

FISCAL YEAR 2018 FINANCIAL RESULTS

Nissan Motor Co., Ltd.
May 14th, 2019

NISSAN MOTOR CORPORATION



AGENDA

 **FY18 RESULTS**

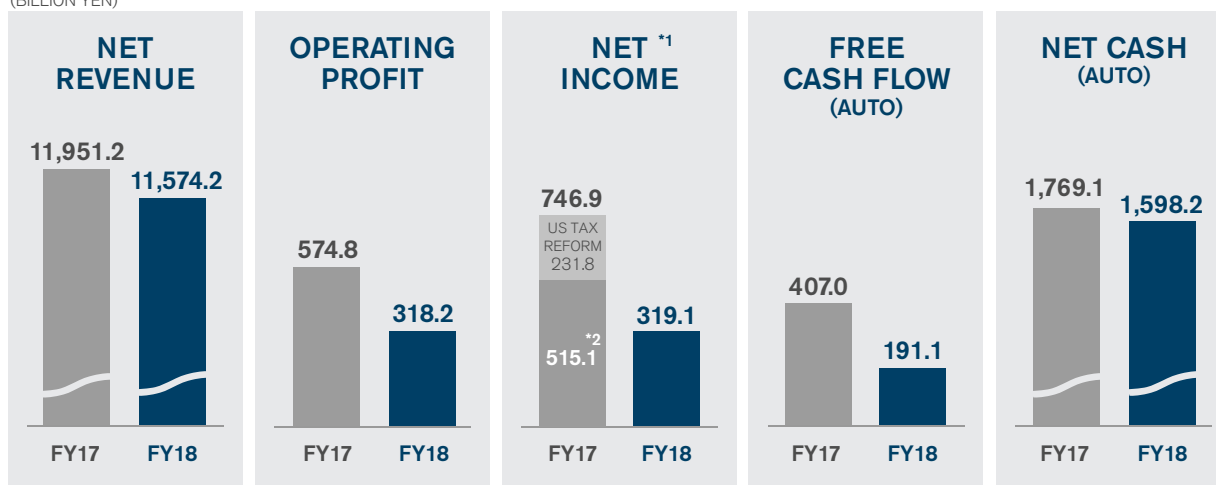
OUTLOOK

NEW NISSAN TRANSFORMATION

HEADLINE FINANCIAL RESULTS

(TSE REPORT BASIS — CHINA JV EQUITY BASIS)

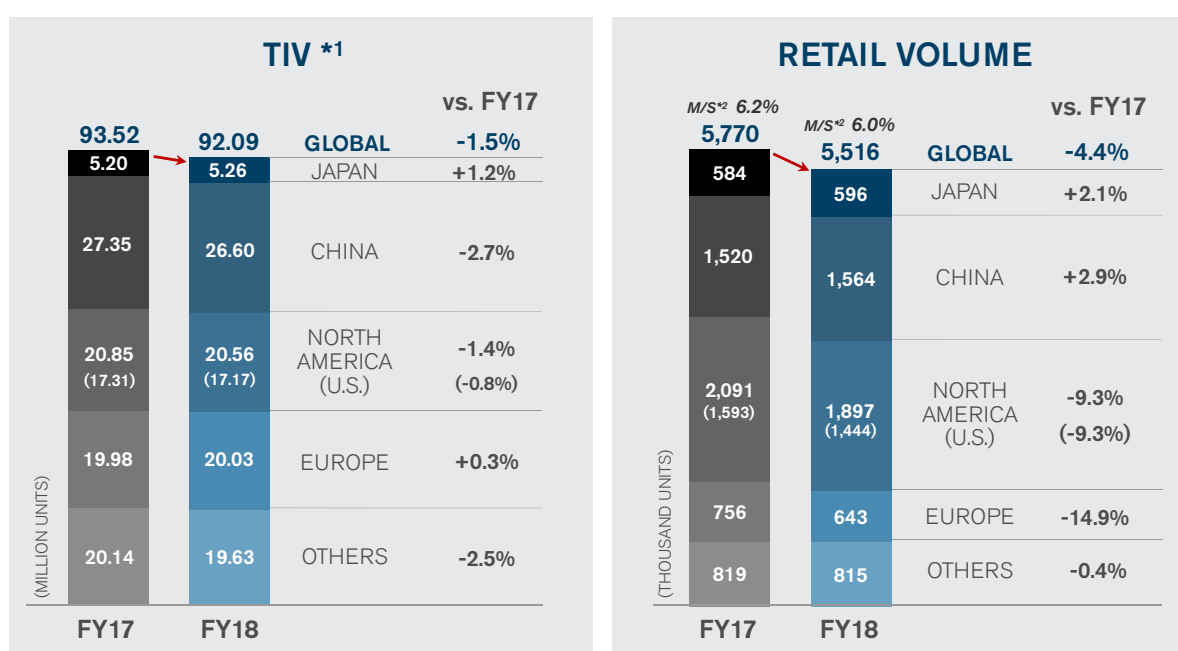
(BILLION YEN)



