

# **FY 2006 Third Quarter Review**

**February 2, 2007  
Nissan Motor Co., Ltd**

## **Agenda**

- **Third quarter news update**
- **Sales performance**
- **Financial results**
- **FY06 Outlook**
- **Sustainable growth**

## Third quarter news update

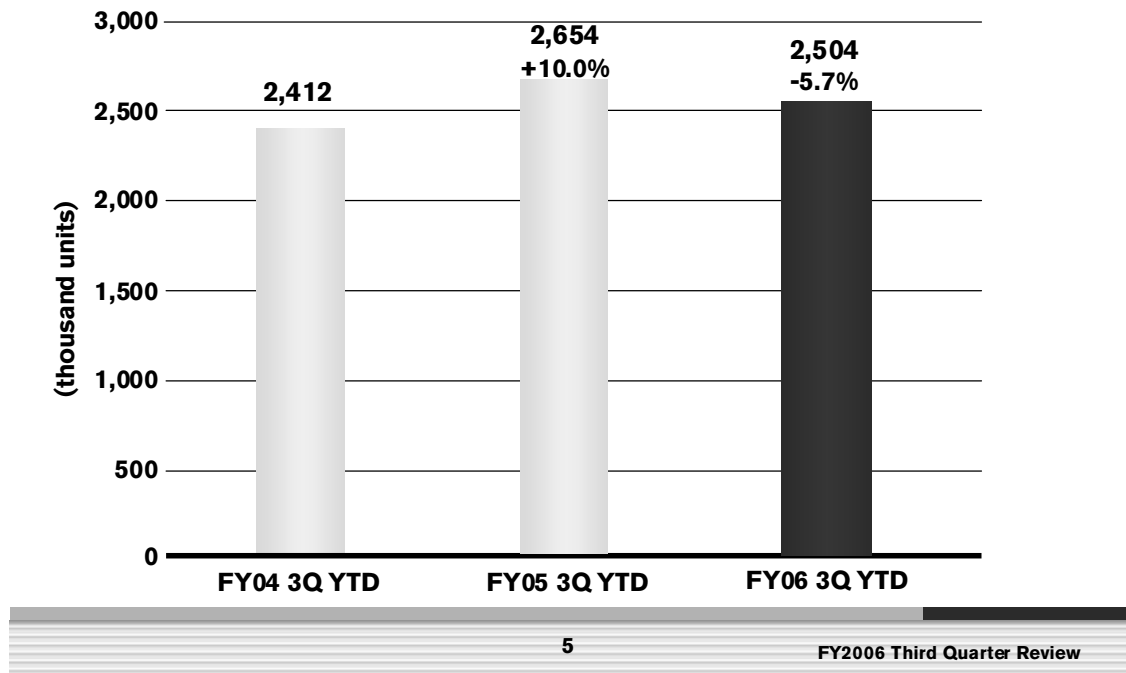
- Oct** 1) Introduced new Otti minicar for Japan
- Nov** 1) Launched the all-new Livina Geniss for China  
2) Released the new Infiniti G sedan / Nissan Skyline  
3) Opened new Global Training Center
- Dec** 1) Announced “Nissan Green Program 2010”  
2) Established new global design studio in Japan  
3) Introduced the all-new AD and AD Expert light commercial vehicles for Japan  
4) Introduced six compact cars equipped with the HR15DE engine and XTRONIC CVT for Japan - Environmentally friendly technology that delivers higher fuel efficiency and lower emissions -  
5) Opened new flagship dealer in Murayama, Japan

