

NISSAN MOTOR CORPORATION



# Fiscal Year 2014 Financial Results

Nissan Motor Co., Ltd  
May 13, 2015

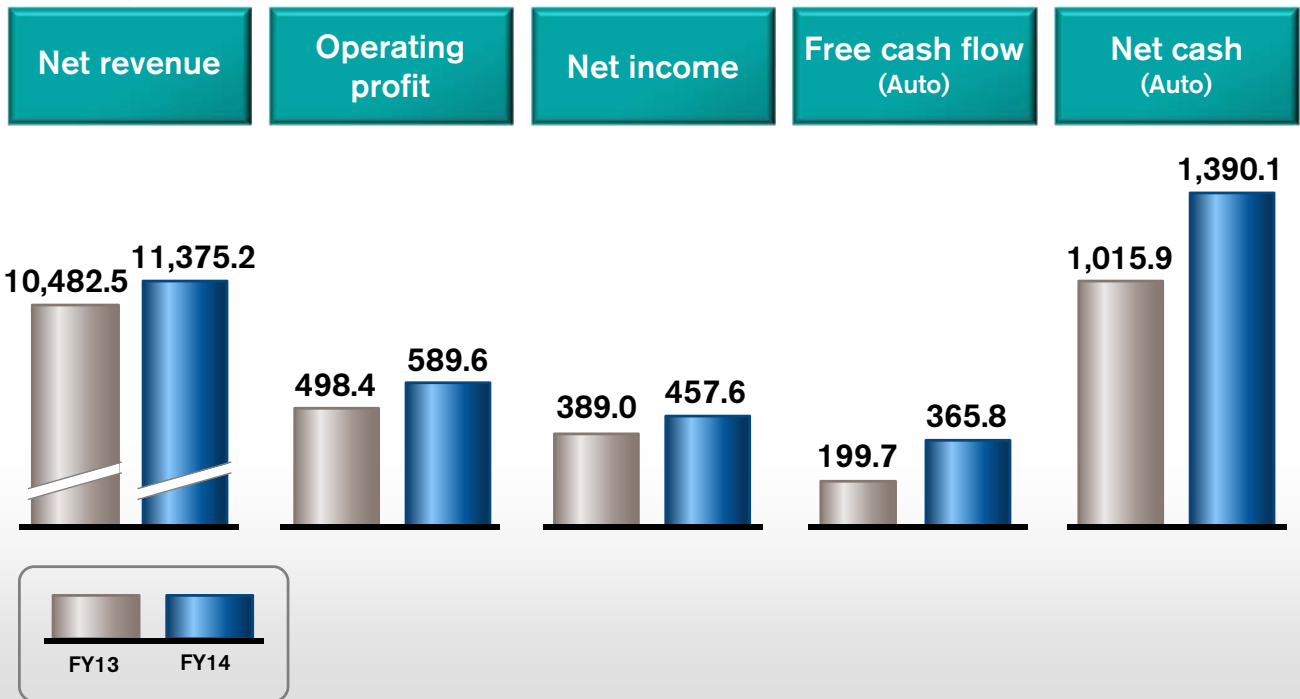
**FY14 results**

**Path to Nissan Power 88**

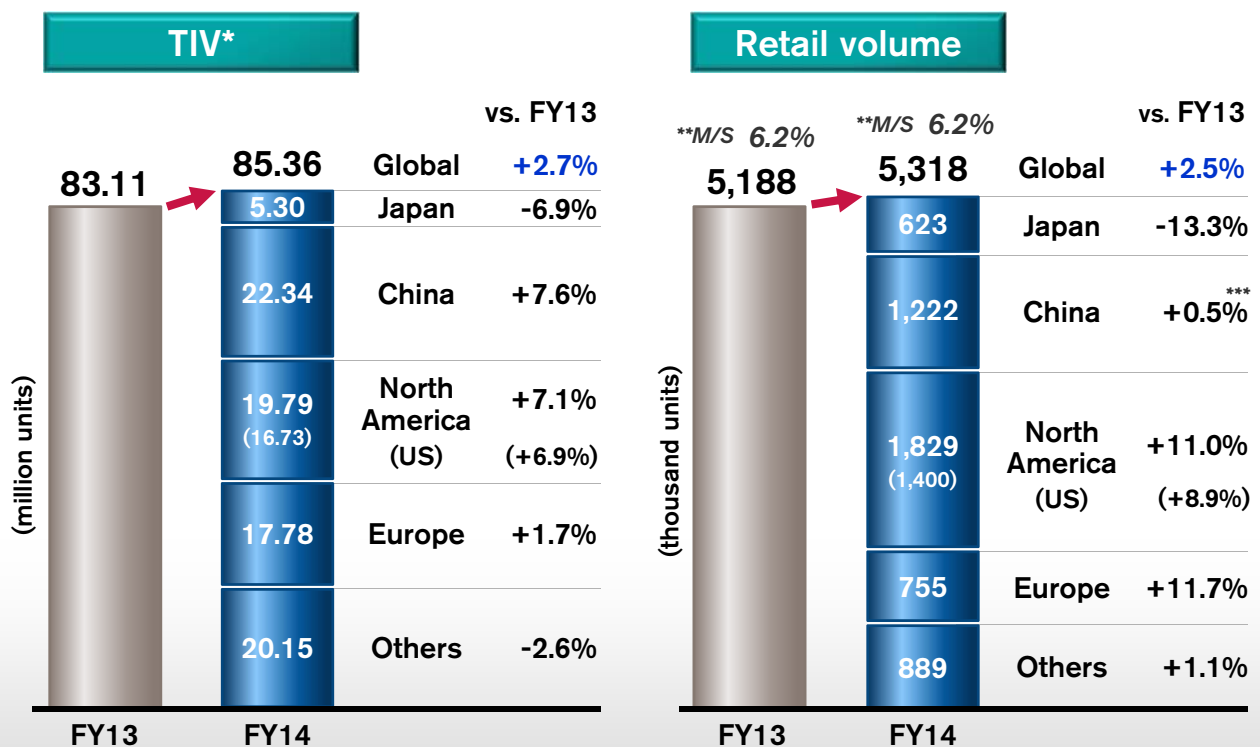
**FY15 outlook**

# Key performance indicators: financial results (TSE report basis - China JV Equity basis)

(billion yen)



## FY14 sales performance: Global

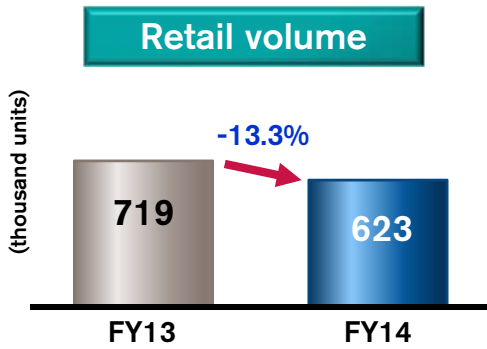


\*Nissan's estimation

\*\* Market Share

\*\*\* After adjustment of CV spin off

# FY14 sales performance: Japan



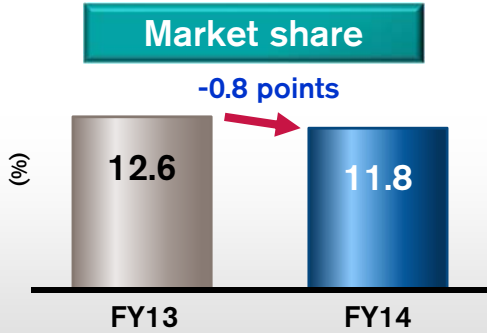
■ TIV: 5.30 million units, -6.9%

■ Sales: 623 k units, -13.3%

■ Market share: 11.8%, -0.8 points

■ New X-Trail: 45.6 k units

■ DAYZ / DAYZ ROOX: 167.5 k units

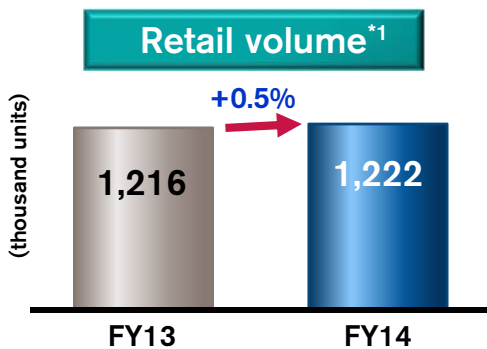


X-Trail

DAYZ ROOX



# FY14 sales performance: China (Jan. to Dec.)



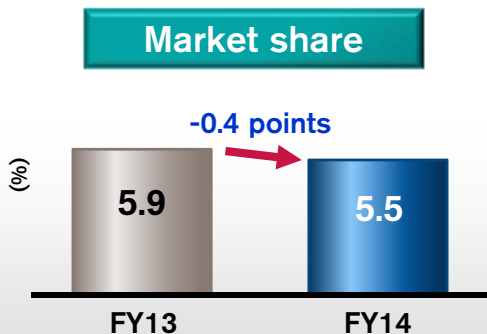
■ TIV<sup>\*2</sup>: 22.34 million units, +7.6%