*1: NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

*2: EXCLUDES 231.8 BILLION YEN ONE-TIME IMPACT FROM US TAX REFORM

FY18 SALES PERFORMANCE GLOBAL



*1: NISSAN ESTIMATION

*2: MARKET SHARE

FY18 SALES PERFORMANCE

KEY MARKETS



FY18 FINANCIAL PERFORMANCE

(TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)	FY17	FY18	VARIANCE	CHANGE vs. FY17 (%)
NET REVENUE	11,951.2	11,574.2	-377.0	-3.2%
OPERATING PROFIT	574.8	318.2	-256.6	-44.6%
OP MARGIN	4.8%	2.7%		
NON-OPERATING	175.5	228.3		
ORDINARY PROFIT	750.3	546.5	-203.8	-27.2%
EXTRAORDINARY	-39.6	-68.8		
PROFIT BEFORE TAX	710.7	477.7	-233.0	-32.8%
TAXES	53.0	-135.8		
EFFECTIVE TAX RATE	-7.4%	28.4%		
MINORITY INTEREST *1	-16.8	-22.8		
NET INCOME *2	746.9 ^{*3}	319.1	-427.8	-57.3%
FX RATE (USD/JPY)	110.9	110.9	0.0	
(EUR/JPY)	129.7	128.4	-1.3	

*1: NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

*2: NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

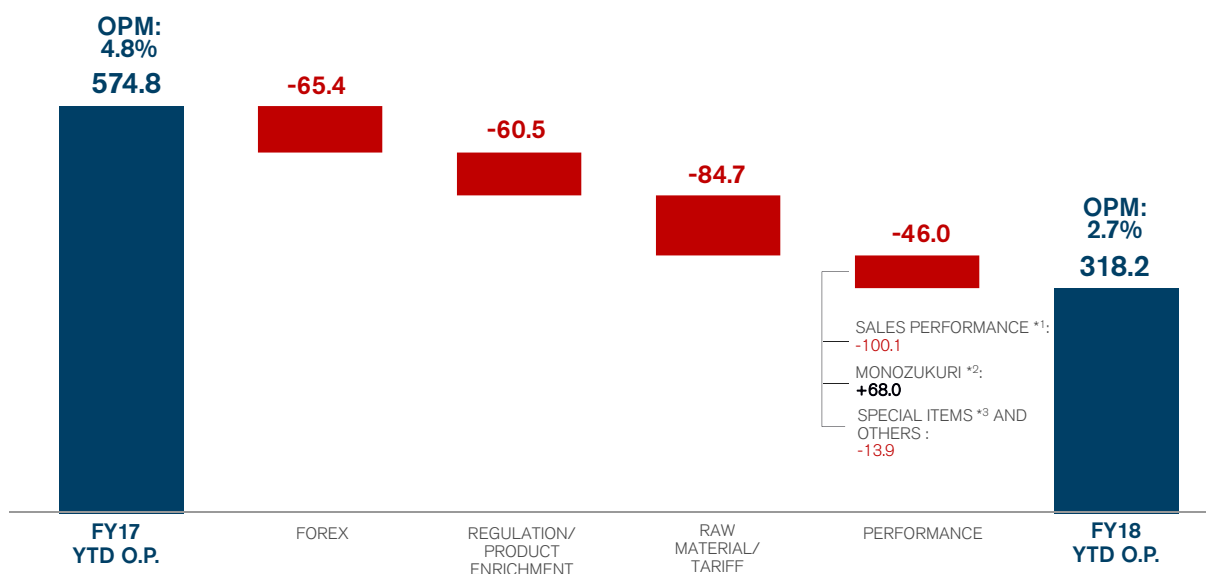
*3: INCLUDES 231.8 BILLION YEN ONE-TIME IMPACT FROM US TAX REFORM

FY18 FINANCIAL PERFORMANCE

(TSE REPORT BASIS — CHINA JV EQUITY BASIS)

OPERATING PROFIT VARIANCE ANALYSIS

(BILLION YEN)