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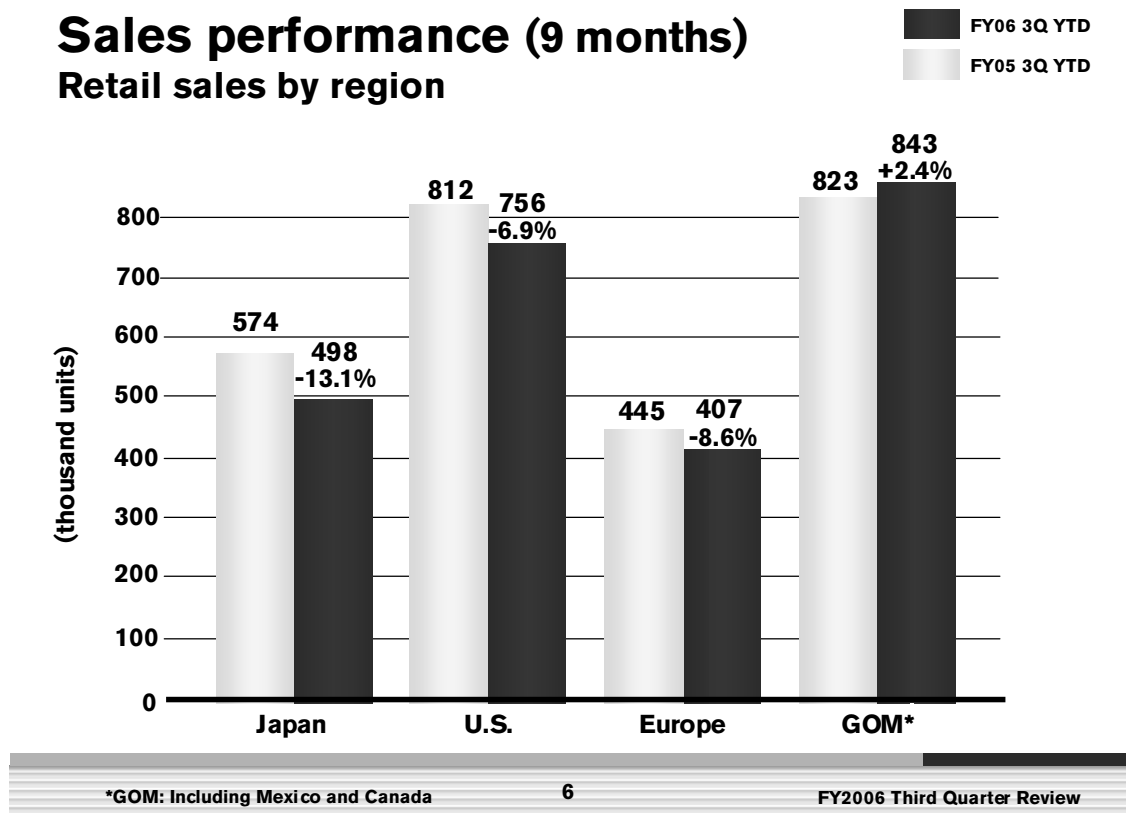
## Sales performance (9 months)

### Global retail sales



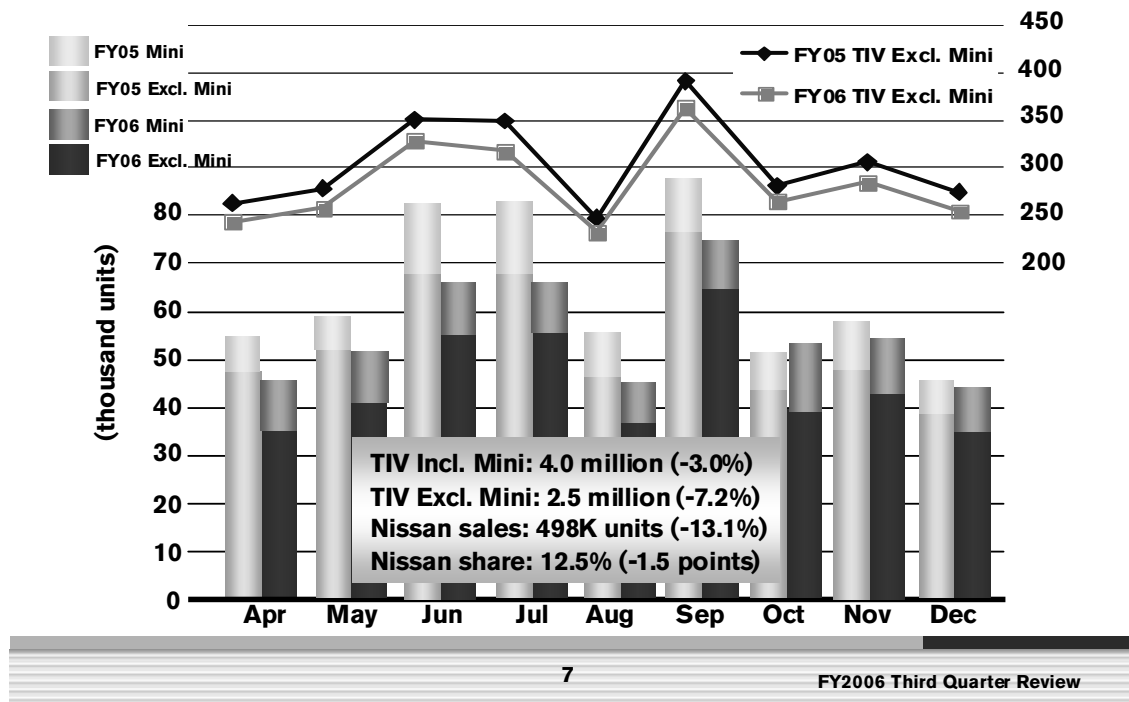
## Sales performance (9 months)

