

# FISCAL YEAR 2016 FINANCIAL RESULTS

Nissan Motor Co., Ltd.  
May 11<sup>th</sup>, 2017

NISSAN MOTOR CORPORATION



## AGENDA

➔ **FY16 results**

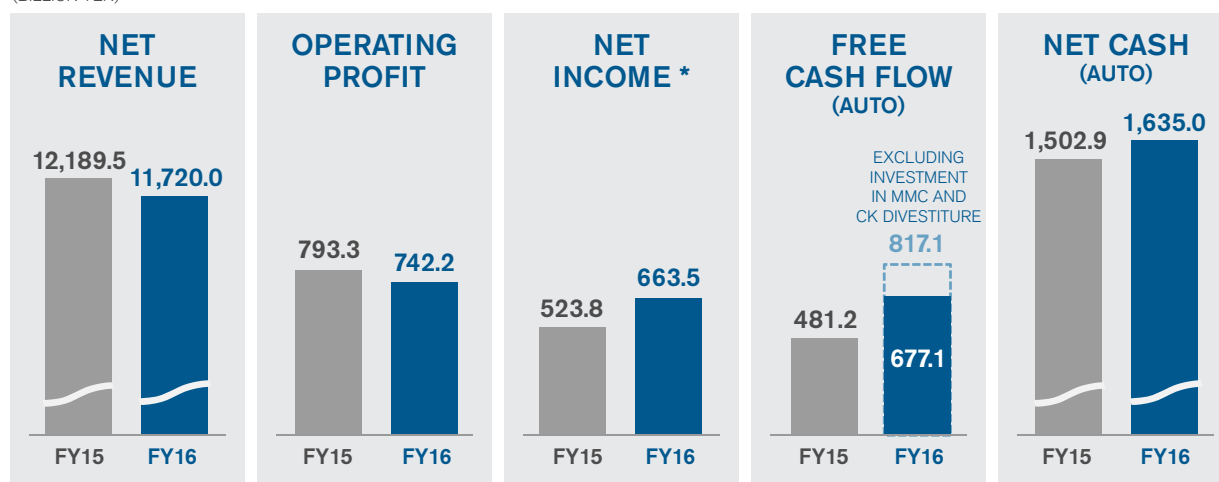
Business updates

FY17 outlook

# HEADLINE FINANCIAL RESULTS

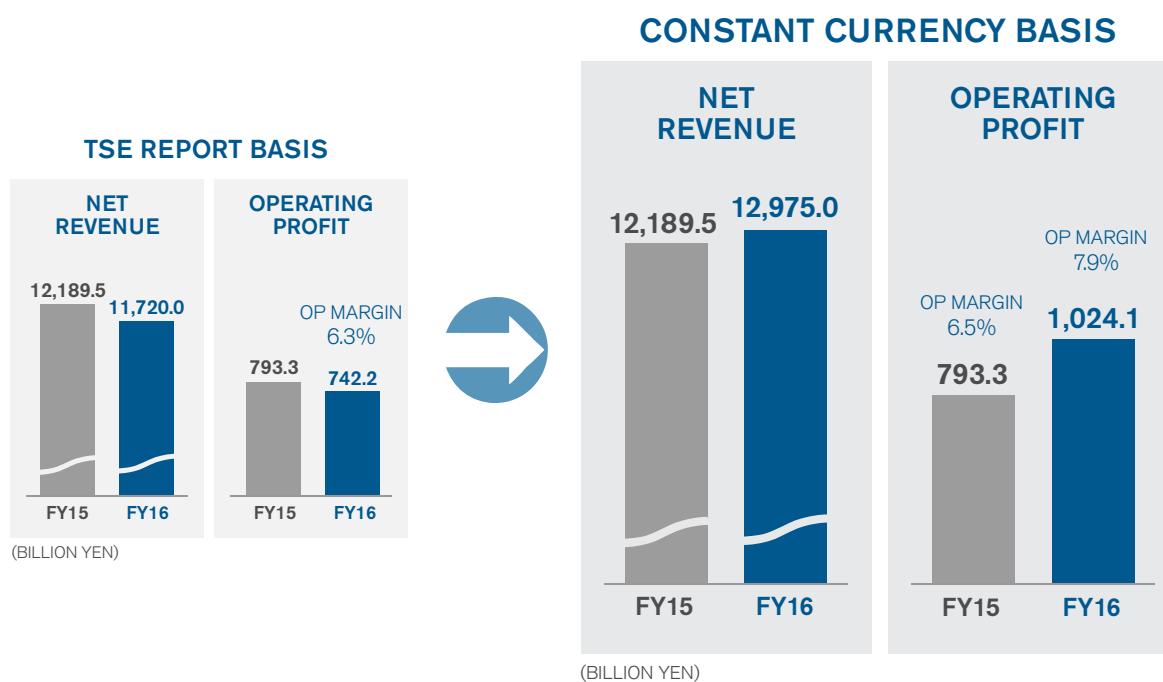
## (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)



\* NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

# BUSINESS PERFORMANCE



# FY16 FINANCIAL PERFORMANCE

## (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)	FY15	FY16	VARIANCE	CHANGE vs. FY15 (%)
<b>NET REVENUE</b>	<b>12,189.5</b>	<b>11,720.0</b>	<b>-469.5</b>	<b>-3.9%</b>
<b>OPERATING PROFIT</b>	<b>793.3</b>	<b>742.2</b>	<b>-51.1</b>	<b>-6.4%</b>
OP MARGIN	6.5%	6.3%		
NON-OPERATING	69.0	122.5		
<b>ORDINARY PROFIT</b>	<b>862.3</b>	<b>864.7</b>	<b>+2.4</b>	<b>+0.3%</b>
EXTRAORDINARY	-129.4	100.5		
<b>PROFIT BEFORE TAX</b>	<b>732.9</b>	<b>965.2</b>	<b>+232.3</b>	<b>+31.7%</b>
TAXES	-180.1	-264.7		
EFFECTIVE TAX RATE	24.6%	27.4%		
MINORITY INTEREST *1	-29.0	-37.0		
<b>NET INCOME *2</b>	<b>523.8</b>	<b>663.5</b>	<b>+139.7</b>	<b>+26.7%</b>
FX RATE	120.2 JPY/USD 132.6 JPY/EUR	108.3 JPY/USD 118.7 JPY/EUR	-11.9 JPY/USD -13.9 JPY/EUR	

\*1: NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

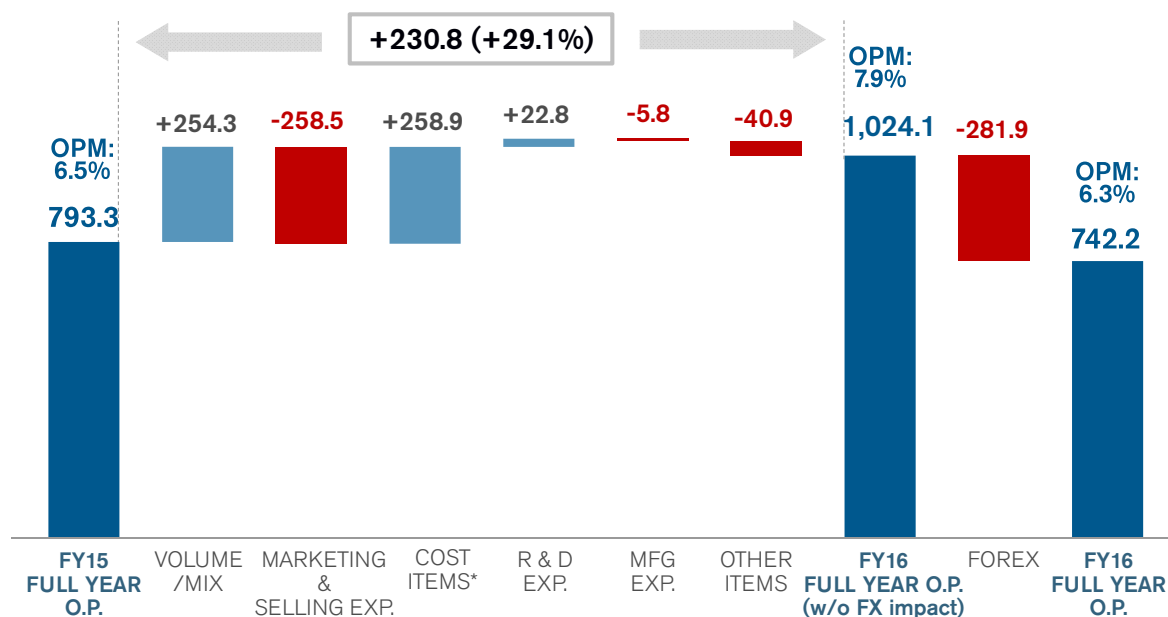
\*2: NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

