

NISSAN MOTOR CORPORATION

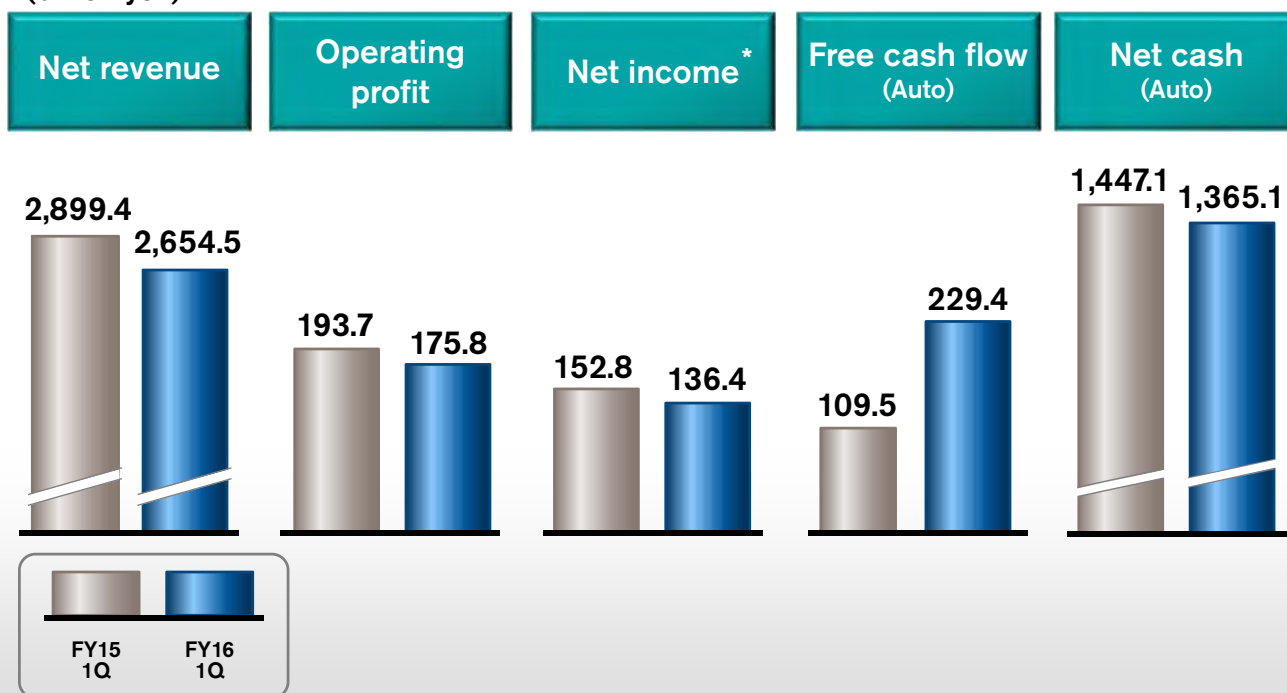


# FY2016 First-quarter Financial Results

Nissan Motor Co., Ltd  
July 27, 2016

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

(billion yen)



\* Net income attributable to owners of the parent

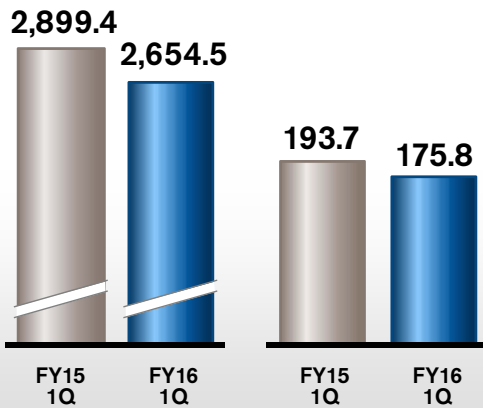
# Reference: Business performance simulation

## TSE report basis

(billion yen)