*1: INCLUDES VOLUME/MIX AND SELLING EXPENSE

*2: INCLUDES PURCHASING COST REDUCTION, R&D AND MANUFACTURING EXPENSE

*3: INCLUDES INSPECTION IMPACT, CLASS ACTION SETTLEMENT, CATCH UP ADJUSTMENT AND WARRANTY EXTENSION

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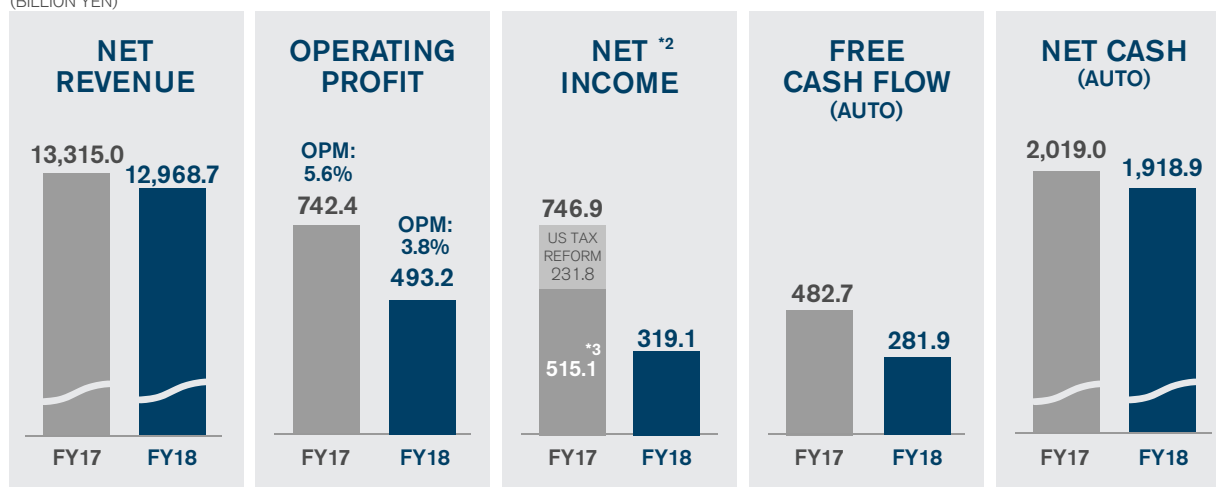
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KEY PERFORMANCE INDICATORS

(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

*3: EXCLUDES 231.8 BILLION YEN ONE-TIME IMPACT FROM US TAX REFORM

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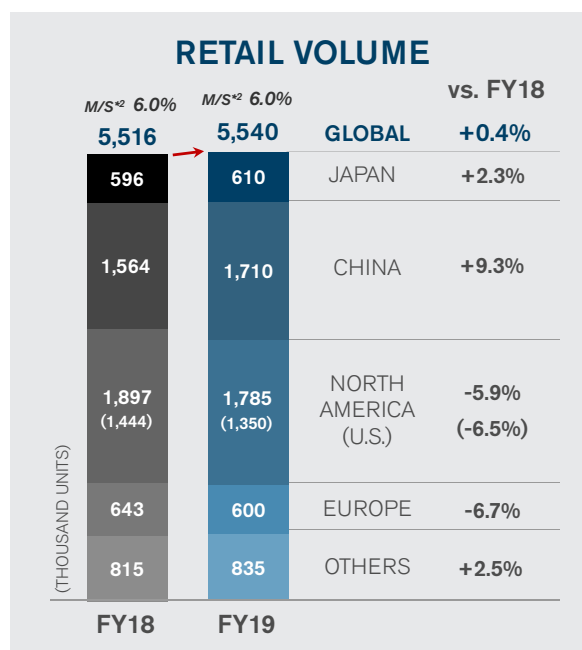
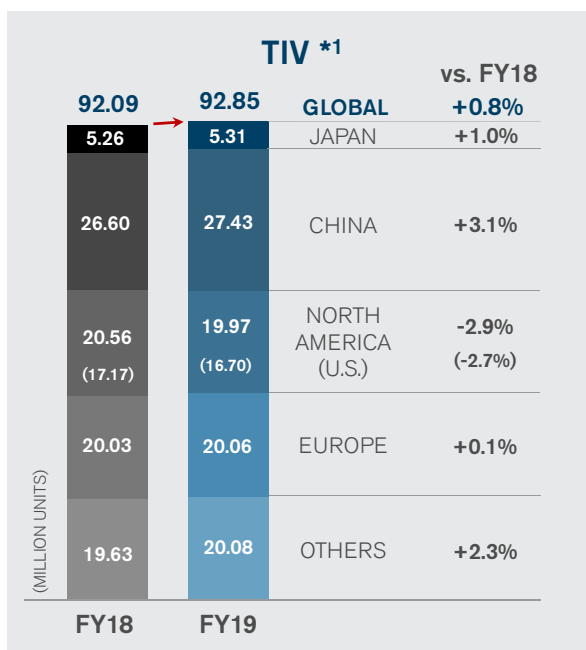
AGENDA

FY18 RESULTS

➔ **OUTLOOK**

NEW NISSAN TRANSFORMATION

SALES OUTLOOK



*1: NISSAN ESTIMATION

*2: MARKET SHARE

OUTLOOK

(TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)	FY18 ACTUAL	FY19 OUTLOOK	VARIANCE	CHANGE vs. FY18 (%)
RETAIL VOLUME (THOUSAND UNITS)	5,516	5,540	+24	+0.4%
NET REVENUE	11,574.2	11,300.0	-274.2	-2.4%
OPERATING PROFIT	318.2	230.0	-88.2	-27.7%
OP MARGIN	2.7%	2.0%	-0.7%	
NET INCOME *	319.1	170.0	-149.1	-46.7%
NET INCOME RATIO *	2.8%	1.5%	-1.3%	
CAPEX	509.9	570.0	+60.1	+11.8%
% OF NET REVENUE	4.4%	5.0%	+0.6%	
R&D	523.1	550.0	+26.9	+5.1%
% OF NET REVENUE	4.5%	4.9%	+0.4%	
FX RATE				
(USD/JPY)	110.9	110.0	-0.9	
(EUR/JPY)	128.4	129.0	+0.6	