# FY16 FINANCIAL PERFORMANCE

## (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

### OPERATING PROFIT VARIANCE ANALYSIS

(BILLION YEN)



\* INCLUDING PURCHASE, COST REDUCTION, RAW MATERIAL, AND PRODUCT ENRICHMENT

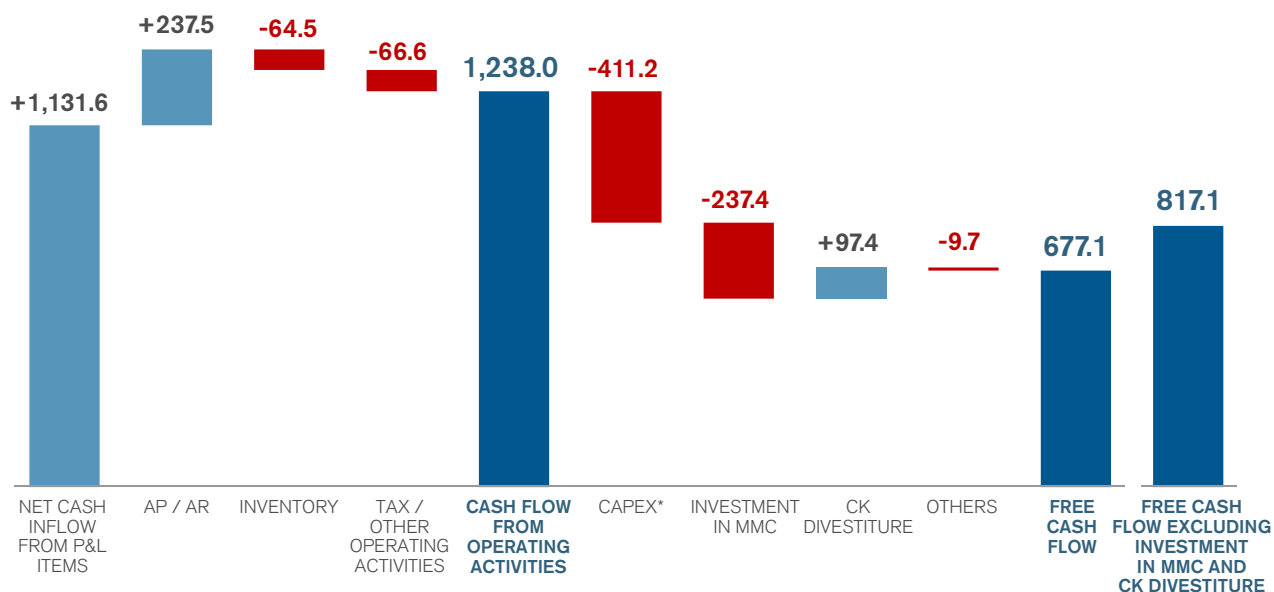
4Q	205.7	+127.7	-94.7	+44.6	+0.0	+3.9	-27.7	259.5	-20.5	239.0
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# FY16 FINANCIAL PERFORMANCE

## (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

### FREE CASH FLOW (AUTO BUSINESS)

(BILLION YEN)



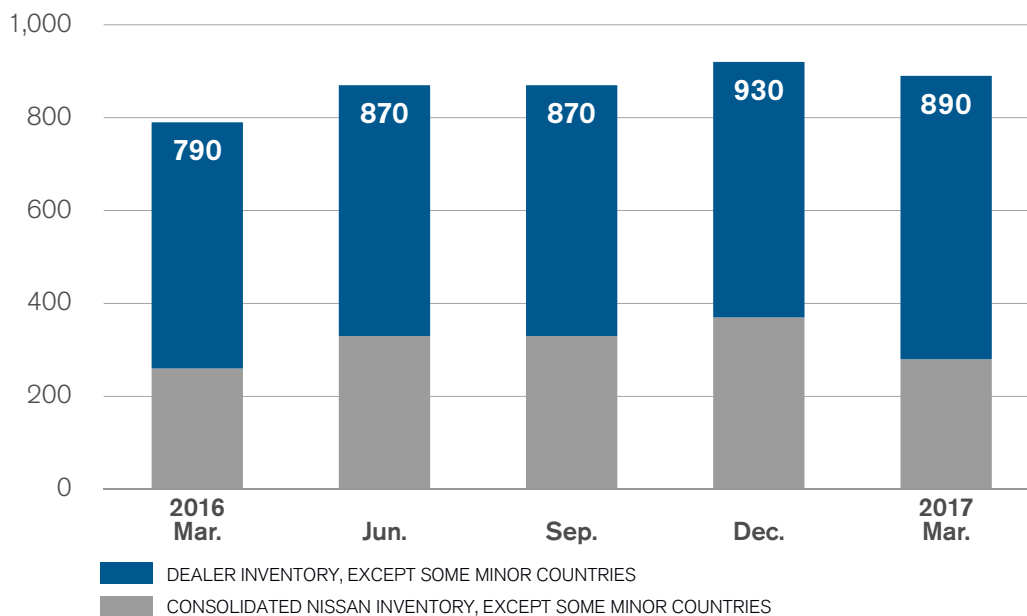
\* CAPEX DOES NOT INCLUDE FINANCE LEASE-RELATED INVESTMENTS

# INVENTORY MANAGEMENT

## (EXCLUDING CHINA JV)

### INVENTORY STATUS

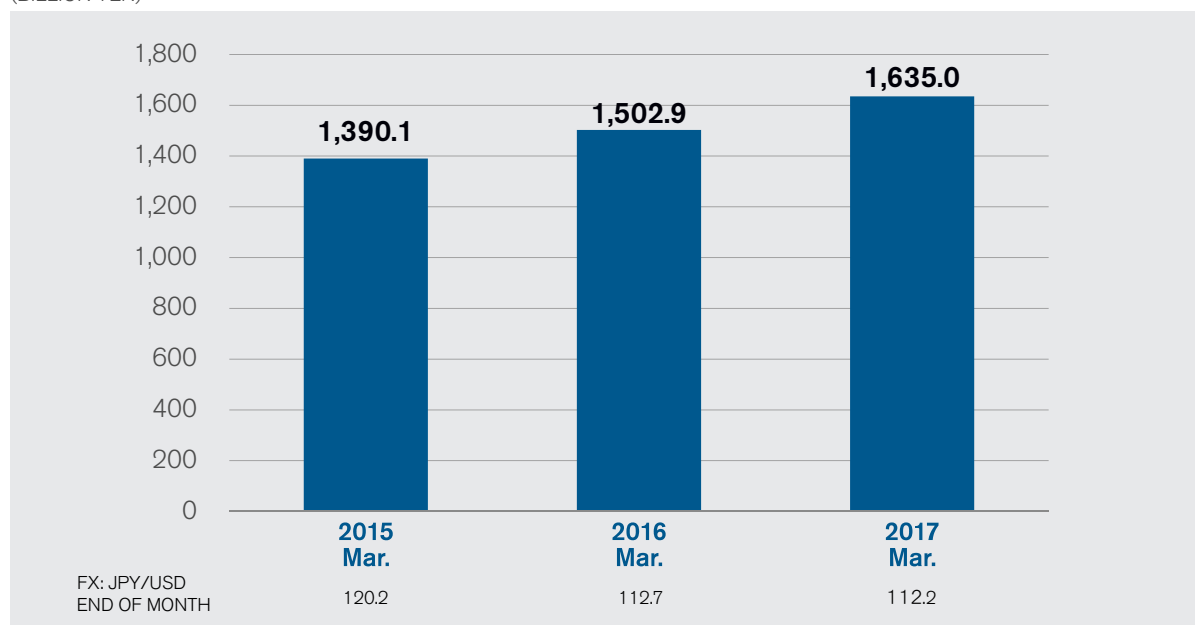
(THOUSAND UNITS)



# NET CASH (AUTO BUSINESS)

## (TSE REPORT BASIS — CHINA JV EQUITY BASIS )

(BILLION YEN)

