

# **Nissan Motor Co., Ltd.**

**December 2, 2009**

**Chief Operating Officer  
Toshiyuki SHIGA**

2009 Nomura CEO Forum

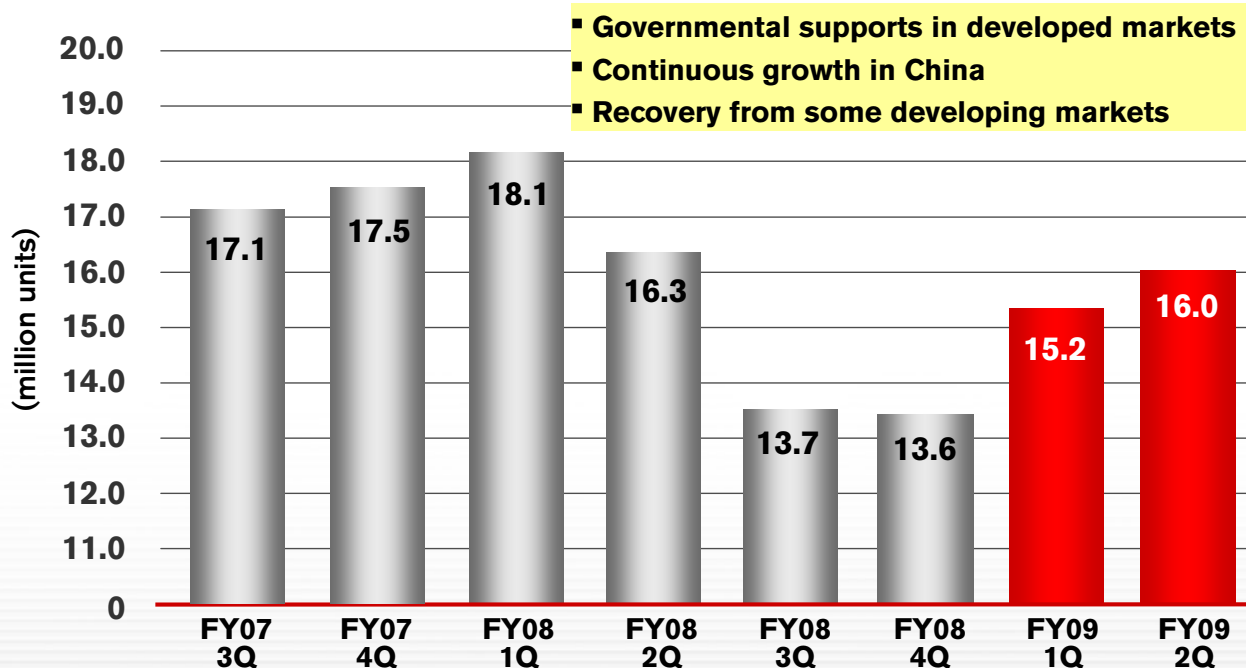
**FY09 performance**

**China updates**

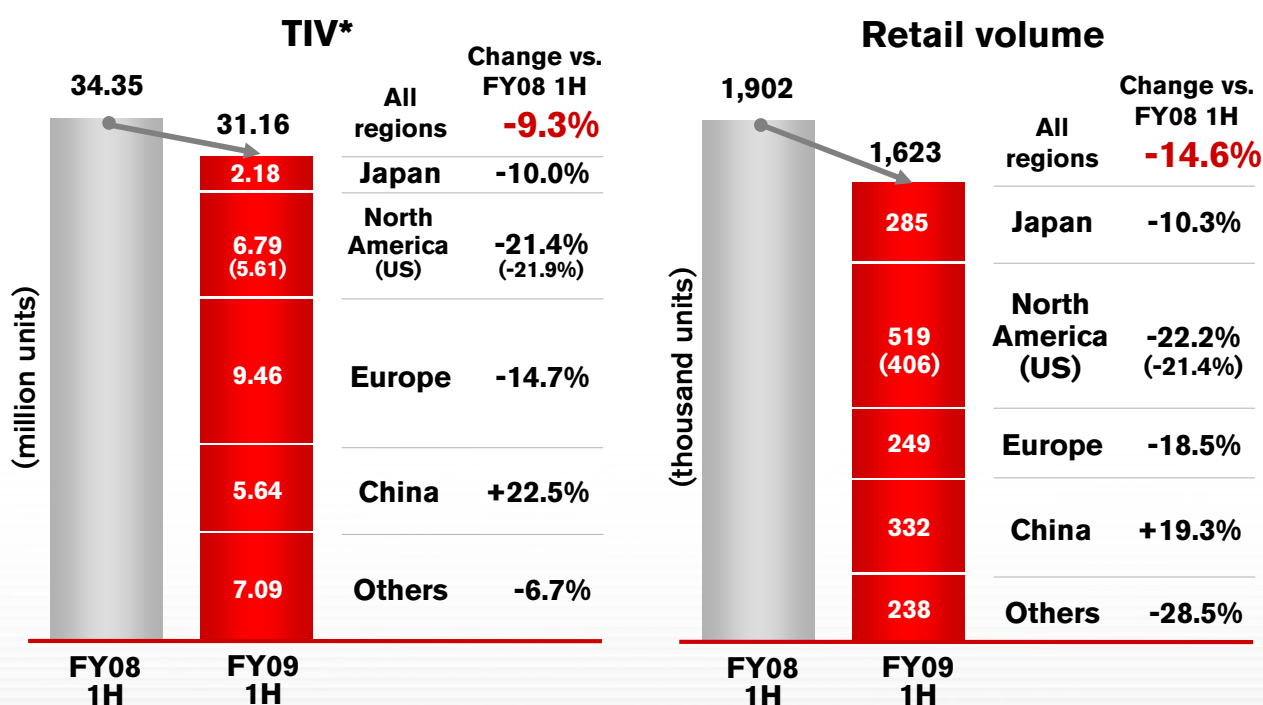
**Zero-emission leadership**

# Global total industry volume\*

After rapid declines, market was recovering gradually

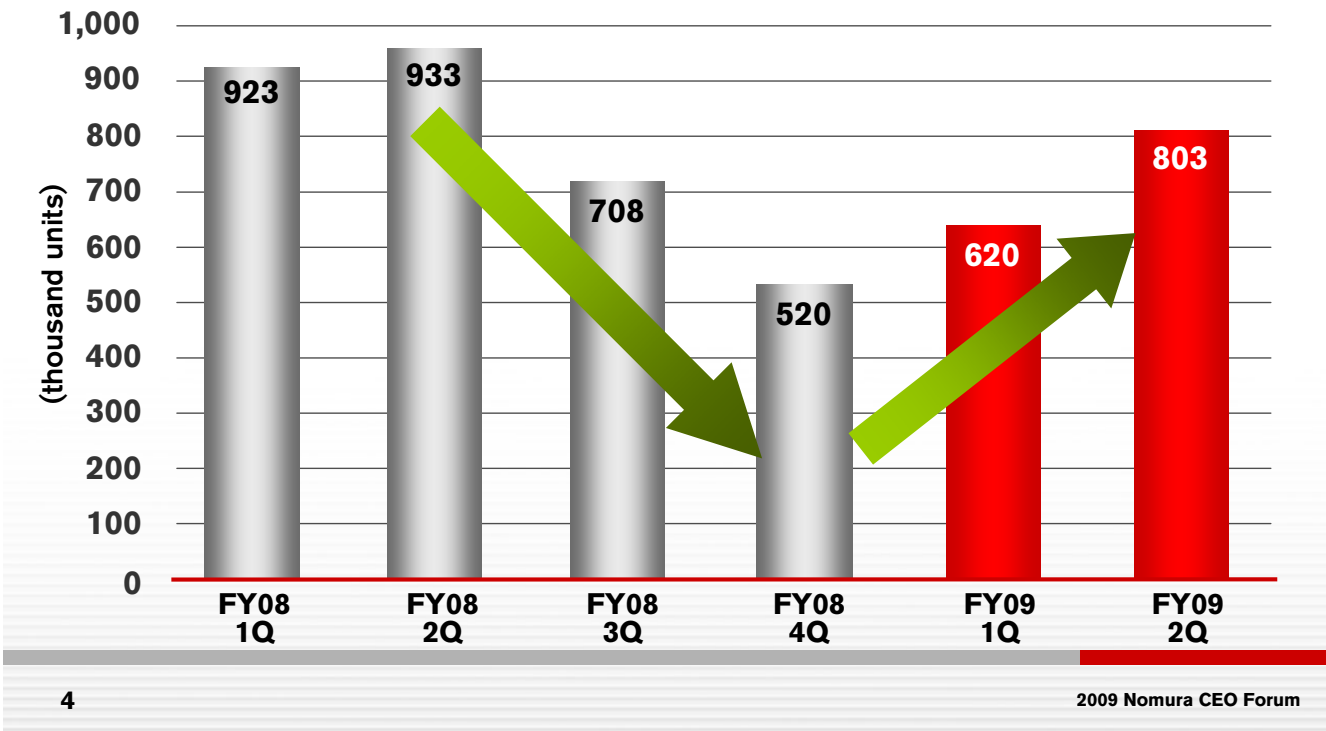


# Nissan sales performance in FY09 first-half



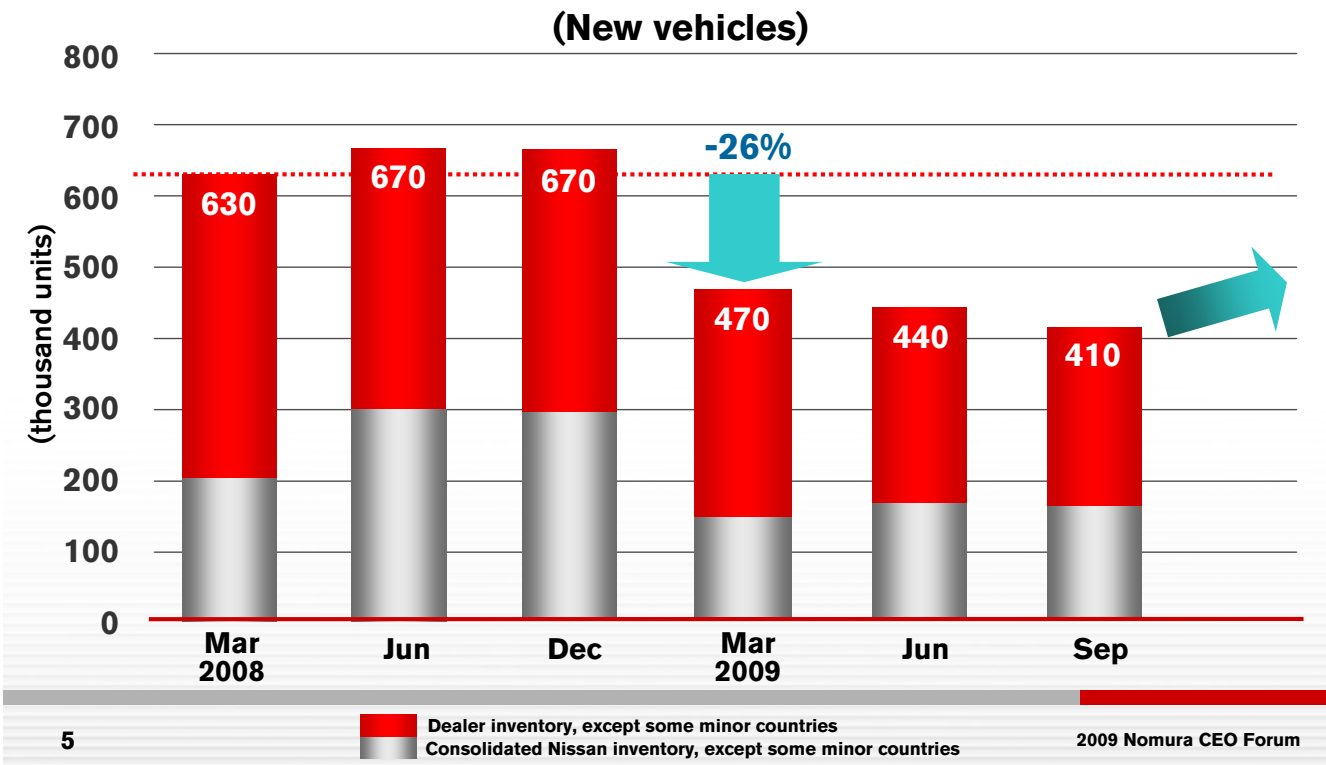
# Nissan production volume

**Production volume recovered gradually**



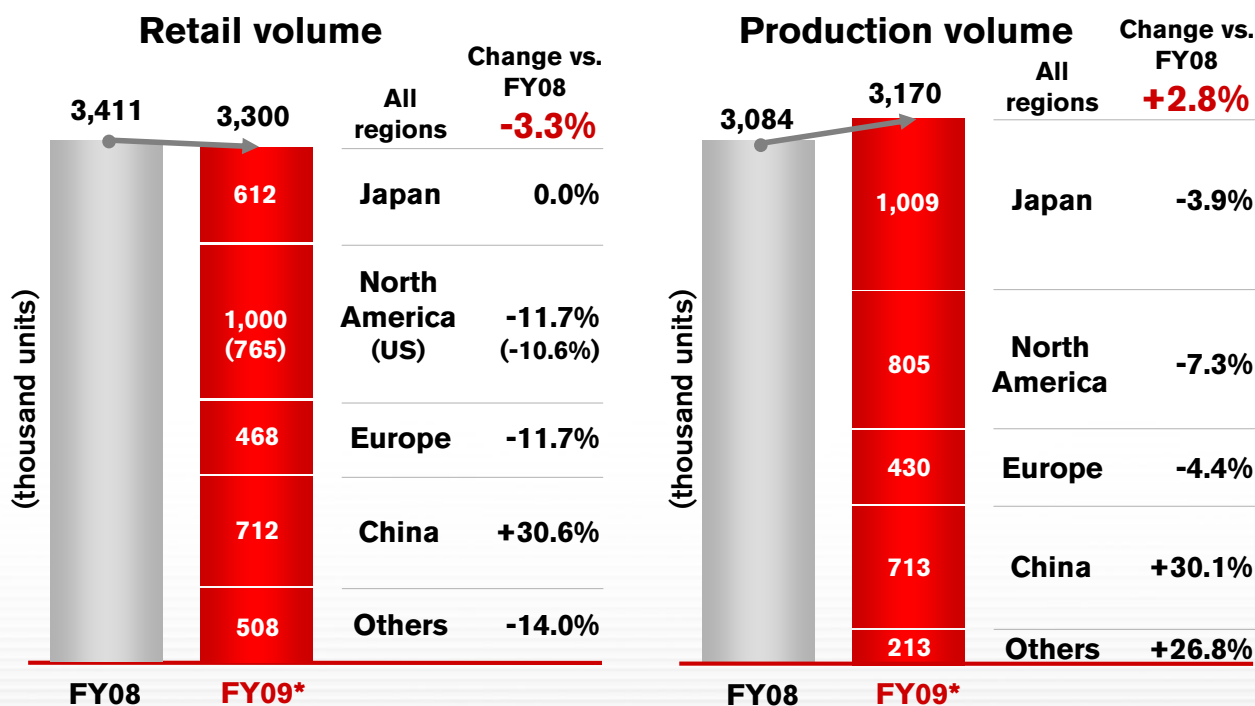
# Inventory management

**Inventory volume remains at low level**



# FY09 outlook

## Retail sales forecast and production plan



6 \* Forecast