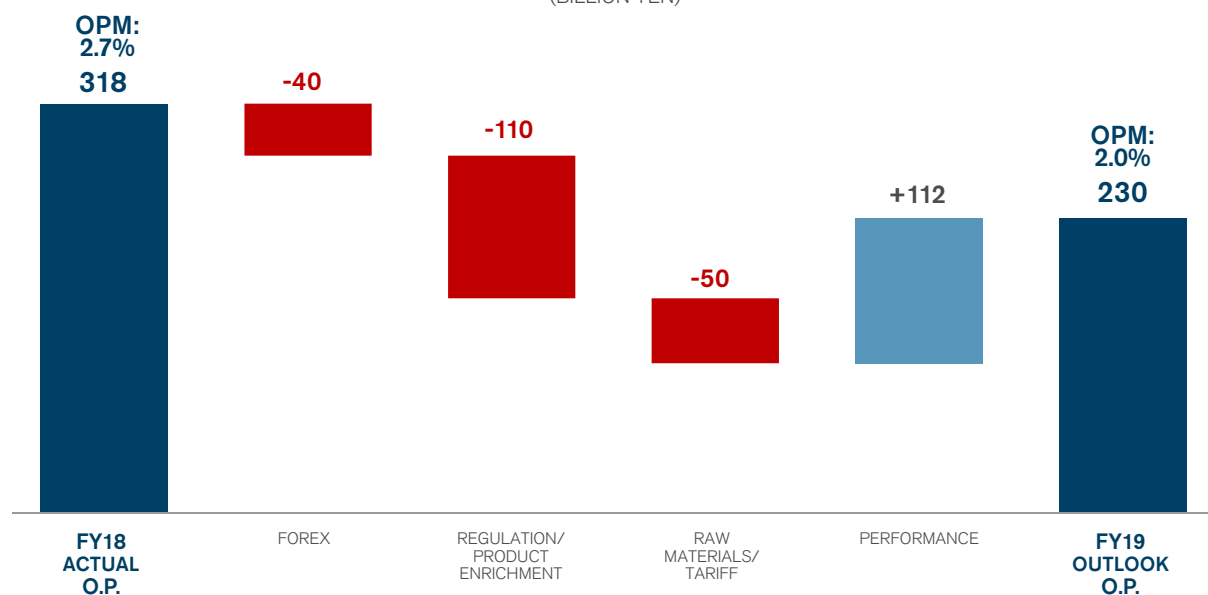
* NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

OUTLOOK

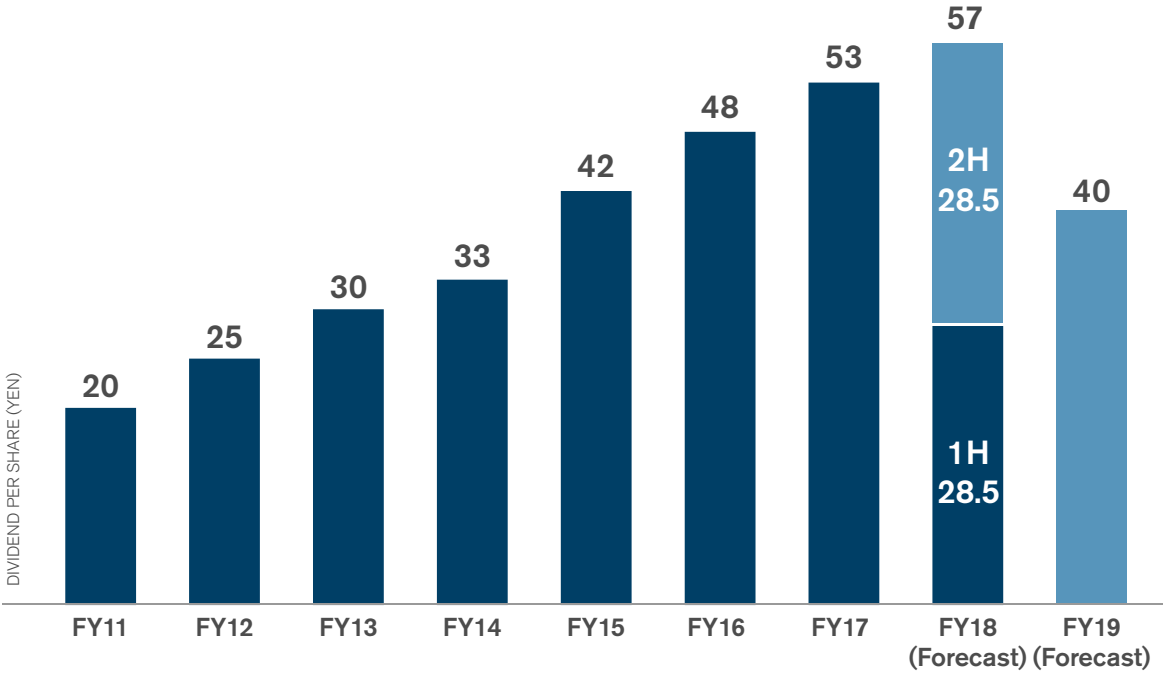
(TSE REPORT BASIS — CHINA JV EQUITY BASIS)

OPERATING PROFIT VARIANCE ANALYSIS

(BILLION YEN)