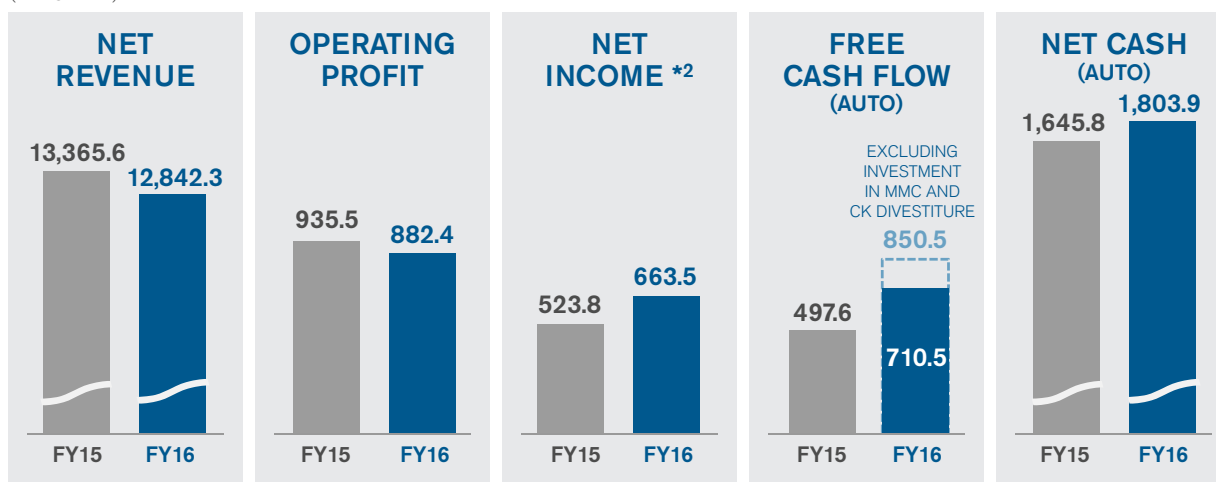


# KEY PERFORMANCE INDICATORS

## FINANCIAL RESULTS

### (MANAGEMENT PRO FORMA BASIS \*1)

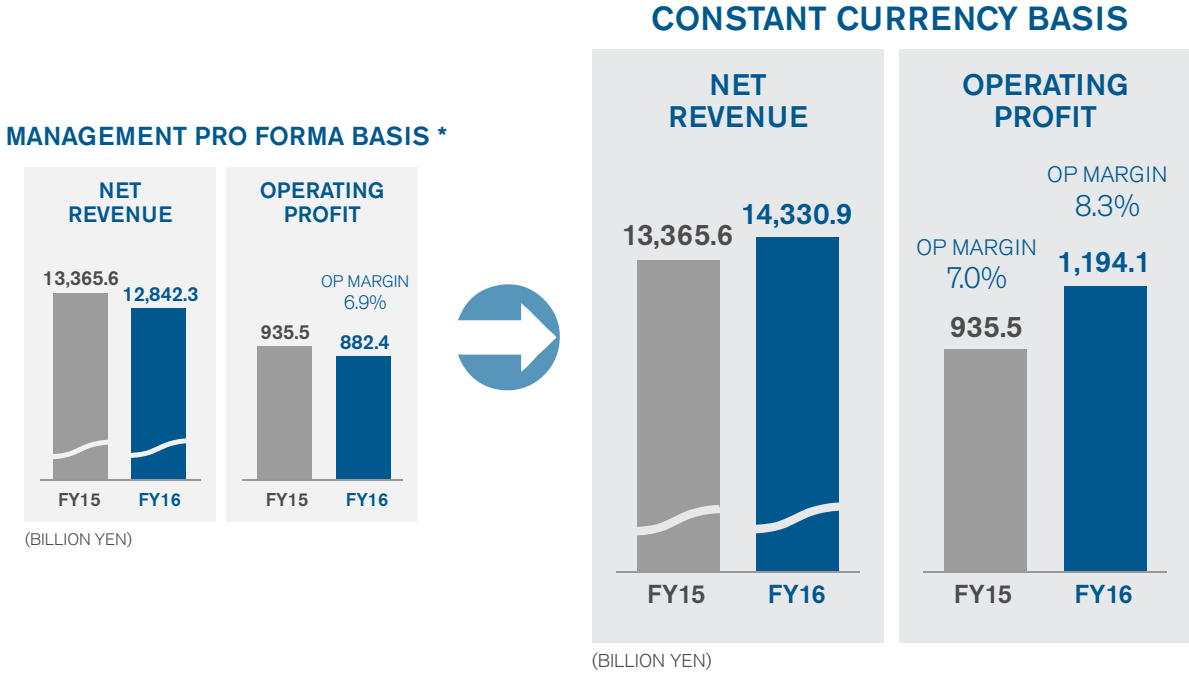
(BILLION YEN)



\*1: BASED ON CONTINUATION OF PROPORTIONATE CONSOLIDATION OF CHINA JV

\*2: NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

# BUSINESS PERFORMANCE



\* BASED ON CONTINUATION OF PROPORTIONATE CONSOLIDATION OF CHINA JV

## AGENDA

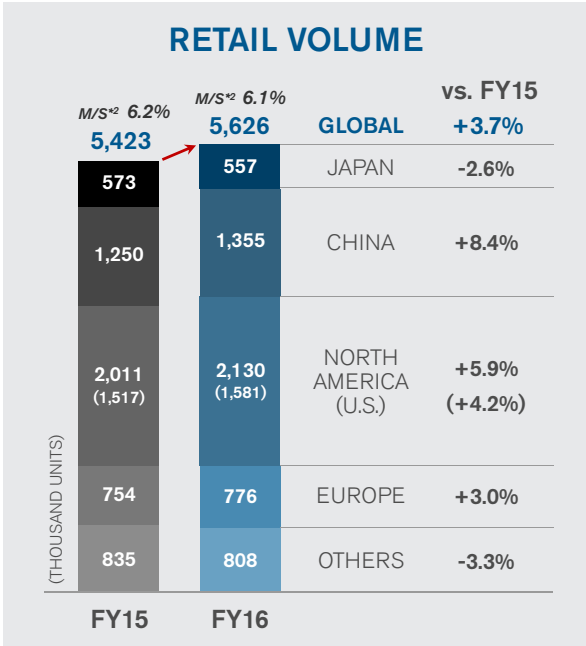
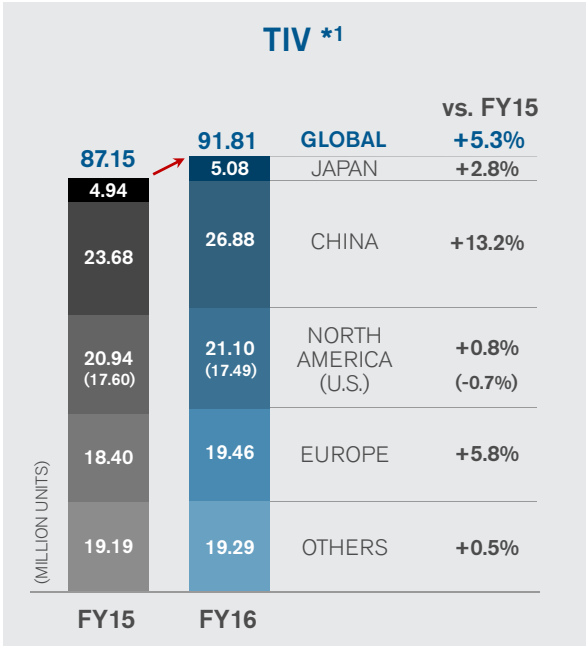
FY16 results

➔ Business updates

FY17 outlook

# FY16 SALES PERFORMANCE

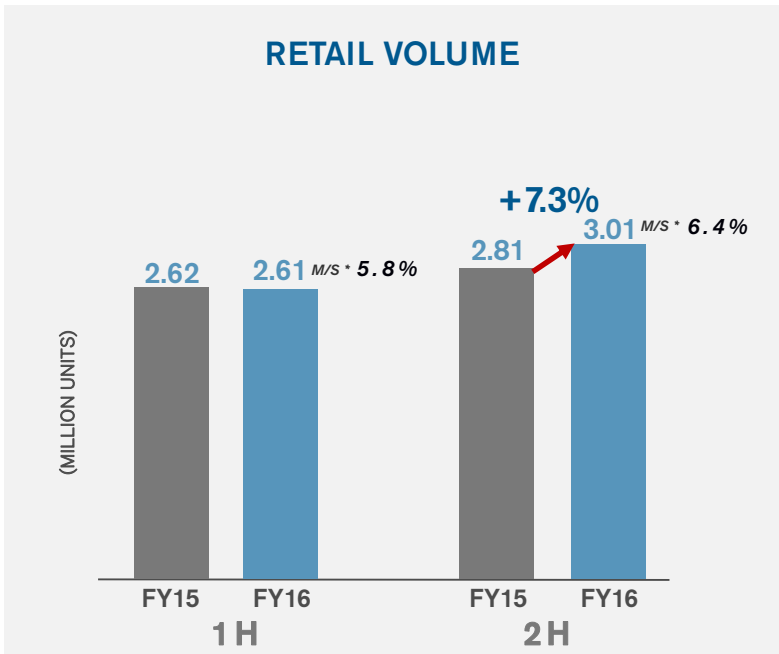
## GLOBAL



\*1: NISSAN ESTIMATION  
\*2: MARKET SHARE

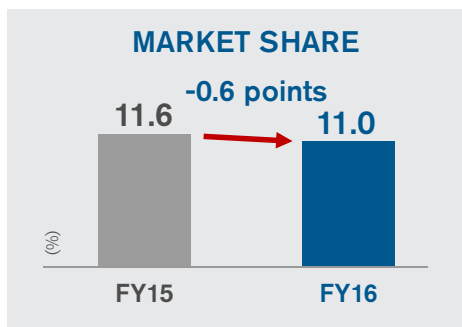
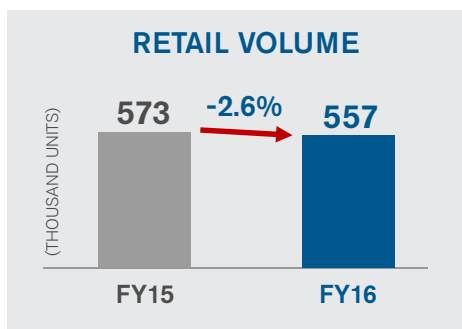
# FY16 SALES PERFORMANCE