2009 Nomura CEO Forum

# FY09 outlook

Revised on November 4, 2009

(billion yen)	(A) FY08 (Actual)	(Previous - May 12) FY09 (Forecast)	(B) * FY09 (Forecast)	(B)-(A) Variance
Net revenue	8,437.0	6,950.0	7,000.0	-1,437.0
Operating profit	-137.9	-100.0	120.0	+257.9
Ordinary profit	-172.7	-200.0	20.0	+192.7
Net income	-233.7	-170.0	-40.0	+193.7
R&D	455.5	400.0	395.0	-60.5
<i>sales ratio</i>	5.4%	5.8%	5.6%	
CAPEX	383.6	350.0	325.0	-58.6
<i>sales ratio</i>	4.5%	5.0%	4.6%	
FX rate assumption	JPY/USD 100.7	95.0	90.0	-10.7
	JPY/EUR 144.1	125.0	131.6	-12.5

7 \* Forecast

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## FY09 upward revision

### Major factors

#### **Negative**

- **Foreign exchange**
  - 95 -> 85 JPY/USD in 2H
- **Market situation**
  - Russia
  - Middle East

#### **Positive**

- **Sales volume**
  - Governmental supports
  - Eco friendly car line-up
  - Flexible production control
  - China
- **Recovery plan**
- **Lower risk materialization**
  - Used car price in U.S
  - Distressed suppliers etc.,

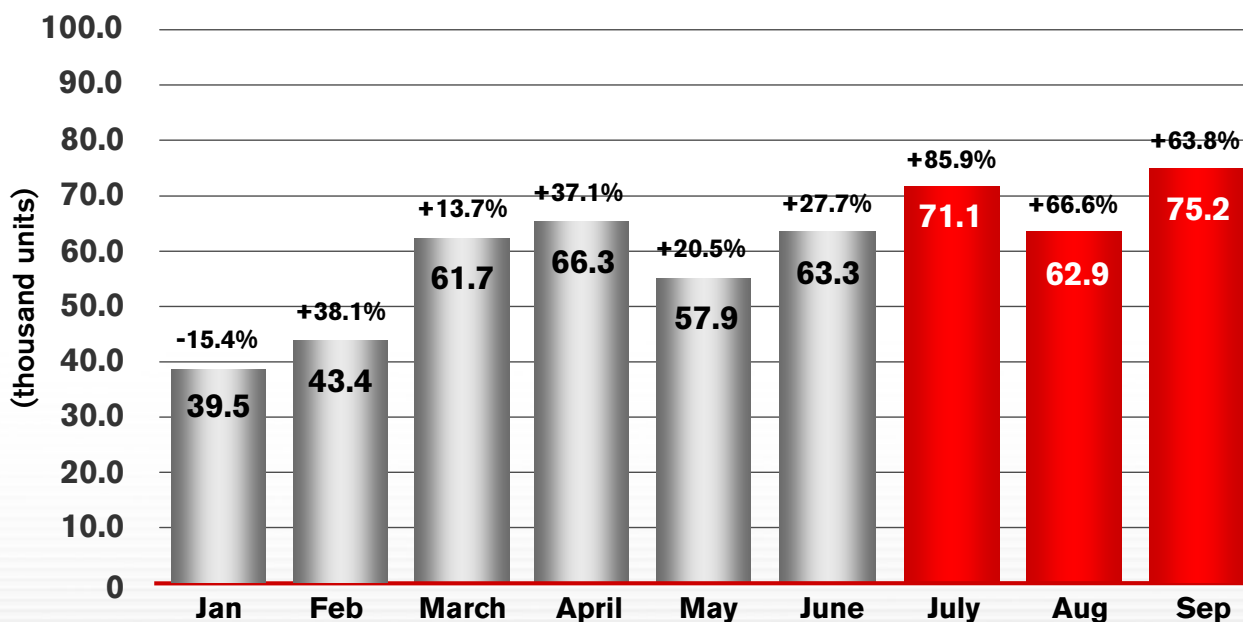
## FY09 performance

### **China updates**

## Zero-emission leadership

# Nissan sales (Passenger + LCV) in FY09

- 1Q : +9%, 2Q : +28%, 3Q : +72%
- 3Q YTD : 541 k units (+19%), FY09 forecast : 712 k units (+31%)



## Passenger model line-up

### Sedan

Teana



Sylphy



Tiida (Sedan)



### Hatchback

Teana, Sylphy, Tiida and Livina : over 10 k units sales per each in July and Sep.