### Retail sales by region



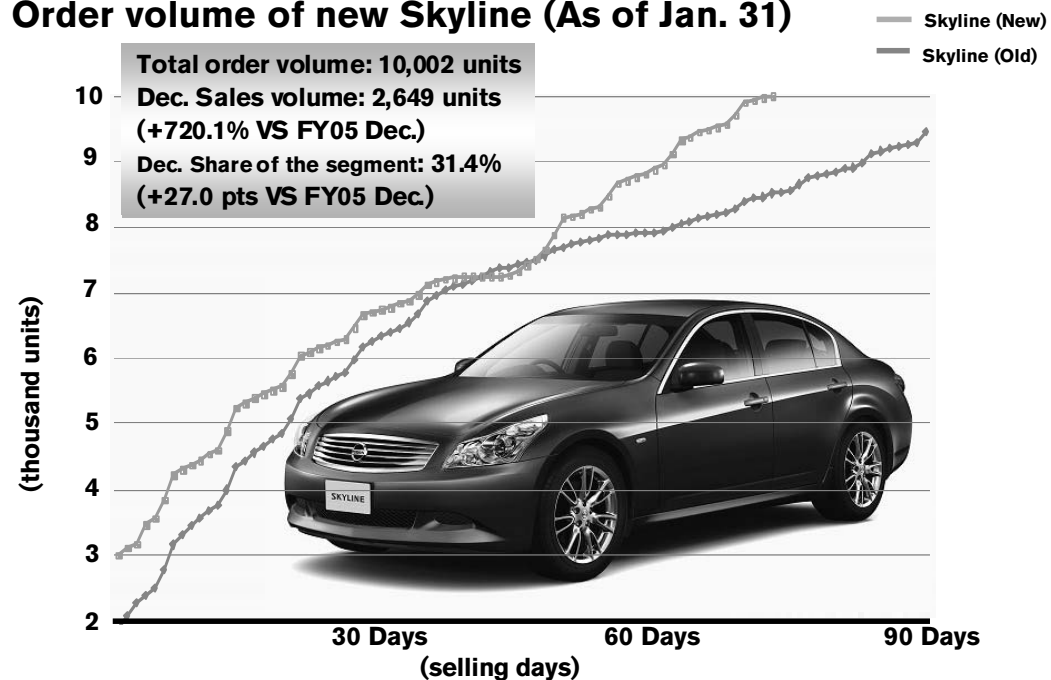
## Sales performance (9 months)