Net revenue

Operating profit

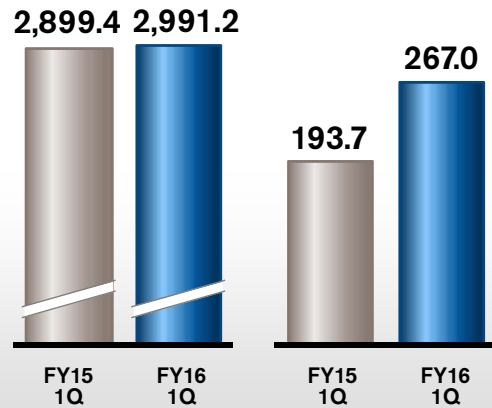


## Constant currency basis

(billion yen)

Net revenue

Operating profit

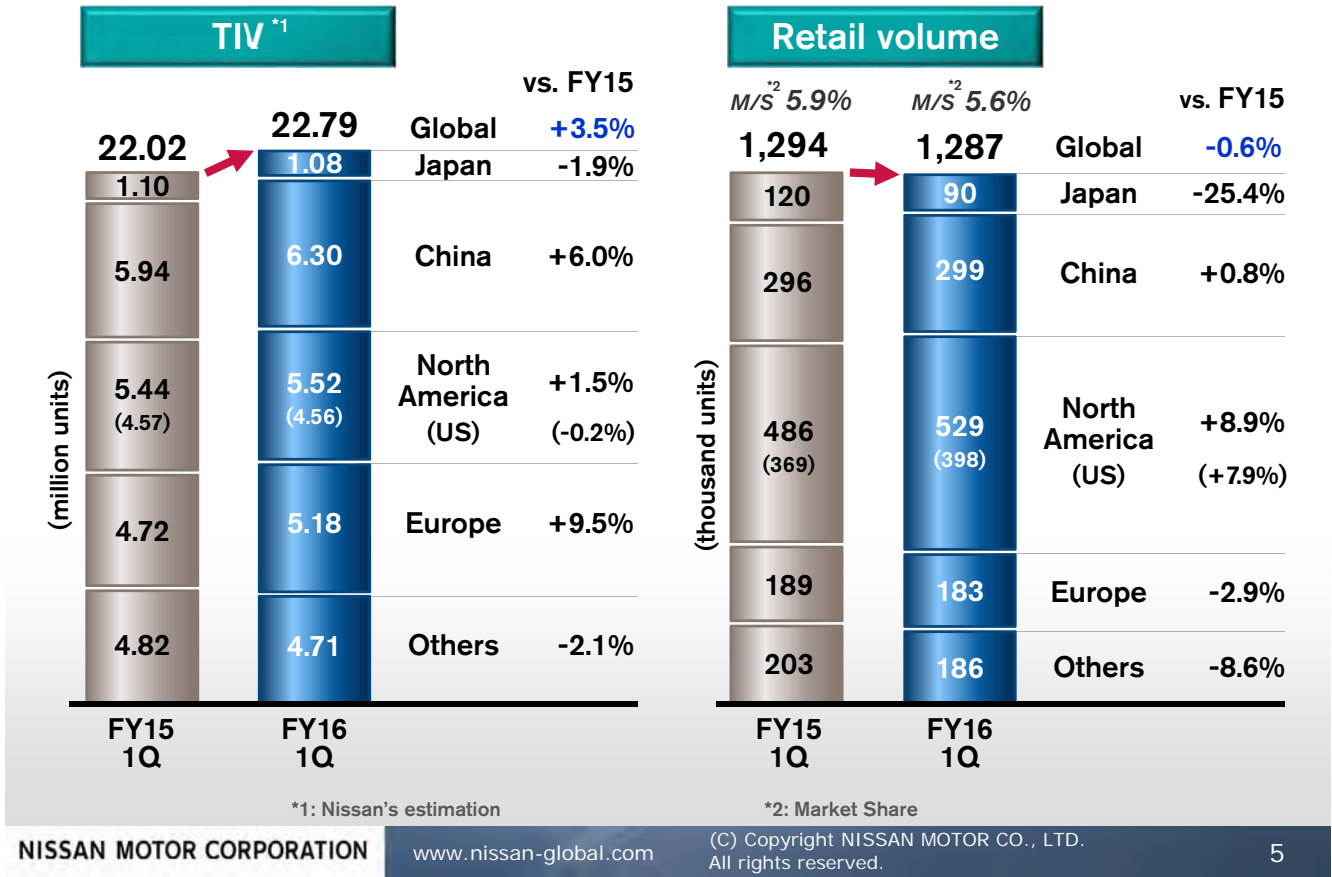


## FY16 1st quarter sales performance

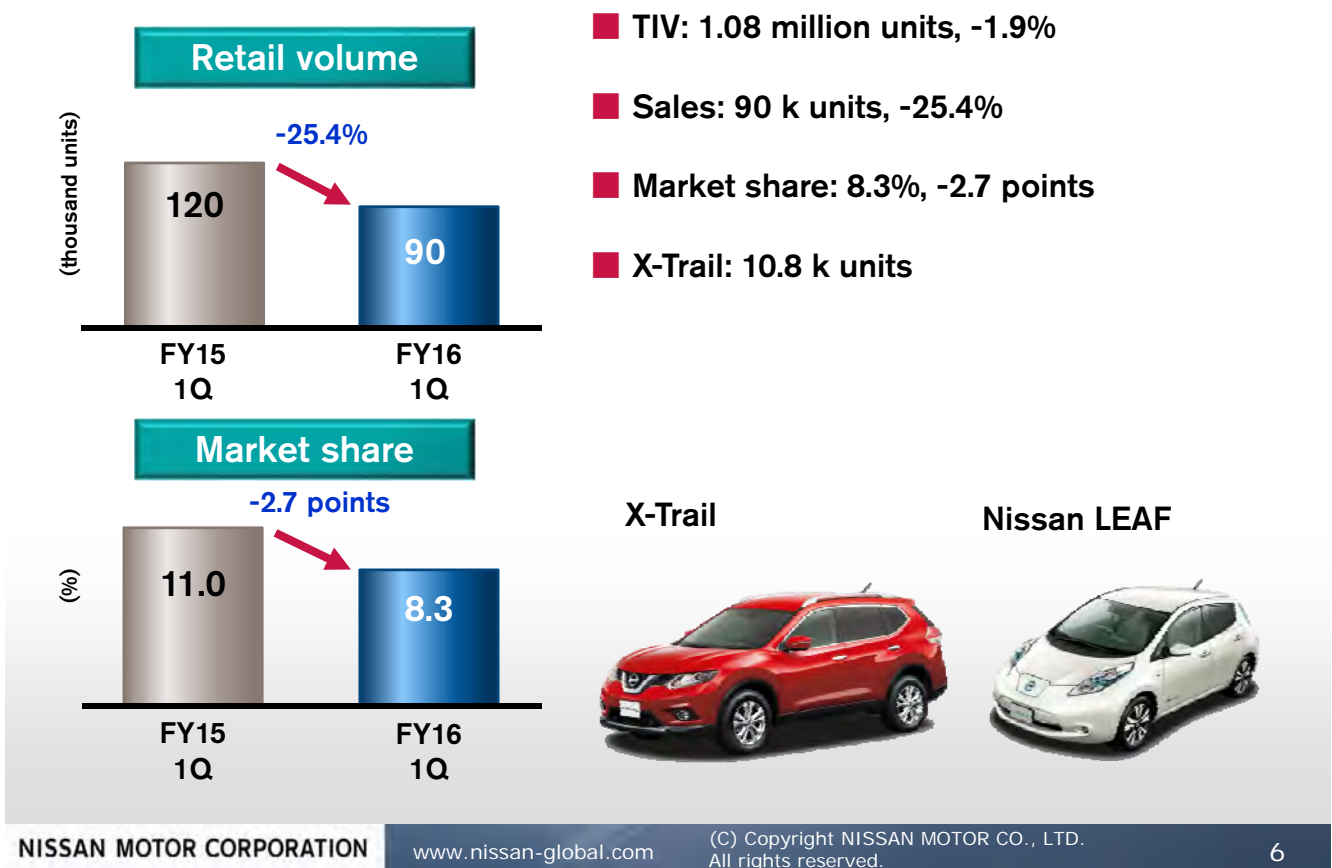
## FY16 1st quarter financial performance

