

FISCAL YEAR 2019 FIRST-QUARTER FINANCIAL RESULTS

Nissan Motor Co., Ltd.
July 25th, 2019

NISSAN MOTOR CORPORATION



AGENDA

 **FY19 1Q RESULTS**

BUSINESS TRANSFORMATION

SUMMARY OF 1Q FINANCIAL RESULTS

SALES

RETAIL SALES VOLUME DECREASED 6.0% BUT OUTPERFORMED THE MARKET WHICH DECREASED 6.8%

(THOUSAND UNITS)	FY18 1Q	FY19 1Q	CHANGE vs FY18
TIV	24,135	22,498	-6.8%
RETAIL SALES	1,310	1,231	-6.0%

Nissan outperformed the following market:

- China (Nissan +2.3%, TIV -11.9%)

Nissan underperformed the following markets:

- US (Nissan -3.7%, TIV -1.5%)
- Europe (Nissan -16.3%, TIV -2.3%)
- Japan (Nissan -2.6%, TIV +2.8%)

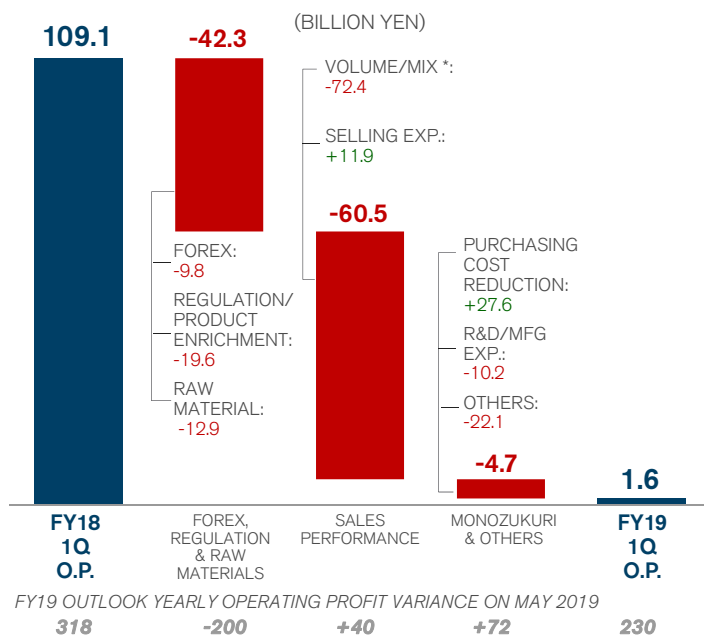
SALES PERFORMANCE (EXCLUDING CHINA)

(THOUSAND UNITS)	FY18 1Q	FY19 1Q	CHANGE vs FY18
TIV	17,347	16,515	-4.8%
RETAIL SALES	973	887	-8.8%
WHOLESALE	903	781	-13.5%

Dealer inventory further optimized by keeping wholesale volume lower than retail sales.

PROFIT

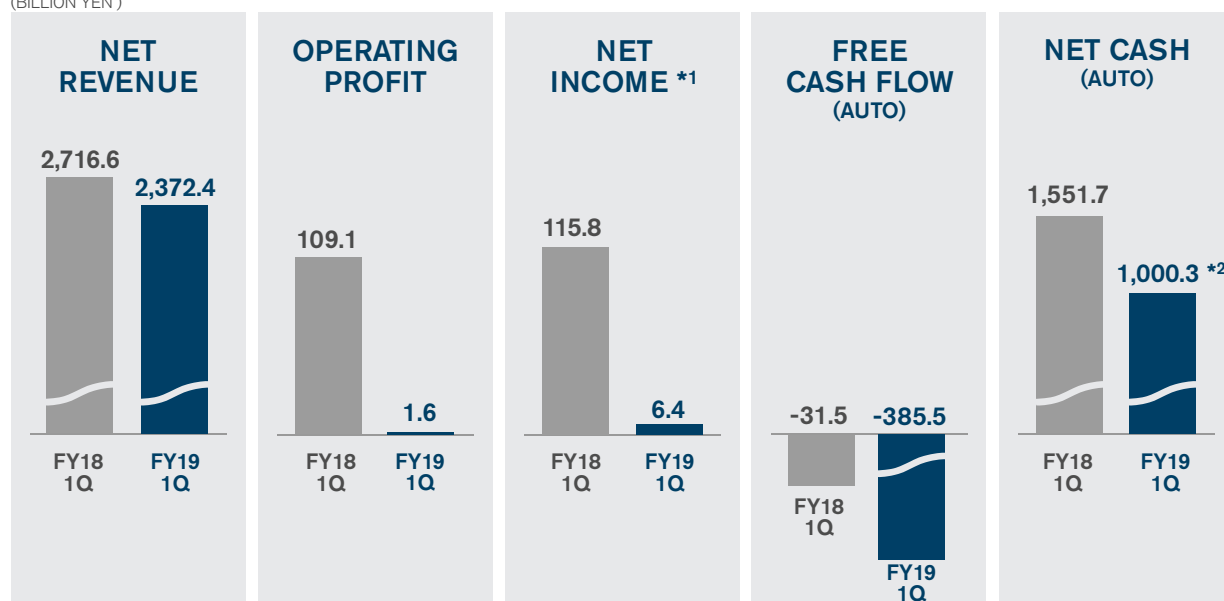
1Q OPERATING PROFIT VARIANCE ANALYSIS



* INCLUDES REDUCTION OF SELLING EXPENSE DUE TO DECREASE IN VOLUME

HEADLINE FINANCIAL RESULTS (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)