Qashqai



Tiida (HB)



Livina (2row)



### SUV/MPV

SUV : X-TRAIL



MPV : Livina Geniss



Livina C-Gear



New models in FY08

# Key contributions to Dongfeng Nissan strong performance

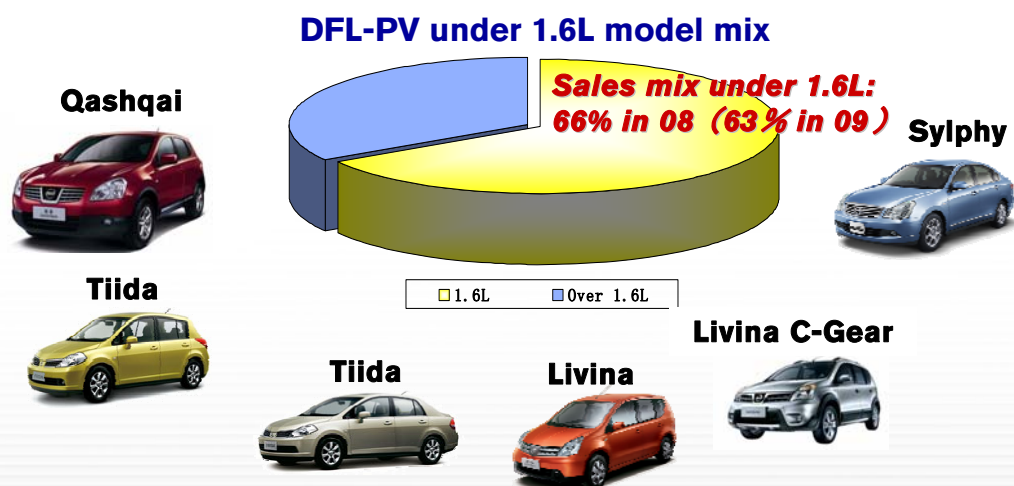
Impact from tax reduction for vehicles under 1.6L

Expansion of distribution to Tier 2 and 3 cities

3 promises for brand enhancement

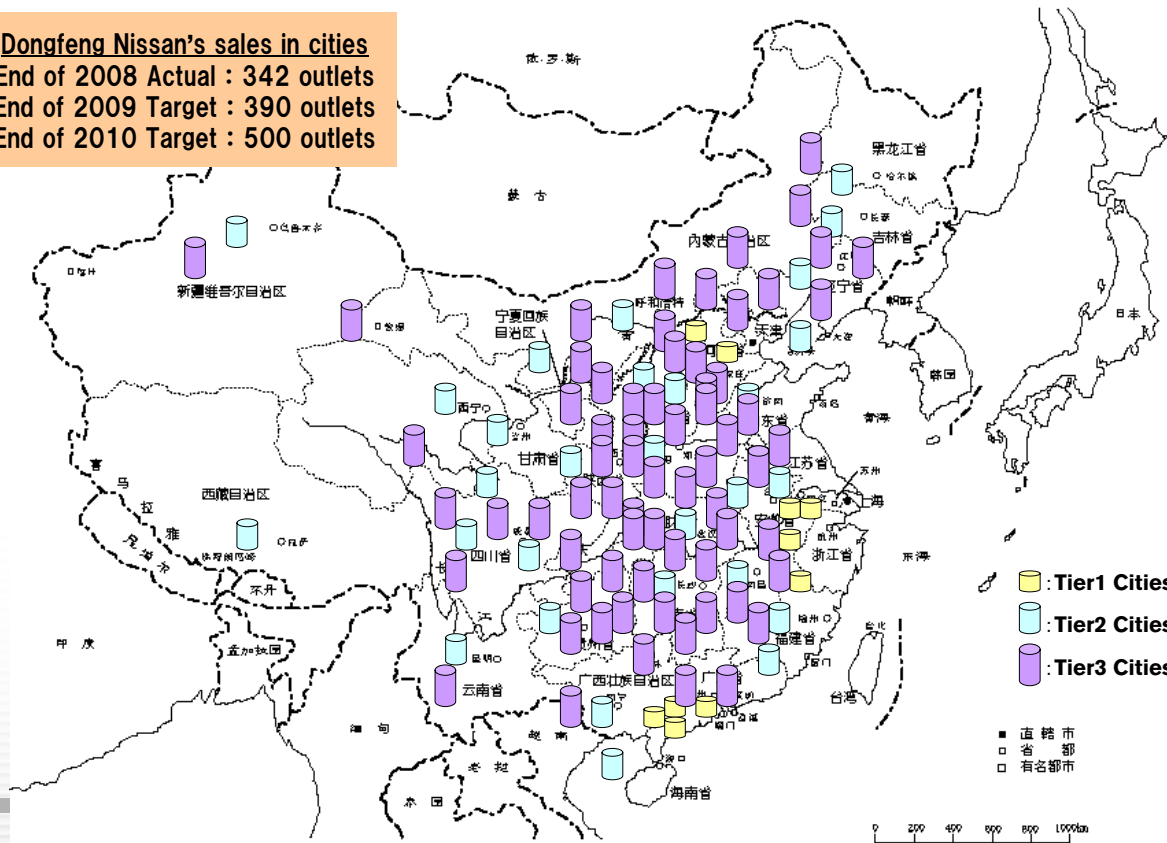
## Tax reduction for vehicles under 1.6L

Thanks to tax reduction, the market for vehicles under 1.6L is expanding. Nissan's sales volume is increased by not only under 1.6L but also over 1.6L thanks to good sales of Teana, X-Trail and Qashqai. As a result, model mix remains at the same level.