## FY16 outlook

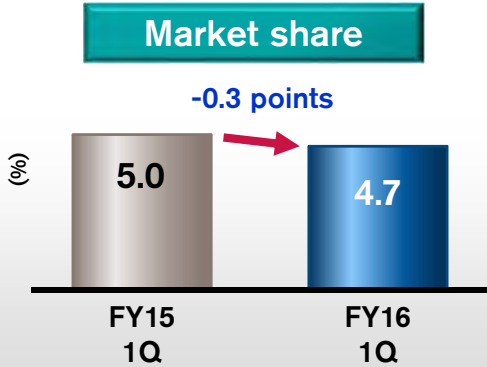
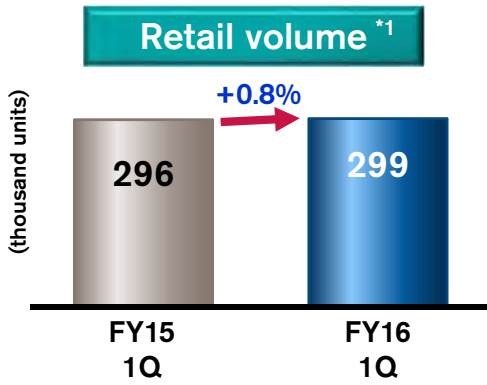
# FY16 1st quarter sales performance: Global



# FY16 1st quarter sales performance: Japan



# FY16 1st quarter sales performance: China



## FY16 1Q (Jan. to Mar.)

- TIV <sup>\*2</sup> : 6.30 million units, +6.0%
- Sales <sup>\*1</sup> : 299 k units, +0.8%
- Market share: 4.7%, -0.3 points
- Sylphy series: 65.0 k units

## FY16 2Q (Apr. to Jun.)

- TIV <sup>\*2</sup> : 6.01 million units, +10.1%
- Sales <sup>\*1</sup> : 311 k units, +6.7%
- Market share: 5.2%, -0.1 points

X-Trail

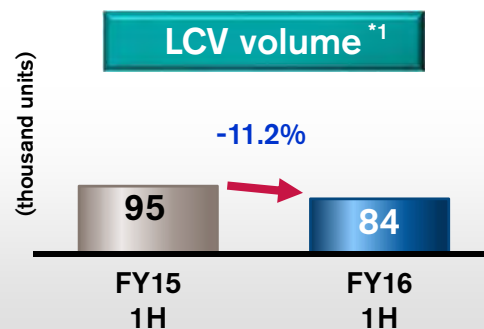
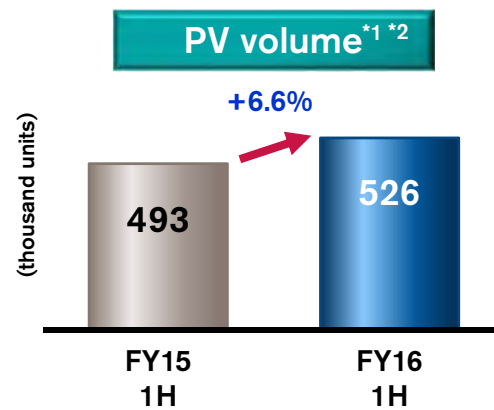
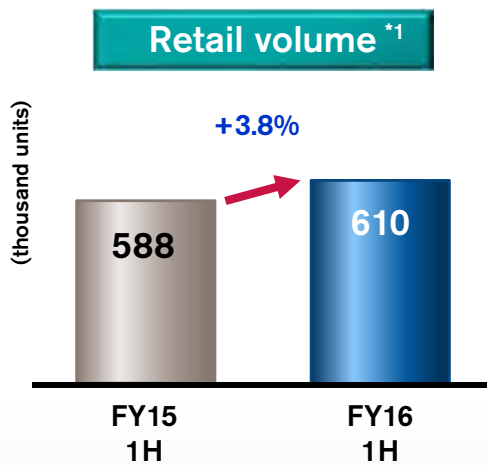