### Retail sales by region : Japan



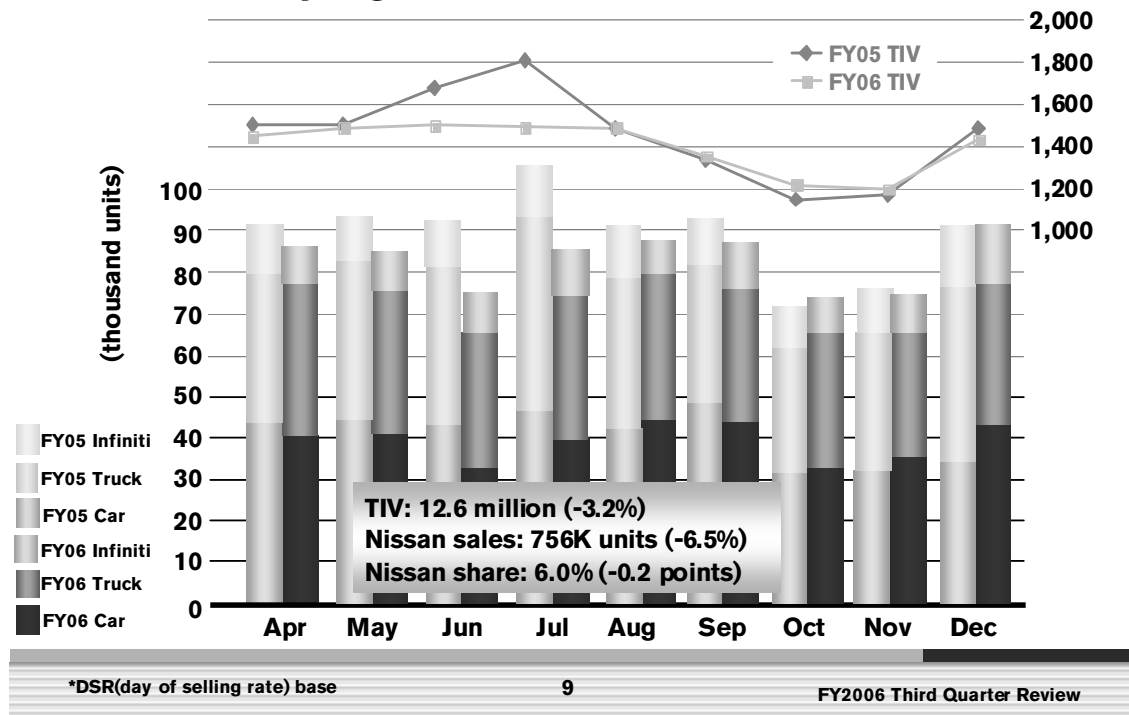
## Sales performance

### Order volume of new Skyline (As of Jan. 31)



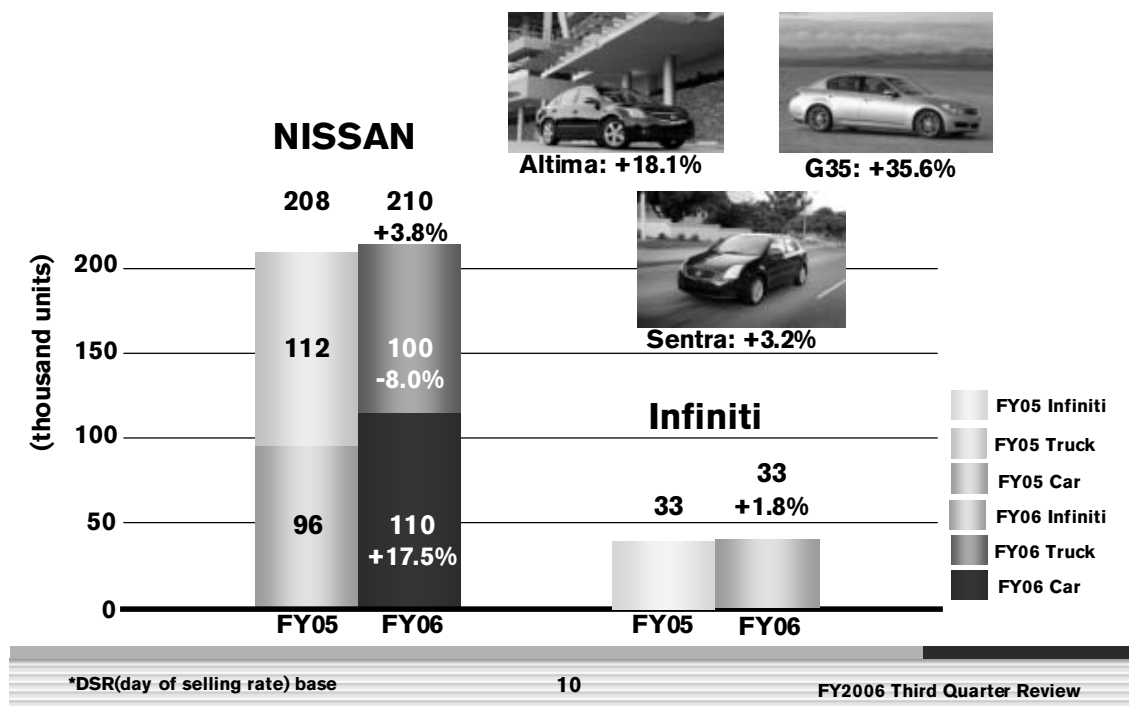
## Sales performance (9 months)