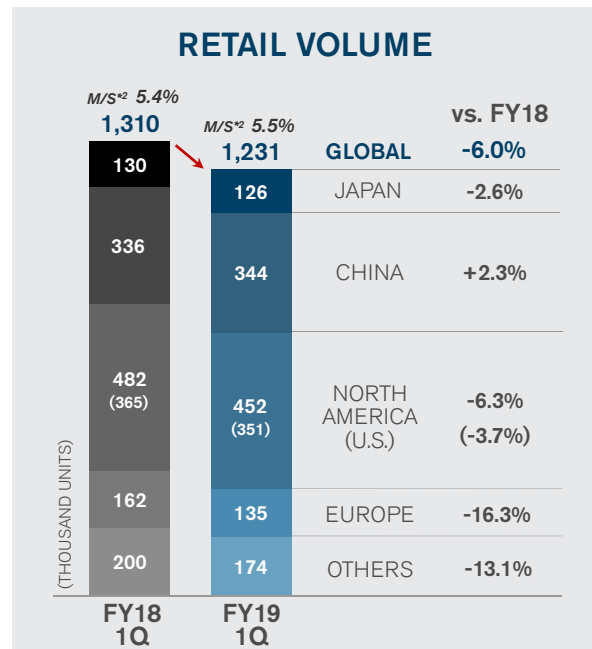
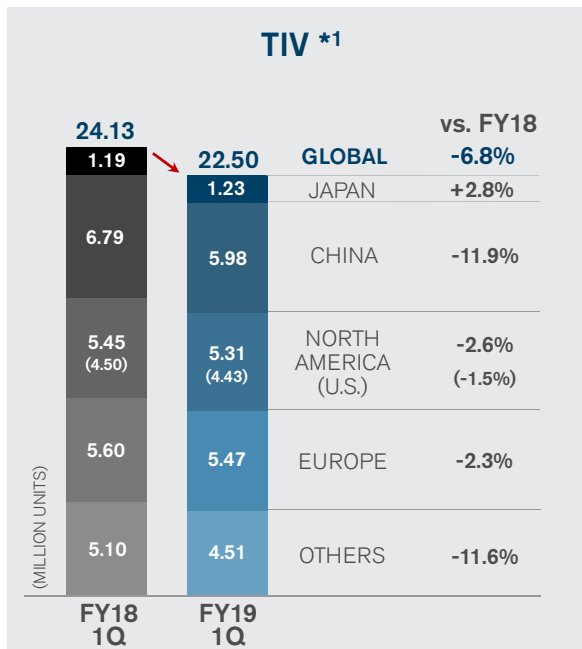
MANAGEMENT PRO FORMA BASIS:

1Q: 3,029.9 2,667.1 154.4 40.1 115.8 6.4 -15.4 -388.9 1,812.8 1,311.4

*1: NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

*2: INCLUDES -82.5 BILLION YEN IMPACT FROM ACCOUNTING STANDARDS CHANGE

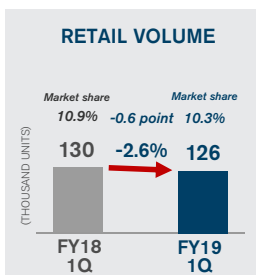
FY19 1ST QUARTER SALES PERFORMANCE GLOBAL



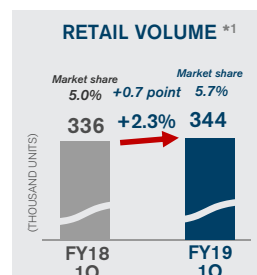
*1: NISSAN ESTIMATION
*2: MARKET SHARE

FY19 1ST QUARTER SALES PERFORMANCE KEY MARKETS

JAPAN



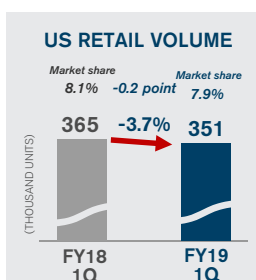
CHINA



FY19 2Q (Apr. to Jun.)
TIV *2 : 5.55 million units, -13.8%
Sales *1 : 375 k units, -2.5%
Market share: 6.7%, +0.7 point

*1: PV; RETAIL SALES BASE, LCV; WHOLESALE BASE
*2: PV AND LCV ONLY

NORTH AMERICA



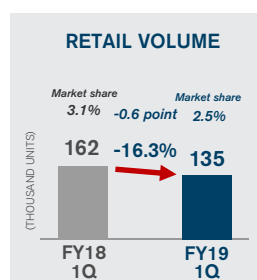
Canada

- Sales: 40 k units, -6.0%
- Market share: 7.1%, +0.1 point

Mexico

- Sales: 60 k units, -19.0%
- Market share: 19.6%, -2.0 points

EUROPE (INCLUDES RUSSIA)