Sylphy



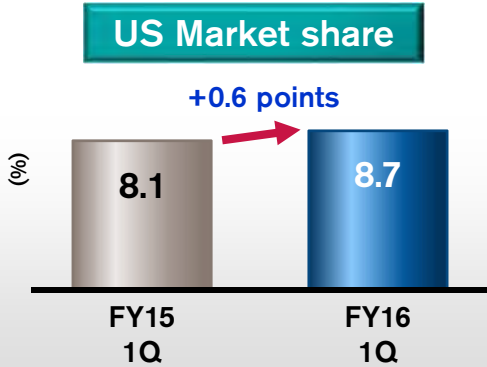
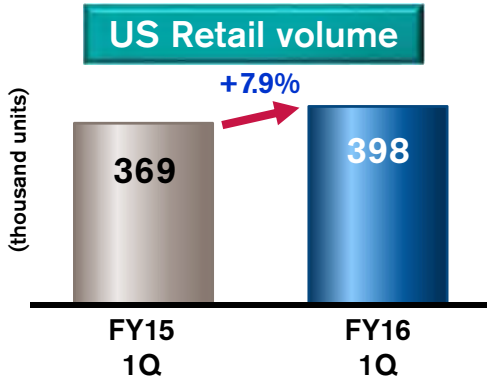
<sup>\*1</sup> : PV: Retail sales base, LCV: Wholesale base  
<sup>\*2</sup> : PV and LCV only

# FY16 sales performance: China (6 months)



<sup>\*1</sup> : PV: Retail sales base, LCV: Wholesale base  
<sup>\*2</sup> : PV: DFL PV + Infiniti

# FY16 1st quarter sales performance: North America



## ■ US

- TIV: 4.56 million units, -0.2%
- Sales: 398 k units, +7.9%
- Market share: 8.7%, +0.6 points

## ■ Canada

- Sales: 39 k units, +7.1%
- Market share: 6.7%, +0.2 points

## ■ Mexico

- Sales: 91 k units, +14.6%
- Market share: 24.4%, -1.9 points

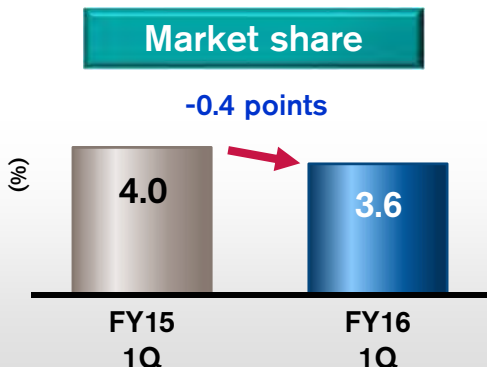
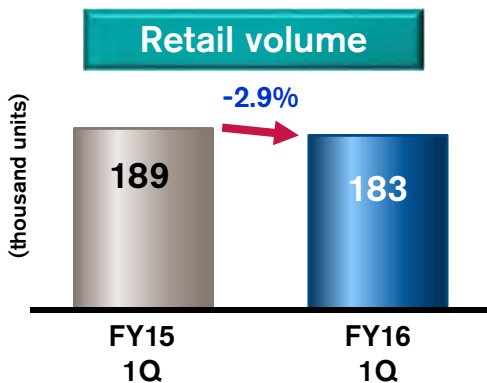
Altima



Rogue



# FY16 1st quarter sales performance: Europe



## ■ Europe excluding Russia

- TIV: 4.82 million units, +11.5%
- Sales: 162 k units, +4.7%
- Market share: 3.4%, -0.2 points