Retail sales by region : U.S.



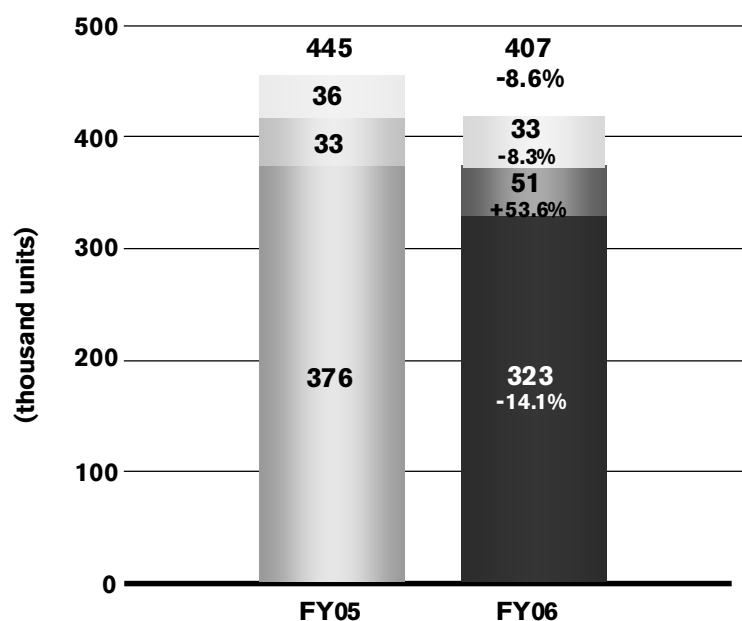
## Sales performance (3 months)