■ Sales: 1,222 k units, +0.5%<sup>\*3</sup>

■ Market share: 5.5%, -0.4 points<sup>\*3</sup>

■ X-Trail: 114.5 k units

■ Sylphy series: 300.1 k units



X-Trail

Sylphy

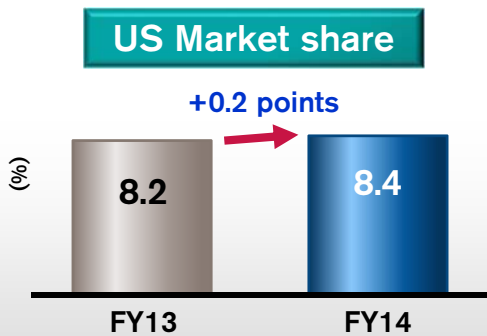
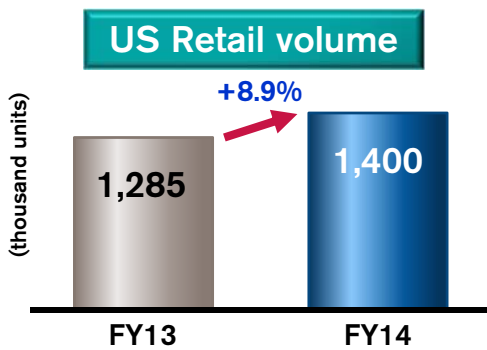


\* 1: Sales to dealers

\* 2: TIV for China : Passenger and LCV only

\* 3: After adjustment of CV spin off

# FY14 sales performance: North America



## ■ US

- TIV: 16.73 million units, +6.9%
- Sales: 1,400 k units, +8.9%
- Market share: 8.4%, +0.2 points

## ■ Canada

- Sales: 118 k units, +22.4%
- Market share: 6.3%, +0.8 points

## ■ Mexico

- Sales: 310 k units, +16.9%
- Market share: 26.1%, +1.2 points

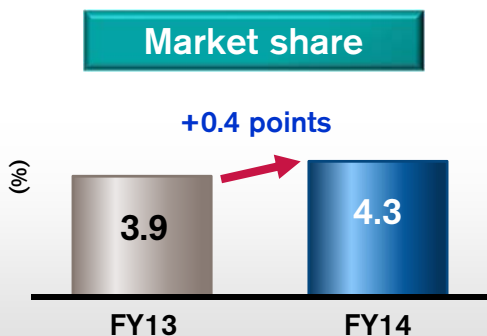
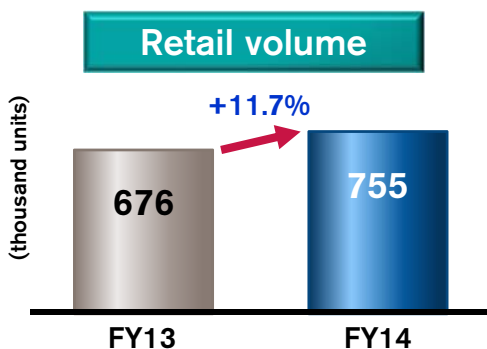
## Altima



## Rogue



# FY14 sales performance: Europe



■ TIV: 17.78 million units, +1.7%

■ Europe excl. Russia: 582 k units, +13.9%

■ Russia: 173 k units, +5.1%

■ Market share:

	FY13	FY14
Europe excl. Russia	3.5%	3.8%
Russia	5.9%	7.6%

## Qashqai



## Pulsar



# FY14 sales performance: Other markets

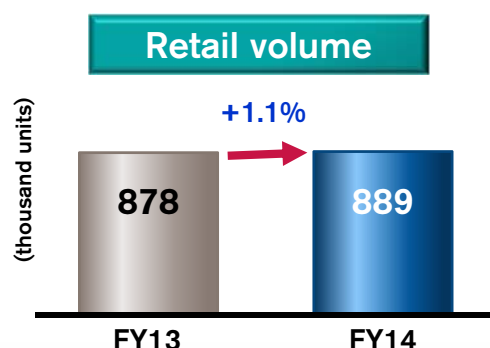
■ Estimated TIV: 20.15 million units, -2.6%

■ Sales: 889 k units, +1.1%

Asia & Oceania: 363 k units, +0.0%

Latin America: 184 k units, -1.2%

Middle East: 237 k units, +4.7%



NP300 Navara



Datsun GO+ Panca



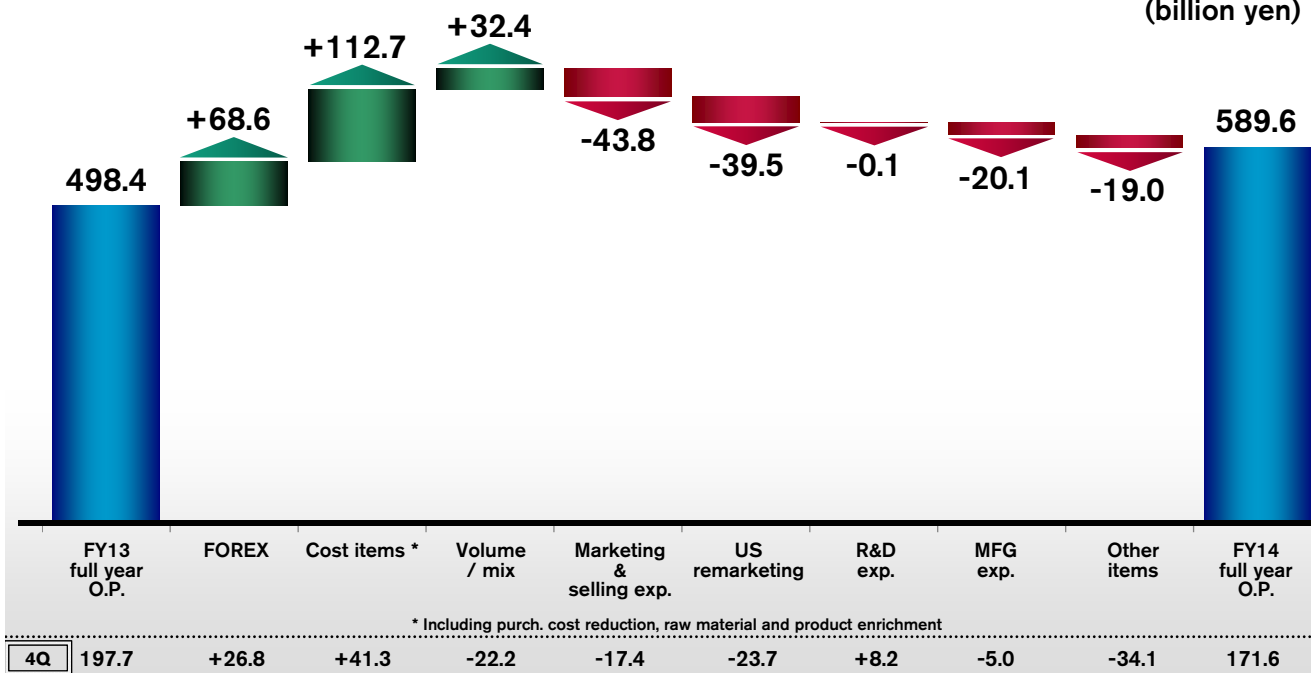
## FY14 financial performance (TSE report basis - China JV Equity basis)

(billion yen)	FY13	FY14	Variance	Change vs. FY13 (%)
<b>Net revenue</b>	10,482.5	11,375.2	+892.7	+8.5%
<b>Operating profit</b>	498.4	589.6	+91.2	+18.3%
<i>OP margin</i>	4.8%	5.2%		
<i>Non-operating</i>	28.8	104.6		
<b>Ordinary profit</b>	527.2	694.2	+167.0	+31.7%
<i>Extraordinary</i>	2.2	-6.8		
<b>Profit before tax</b>	529.4	687.4	+158.0	+29.9%
<i>Taxes</i>	-115.1	-197.3		
<i>Effective tax rate</i>	21.7%	28.7%		
<i>Minority interest</i>	-25.3	-32.5		
<b>Net income</b>	389.0	457.6	+68.6	+17.6%
<i>FX rate</i>	100.2 JPY/USD 134.2 JPY/EUR	109.8 JPY/USD 138.7 JPY/EUR	+9.6 JPY/USD +4.5 JPY/EUR	