## ■ Russia

- TIV: 0.35 million units, -11.4%
- Sales: 21 k units, -38.2%
- Market share: 5.9%, -2.6 points

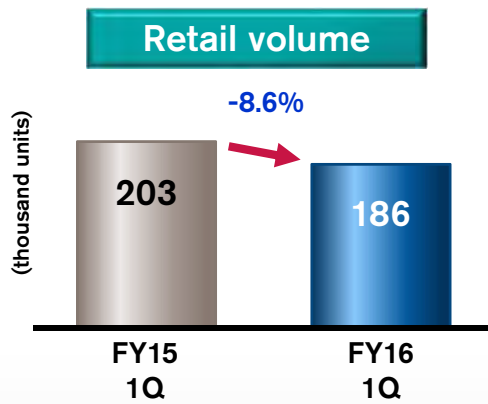
Navara



Infiniti Q30



# FY16 1st quarter sales performance: Other markets



■ Sales: 186 k units, -8.6%

Asia & Oceania: 84 k units, -3.7% (TIV: +6.6%)

Latin America: 38 k units, -8.5% (TIV: -12.0%)

Middle East: 44 k units, -11.4%(TIV: -8.8%)

Africa & others: 20 k units, -20.3%(TIV: -10.4%)

NP300 Navara



Datsun redi-GO



## FY16 1st quarter sales performance

### FY16 1st quarter financial performance

### FY16 outlook

# FY16 1st quarter financial performance (TSE report basis - China JV Equity basis)

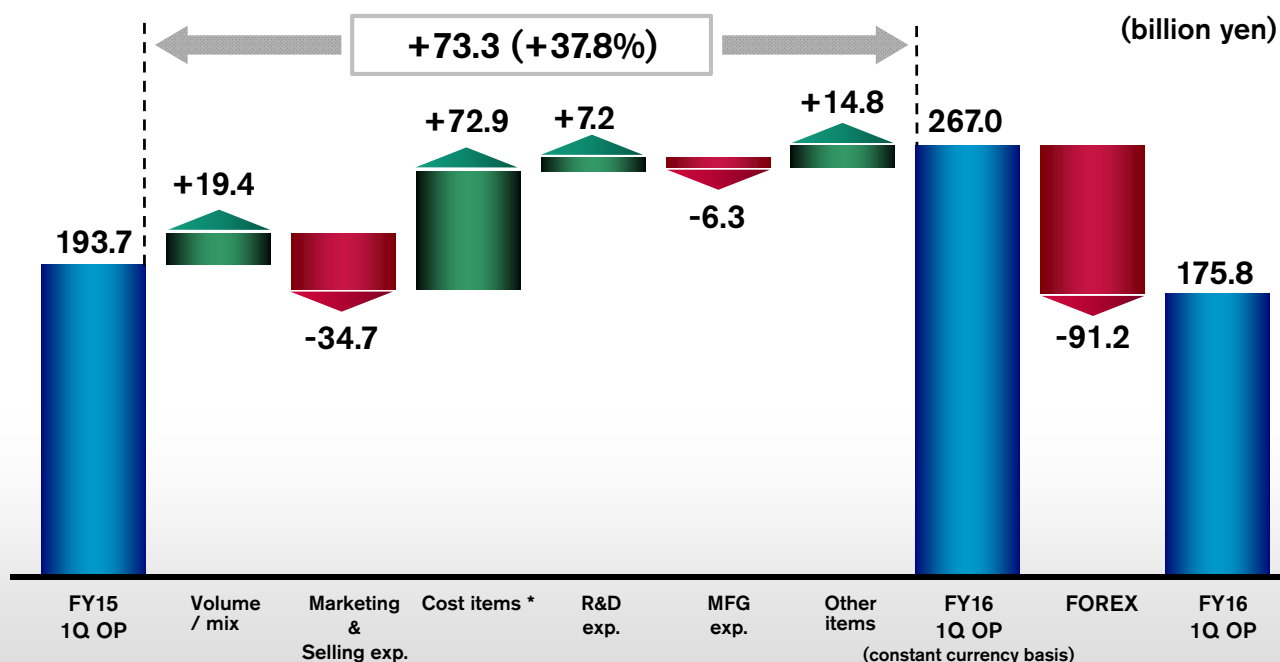
(billion yen)	FY15 1Q	FY16 1Q	Variance	Change vs. FY15 (%)
<b>Net revenue</b>	<b>2,899.4</b>	<b>2,654.5</b>	<b>-244.9</b>	<b>-8.4%</b>
<b>Operating profit</b>	<b>193.7</b>	<b>175.8</b>	<b>-17.9</b>	<b>-9.2%</b>
<i>OP margin</i>	6.7%	6.6%		
<i>Non-operating</i>	22.2	22.4		
<b>Ordinary profit</b>	<b>215.9</b>	<b>198.2</b>	<b>-17.7</b>	<b>-8.2%</b>
<i>Extraordinary</i>	-1.9	-0.3		
<b>Profit before tax</b>	<b>214.0</b>	<b>197.9</b>	<b>-16.1</b>	<b>-7.5%</b>
<i>Taxes</i>	-58.1	-54.4		
<i>Effective tax rate</i>	27.1%	27.5%		
<i>Minority interest</i> <sup>*1</sup>	-3.1	-7.1		
<b>Net income</b> <sup>*2</sup>	<b>152.8</b>	<b>136.4</b>	<b>-16.4</b>	<b>-10.7%</b>
<i>FX rate</i>	121.4 JPY/USD 134.2 JPY/EUR	108.0 JPY/USD 121.9 JPY/EUR	-13.4 JPY/USD -12.3 JPY/EUR	