## GLOBAL



\* MARKET SHARE

# FY16 SALES PERFORMANCE JAPAN



**TIV: 5.08 million units, +2.8%**

**Sales: 557 k units, -2.6%**

**Market share: 11.0%, -0.6 points (2H: 12.5%, +0.7 points)**

Decrease in sales due primarily to the stop-sale of the Dayz and Dayz Roox minicar

## Registered car

- TIV: 3.36 million units, +7.5%

- Sales: 417 k units, +11.2%

- Market share: 12.4%, +0.4 points (2H: 14.0%, +1.8 points)

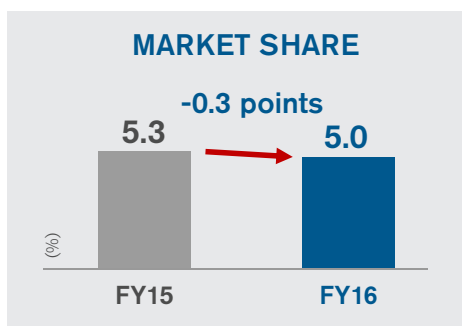
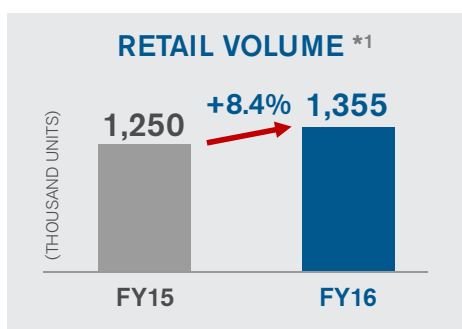


SERENA ProPILOT



NOTE e-POWER

# FY16 SALES PERFORMANCE CHINA (Jan. to Dec.)



## FY16 YTD (Jan. to Dec.)

**TIV \*2 : 26.88 million units, +13.2%**

**Sales \*1 : 1,355 k units, +8.4%**

**Market share: 5.0%, -0.3 points**



X-Trail



Sylphy



Qashqai

## FY17 1Q (Jan. to Mar.)

**TIV \*2 : 6.64 million units, +5.2%**

**Sales \*1 : 314 k units, +5.3%**

**Market share: 4.7%, 0.0 points**



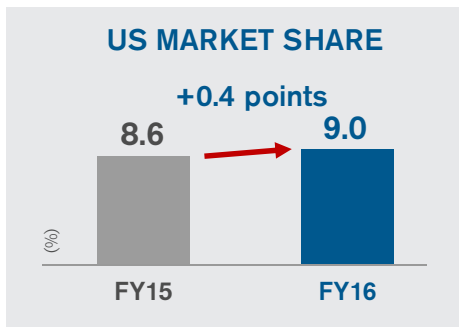
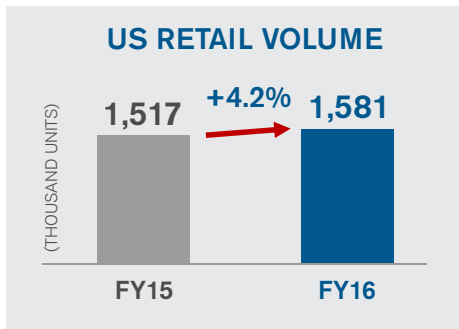
Venucia T90

\* 1: PV: RETAIL SALES BASE, LCV: WHOLESAL E BASE

\* 2: PV AND LCV ONLY



# FY16 SALES PERFORMANCE NORTH AMERICA



## US

- TIV: 17.49 million units, -0.7%
- Sales: 1,581 k units, +4.2%
- Market share: 9.0%, +0.4 points

## Canada

- Sales: 138 k units, +3.0%
- Market share: 7.0%, +0.1 points

## Mexico

- Sales: 409 k units, +14.4%
- Market share: 25.0%, -0.7 points

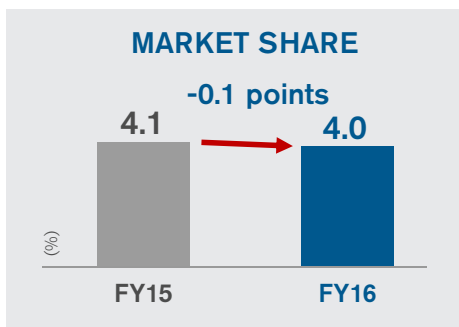
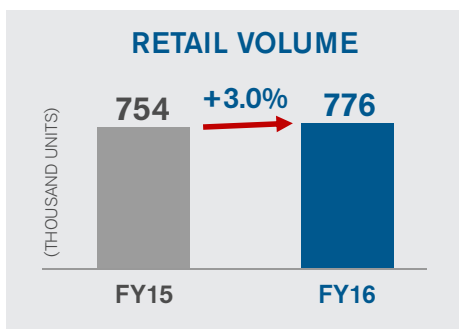


Rogue



Altima

# FY16 SALES PERFORMANCE EUROPE (INCLUDING RUSSIA)



## Europe excluding Russia

- TIV: 18.03 million units, +6.9%
- Sales: 683 k units, +7.2%
- Market share: 3.8%, 0.0 points

## Russia

- TIV: 1.43 million units, -7.0%
- Sales: 93 k units, -19.7%
- Market share: 6.5%, -1.1 points



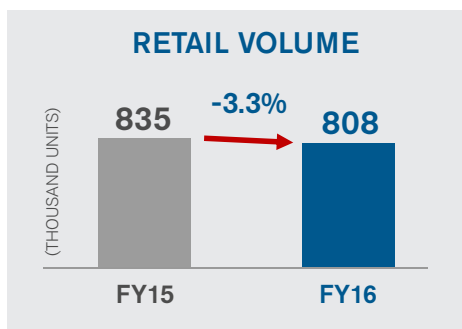
Qashqai



Navara

# FY16 SALES PERFORMANCE

## OTHER MARKETS



**Sales: 808 k units, -3.3%**

- **Asia & Oceania:** 341 k units, -4.5% (TIV: +5.7%)
- **Latin America:** 182 k units, +6.0% (TIV: -4.3%)
- **Middle East:** 198 k units, -5.4% (TIV: -14.8%)
- **Africa & others:** 87 k units, -10.7% (TIV: +6.2%)