# Dongfeng Nissan sales network in cities

**Dongfeng Nissan's sales in cities**  
 End of 2008 Actual : 342 outlets  
 End of 2009 Target : 390 outlets  
 End of 2010 Target : 500 outlets



## New brand tagline -Dongfeng Nissan 3 promises-

### 【 3 Promises 】

#### 1. Comfort Riding

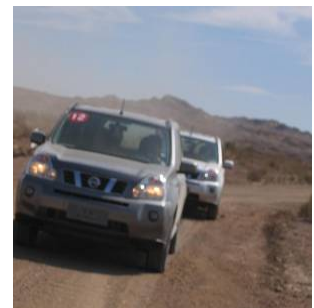
- Dynamic and efficient power
- Roominess and comfort
- Safety shield

#### 2. Trustworthy Quality

- Accurate and reliable design
- Global benchmark manufacturing
- 100% real time inspection

#### 3. Warm Care

- High quality of sales and services
- Five promises after-sales services
- Multi value-added services



## China : Next steps

- **Passenger vehicle : PV to increase production volume to meet market demand**
- **Commercial vehicle : raise sales target to equalize last year's level**
- **LCV : launch “NT400 Cabstar” , “Dongfeng Shuaike” and “NV200”**
- **Keep necessary investments for growth strategy**
- **Continue Kaizen activities to enhance the quality of products and sales & services**

## China : Continuous investments for growth (1)

### Expansion of Huadu plant

**Investment : RMB 5 billion**

**Start of operation : 2012**

**Capacity : 240k units (Capacity to increase to 600k units from the current 360K)**

**\*Started 3 shifts from October 2009 due to meet strong demand**



## China : Continuous investments for growth (2)

### JATCO new plant (CVT production)

**Location : Guangzhou, Guangdong**  
**Start of operation : September 2009**  
**Capacity : 140K units/year**  
**Investment : RMB 300 million**

Xtronic CVT



## China : Continuous investments for growth (3)

### New engine plant

**Location : Shiyuan, Hubei Province**  
**Start of operation : March 2009**  
**Capacity : 100K units/year**  
**Engine type : ZD30 Engine**  
**Applicable model : "NT400 Cabstar"**  
**Investment : RMB 1.5 billion**



### ZNA new plant

**Location : Zhengzhou, Heian**  
**Start of operation : 2010**  
**Capacity : 120K units/year**  
**Investment : RMB 1.0 billion**



## China : LCV 3 new models

- **NT400 Cabstar : Launched in October 2009**
- **Dongfeng Shuaike : Launched in October 2009**
- **NV200 : Launch in the early 2010**



## FY09 performance

## China updates

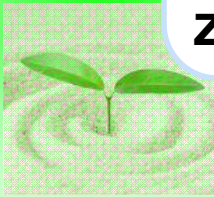
**Zero-emission leadership**

# Why Zero Emission ?

Environment Problem  
- Global Warming -



Eco-Conscious  
- Social Tr



Zero Emission Vehicle

Technology Innovation  
- Battery -

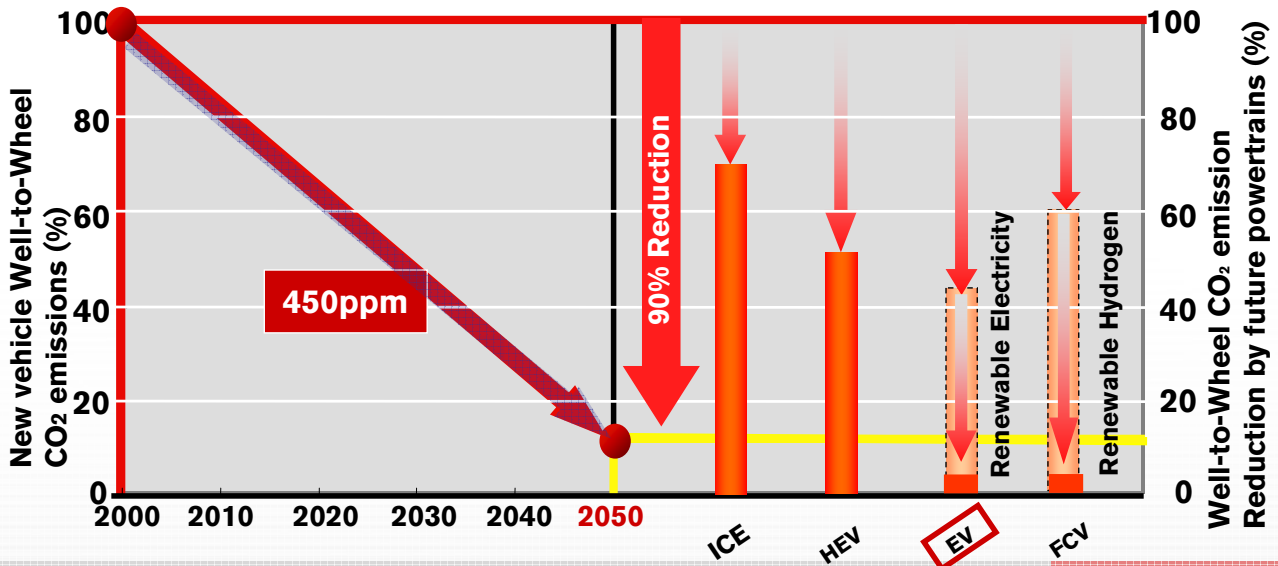


## Long-term targets for CO2 reduction

### IPCC 4th Report

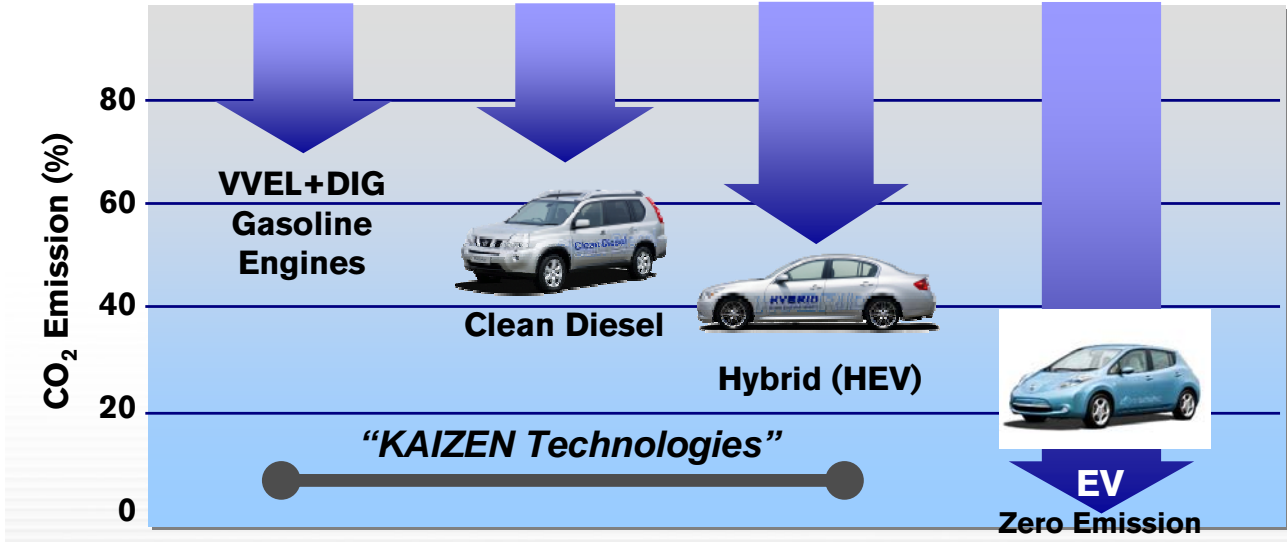
- Temperature expected to rise by 2 degrees Celsius by 2100
- Need to keep CO2 concentration below 450ppm