# FY14 financial performance (TSE report basis - China JV Equity basis)

## Operating profit variance analysis

(billion yen)



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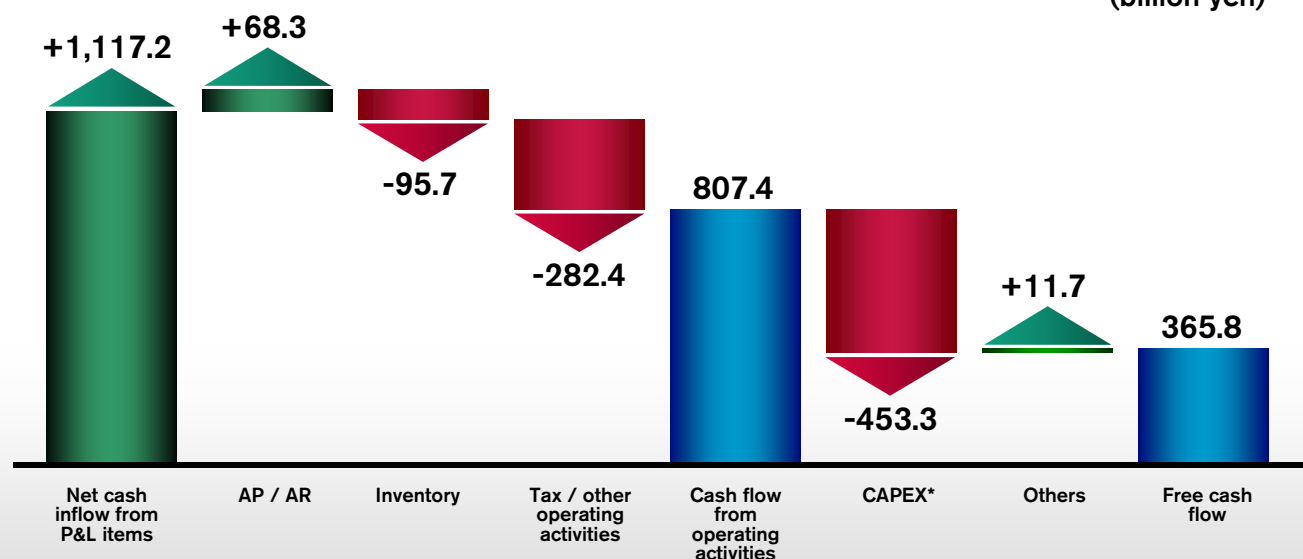
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# FY14 financial performance (TSE report basis - China JV Equity basis)

## Free cash flow (Auto business)

(billion yen)



\* CAPEX does not include finance lease-related investments

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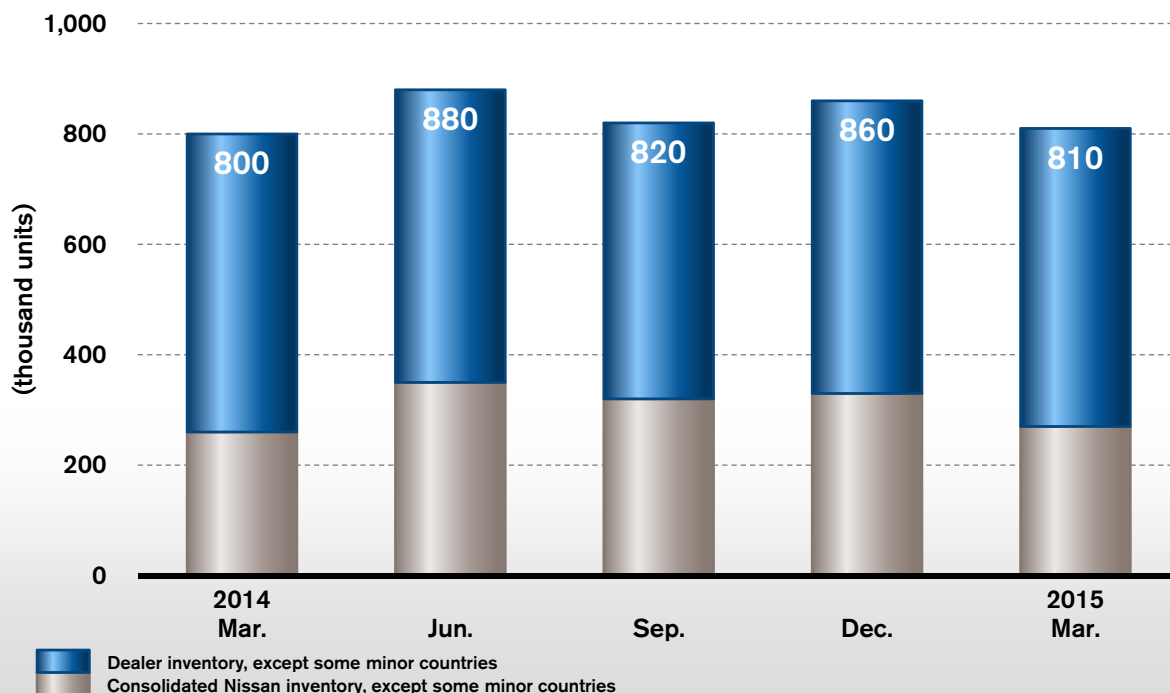
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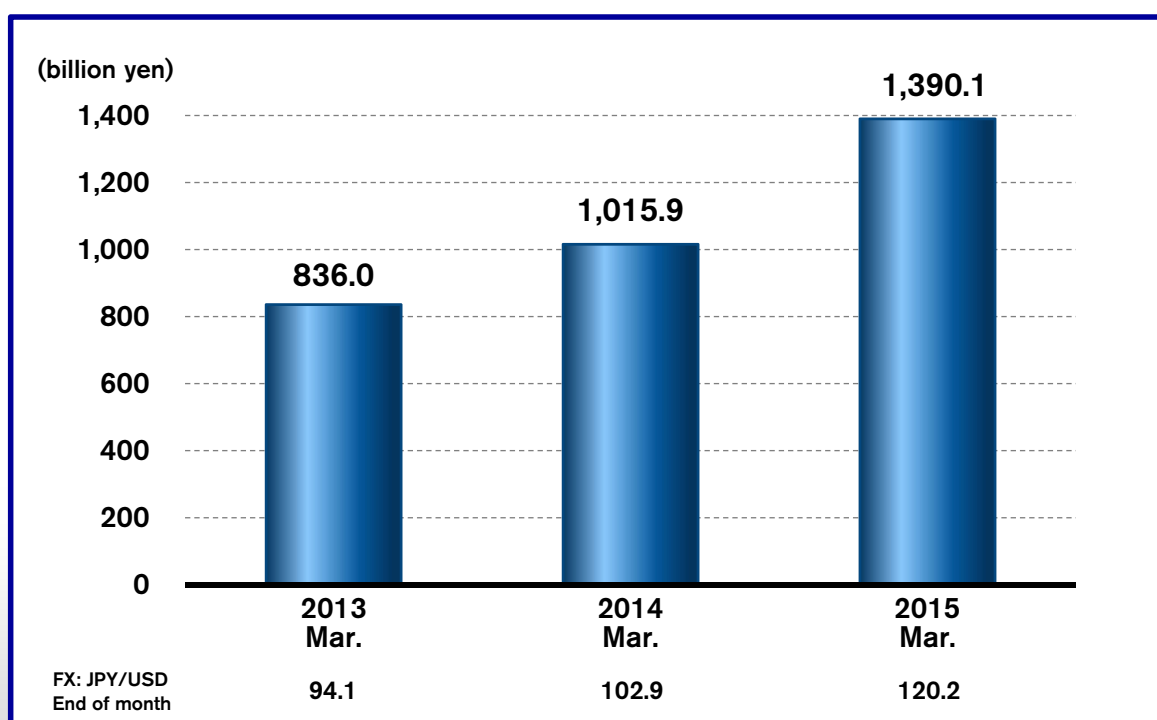
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# Inventory management (excluding China JV)