Europe excluding Russia

- Sales: 117 k units, -15.3%
- Market share: 2.4%, -0.5 point

Russia

- Sales: 18 k units, -21.7%
- Market share: 4.1%, -0.9 point

FY19 1ST QUARTER FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)	FY18 1Q	FY19 1Q	VARIANCE	CHANGE vs. FY18 (%)
NET REVENUE	2,716.6	2,372.4	-344.2	-12.7%
OPERATING PROFIT	109.1	1.6	-107.5	-98.5%
OP MARGIN	4.0%	0.1%		
NON-OPERATING	49.8	33.7		
ORDINARY PROFIT	158.9	35.3	-123.6	-77.8%
EXTRAORDINARY	1.5	-8.4		
PROFIT BEFORE TAX	160.4	26.9	-133.5	-83.2%
TAXES	-38.9	-16.7		
EFFECTIVE TAX RATE	24.3%	61.9%		
MINORITY INTEREST *1	-5.7	-3.8		
NET INCOME *2	115.8	6.4	-109.4	-94.5%
FX RATE (USD/JPY)	109.1	109.9	+0.8	
(EUR/JPY)	130.0	123.5	-6.5	

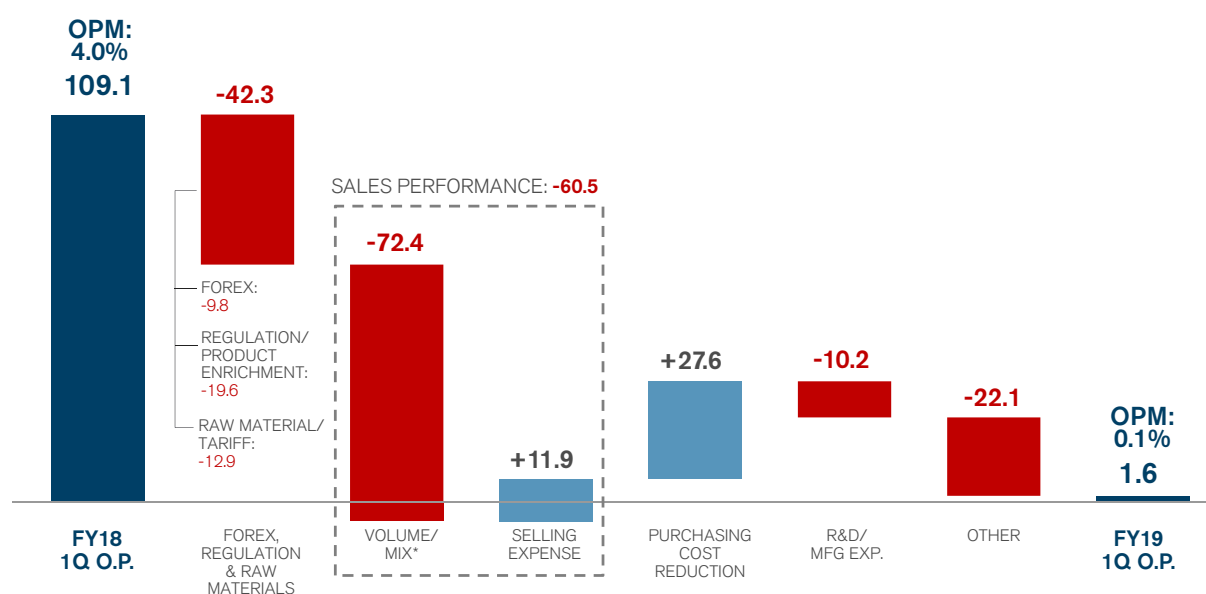
*1: NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

*2: NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

FY19 1ST QUARTER FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

OPERATING PROFIT VARIANCE ANALYSIS

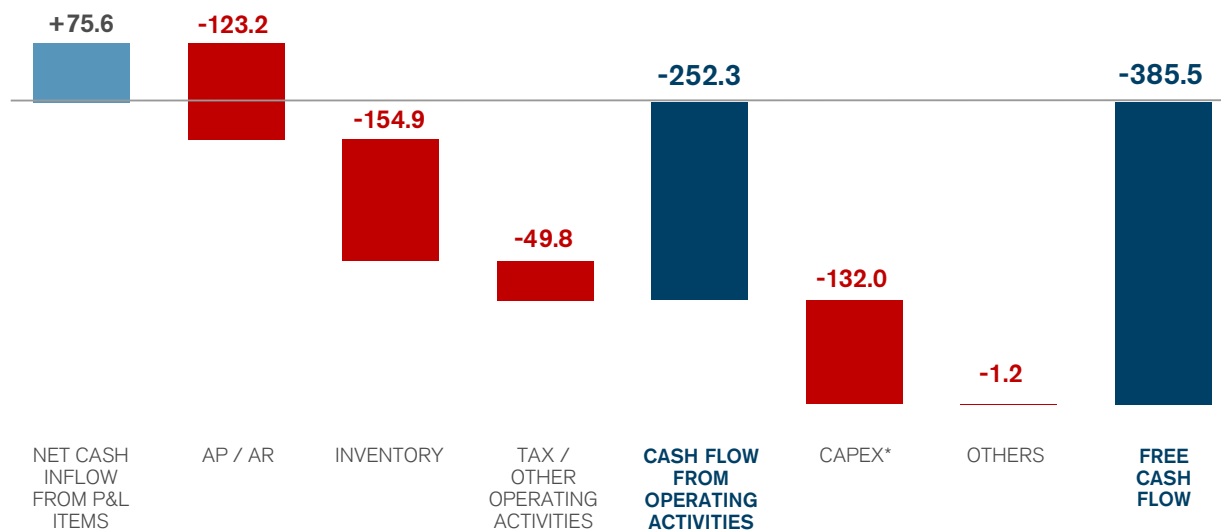
(BILLION YEN)