**Datsun redi-GO**



**Kicks**

# FY16 NEW MODELS



**Note e-POWER**



**Serena ProPILOT**



**Kicks**



**Micra**



**Armada**



**Infiniti Q60**



**Datsun redi-GO**



**Venucia T90**

## Key technologies

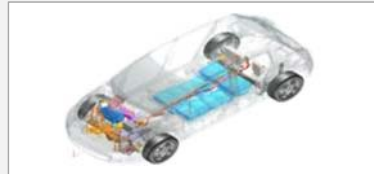
## Progress

▶ **Autonomous Drive**



**Serena ProPILOT**

▶ **Electrification**



**Note e-POWER**

▶ **Connected & New Mobility Services**



**DeNA**  
*Partnering for driverless field tests*

## MITSUBISHI MOTORS

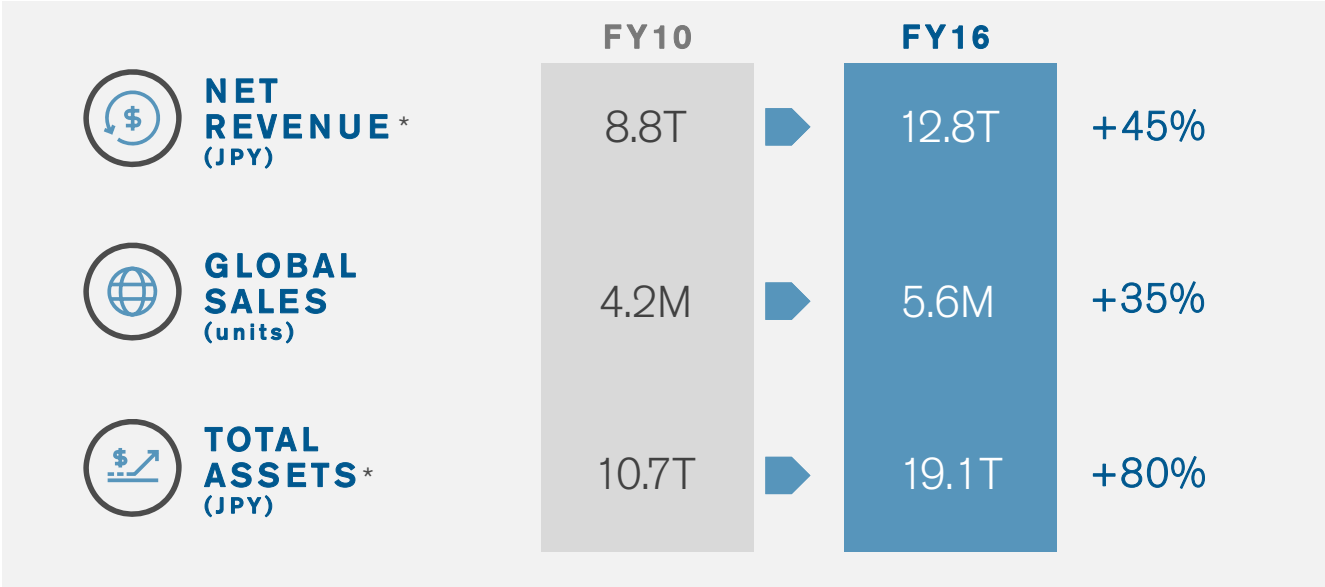
- **Joined as third member of Alliance**
- **On track to identify synergies in purchasing, logistics, and cooperation in ASEAN, with 24 billion yen expected synergies for FY17.**



# PARTNERSHIPS

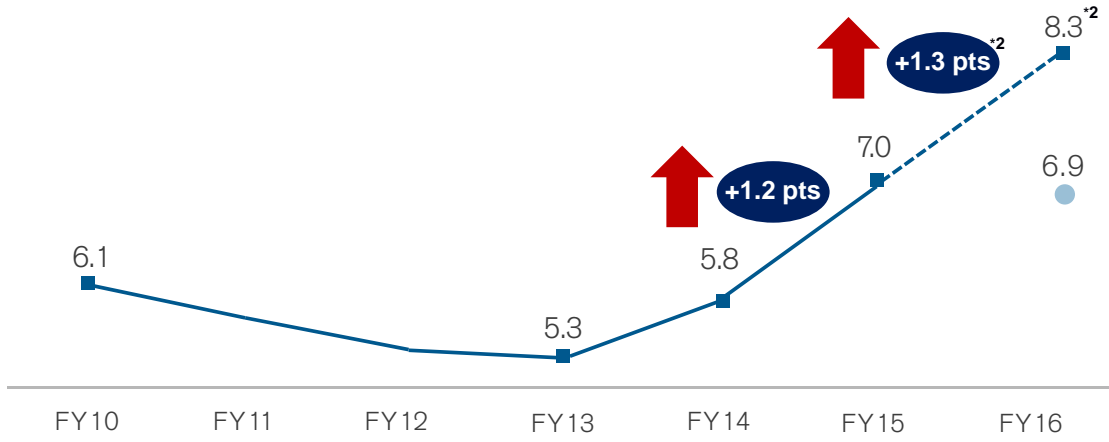


## NP88 Completion



\* BASED ON CONTINUATION OF PROPORTIONATE CONSOLIDATION OF CHINA JV

# IMPROVEMENT TOWARD 8% COP<sup>\*1</sup>



\*1: BASED ON CONTINUATION OF PROPORTIONATE CONSOLIDATION OF CHINA JV  
 \*2: CONSTANT CURRENCY BASIS

## AGENDA

FY16 results

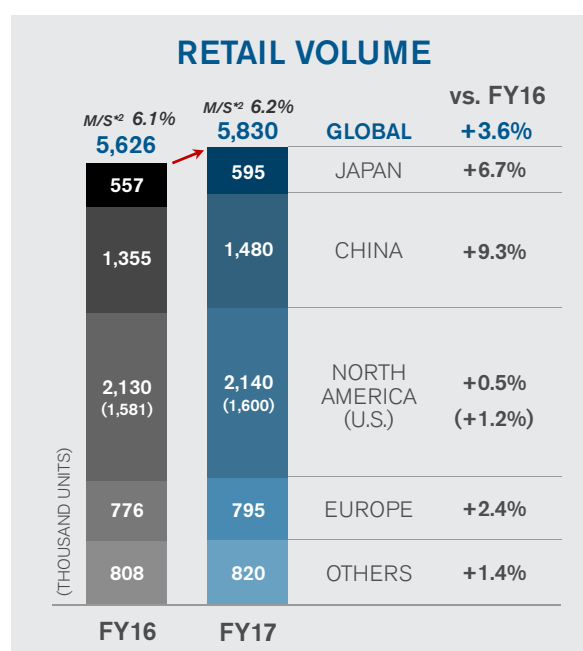
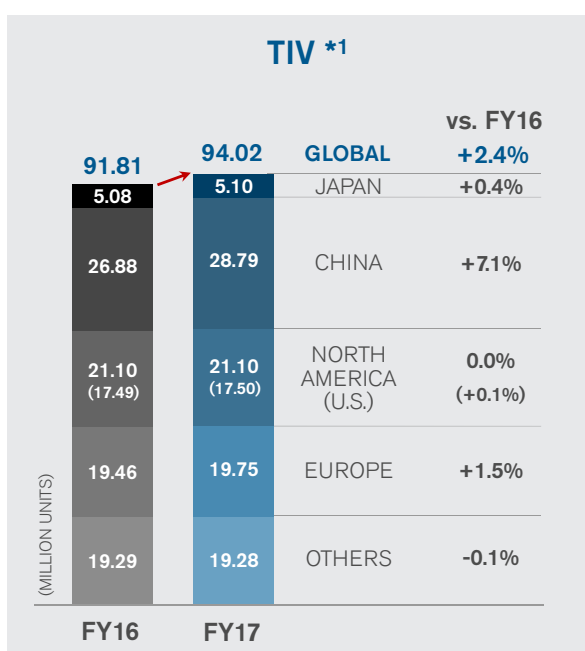
Business updates

➡ FY17 outlook

# FY17 PRIORITIES

- 1 **STEADY GROWTH**
- 2 **PRODUCT & TECHNOLOGY OFFENSIVE  
(Nissan Intelligent Mobility)**
- 3 **LEVERAGE ALLIANCE**

## FY17 SALES OUTLOOK



\*1: NISSAN ESTIMATION

\*2: MARKET SHARE

# FY17 OUTLOOK

## (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)	FY16 ACTUAL	FY17 OUTLOOK	VARIANCE	CHANGE vs. FY16 (%)
<b>RETAIL VOLUME</b> (THOUSAND UNITS)	<b>5,626</b>	<b>5,830</b>	<b>+204</b>	<b>+3.6%</b>
<b>NET REVENUE</b>	<b>11,720.0</b>	<b>11,800.0</b>	<b>+80.0</b>	<b>+0.7%</b>
<b>OPERATING PROFIT</b>	<b>742.2</b>	<b>685.0</b>	<b>-57.2</b>	<b>-7.7%</b>
OP MARGIN	6.3%	5.8%	-0.5%	
<b>NET INCOME *</b>	<b>663.5</b>	<b>535.0</b>	<b>-128.5</b>	<b>-19.4%</b>
NET INCOME RATIO *	5.7%	4.5%	-1.2%	
<b>CAPEX</b>	<b>469.3</b>	<b>510.0</b>	<b>+40.7</b>	<b>+8.7%</b>
SALES RATIO	4.0%	4.3%	+0.3%	
<b>R&amp;D</b>	<b>490.4</b>	<b>525.0</b>	<b>+34.6</b>	<b>+7.1%</b>
SALES RATIO	4.2%	4.4%	+0.2%	
<b>FX RATE</b> (JPY/USD)	<b>108.3</b>	<b>108.0</b>	<b>-0.3</b>	
<b>ASSUMPTIONS</b> (JPY/EUR)	<b>118.7</b>	<b>118.0</b>	<b>-0.7</b>	