## Inventory status

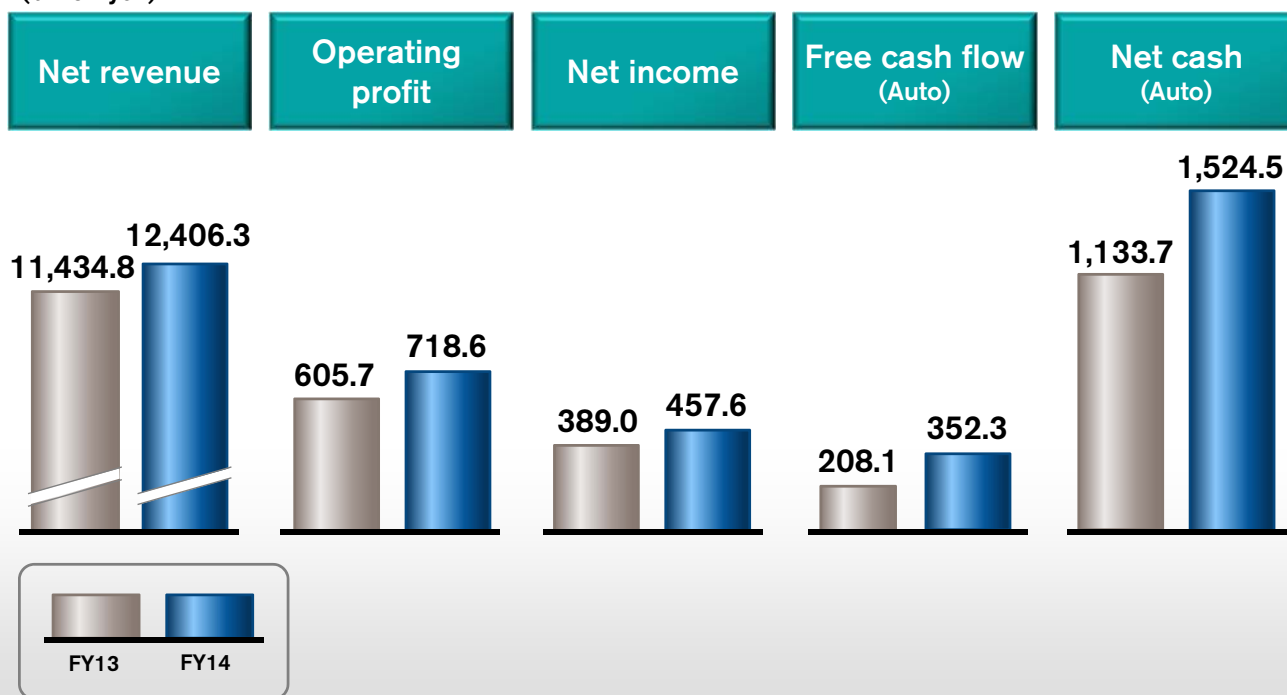


# Net Cash (Auto business) (TSE report basis - China JV Equity basis)



# Key performance indicators: financial results (management pro forma basis\*)

(billion yen)



\* Based on continuation of proportionate consolidation of China JV

## FY14 financial performance (management pro forma basis\*)

(billion yen)

	FY13	FY14	Variance	Change vs. FY13 (%)
Net revenue	11,434.8	12,406.3	+971.5	+8.5%
Operating profit	605.7	718.6	+112.9	+18.6%
<i>OP margin</i>	5.3%	5.8%	+0.5%	
Net income	389.0	457.6	+68.6	+17.6%
<i>FX rate</i>	100.2 JPY/USD 134.2 JPY/EUR	109.8 JPY/USD 138.7 JPY/EUR	+9.6 JPY/USD +4.5 JPY/EUR	