Retail sales by region : U.S. – Third quarter



## Sales performance (9 months)

### Retail sales by region : Europe



Note

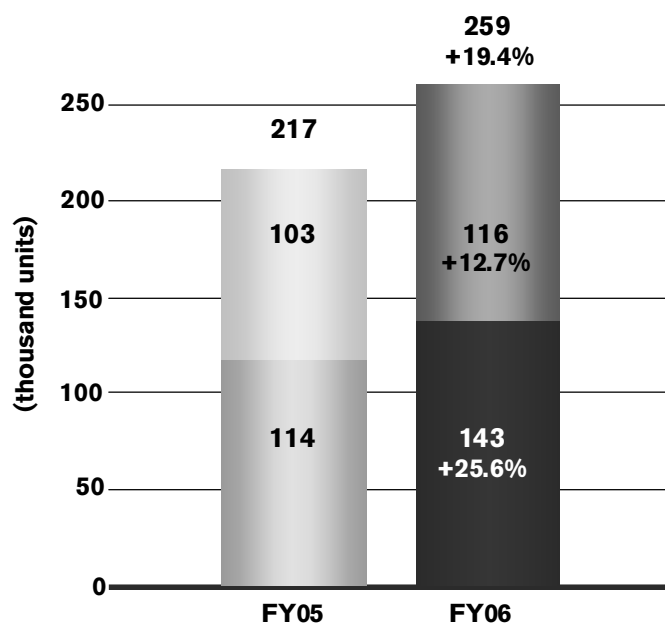


Navara

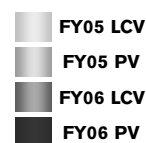


## Sales performance (9 months)

### Retail sales by region : China

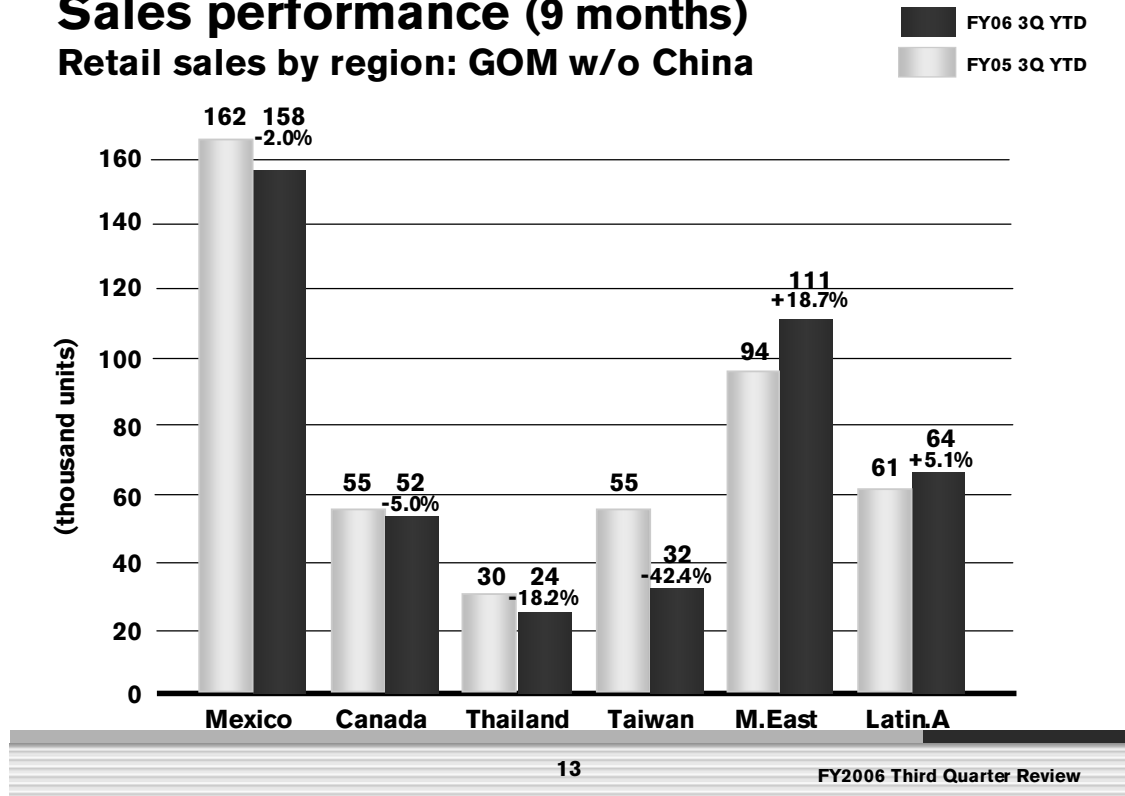


Bluebird Sylphy



## Sales performance (9 months)

### Retail sales by region: GOM w/o China



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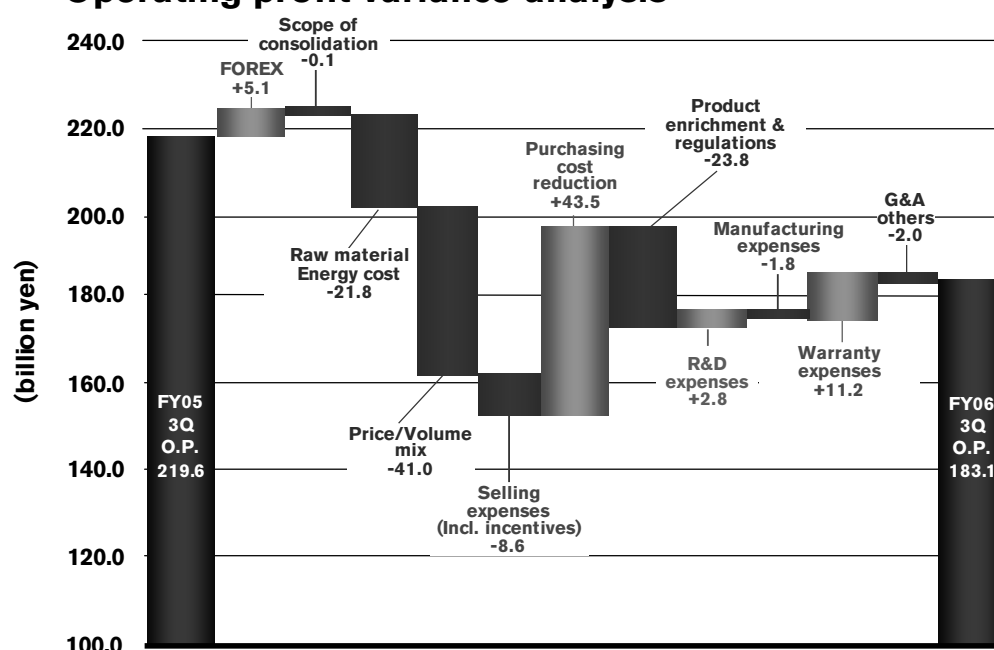
## Financial results (3 months)

(billion yen)	FY05 3Q	FY06 3Q	Change
Consolidated net revenue	2,301.3	2,342.8	+1.8%
Consolidated operating profit	219.6	183.1	-16.6%
Consolidated operating margin	9.5%	7.8%	-1.7 points

