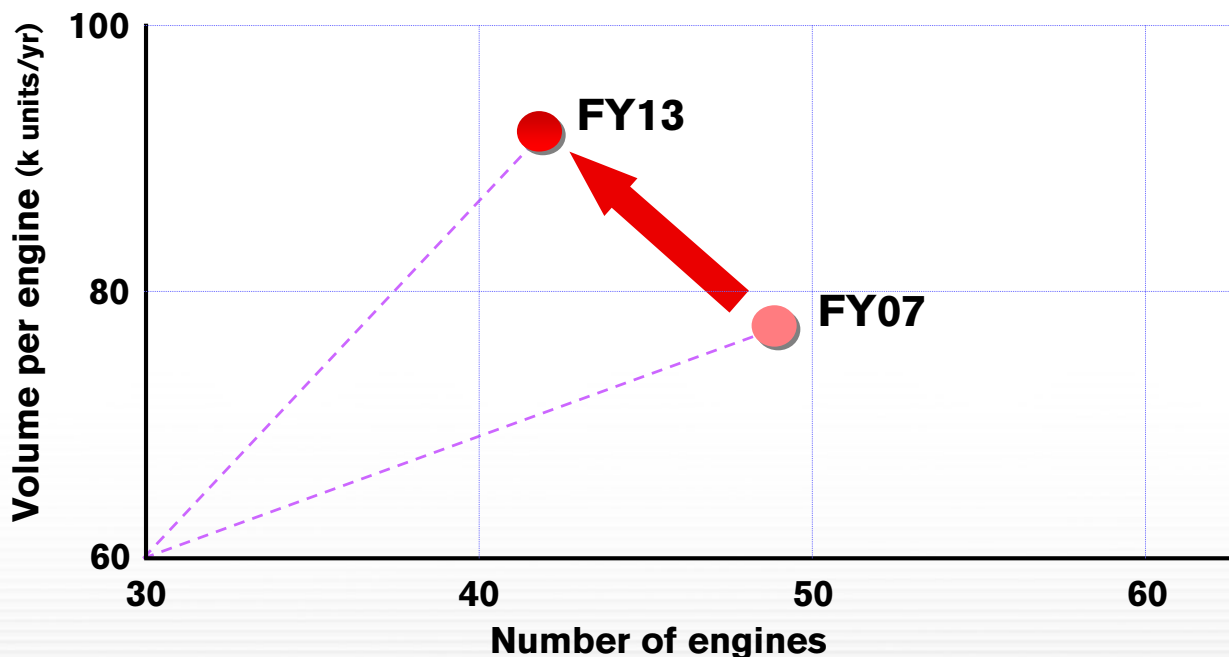
Portfolio efficiency improvement

Align product plan to market shift
Accelerate efficiency improvement



Powertrain consolidation

Focus on EVs for FF, HEV for FR and diesel for trucks



Preserving cash

Additional measures

- Improving working capital by 130 billion yen during FY09
- Planning sale of identified non-core assets and activities
- Proposing no dividend payment for 2nd half of FY08

Renault-Nissan Alliance synergies

Further opportunities with Renault

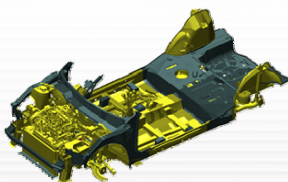


RENAULT NISSAN



**180 billion yen contribution
in cash flow for FY09**

120 billion yen already identified



FY08 sales results (9 months)

FY08 financial results (9 months)