* INCLUDES REDUCTION OF SELLING EXPENSE DUE TO DECREASE IN VOLUME

FY19 1ST QUARTER FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

FREE CASH FLOW (AUTO BUSINESS) (BILLION YEN)



* CAPEX DOES NOT INCLUDE FINANCE LEASE-RELATED INVESTMENTS

AGENDA

FY19 1Q RESULTS

 BUSINESS TRANSFORMATION

BUSINESS TRANSFORMATION

RECOVERY PLAN KEY PILLARS

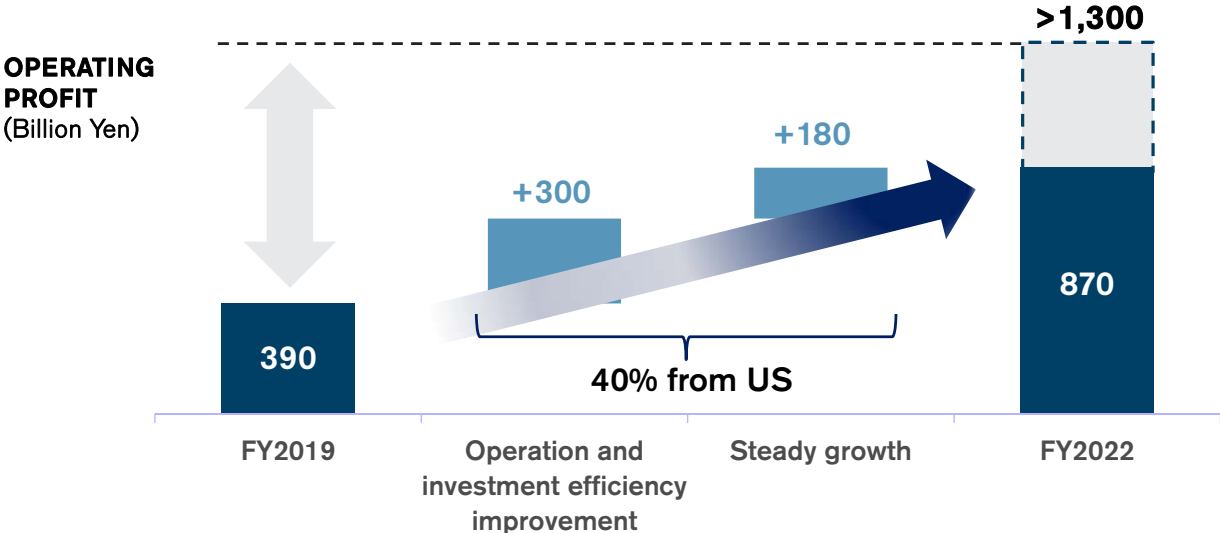
1. US BUSINESS RECOVERY
2. OPERATIONAL AND INVESTMENT EFFICIENCY IMPROVEMENT
3. STEADY GROWTH THROUGH NEW PRODUCTS, ADVANCED TECHNOLOGY AND “NISSAN INTELLIGENT MOBILITY”

BUSINESS TRANSFORMATION

TARGET 6% OP MARGIN BY END OF FY22

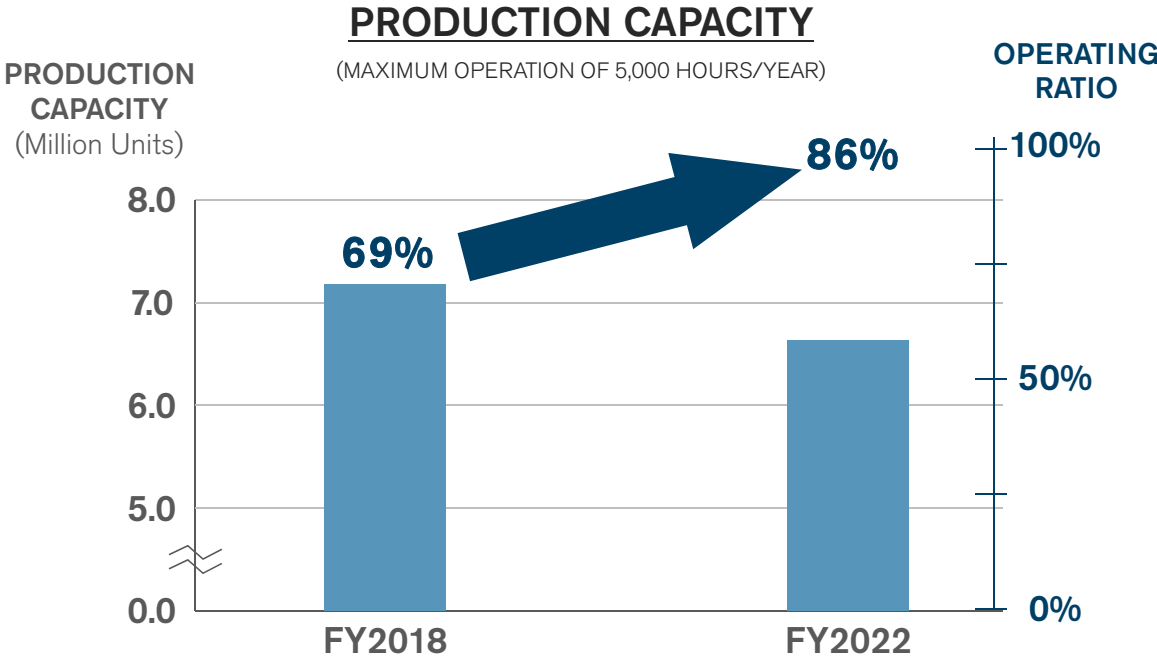
MANAGEMENT PRO FORMA BASIS

NET REVENUE (Trillion Yen)	13.0	TRANSFORMATION	16.5→14.5
OP MARGIN	3.0%		>8%→>6.0%