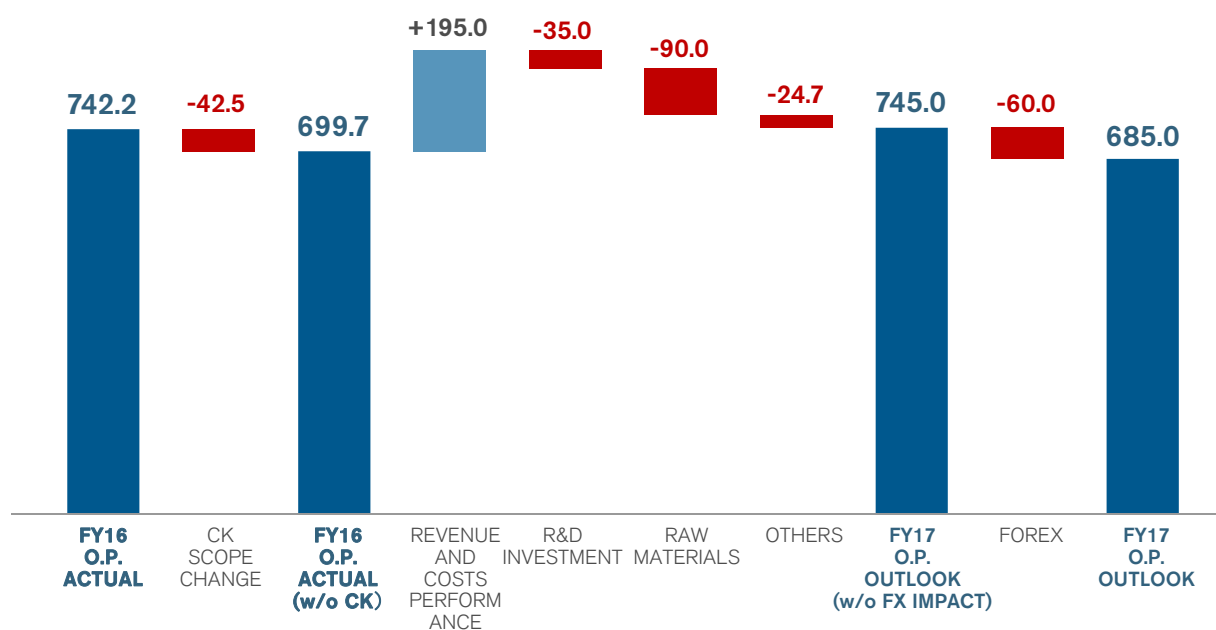
\* NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

# FY17 OUTLOOK

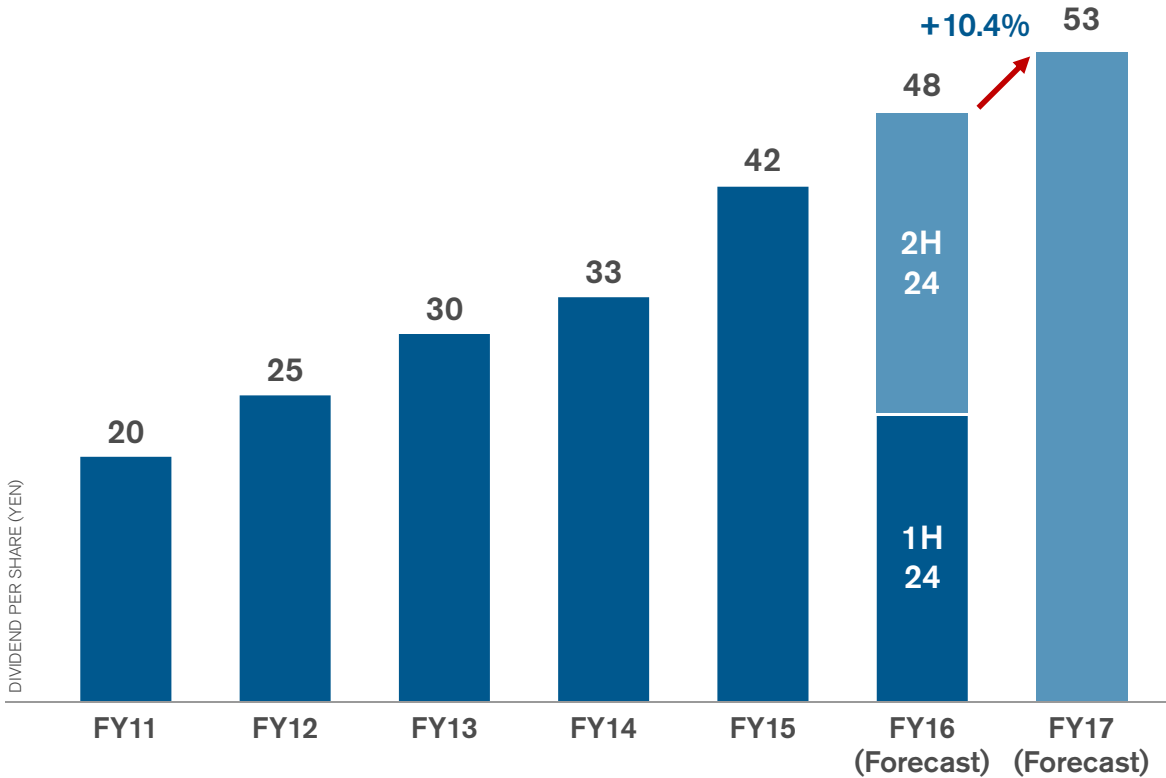
## (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

### OPERATING PROFIT VARIANCE ANALYSIS

(BILLION YEN)



# FY17 SHAREHOLDER RETURN OUTLOOK



# NEXT MIDTERM PLAN

## SUSTAINABLE GROWTH

<p><b>Net Revenue Growth</b></p> <p><b>12.8T → 16.5T JPY</b> Over 6-Year Period</p>	<p><b>Sustainable COP%</b></p> <p><b>8%</b></p> <p>Under "Reasonable" economic conditions</p>	<p><b>Cumulative Auto Free Cash Flow</b></p> <p><b>2.5T JPY</b></p>
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\* BASED ON CONTINUATION OF PROPORTIONATE CONSOLIDATION OF CHINA JV