\* Based on continuation of proportionate consolidation of China JV



# FY14 results

## Path to Nissan Power 88

# FY15 outlook

# Path to Nissan Power 88

## Products offensive continues: Nissan



Qashqai



X-Trail



Rogue



Murano



NP300 Navara



Maxima



Lannia



Titan

# Path to Nissan Power 88

## Products offensive continues: Infiniti



Q50L



Q30 concept



Q60 concept



QX30 concept

# Path to Nissan Power 88

## Products offensive continues: Datsun



GO+



GO



on-DO



mi-DO

# Path to Nissan Power 88

## Technology innovation continues

### Autonomous drive roadmap

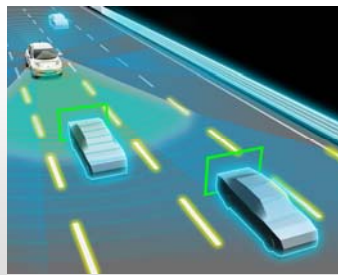
2016

- ✓ Traffic Jam
- ✓ Single Lane



2018

- ✓ Highway
- ✓ Multi Lane



2020

- ✓ City
- ✓ Intersection




# Path to Nissan Power 88

## Technology innovation continues

### Zero-emission leadership

#### EV sales

- Cumulative global sales of Nissan LEAF reached 172 k units




- EV sales volume

Fiscal Year	EV sales volume (thousand units)
FY11	23
FY12	30
FY13	52
FY14	66

#### Infrastructure

- "No Charge to Charge" in US



- Increasing quick chargers in Japan

Time Period	Number of quick chargers
FY14 July	About 2,300
Mid-FY15	About 6,000

# Path to Nissan Power 88

## Brand and sales power

### Marketing effectiveness

- UEFA champions league partnership



- Super Bowl XLIX



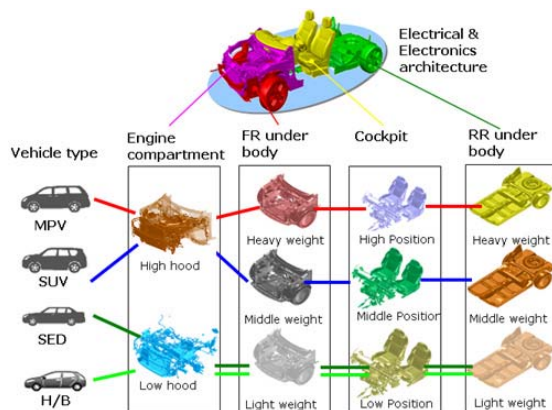
### Brand value improvement



# Path to Nissan Power 88

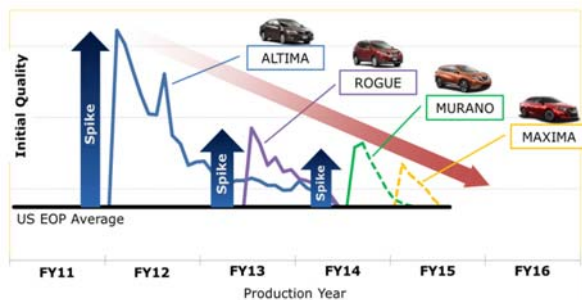
## Improve competitiveness and quality

### Common Module Family



### Quality enhancement

- New model "Smooth Launch" have made by new quality Monozukuri process





# Path to Nissan Power 88

## Alliance

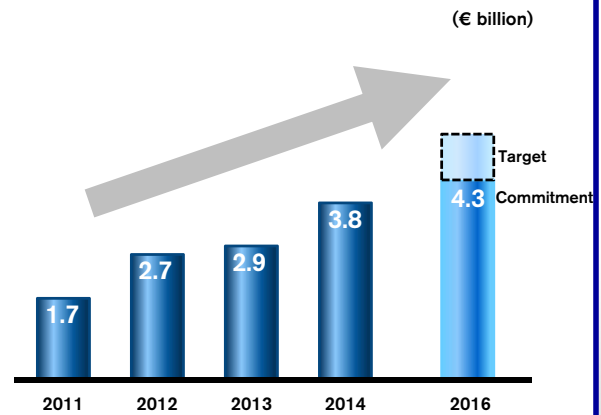


### ■ Converged 4 key functions

- Engineering
- Manufacturing & SCM
- Purchasing
- Human Resources



### ■ Alliance synergy

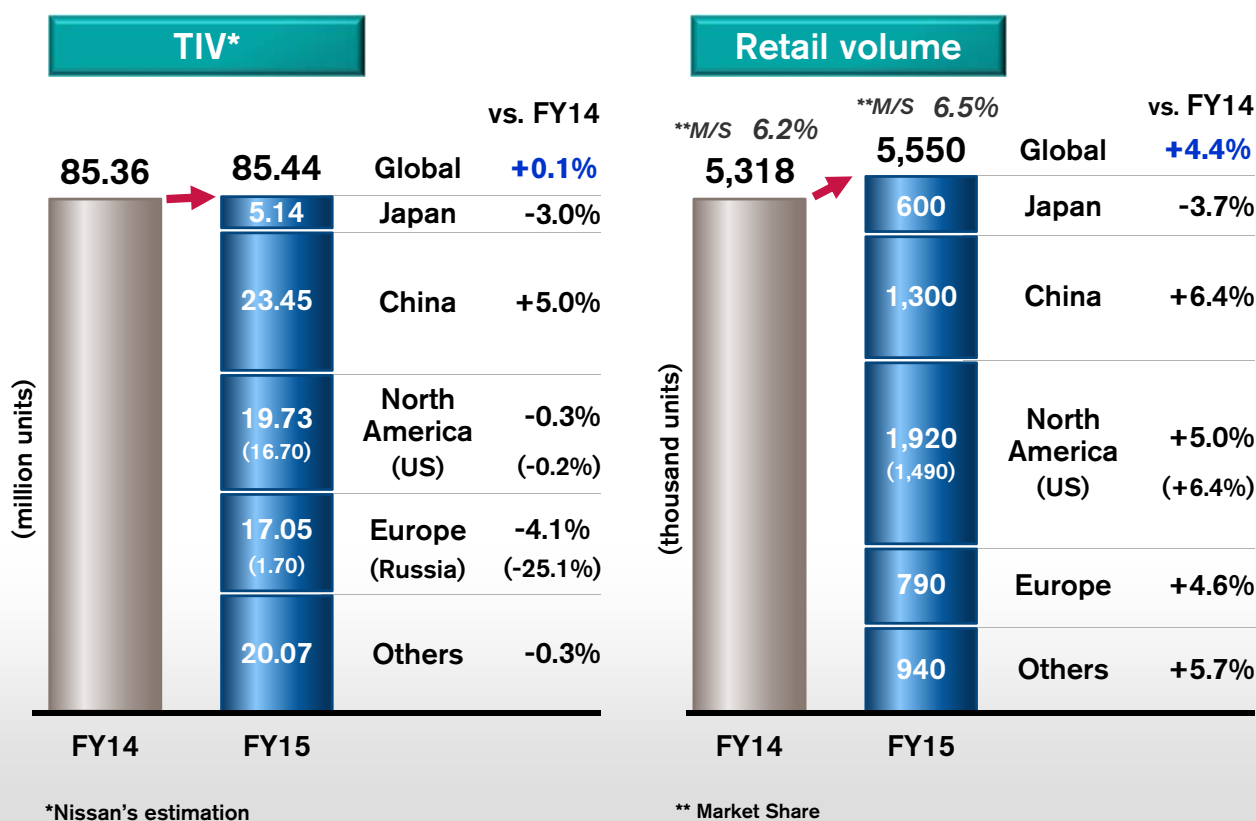


## FY14 results

## Path to Nissan Power 88

## FY15 outlook

# FY15 sales outlook



## FY15 outlook (TSE report basis - China JV Equity basis)

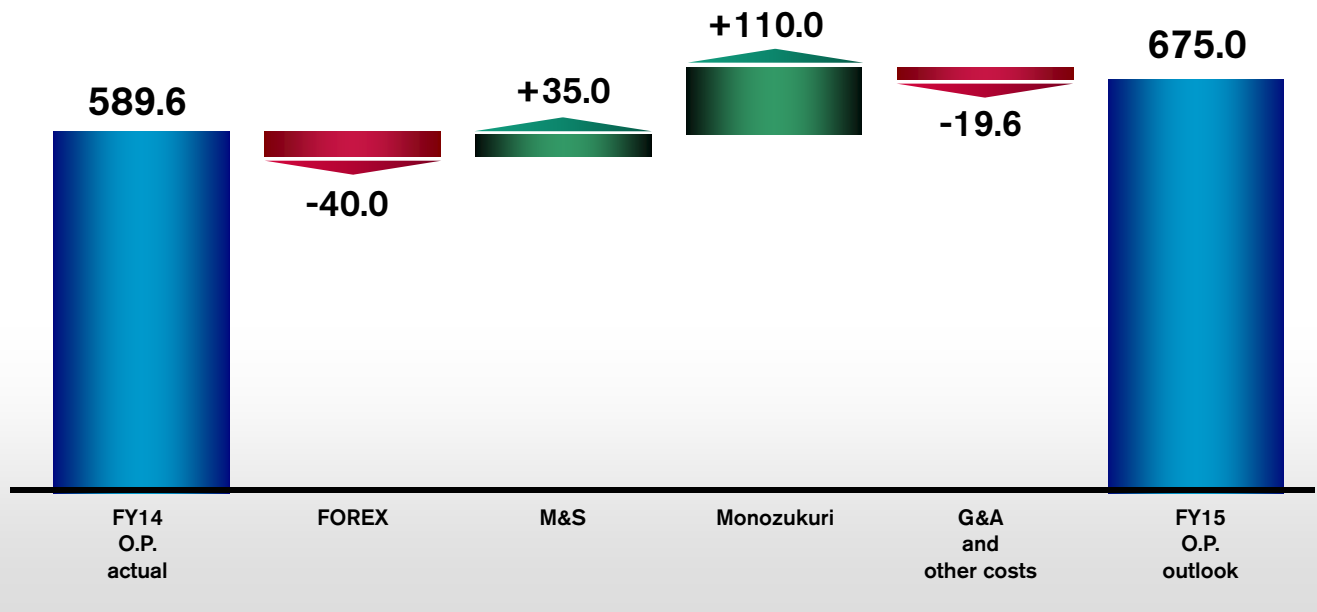
(billion yen)	FY14 actual	FY15 outlook	Variance	Change vs. FY14 (%)
<b>Net revenue</b>	11,375.2	12,100.0	+724.8	+6.4%
<b>Operating profit</b>	589.6	675.0	+85.4	+14.5%
<i>OP margin</i>	5.2%	5.6%	+0.4%	
<b>Ordinary profit</b>	694.2	765.0	+70.8	+10.2%
<b>Net income *</b>	457.6	485.0	+27.4	+6.0%
<i>Net income ratio *</i>	4.0%	4.0%	0.0%	
<b>CAPEX</b>	463.1	550.0	+86.9	+18.8%
<i>Sales ratio</i>	4.1%	4.5%	+0.4%	
<b>R&amp;D</b>	506.1	530.0	+23.9	+4.7%
<i>Sales ratio</i>	4.4%	4.4%	0.0%	
<b>FX rate assumptions</b>	(JPY/USD) 109.8	115.0	+5.2	
	(JPY/EUR) 138.7	130.0	-8.7	

\* Net income attributable to owners of parent

## FY15 outlook (TSE report basis - China JV Equity basis)

### Operating profit variance analysis

(billion yen)



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## FY15 outlook (management pro forma basis\*)

(billion yen)	FY14 actual	FY15 outlook	Variance	Change vs. FY14 (%)
Net revenue	12,406.3	13,270.0	+863.7	+7.0%
Operating profit	718.6	835.0	+116.4	+16.2%
<i>OP margin</i>	5.8%	6.3%	+0.5%	
Net income **	457.6	485.0	+27.4	+6.0%
<i>Net income ratio **</i>	3.7%	3.7%	0.0%	