SHAREHOLDER RETURN



AGENDA

FY18 RESULTS

OUTLOOK

 NEW NISSAN TRANSFORMATION

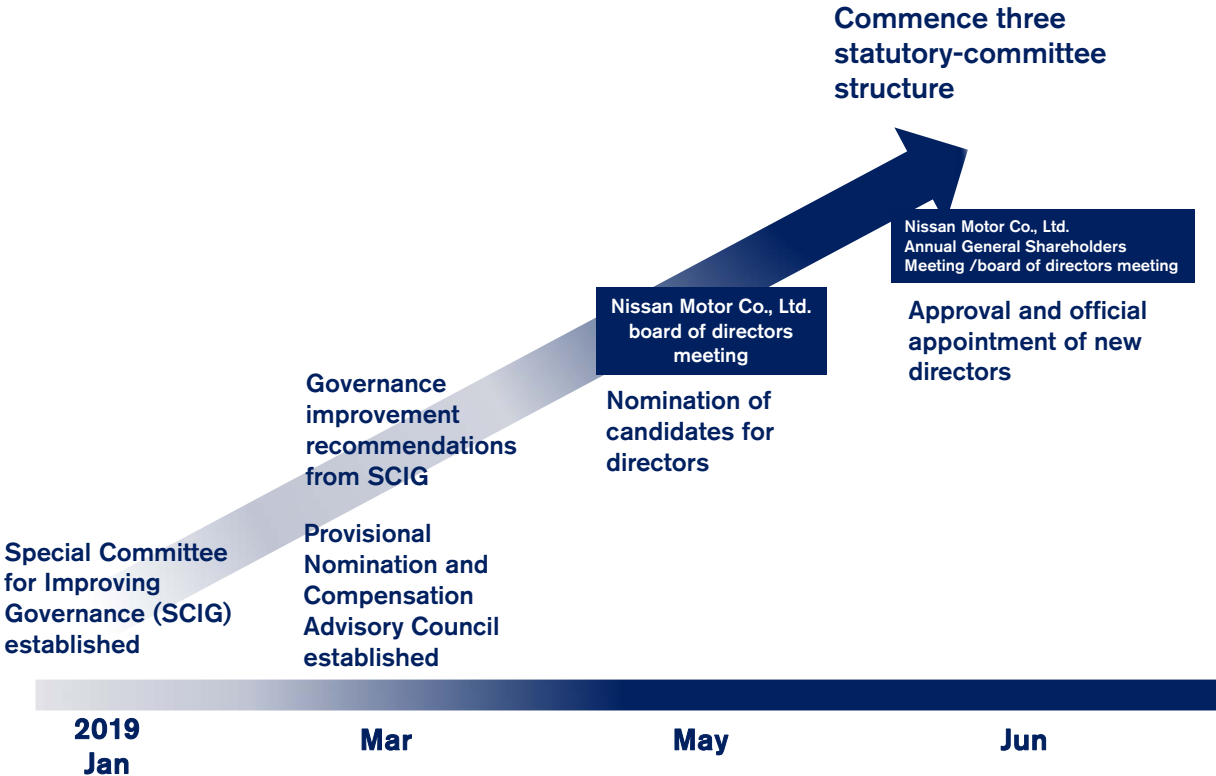
NEW NISSAN TRANSFORMATION

GOVERNANCE TRANSFORMATION

ORGANIZATION TRANSFORMATION

BUSINESS TRANSFORMATION

GOVERNANCE TRANSFORMATION FUNDAMENTAL CHANGES



ORGANIZATION TRANSFORMATION

REINFORCE BUSINESS OPERATIONS BY FAST AND EFFECTIVE DECISION MAKING



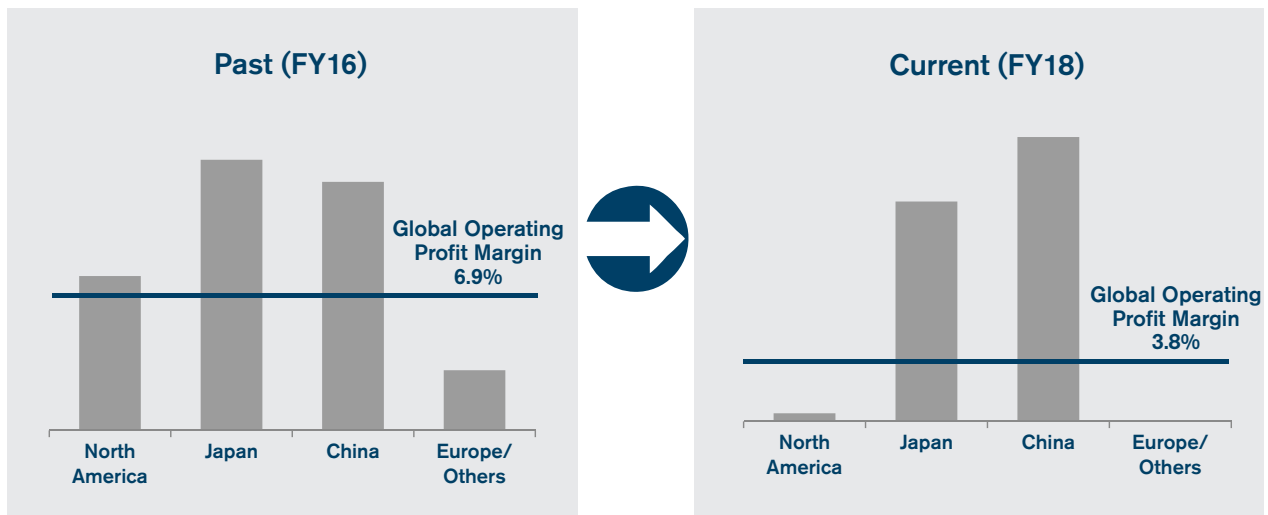
BUSINESS TRANSFORMATION

CURRENT ISSUES

DETERIORATION IN US PROFIT NEGATIVELY AFFECTING GLOBAL PROFIT

GLOBAL OPERATING PROFIT MARGIN BY MARKET

(MANAGEMENT PRO FORMA BASIS)



BUSINESS TRANSFORMATION

RECOVERY PLAN KEY PILLARS