## TECHNOLOGY & BUSINESS EVOLUTION

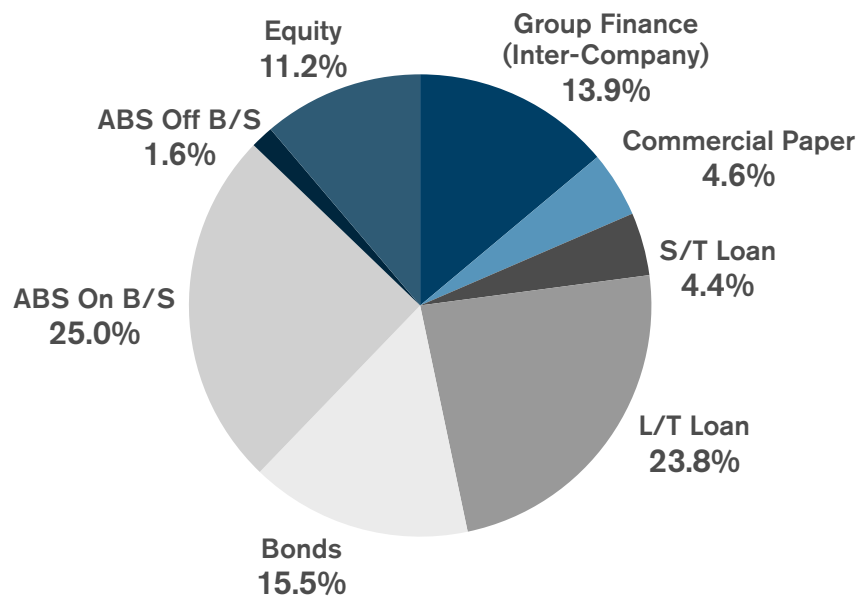




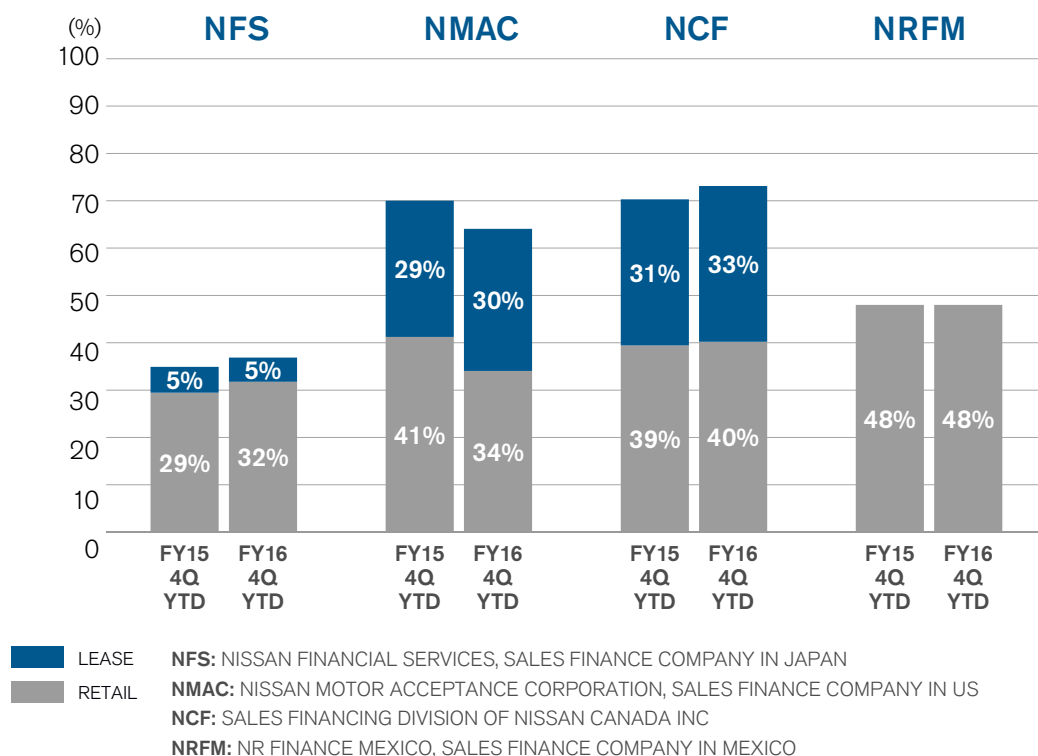
# Appendix

## SALES FINANCING: FUNDING SOURCES (AS OF MARCH 2017)

TOTAL FUNDING AMOUNT: 9,413 BILLION YEN



# SALES FINANCING: PENETRATION



# SALES FINANCING NET CREDIT LOSS RATIO

	FY15 4Q YTD	FY16 4Q YTD	VARIANCE
<b>NFS</b>	Lease: <b>0.02%</b>	Lease: <b>0.01%</b>	Lease: <b>-0.01%</b>
	Retail: <b>0.11%</b>	Retail: <b>0.10%</b>	Retail: <b>-0.01%</b>
<b>NMAC</b>	Lease: <b>0.33%</b>	Lease: <b>0.46%</b>	Lease: <b>+0.13%</b>
	Retail: <b>0.93%</b>	Retail: <b>1.09%</b>	Retail: <b>+0.16%</b>
<b>NCF</b>	Lease: <b>0.18%</b>	Lease: <b>0.14%</b>	Lease: <b>-0.04%</b>
	Retail: <b>0.37%</b>	Retail: <b>0.31%</b>	Retail: <b>-0.06%</b>

**NFS:** NISSAN FINANCIAL SERVICES, SALES FINANCE COMPANY IN JAPAN

**NMAC:** NISSAN MOTOR ACCEPTANCE CORPORATION, SALES FINANCE COMPANY IN US

**NCF:** SALES FINANCING DIVISION OF NISSAN CANADA INC

# SALES FINANCING OPERATING PROFIT & ASSET

(NFS : billion yen, NMAC : million USD, NCF : million CAD, NRFM : million Peso)

	FY15 4Q YTD	FY16 4Q YTD	VARIANCE
<b>NFS</b>	Asset: <b>1,041.3</b> OP: <b>25.7</b>	Asset: <b>1,114.3</b> OP: <b>27.5</b>	Asset: <b>+73.0</b> OP: <b>+1.8</b>
<b>NMAC</b>	Asset: <b>60,734</b> OP: <b>1,028</b>	Asset: <b>63,911</b> OP: <b>777</b>	Asset: <b>+3,177</b> OP: <b>-251</b>
<b>NCF</b>	Asset: <b>5,794</b> OP: <b>141</b>	Asset: <b>6,685</b> OP: <b>166</b>	Asset: <b>+891</b> OP: <b>+25</b>
<b>NRFM</b>	Asset: <b>86,026</b> OP: <b>3,370</b>	Asset: <b>107,418</b> OP: <b>3,528</b>	Asset: <b>+21,392</b> OP: <b>+158</b>

**NFS:** NISSAN FINANCIAL SERVICES, SALES FINANCE COMPANY IN JAPAN

**NMAC:** NISSAN MOTOR ACCEPTANCE CORPORATION, SALES FINANCE COMPANY IN US

**NCF:** SALES FINANCING DIVISION OF NISSAN CANADA INC

**NRFM:** NR FINANCE MEXICO, SALES FINANCE COMPANY IN MEXICO

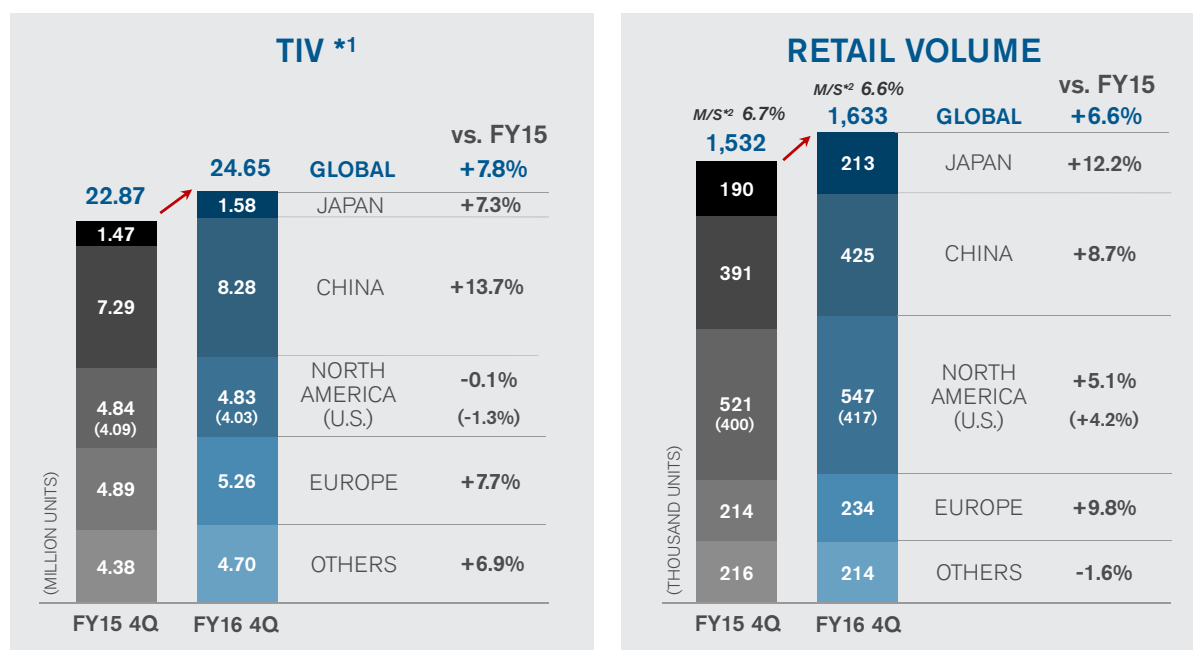
## FY16 FULL YEAR FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

### OPERATING PROFIT VARIANCE ANALYSIS

(BILLION YEN)

FOREIGN EXCHANGE IMPACT	VOLUME /MIX	SELLING EXPENSES
<b>-281.9</b>	<b>+254.3</b>	<b>-258.5</b>
<b>USD -150.5</b> (120.2 ⇒ 108.3)	<b>JPN +31.5</b> VOL*: +3.3 MIX: +28.2	<b>JPN -3.1</b> INCENTIVES: -1.4 OTHERS: -1.7
<b>MXN -54.8</b> (7.26 ⇒ 5.64)	<b>US +170.5</b> VOL*: +132.2 MIX: +38.3	<b>US -218.2</b> INCENTIVES: -213.3 OTHERS: -4.9
<b>CAD -33.4</b> (91.8 ⇒ 82.5)	<b>EUR +73.3</b> VOL*: +51.4 MIX: +21.9	<b>EUR -38.2</b> INCENTIVES: -47.3 OTHERS: +9.1
<b>CNY +26.3</b> (19.2 ⇒ 16.4)	<b>MEX&amp;CAN +14.0</b>	<b>MEX&amp;CAN +13.7</b>
<b>EUR* -23.8</b>	<b>OTHERS -35.0</b>	<b>OTHERS -12.7</b>
<b>OTHERS -45.7</b>		
* INCLUDES OTHER EUROPEAN CURRENCIES (EXCLUDES RUB)	* INCLUDES COUNTRY MIX	