\* Based on continuation of proportional consolidation of China JV

\*\* Net income attributable to owners of parent

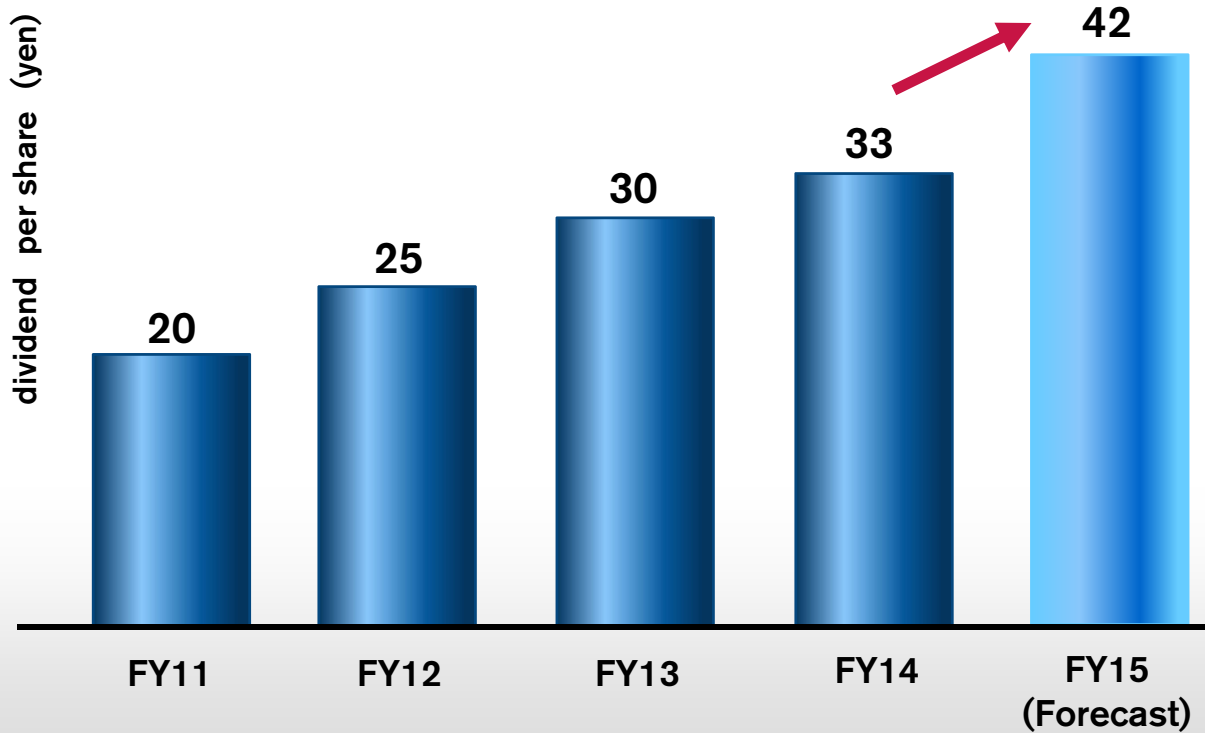
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# FY15 shareholder return outlook

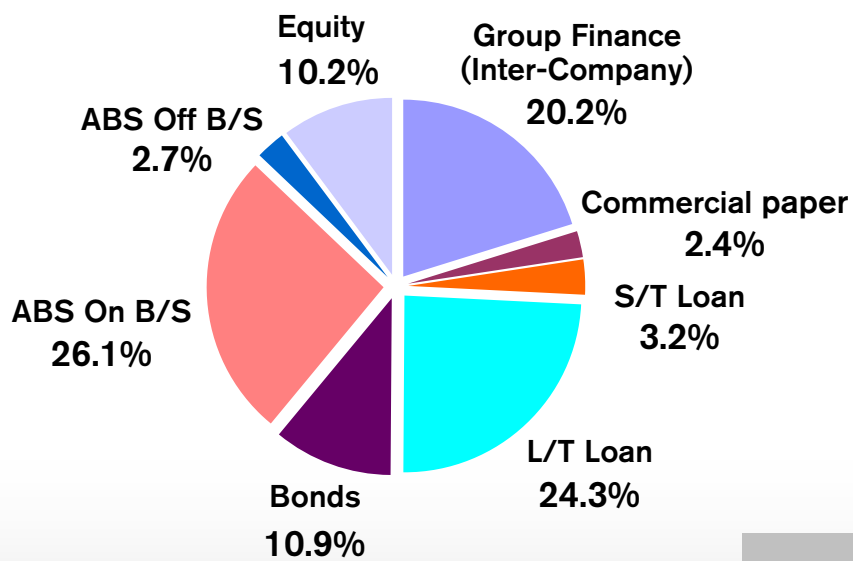




# Appendix

## Sales financing : funding sources

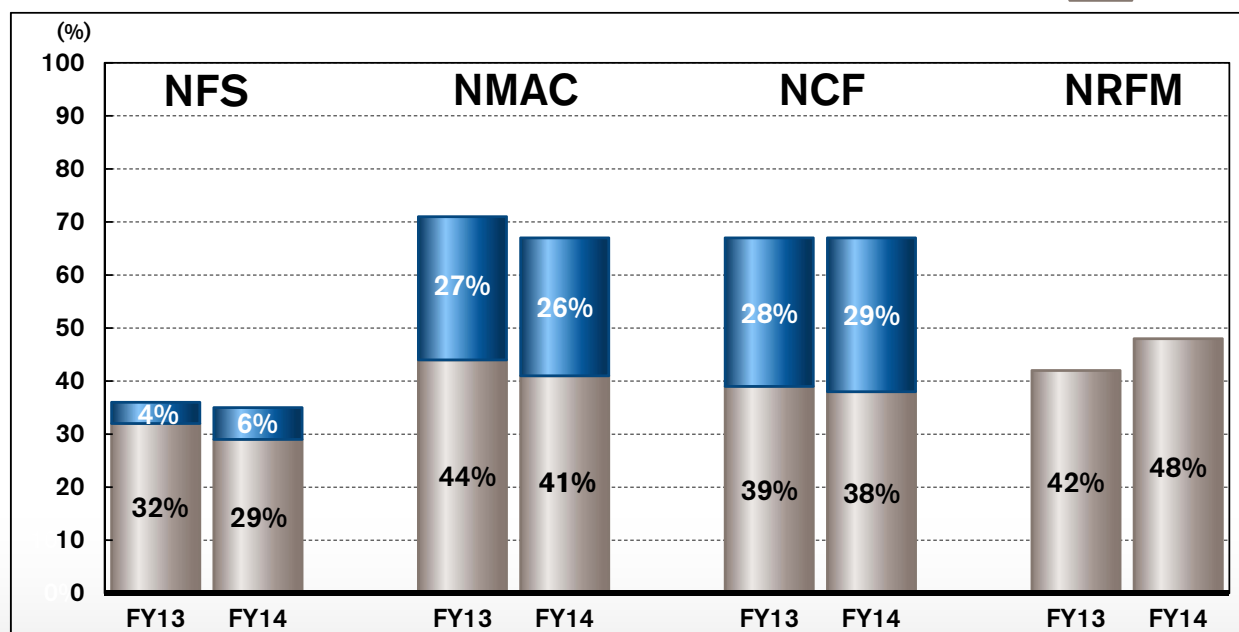
(As of March 2015)



**Total funding amount**  
**8,392 billion yen**

## Sales financing : penetration

Lease  
Retail



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

## Sales financing : net credit loss ratio

	FY13	FY14	Variance
NFS	Lease: 0.03%	Lease: 0.04%	Lease: +0.01%
	Retail: 0.13%	Retail: 0.11%	Retail: -0.02%
NMAC	Lease: 0.23%	Lease: 0.26%	Lease: +0.03%
	Retail: 0.78%	Retail: 0.81%	Retail: +0.03%
NCF	Lease: 0.13%	Lease: 0.17%	Lease: +0.04%
	Retail: 0.24%	Retail: 0.41%	Retail: +0.17%

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)

	FY13	FY14	Variance
<b>NFS</b>	Asset: 1,155.2 OP: 22.6	Asset: 1,063.8 OP: 24.2	Asset: -91.4 OP: +1.6
<b>NMAC</b>	Asset: 49,816 OP: 931	Asset: 54,682 OP: 977	Asset: +4,866 OP: +46
<b>NCF</b>	Asset: 4,174 OP: 112	Asset: 4,737 OP: 112	Asset: +563 OP: 0
<b>NRFM</b>	Asset: 54,333 OP: 2,341	Asset: 71,021 OP: 2,483	Asset: +16,688 OP: +142

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

## FY14 financial performance

(TSE report basis - China JV Equity basis)

### Operating profit variance analysis

(billion yen)

#### 1. Foreign exchange impact **+68.6**

USD	+118.7	(100.2 ⇒ 109.8)	INR	-9.9	(1.68 ⇒ 1.81)
RUB	-34.7	(3.04 ⇒ 2.54)	EUR*	+3.4	
THB	-11.7	(3.19 ⇒ 3.38)	Others	+2.8	

\* including other European currencies (excluding RUB)