1. US BUSINESS RECOVERY

2. OPERATIONAL AND INVESTMENT EFFICIENCY IMPROVEMENT

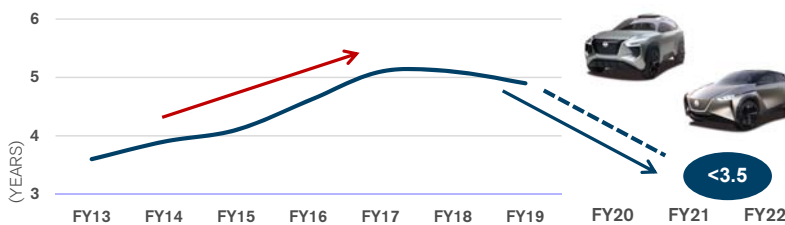
3. STEADY GROWTH THROUGH NEW PRODUCTS, ADVANCED TECHNOLOGY AND "NISSAN INTELLIGENT MOBILITY"

BUSINESS TRANSFORMATION

1. US BUSINESS RECOVERY

OaO*1 IMPROVEMENT THROUGH NEW PRODUCTS AND NISSAN INTELLIGENT MOBILITY

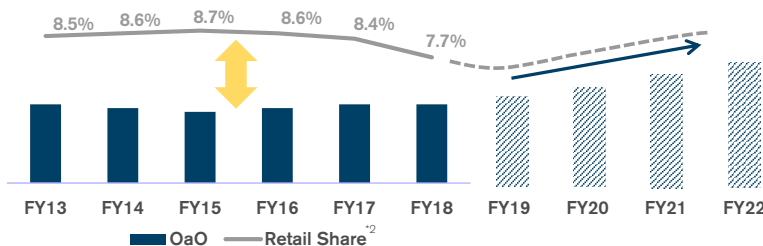
Product Portfolio Age



NISSAN INTELLIGENT MOBILITY

	MY18 ^{*3}	MY20	MY22
Safety Shield 360	0%	73%	>90%
ProPILOT Assist	4%	28%	~50%
Connected	18%	35%	>70%

OaO & Brand Improvement



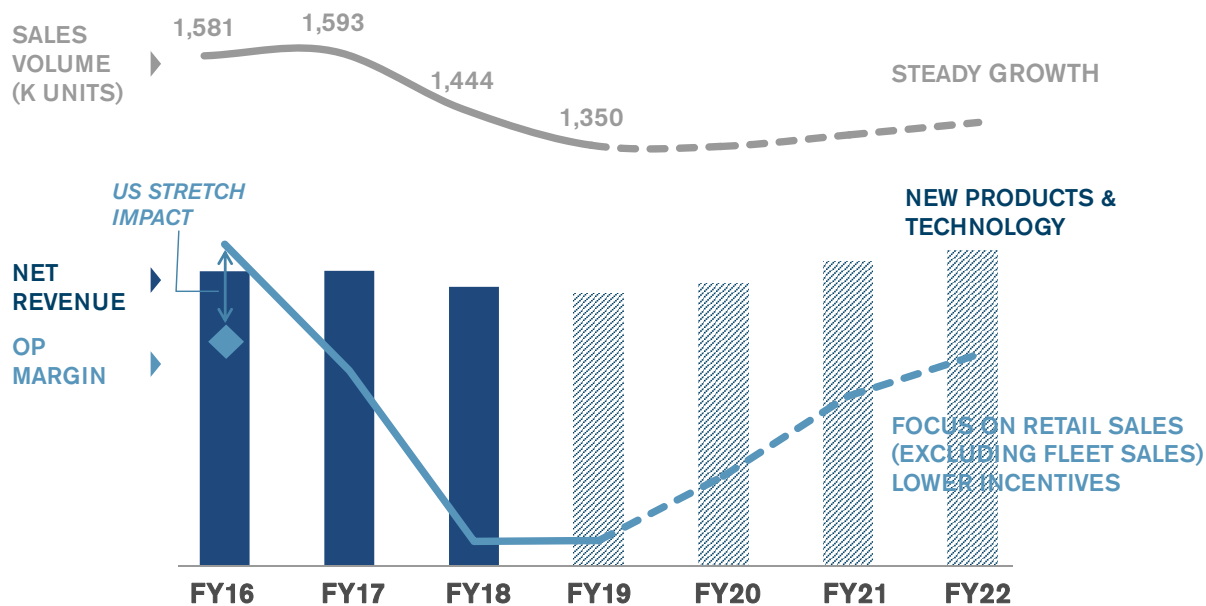
*1: Overall Opinion (perception of brands and models)