# FY16 4Q (3 MONTHS) SALES PERFORMANCE GLOBAL



\*1: NISSAN ESTIMATION

\*2: MARKET SHARE

# FY16 4Q (3 MONTHS) FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)	FY15 4Q	FY16 4Q	VARIANCE	CHANGE vs. FY15 (%)
<b>NET REVENUE</b>	<b>3,246.5</b>	<b>3,455.3</b>	<b>208.8</b>	<b>+6.4%</b>
<b>OPERATING PROFIT</b>	<b>205.7</b>	<b>239.0</b>	<b>33.3</b>	<b>+16.2%</b>
OP MARGIN	6.3%	6.9%		
NON-OPERATING	25.5	35.6		
<b>ORDINARY PROFIT</b>	<b>231.2</b>	<b>274.6</b>	<b>43.4</b>	<b>+18.7%</b>
EXTRAORDINARY	-111.5	99.1		
<b>PROFIT BEFORE TAX</b>	<b>119.7</b>	<b>373.7</b>	<b>254.0</b>	<b>+212.2%</b>
TAXES	-38.5	-111.1		
EFFECTIVE TAX RATE	32.2%	29.7%		
MINORITY INTEREST *1	-10.2	-13.3		
<b>NET INCOME *2</b>	<b>71.0</b>	<b>249.3</b>	<b>178.3</b>	<b>+251.1%</b>
FX RATE	115.4 JPY/USD 127.2 JPY/EUR	113.6 JPY/USD 121.1 JPY/EUR	-1.8 JPY/USD -6.1 JPY/EUR	

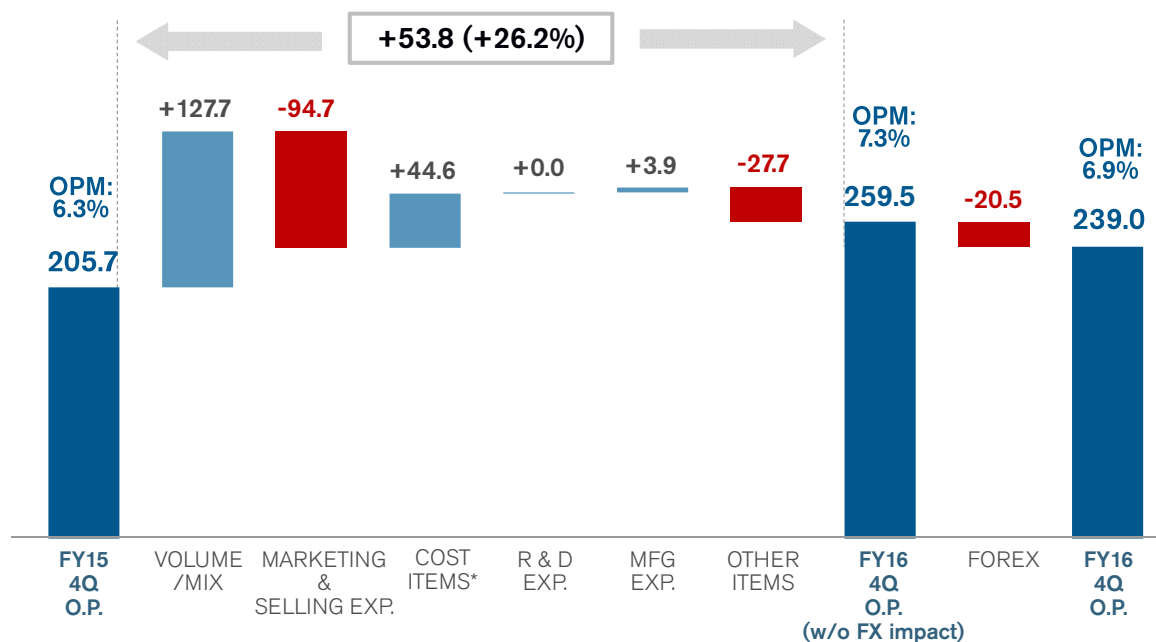
\*1: NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

\*2: NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

# FY16 4Q (3 MONTHS) FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

## OPERATING PROFIT VARIANCE ANALYSIS

(BILLION YEN)



\* INCLUDING PURCHASE, COST REDUCTION, RAW MATERIAL, AND PRODUCT ENRICHMENT

# FY16 4Q (3 MONTHS) FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

## OPERATING PROFIT VARIANCE ANALYSIS

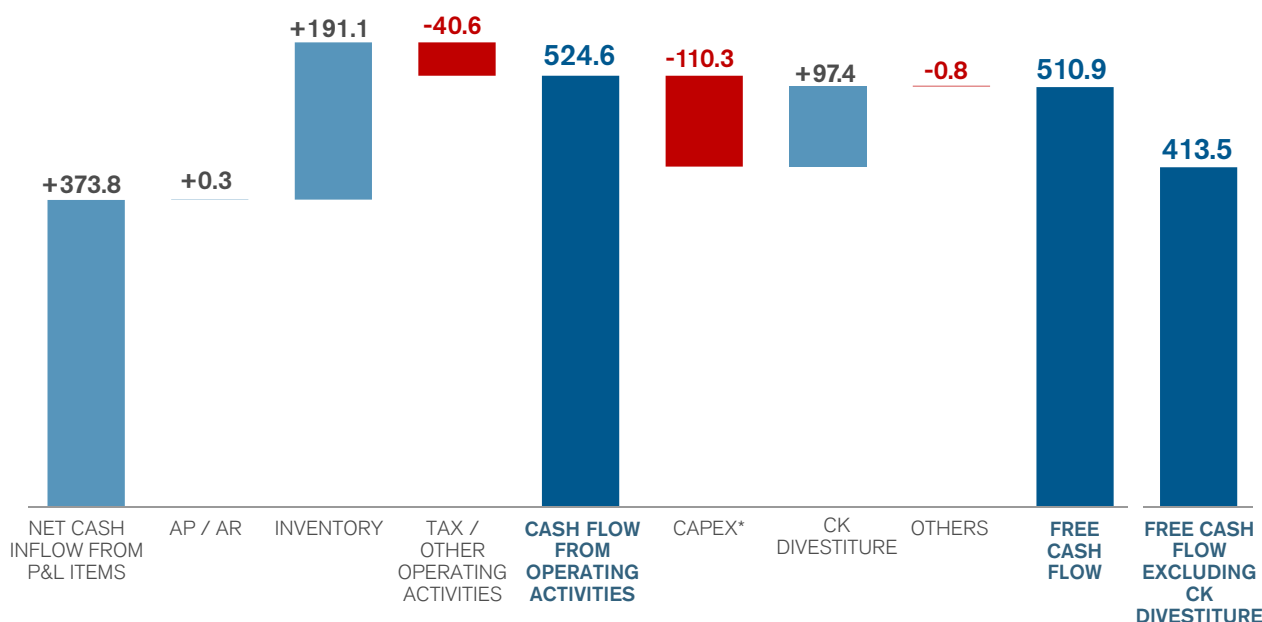
(BILLION YEN)

FOREIGN EXCHANGE IMPACT		VOLUME /MIX		SELLING EXPENSES	
<b>-20.5</b>		<b>+127.7</b>		<b>-94.7</b>	
EGP	-9.4 (14.4 ⇒ 6.4)	JPN	+14.8 VOL*: +5.9 MIX: +8.9	JPN	-6.8 INCENTIVES: -3.7 OTHERS: -3.1
USD	-7.2 (115.4 ⇒ 113.6)	US	+83.5 VOL*: +43.7 MIX: +39.8	US	-66.0 INCENTIVES: -68.7 OTHERS: +2.7
EUR*	-6.7	EUR	+35.1 VOL*: +21.9 MIX: +13.2	EUR	-14.8 INCENTIVES: -18.5 OTHERS: +3.7
MXN	-5.0 (6.40 ⇒ 5.60)	MEX&CAN	+2.8	MEX&CAN	+0.2
CNY	+3.8 (18.9 ⇒ 16.0)	OTHERS	-8.5	OTHERS	-7.3
OTHERS	+4.0				
* INCLUDES OTHER EUROPEAN CURRENCIES (EXCLUDES RUB)		* INCLUDES COUNTRY MIX			

# FY16 4Q (3 MONTHS) FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

## FREE CASH FLOW (AUTO BUSINESS)

(BILLION YEN)



\* CAPEX DOES NOT INCLUDE FINANCE LEASE-RELATED INVESTMENTS

## NET CASH BY BUSINESS SEGMENT (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)	AS OF MARCH 31, 2016			AS OF MARCH 31, 2017		
	AUTOMOBILE & ELIMINATIONS	SALES FINANCING	TOTAL	AUTOMOBILE & ELIMINATIONS	SALES FINANCING	TOTAL
BORROWINGS FROM THIRD PARTIES	994.5	6,006.8	7,001.3	861.9	6,905.8	7,767.7
INTERNAL LOAN TO SALES FINANCING (NET)	-1,553.2	1,553.2	0	-1,306.9	1,306.9	0
CASH AND CASH EQUIVALENT	944.2	47.9	992.1	1,190.0	51.1	1,241.1
NET CASH	1,502.9	-7,512.1	-6,009.2	1,635.0	-8,161.6	-6,526.6