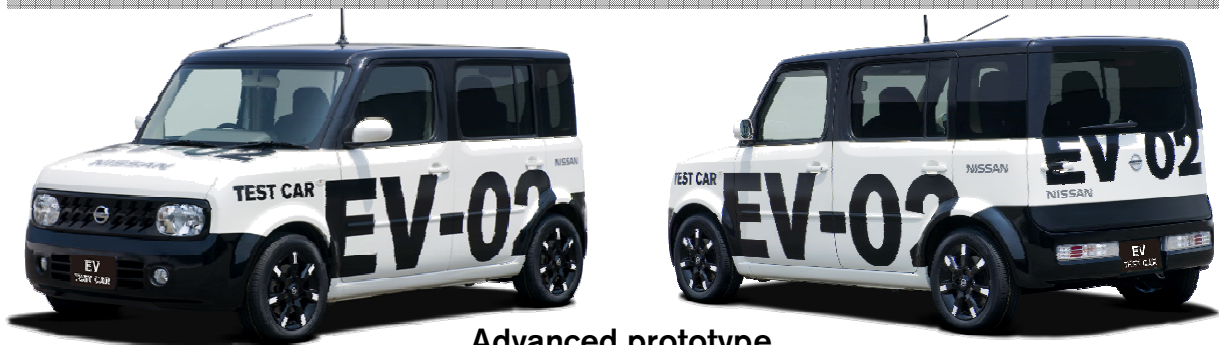
FY08 outlook

Recovery plan

Future opportunities

Future opportunities

Right products, right place, right time

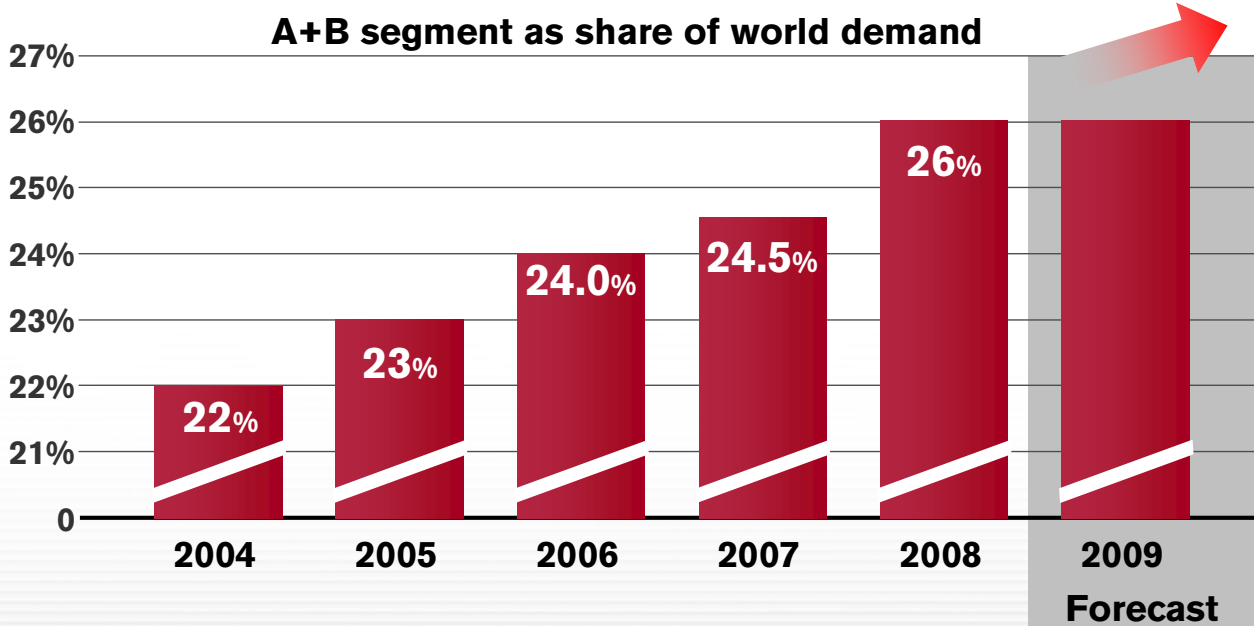


Advanced prototype

Global entry car

Entry car strategy

Satisfying fast-growing global demand for affordable mobility



34 Source: Global Insight, Jan. 2009

FY08 third quarter financial results

Entry car strategy

Global rollout of affordable models in 150+ countries, starting in 2010

Dedicated new A-platform

Status vehicles: modern & roomy

3 different body types

SOP 2010

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FY08 third quarter financial results

Entry car sourcing

Innovative sourcing with high localization and LCC utilization

SOP in 2010

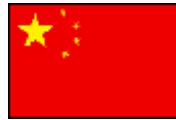
Thailand



India



China



Chennai plant construction

Designed to cost

High localization

Full LCC sourcing

**High volume:
1 million units/year**

Zero-emission leadership

11 partnerships globally
Growing network of partnerships for deployment of zero-emission mobility



Zero-emission leadership

EV planning progressing rapidly

- Design selected in September 2008
- SOP on schedule for 2010
- Battery capacity of 50k/year confirmed at Zama
- Additional plant locations under review in U.S., Japan, Europe and China