To achieve 450ppm, need to reduce CO2 emission from all new vehicles by 90% by 2050 (vs. 2000)

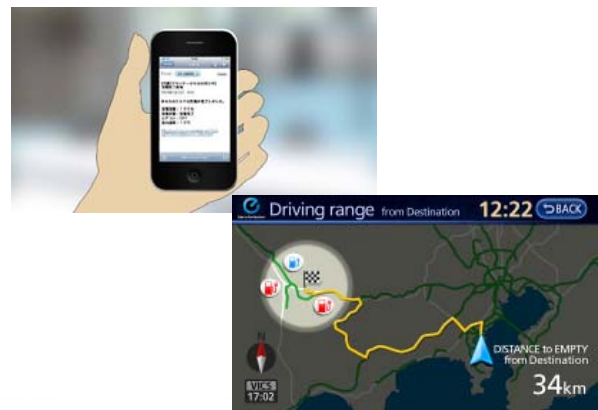


# Reducing CO<sub>2</sub> emissions

- ICE and HEV can only reach up to 50% CO<sub>2</sub> reduction.
- Breakthrough needed to achieve CO<sub>2</sub> reduction.
- EV (and FCV) is the most sustainable powertrain solution for the future → Zero Emission.



# Nissan has the in-house technology



Peace of mind with range display and automatic charging-station updates

Nissan has developed the core technologies on the battery, motor and inverter

Nissan has pioneered the Intelligent Transport System that incorporates use of telematics

## EV's ability to meet global market needs

- For global markets, acceptance of the EV requires reliability under various conditions and comparable performance to current vehicles



## LEAF overview

- Seating capacity: 4-5 adults
- Cruising range : over 160km (US LA4)
- Motor : 80kW, 280Nm
- Battery : 24kWh Li-ion (produced by AESC)



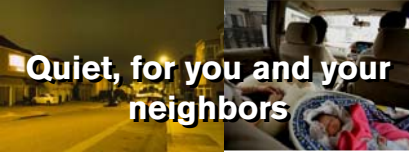



# LEAF overview



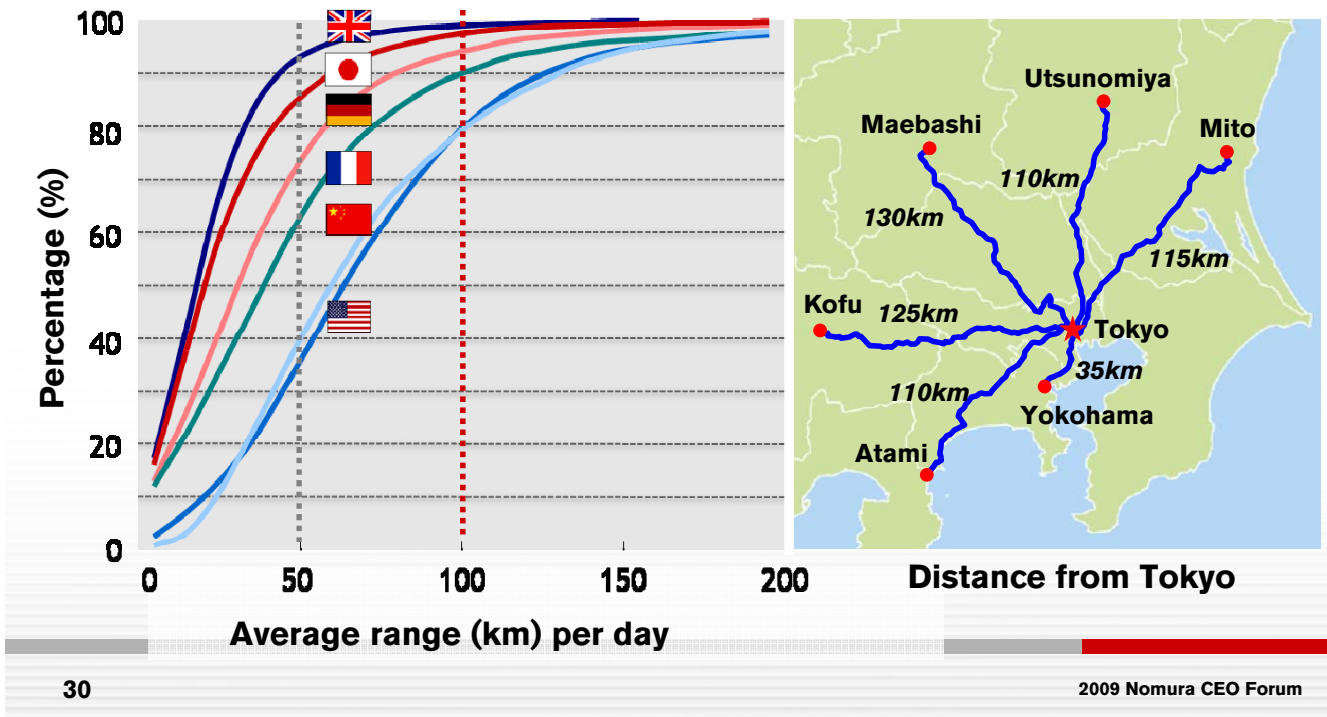
■ EV dedicated IT support system

## Various merits of EV

EV	
 <p><b>Zero-emission</b></p>	<p><b>Sustainable mobility society</b></p>
 <p><b>Charge at home</b></p>	<p><b>Filled-up every morning</b></p>
 <p><b>Quiet, for you and your neighbors</b></p>	<p><b>Quietness from start-up to high-speed</b></p>
<p><b>Electricity cost 1,200yen/mth</b> (Charge using nighttime electricity , 1,000km/mth driving)</p>	<p><b>Equivalent gasoline cost of 100km/L</b></p>
 <p><b>EV unique dynamic performance</b></p>	<p><b>Stimulating acceleration Smooth start</b></p>

# Cruising Range

- Nissan LEAF: More than 160km\* on full charge \*US LA4 mode
- Over 80% of daily driving is below 100km/day worldwide.
- In Japan and UK, over 80% of daily driving is below 50km/day.