\*1: Net income attributable to non-controlling interests

\*2: Net income attributable to owners of the parent

# FY16 1st quarter financial performance (TSE report basis - China JV Equity basis)

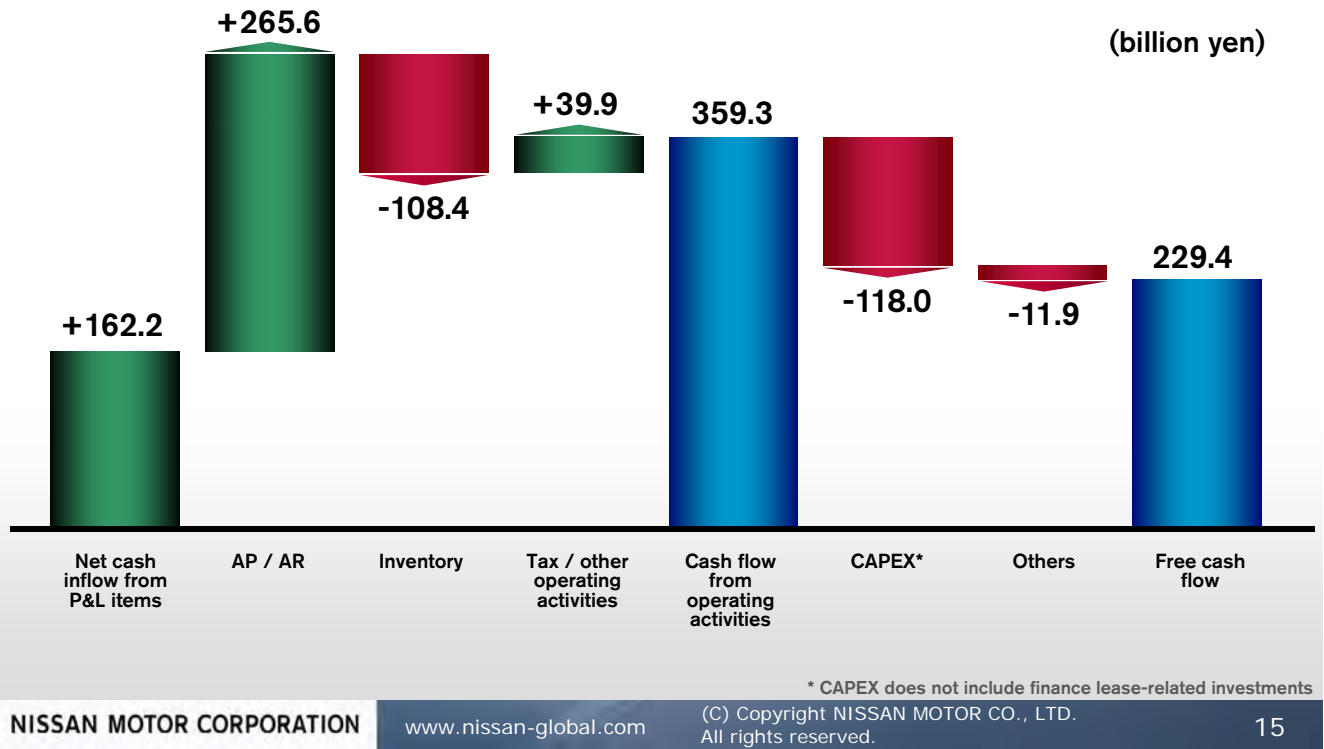