*2: Market share excluding fleet

*3: Model Year

BUSINESS TRANSFORMATION

1. US BUSINESS RECOVERY



BUSINESS TRANSFORMATION

2. OPERATIONAL AND INVESTMENT EFFICIENCY IMPROVEMENT

PAST INVESTMENTS: RESTRUCTURE

- IMPROVE MANUFACTURING EFFICIENCY BY 10%
- OPTIMIZE CAPACITY BY 10%

STARTED GLOBALLY

1ST WAVE IMPACT AND KEY PROJECTS

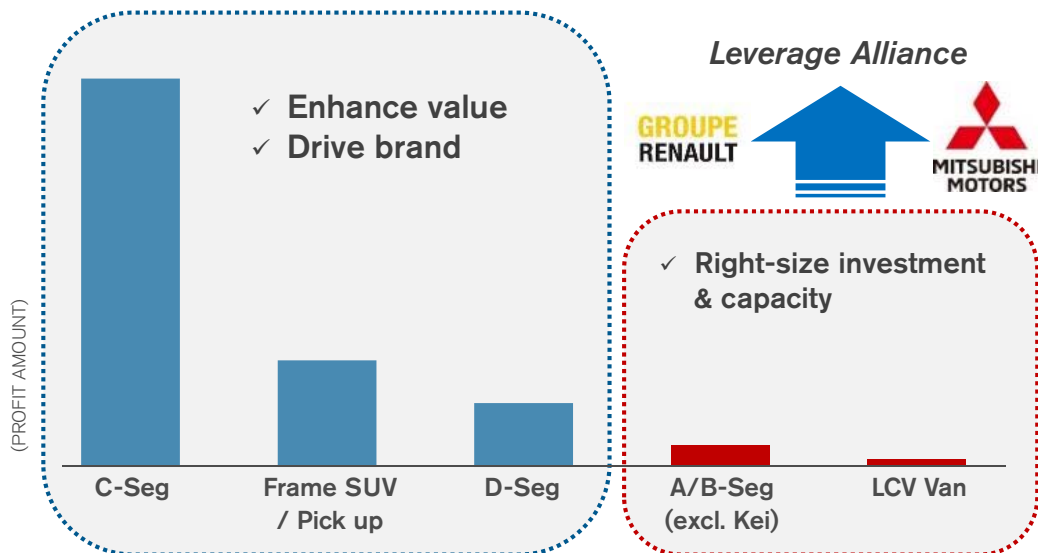
Number of Projects	Headcount	Initial Cost	Yearly Benefit
19	-4,800~	-47B JPY~	+30B JPY~
Regions	Announcement in fiscal year 2018		Status
	• Temporary production adjustment at Canton in January 2019		Implemented
	• Production optimization in Cuernavaca and Aguascalientes plants in January 2019		Implemented
	• Restructuring of European organization		On going
	• Production optimization of Zona Franca plant in Barcelona		On going
	• Withdrawal of Infiniti from Western Europe		On going
	• Termination of QX30/Q30 production in UK		On going
	• Cancelled plans to produce new X-Trail in UK		Decided