OPERATION AND INVESTMENT EFFICIENCY IMPROVEMENT

PRODUCTION CAPACITY RATIONALIZATION



NOTE: PRODUCTION CAPACITY AND OPERATING RATIO DO NOT INCLUDE VEHICLES PRODUCED AT ALLIANCE PARTNER PLANTS.

OPERATION AND INVESTMENT EFFICIENCY IMPROVEMENT

PRODUCTION LINE EFFICIENCY IMPROVEMENT

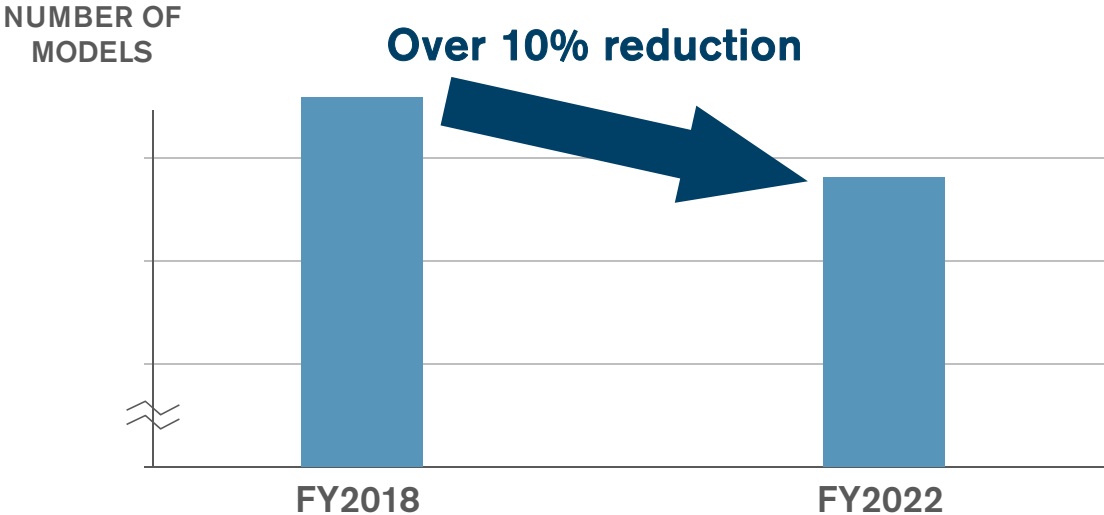
	COUNTRY	HEADCOUNT REDUCTION	TIMING
1	8 Sites/Locations	6,400+	FY2018-2019
2			
3			
4			
5			
6			
7			
8			
9	[Redacted]	6,100+	Additional 6 sites/locations during FY2020 to FY2022
10			
11			
12			
13			
14			
TOTAL		12,500+	