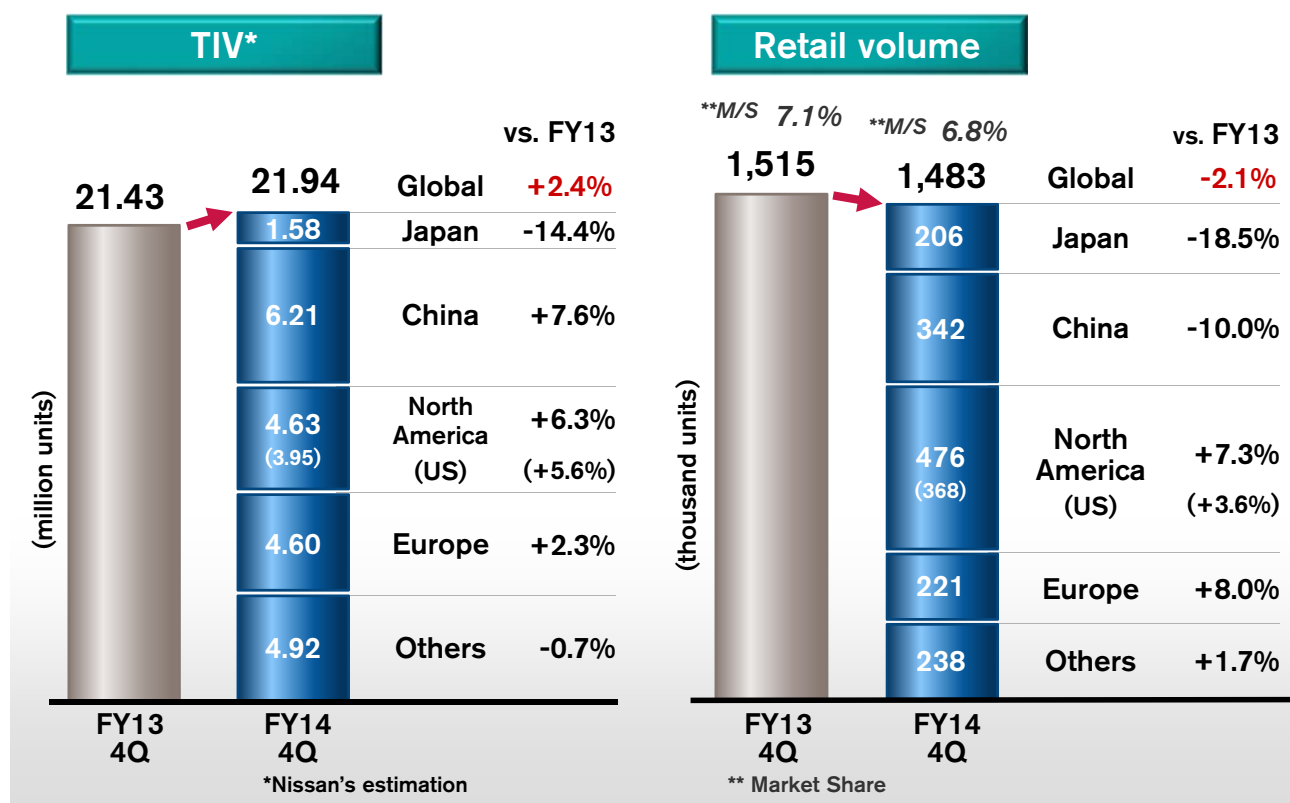
#### 2. Volume / mix **+32.4**

Japan	-24.5	US	+10.4	EUR	+5.6	MEX&CAN	+19.9	
	⌈ Vol: -30.0 Mix: +5.5 ⌋		⌈ Vol: +75.2 Mix: -64.8 ⌋		⌈ Vol: +43.7 Mix: -38.1 ⌋		Others	+21.0

#### 3. Selling expenses **-43.8**

Japan	+0.7	US&CAN	-12.5	EUR	-3.8	Others	-28.2
	⌈ Incentives: -2.5 Others: +3.2 ⌋		⌈ Incentives: -8.1 Others: -4.4 ⌋		⌈ Incentives: +12.5 Others: -16.3 ⌋		⌈ Incentives: -14.0 Others: -14.2 ⌋

## FY14 4th quarter sales performance (3 months): Global



## FY14 4th quarter financial performance (3 months) (TSE report basis - China JV Equity basis)

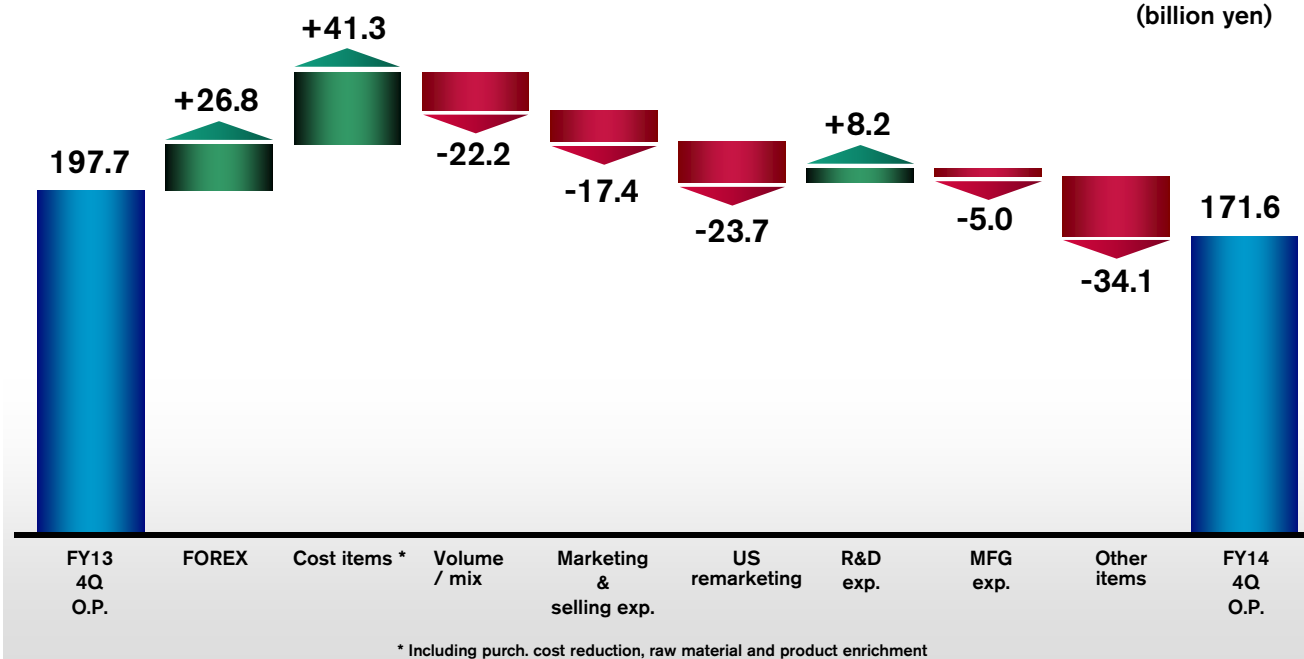
(billion yen)	FY13 4Q	FY14 4Q	Variance	Change vs. FY13 (%)
<b>Net revenue</b>	<b>3,203.9</b>	<b>3,286.7</b>	<b>+82.8</b>	<b>+2.6%</b>
<b>Operating profit</b>	<b>197.7</b>	<b>171.6</b>	<b>-26.1</b>	<b>-13.2%</b>
<i>OP margin</i>	6.2%	5.2%		
<i>Non-operating</i>	2.7	26.3		
<b>Ordinary profit</b>	<b>200.4</b>	<b>197.9</b>	<b>-2.5</b>	<b>-1.3%</b>
<i>Extraordinary</i>	-7.7	-0.9		
<b>Profit before tax</b>	<b>192.7</b>	<b>197.0</b>	<b>+4.3</b>	<b>+2.2%</b>
<i>Taxes</i>	-72.0	-65.0		
<i>Effective tax rate</i>	37.4%	33.0%		
<i>Minority interest</i>	-5.8	-13.2		
<b>Net income</b>	<b>114.9</b>	<b>118.8</b>	<b>+3.9</b>	<b>+3.3%</b>
<i>FX rate</i>	102.8 JPY/USD 140.8 JPY/EUR	119.2 JPY/USD 134.0 JPY/EUR	+16.4 JPY/USD -6.8 JPY/EUR	

# FY14 4th quarter financial performance (3 months)

(TSE report basis - China JV Equity basis)

## Operating profit variance analysis

(billion yen)



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# FY14 4th quarter financial performance (3 months)

(TSE report basis - China JV Equity basis)

## Operating profit variance analysis

(billion yen)

### 1. Foreign exchange impact +26.8

USD	+50.0	(102.8 ⇒ 119.2)	THB	-7.5	(3.15 ⇒ 3.65)
RUB	-10.1	(2.93 ⇒ 1.90)	EUR*	+3.0	
MXN	-9.1	(7.76 ⇒ 7.97)	Others	+0.5	

\* including other European currencies (excluding RUB)

### 2. Volume / mix -22.2

Japan	-17.6	US	+7.3	EUR	-12.3	MEX&CAN	+7.3
Vol:	-10.6	Vol:	+9.7	Vol:	-4.1	Others	-6.9
Mix:	-7.0	Mix:	-2.4	Mix:	-8.2		