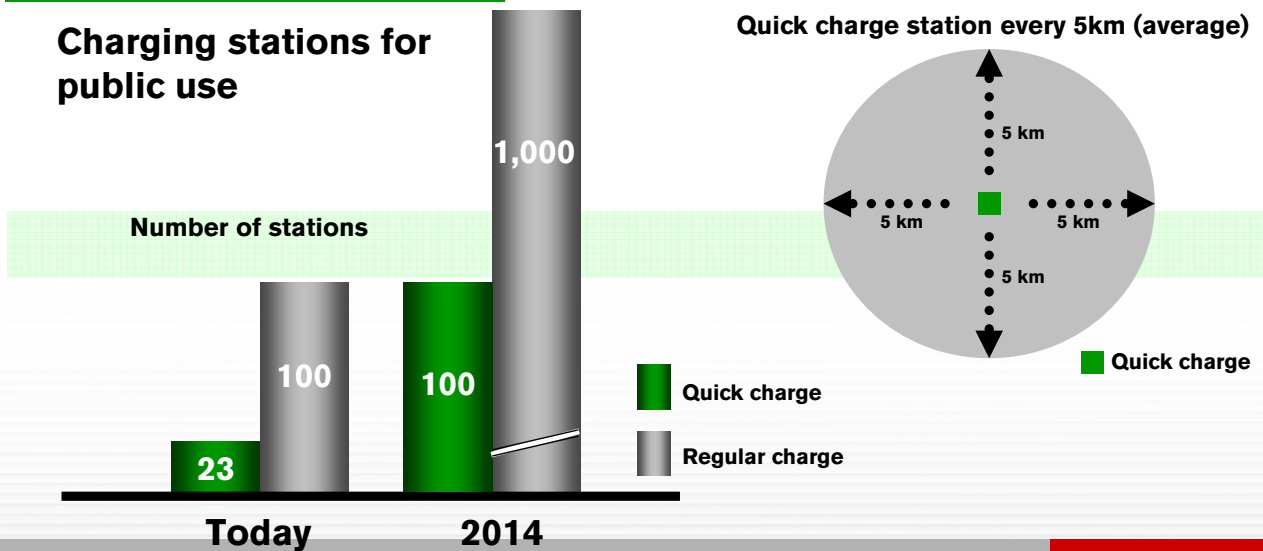


# Infrastructure development

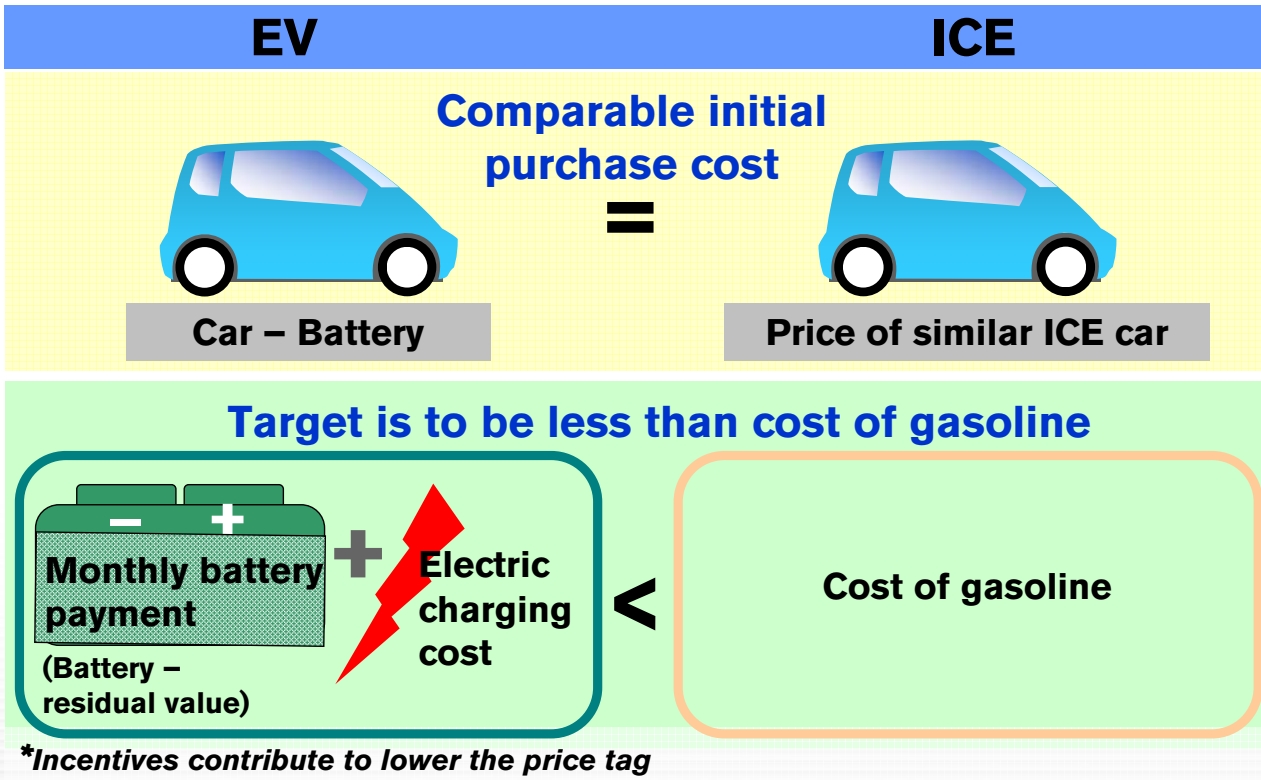
- Partnering with governments, agencies on infrastructure development
- Focus on developing an even distribution of charging units
- Quick charging serves to supplement home charging