➔ 10% EFFICIENCY IMPROVEMENT IN GLOBAL HEADCOUNT

OPERATION AND INVESTMENT EFFICIENCY IMPROVEMENT

PRODUCT LINE-UP RATIONALIZATION

TERMINATE UNPROFITABLE PRODUCTS

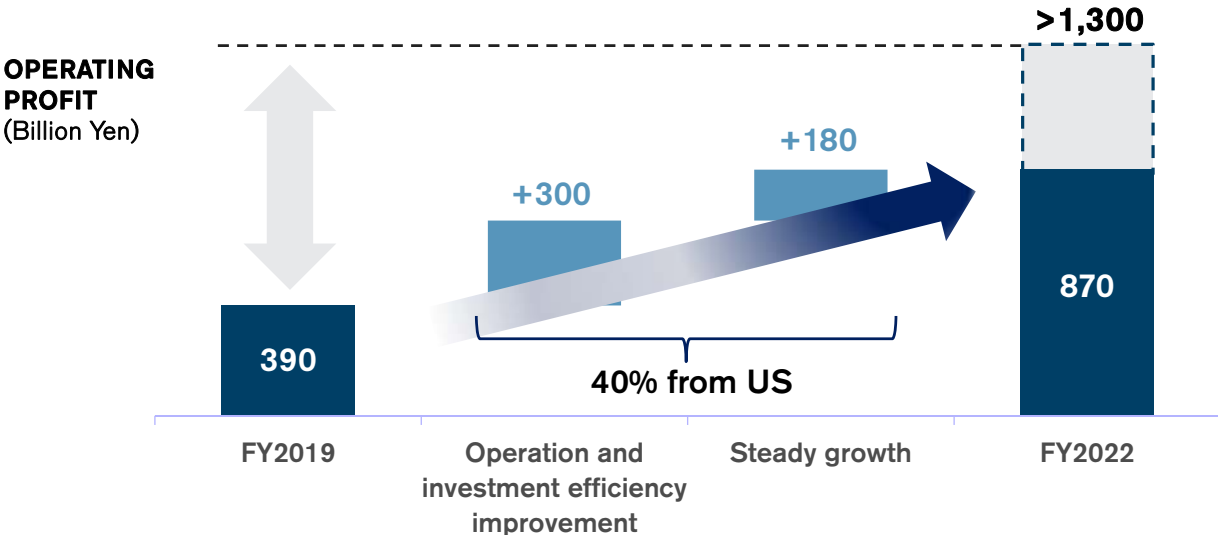


BUSINESS TRANSFORMATION

TARGET 6% OP MARGIN BY END OF FY22

MANAGEMENT PRO FORMA BASIS

	2019	TRANSFORMATION	2022
NET REVENUE (Trillion Yen)	13.0		16.5 → 14.5
OP MARGIN	3.0%		>8% → >6.0%



TOWARD FY2022

	FY18	FY19 outlook		FY22 reference
NET REVENUE (JPY)	13T	13T	➔	14.5T
GLOBAL SALES (units)	5.5M	5.5M		6.0M
FIXED COST (Auto)	✓ Total fixed cost stays flat ➔ Increase investment to ensure future growth including +10% R&D investment by the end of FY22 ➔ Cut cost where the return is not expected			

NEW PRODUCTS AND TECHNOLOGIES

NISSAN INTELLIGENT MOBILITY

Skyline



Sylphy



Versa



Coming soon

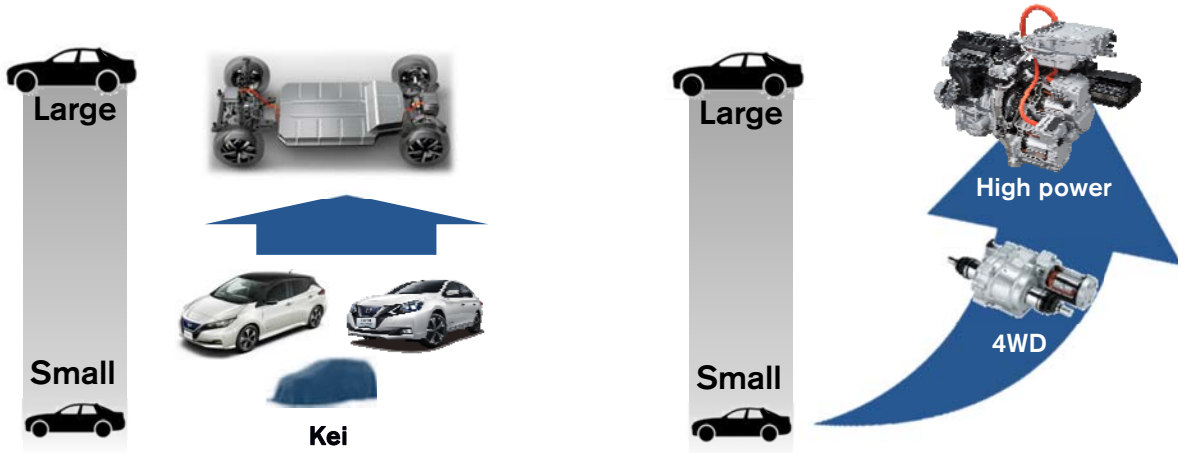


COMING ADVANCED TECHNOLOGIES PROGRESSING TOWARDS THE FUTURE

Zero Emission

e-POWER

All New Cross-over EV
(EV dedicated platform, long range, 4WD)



COMING ADVANCED TECHNOLOGIES PROGRESSING TOWARDS THE FUTURE

Next generation of AD technology and beyond

Eyes-off on free way

Driver assist system in urban road condition

Potential values to the customer*

Work/Leisure/Private time

*fully depending on the government regulations

ProPILOT 2.0

Hands-off single lane driving

Navigated multi-lane driving

Lane change Passing

3D HD mapping with advanced camera and sensors

ProPILOT

Automatically control the distance between the vehicle

Keeps the vehicle centered in its lane

NEW BUSINESS

NISSAN MOTOR CORPORATION



RENAULT NISSAN MITSUBISHI

FY2022 AND BEYOND

FY19

FY22

FYxx

**NISSAN M.O.V.E. to 2022
with New Nissan Transformation**

Beyond...

	Net Revenue 14.5T JPY	OP Margin 6%	
Solid EV Leadership	Autonomous Drive Vehicle Expansion	Early Provider of Robo-Vehicle and Ride-Hailing Services	

Remaining homework of current MTP

- ✓ Brand enhancement and trust
- ✓ Digitization / Transformation
- ✓ Quality / Customer Centric Focus