FX rate	¥117.3/USD	¥117.8/USD
	¥135.7/EUR	¥148.3/EUR

## Financial results (3 months)

### Operating profit variance analysis





## Financial results (3 months)

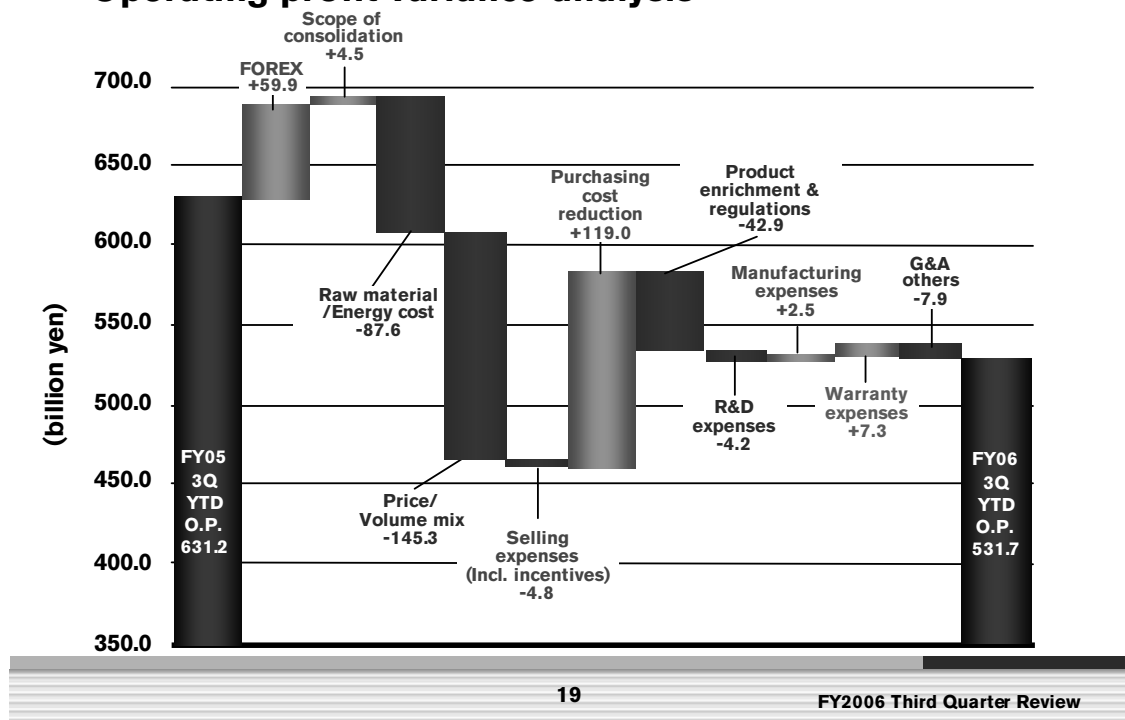
(billion yen)	FY05 3Q	FY06 3Q	Change
Consolidated net revenue	2,301.3	2,342.8	+1.8%
Consolidated operating profit	219.6	183.1	-16.6%
Consolidated operating margin	9.5%	7.8%	-1.7points
Net non-operating	-9.8	-6.0	
Ordinary profit	209.8	177.1	-15.6%
Net extraordinary	5.5	-7.5	
Income before tax	215.3	169.6	-21.2%
Tax	-71.5	-63.4	
Minority interest	-8.8	-1.8	
Net income	135.0	104.4	-22.6%
FX rate	¥117.3/USD ¥135.7/EUR	¥117.8/USD ¥148.3/EUR	
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## Financial results (9 months)