## Case in Kanagawa by 2014

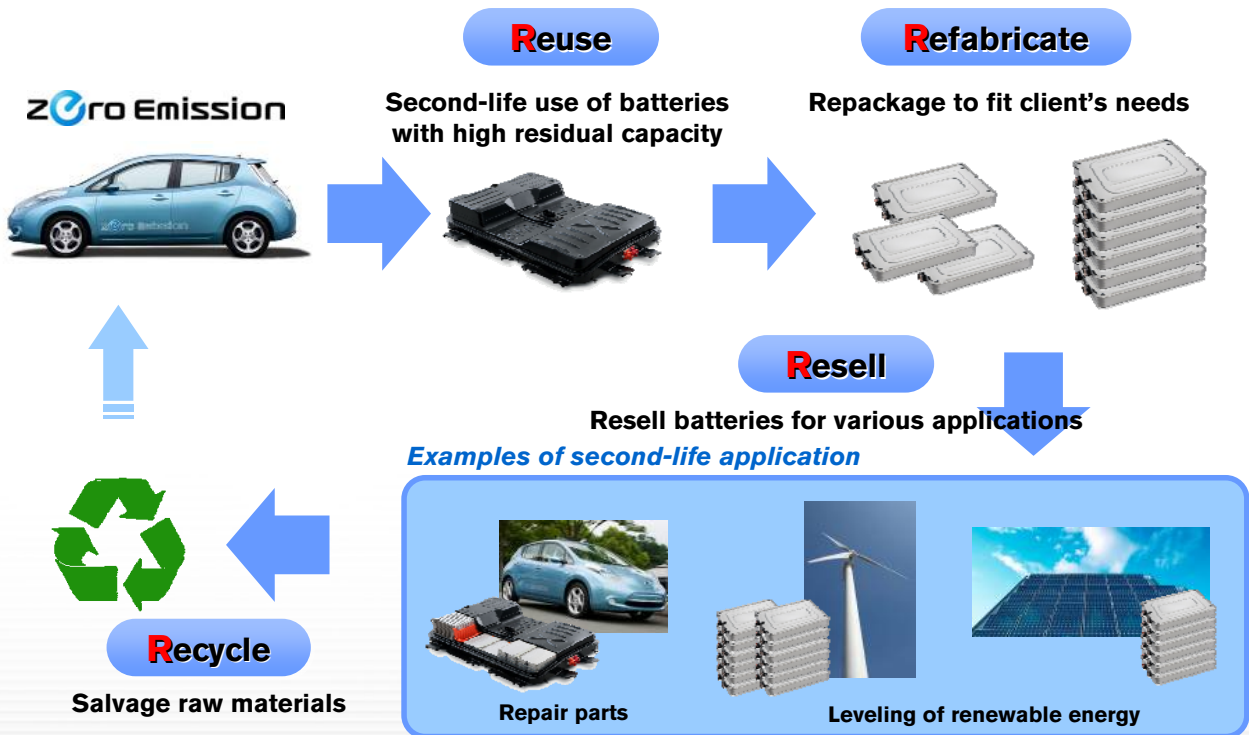
### Charging stations for public use



# Total cost of ownership



# Battery Second-life : 4R Business

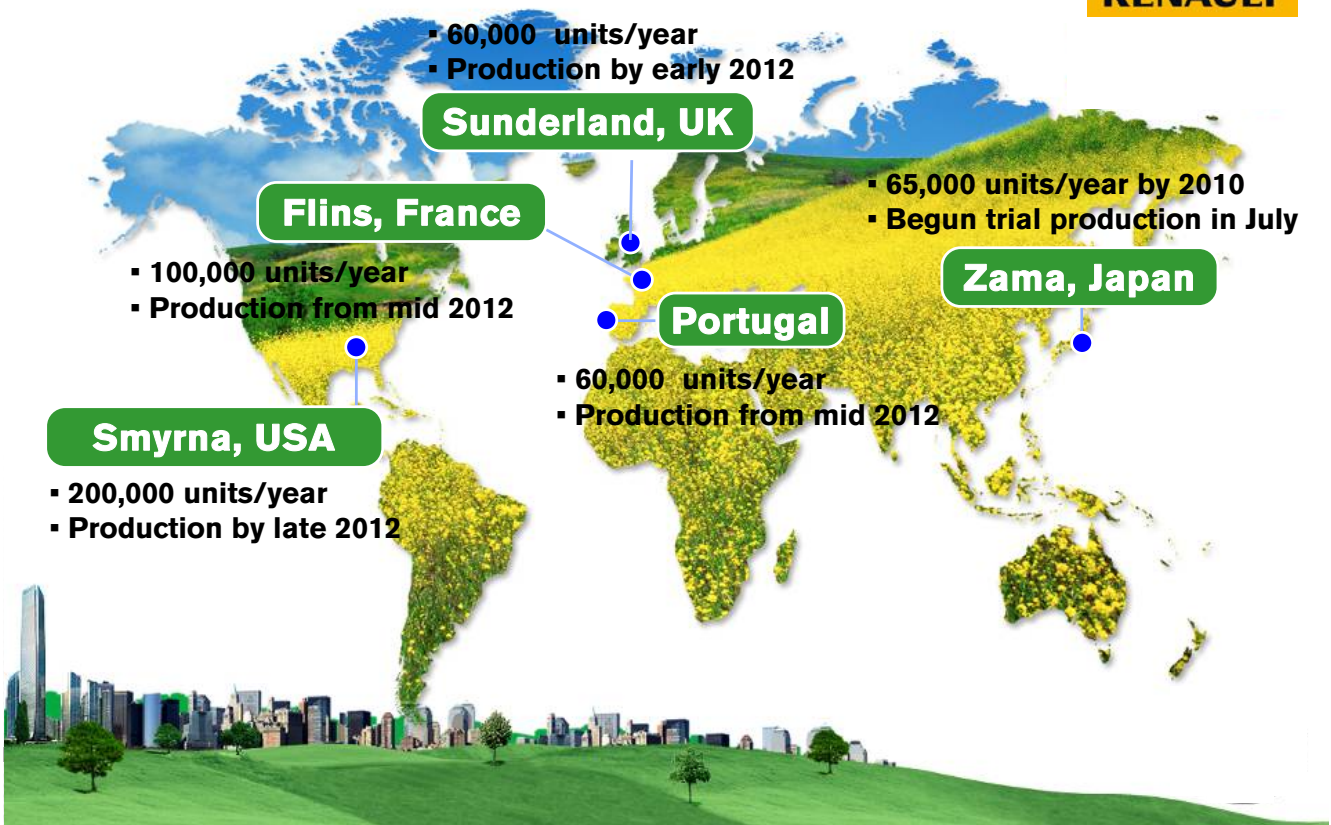


# Current Battery Production Plan

Zero Emission

NISSAN

RENAULT



# Leveraging Global Partnerships

Zero Emission

- Many governments and cities are showing interest to promote EV.
- More than 30 partnerships worldwide. (Nissan/Renault)



- **Zero Emission strategy can be introduced based on the benefit of Alliance Synergies.**



Enrich peoples lives by attaining global leadership in zero-emission mobility.

## Alliance Synergies

- ✓ **Shared Technology Development**
- ✓ **Shared Investment: Battery Production**
- ✓ **Leveraging Global Partnerships**

## EV line up



**Portfolio of vehicles with separate brand identities**

### NISSAN



**A New Era for Mobility**



**Thank You.**



**NISSAN**