Securing competitive advantages beyond FY2022

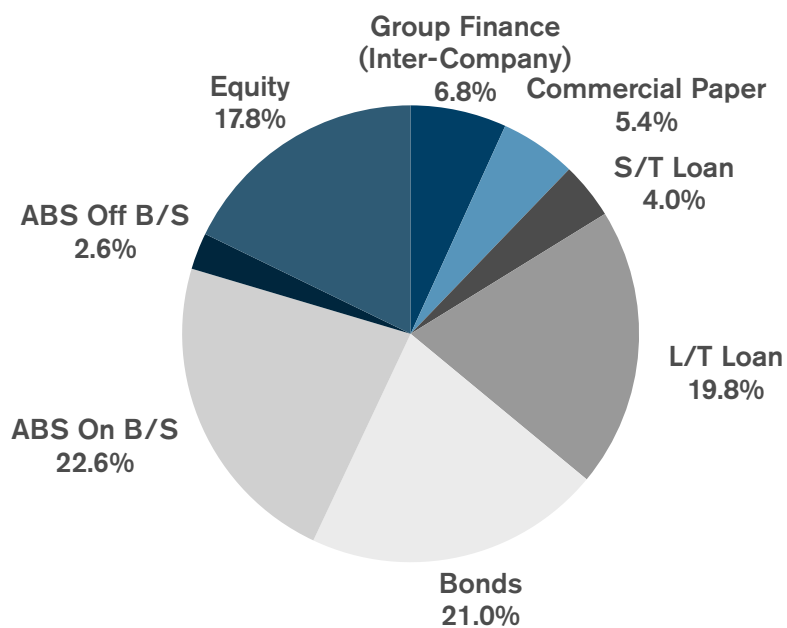
- ✓ CASE / New mobility services – Shift B2B to B2C
- ✓ Industry 4.0 / Data and AI
- ✓ Engineering competitiveness and process etc.

Start activities from FY19 to prepare for future

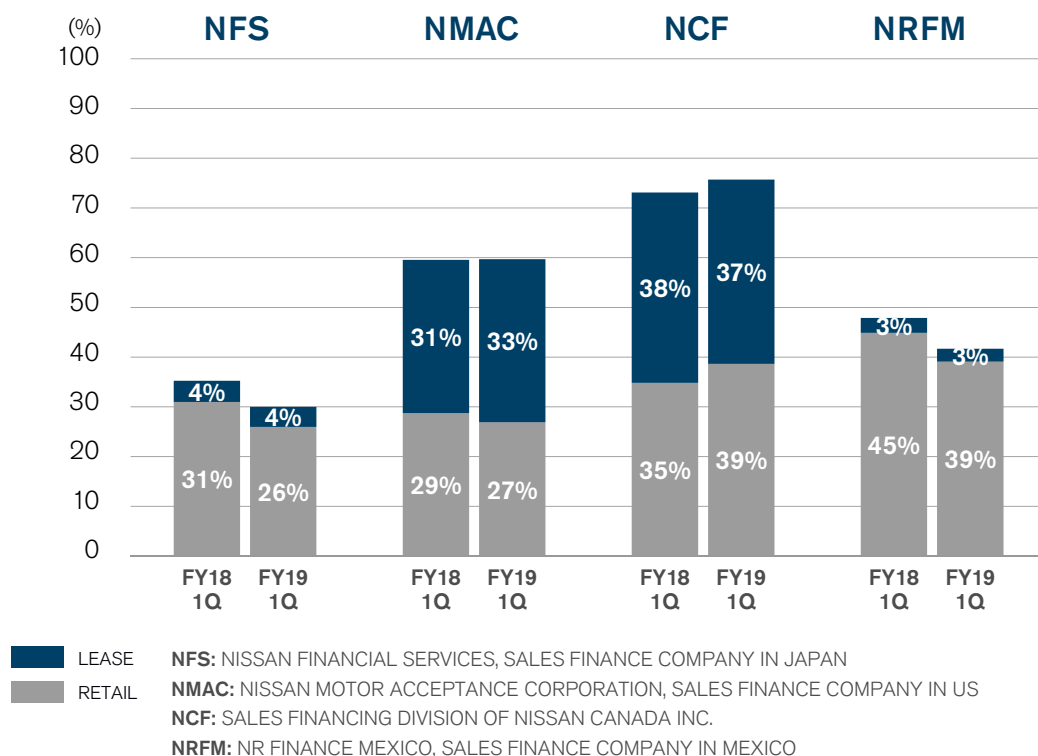
Appendix

SALES FINANCING: FUNDING SOURCES (AS OF JUNE 2019)

TOTAL FUNDING AMOUNT: 9,508 BILLION YEN



SALES FINANCING: PENETRATION



SALES FINANCING NET CREDIT LOSS RATIO

	FY18 1Q	FY19 1Q	VARIANCE
NFS	Lease: 0.02%	Lease: 0.03%	Lease: +0.01%
	Retail: 0.09%	Retail: 0.08%	Retail: -0.01%
NMAC	Lease: 0.42%	Lease: 0.47%	Lease: +0.05%
	Retail: 1.38%	Retail: 1.69%	Retail: +0.31%
NCF	Lease: 0.08%	Lease: 0.05%	Lease: -0.03%
	Retail: 0.28%	Retail: 0.16%	Retail: -0.12%

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)

	FY18 1Q	FY19 1Q	VARIANCE
NFS	Asset: 1,368.5	Asset: 1,434.2	Asset: +65.7
	OP: 9.4	OP: 10.1	OP: +0.7
NMAC	Asset: 62,025	Asset: 59,979	Asset: -2,046
	OP: 282	OP: 228	OP: -54
NCF	Asset: 8,015	Asset: 8,656	Asset: +641
	OP: 46	OP: 55	OP: +9
NRFM	Asset: 125,224	Asset: 113,887	Asset: -11,337
	OP: 898	OP: 518	OP: -380