(billion yen)	FY05 3Q YTD	FY06 3Q YTD	Change
Consolidated net revenue	6,792.3	6,877.2	+1.2%
Consolidated operating profit	631.2	531.7	-15.8%
Consolidated operating margin	9.3%	7.7%	-1.6points
Net non-operating	-25.7	6.3	
Ordinary profit	605.5	538.0	-11.1%
Net extraordinary	-22.7	-12.7	
Income before tax	582.8	525.3	-9.9%
Tax	-188.7	-131.8	
Minority interest	-28.4	-14.9	
Net income	365.7	378.6	+3.5%
FX rate	¥112.1/USD ¥136.1/EUR	¥116.2/USD ¥144.3/EUR	
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## Financial results (9 months)

### Operating profit variance analysis



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## FY06 Outlook

Risks	Opportunities
<p>Higher level of incentives</p> <p>Mix and grade deterioration</p> <p>High commodity prices</p> <p>High energy prices</p> <p>Higher interest rates</p>	<p>NISSAN Value-Up</p> <p>Favorable exchange rates</p>

## FY06 Outlook

### ▪ Operating profit\*

➔ **775 billion yen**  
(down 12% from initial forecast of 880 billion yen)

### ▪ Net income\*

➔ **460 billion yen**  
(down 12% from initial forecast of 523 billion yen)

\*Including the impact from fiscal year unification for December year-ending companies  
(ex. Europe, Mexico)

- Operating profit : +12 billion yen  
- Net income : +2 billion yen

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## Investing for the future New design center in Japan



Opened Nov. 2006



## Investing for the future

### Nissan Advanced Technology Center in Japan



**Opening spring 2007**



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## Investing for the future

### New HQs (Japan & U.S.)

**U.S.**

**Opening mid-2008**



**Japan**

**Opening Oct. 2009**



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## Sustainable growth

### Nissan Green Program 2010

#### ■ Accelerate widespread application of effective technologies

⇒ Gasoline engine evolution + CVT improvement (Global)

#### ■ “Providing the Right technology to the Right market at the Right time with the Right value to the customer”

- |                           |                              |
|---------------------------|------------------------------|
| ⇒ Clean Diesel Vehicle    | (Starting in Europe)         |
| ⇒ Bio Ethanol Vehicle     | (Mainly in US and Brazil)    |
| ⇒ Hybrid Electric Vehicle | (Starting from US and Japan) |
| ⇒ Fuel Cell Vehicle       | (Starting from US and Japan) |
| ⇒ Electric Vehicle        | (Starting from Japan)        |

## Sustainable growth

### Nissan Green Program 2010

#### ■ Introduced six compact cars in Dec. 25, 2006 for Japan

*increased fuel efficiency, reduced CO2 and cleaner exhaust emissions*

#### ■ Introduction of gasoline engine with CO2 reduced to a comparable level with current diesel engines from FY2010

#### ■ Introduction of “3 Liter Car” targeted during FY2010

#### ■ Original Hybrid Electric Vehicle / Plug-in HEV

#### ■ New Lithium-ion battery in development