BUSINESS TRANSFORMATION

2. OPERATIONAL AND INVESTMENT EFFICIENCY IMPROVEMENT

FUTURE INVESTMENTS: STRATEGIC FOCUS

- IMPROVE LINE UP EFFICIENCY BY 10%



BUSINESS TRANSFORMATION

3. STEADY GROWTH THROUGH NEW PRODUCTS, ADVANCED TECHNOLOGY AND “NISSAN INTELLIGENT MOBILITY”

NISSAN INTELLIGENT MOBILITY

Product Enhancement

FY19

FY20

FY21

FY22

REFRESH **ALL** CORE MODELS

INTRODUCE **20+** NEW MODELS



XMotion



IMQ



IMx Kuro

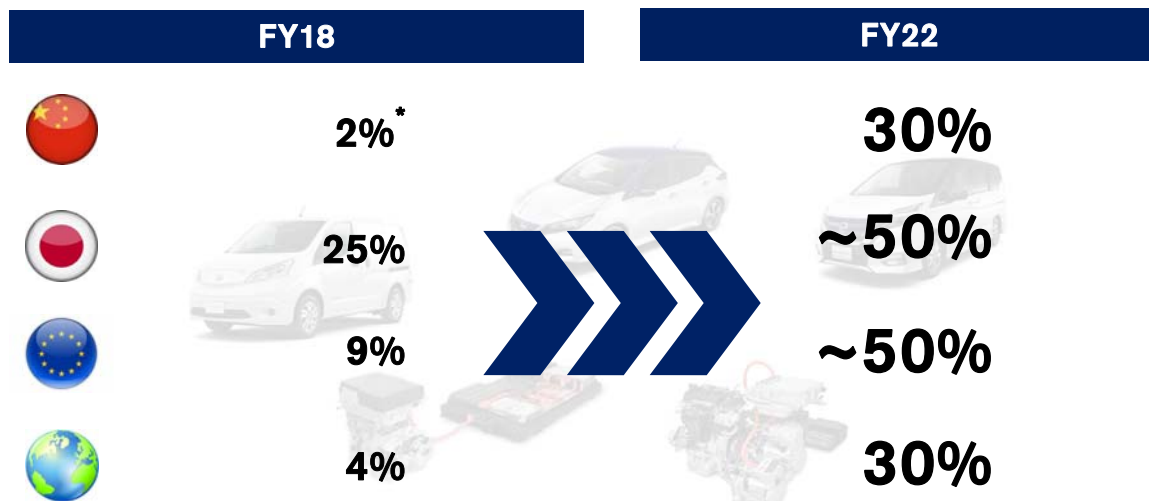
BUSINESS TRANSFORMATION

3. STEADY GROWTH THROUGH NEW PRODUCTS, ADVANCED TECHNOLOGY AND “NISSAN INTELLIGENT MOBILITY”

NISSAN  INTELLIGENT MOBILITY

Expansion of Electrification

EV and e-POWER sales



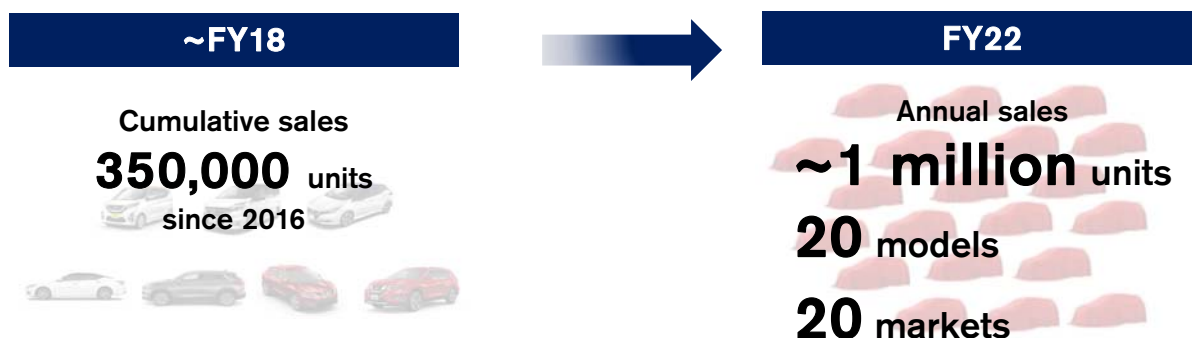
*Jan~Dec 2018

BUSINESS TRANSFORMATION

3. STEADY GROWTH THROUGH NEW PRODUCTS, ADVANCED TECHNOLOGY AND “NISSAN INTELLIGENT MOBILITY”

NISSAN  INTELLIGENT MOBILITY

Expansion of ProPILOT models



Evolution of ProPILOT

ProPILOT

Single-lane highway driver assistance system

ProPILOT 2.0

Multi-lane highway driver assistance system linked with navigation system

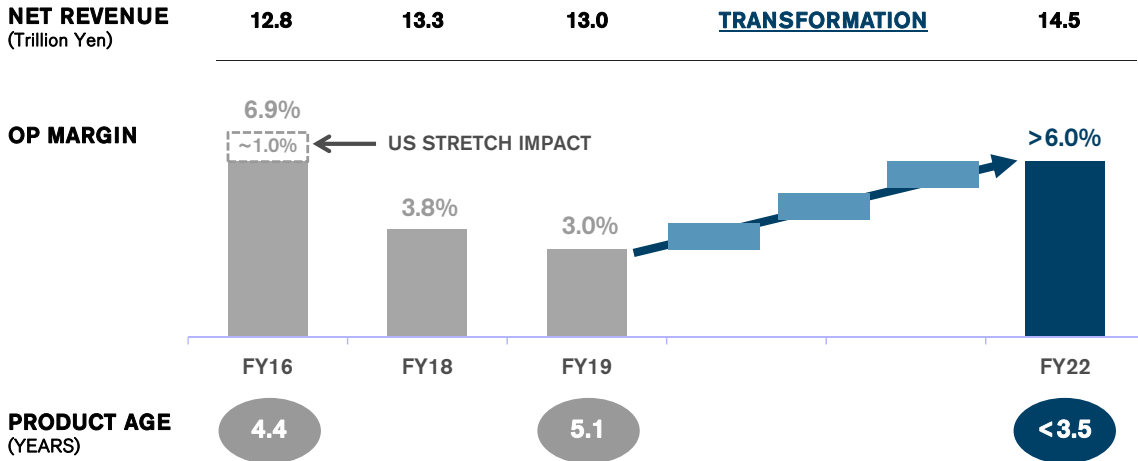
Driver assistance system designed for broader range of driving environments

BUSINESS TRANSFORMATION

TARGET 6% OP MARGIN BY END OF FY22

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

PRO FORMA BASIS



NISSAN's DNA



NISSAN CROSSING



NISSAN's DNA



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