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

FY19 1ST QUARTER FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

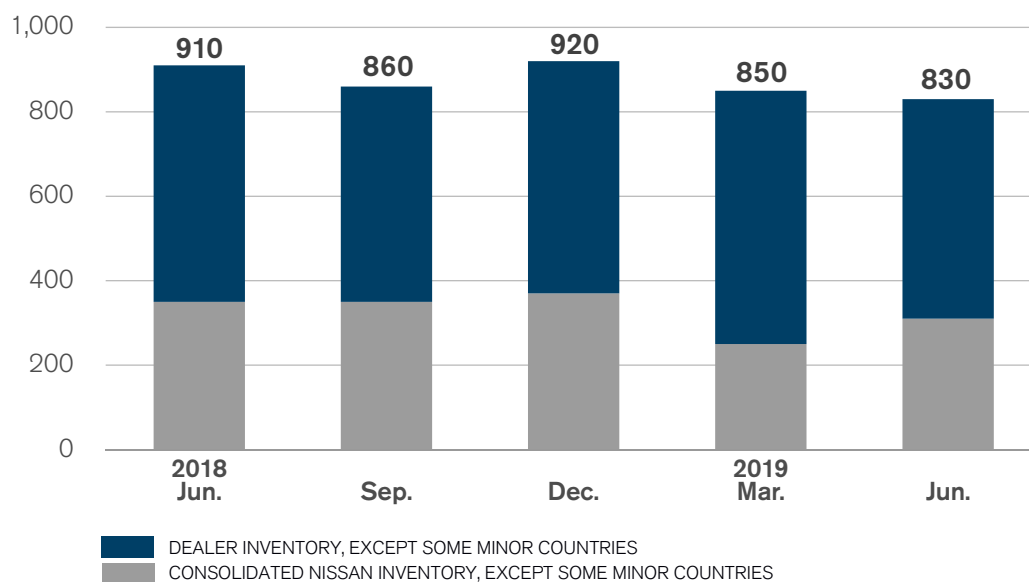
OPERATING PROFIT VARIANCE ANALYSIS

(BILLION YEN)

FOREIGN EXCHANGE IMPACT	VOLUME /MIX	SELLING EXPENSES
-9.8	-72.4	+11.9
USD +1.7 (109.1 ⇒ 109.9)	JPN -1.5 VOL*: +2.9 MIX: -4.4	JPN +0.6 INCENTIVES: +2.1 OTHERS: -1.5
ARS -2.3 (4.71 ⇒ 2.51)	US -52.1 VOL*: -47.1 MIX: -5.0	US +1.5 INCENTIVES: +3.0 OTHERS: -1.5
AUD -1.6 (82.6 ⇒ 77.0)	EUR -18.7 VOL*: -17.5 MIX: -1.2	EUR +5.4 INCENTIVES: +3.5 OTHERS: +1.9
CAD -1.5 (84.5 ⇒ 82.2)	MEX&CAN -10.0	MEX&CAN +2.9
TRY -1.5 (25.0 ⇒ 18.8)	OTHERS -38.8	OTHERS +1.5
ZAR -1.3 (8.66 ⇒ 7.65)	VOLUME/MIX IMPACTS OF SELLING EXPENSES +48.7	
OTHERS -3.3	* INCLUDES CUNTRY MIX	

INVENTORY MANAGEMENT (EXCLUDING CHINA JV)

INVENTORY STATUS (THOUSAND UNITS)

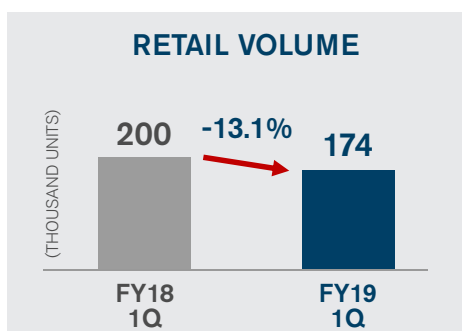


NET CASH BY BUSINESS SEGMENT (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)	AS OF MARCH 31, 2019			AS OF JUNE 30, 2019		
	AUTOMOBILE & ELIMINATIONS	SALES FINANCING	TOTAL	AUTOMOBILE & ELIMINATIONS	SALES FINANCING	TOTAL
BORROWINGS FROM THIRD PARTIES	610.6	7,419.1	8,029.7	841.4	6,919.8	7,761.2
INTERNAL LOAN TO SALES FINANCING (NET)	-899.2	899.2	0	-647.4	647.4	0
CASH AND CASH EQUIVALENT	1,309.6	49.5	1,359.1	1,194.3	37.0	1,231.3
NET CASH	1,598.2	-8,268.8	-6,670.6	1,000.3	-7,530.2	-6,529.9

FY19 1ST QUARTER SALES PERFORMANCE

OTHER MARKETS



Sales: 174 k units, -13.1%

- **Asia & Oceania:** 72 k units, -6.4% (TIV: -8.1%)
- **Latin America:** 50 k units, -9.9% (TIV: -6.3%)
- **Middle East:** 32 k units, -25.8% (TIV: -18.8%)
- **Africa & others:** 21 k units, -18.4% (TIV: -33.4%)



Kicks



Terra



Navara

This presentation contains forward-looking statements, based on judgments and estimates that have been made on the basis of currently available information. By nature, such statements are subject to uncertainty and risk. Therefore, you are advised that the final results might be significantly different from the aforementioned statements due to changes in economic environments related to our business, market trends and exchange rate, etc.