High-energy Li-ion battery module

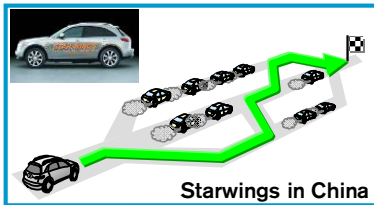


Advanced prototype

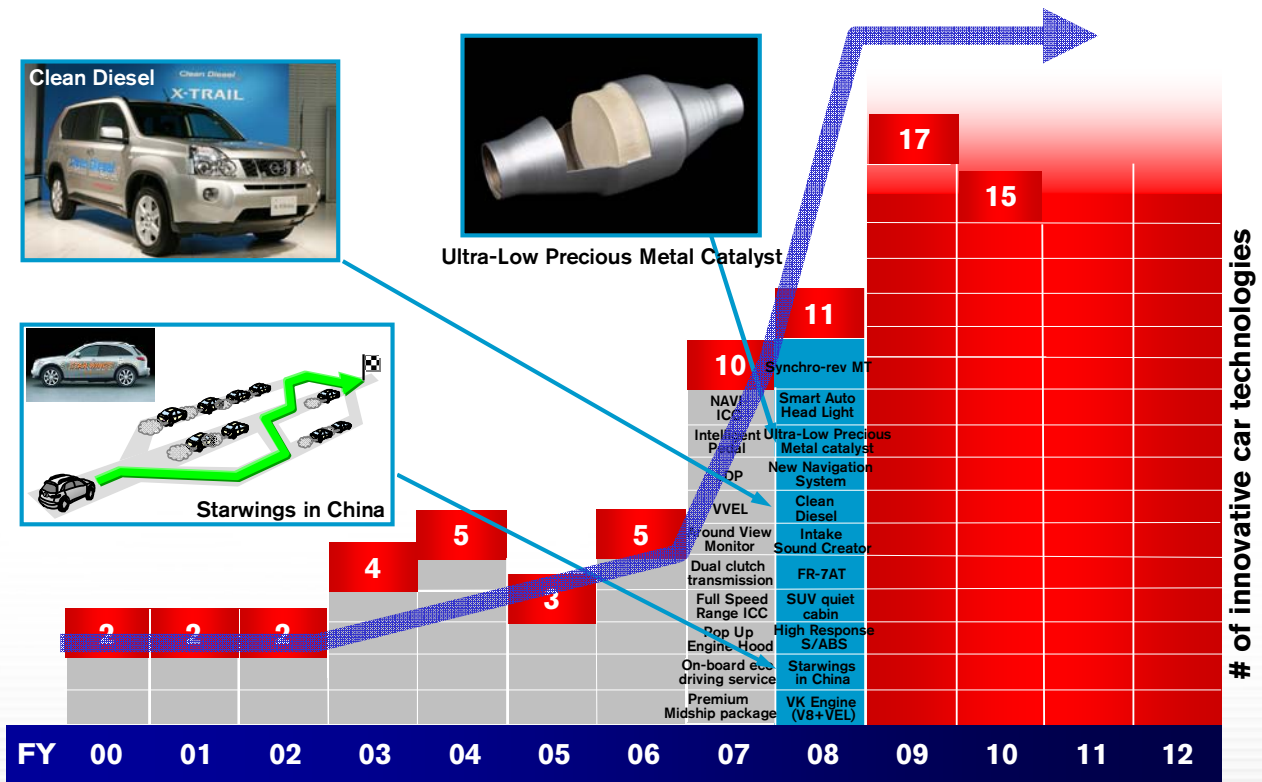
A full technology pipeline



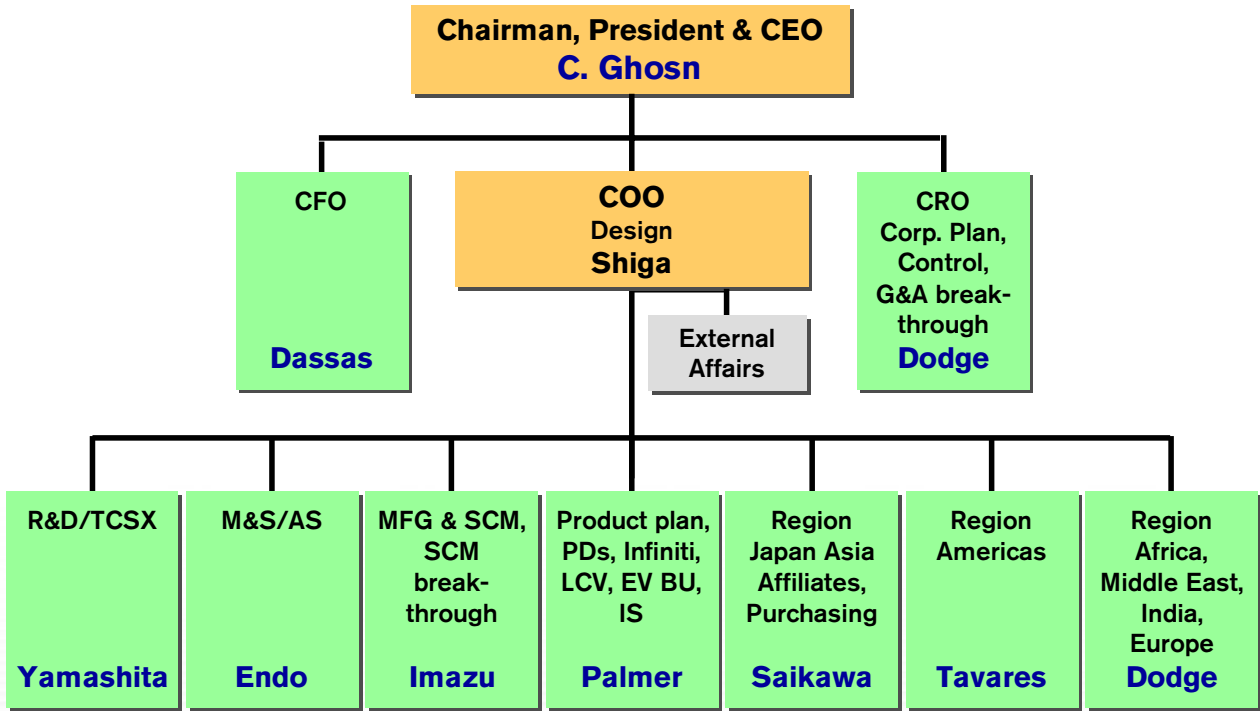
Ultra-Low Precious Metal Catalyst



Starwings in China



Top Management Organization Structure



NISSAN