### 3. Selling expenses -17.4

Japan	-1.8	US&CAN	-10.3	EUR	-3.6	Others	-1.7
Incentives:	-5.9	Incentives:	-2.9	Incentives:	+3.0	Incentives:	+1.7
Others:	+4.1	Others:	-7.4	Others:	-6.6	Others:	-3.4

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## FY14 financial performance

(TSE report basis - China JV Equity basis)

### Detail of non-operating income/expenses

(billion yen)

	FY13	FY14	Variance
▪ Interest income / expenses	-11.6	-3.9	+7.7
▪ FX gains / losses	-13.1	66.2	+79.3
▪ Derivative gains / losses	-18.2	-58.4	-40.2
▪ Profit/Loss under equity methods	78.8	106.5	+27.7
▪ Amortization of net retirement benefit	-9.1	-9.1	0.0
▪ Dividends income	6.0	6.4	+0.4
▪ Others	-4.0	-3.1	+0.9

## FY14 financial performance

(TSE report basis - China JV Equity basis)

### Detail of extraordinary gains/losses

(billion yen)

	FY13	FY14	Variance
▪ Sale/disposal of fixed assets	-4.0	-0.4	+3.6
▪ Gain on contribution of securities to retirement benefit trust	12.2	17.7	+5.5
▪ Impairment loss on fixed assets	-2.1	-16.1	-14.0
▪ Others	-3.9	-8.0	-4.1

## FY14 4th quarter financial performance (3 months) (TSE report basis - China JV Equity basis)

### Detail of non-operating income/expenses

(billion yen)

	FY13 4Q	FY14 4Q	Variance
▪ Interest income / expenses	-1.7	0.7	+2.4
▪ FX gains / losses	-19.3	-13.3	+6.0
▪ Derivative gains / losses	6.6	19.0	+12.4
▪ Profit/Loss under equity methods	24.7	30.6	+5.9
▪ Amortization of net retirement benefit	-2.3	-2.2	+0.1
▪ Dividends income	0.1	0.6	+0.5
▪ Others	-5.4	-9.1	-3.7

## FY14 4th quarter financial performance (3 months) (TSE report basis - China JV Equity basis)

### Detail of extraordinary gains/losses

(billion yen)

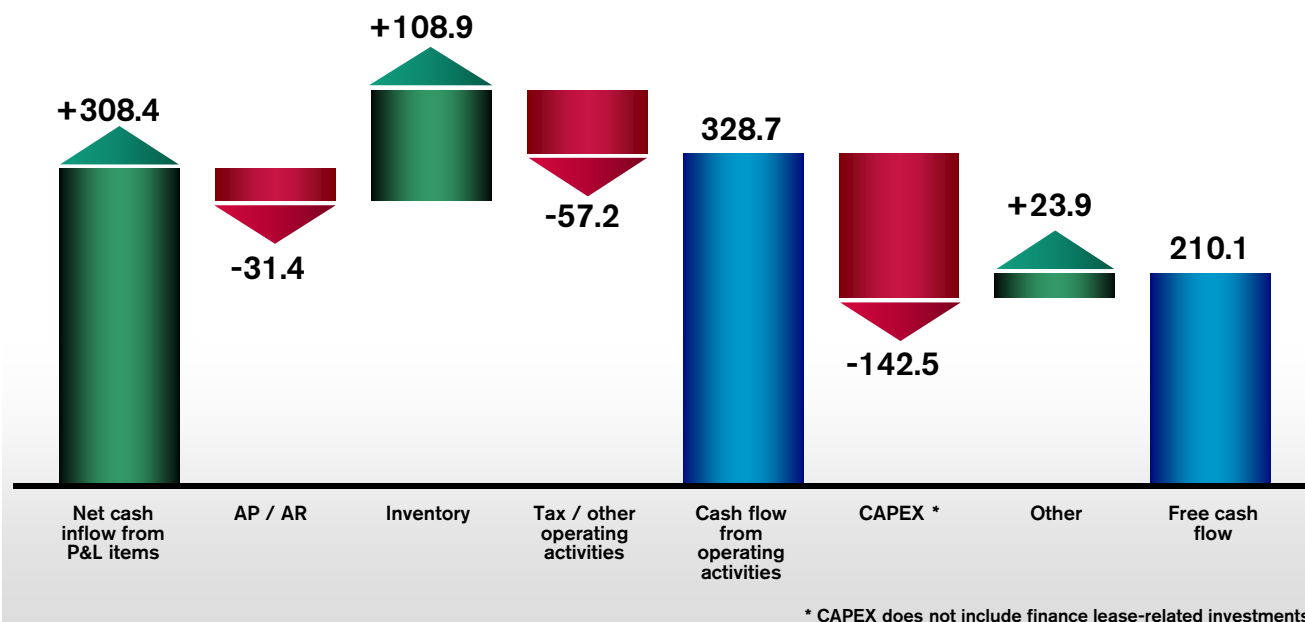
	FY13 4Q	FY14 4Q	Variance
▪ Sale/disposal of fixed assets	-2.2	2.7	+4.9
▪ Gain on contribution of securities to retirement benefit trust	0.0	17.7	+17.7
▪ Impairment loss on fixed assets	-1.2	-14.5	-13.3
▪ Others	-4.3	-6.8	-2.5

# FY14 4th quarter financial performance (3 months)

(TSE report basis - China JV Equity basis)

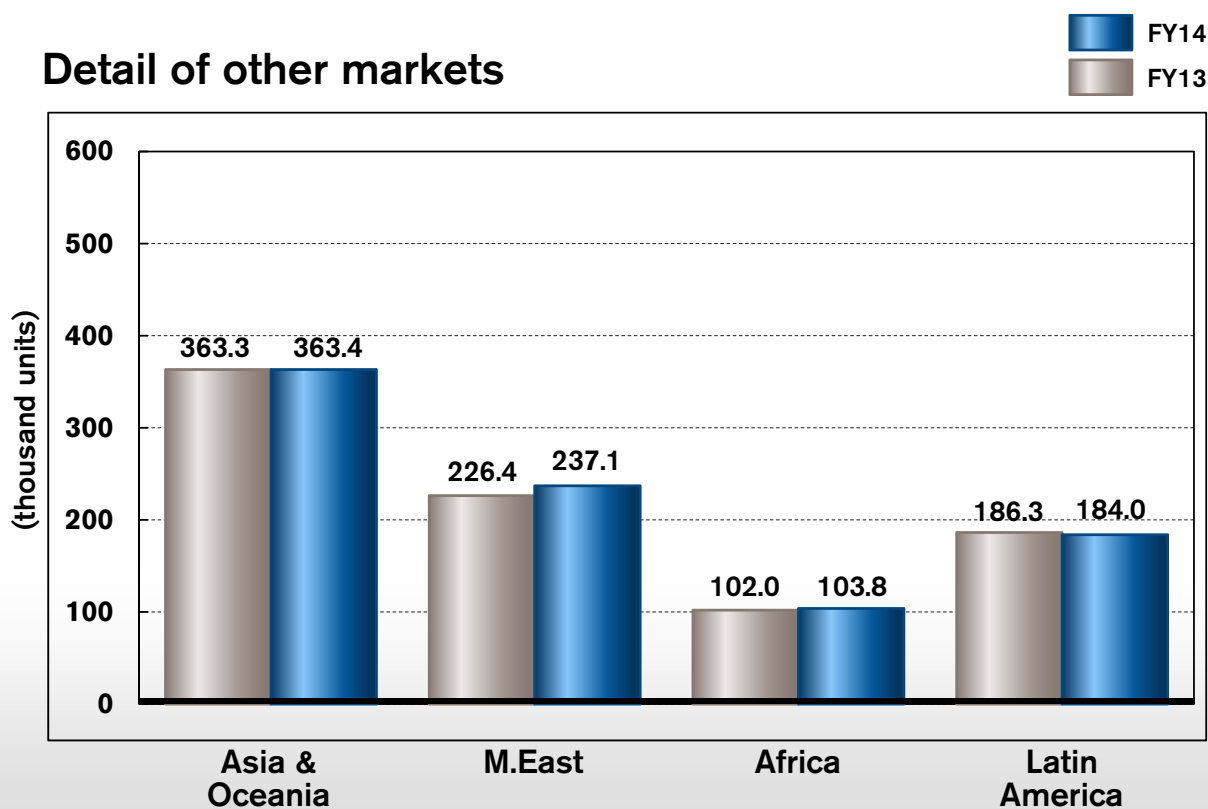
## Free cash flow (Auto business)

(billion yen)



## FY14 retail sales

### Detail of other markets





# FY14 4th quarter retail sales (3 months)

## Detail of other markets

 FY14 4Q  
 FY13 4Q