## Operating profit variance analysis



\* Including purch. cost reduction, raw material and product enrichment

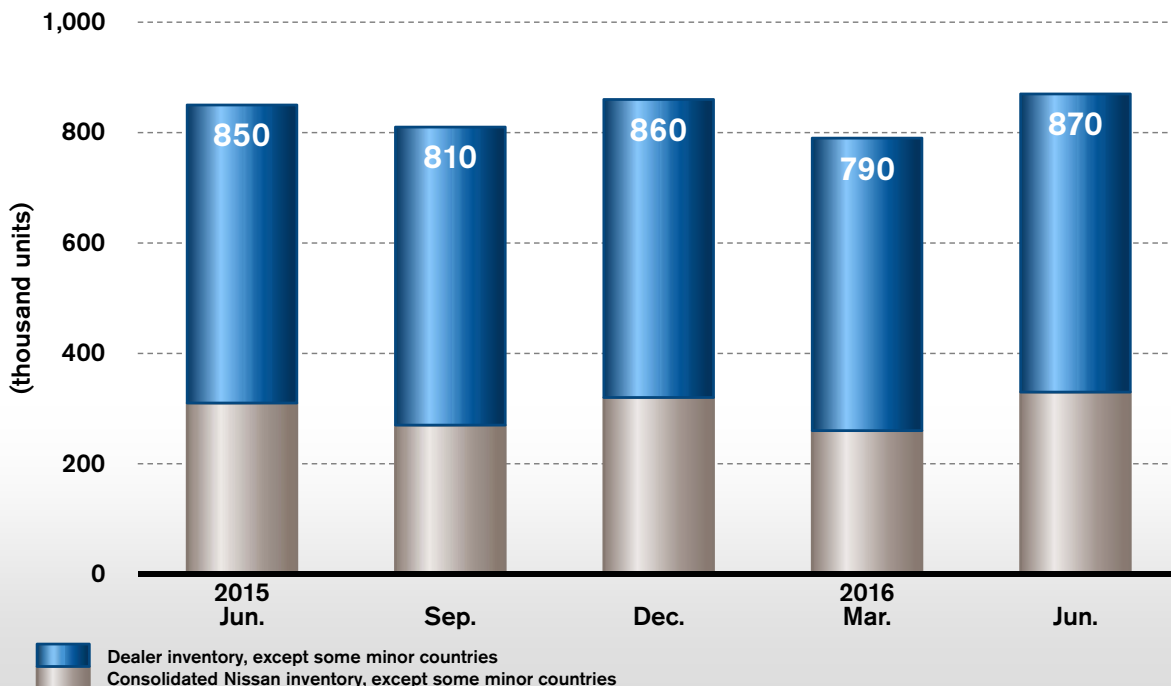
# FY16 1st quarter financial performance (TSE report basis - China JV Equity basis)

## Free cash flow (Auto business)



# Inventory management (excluding China JV)

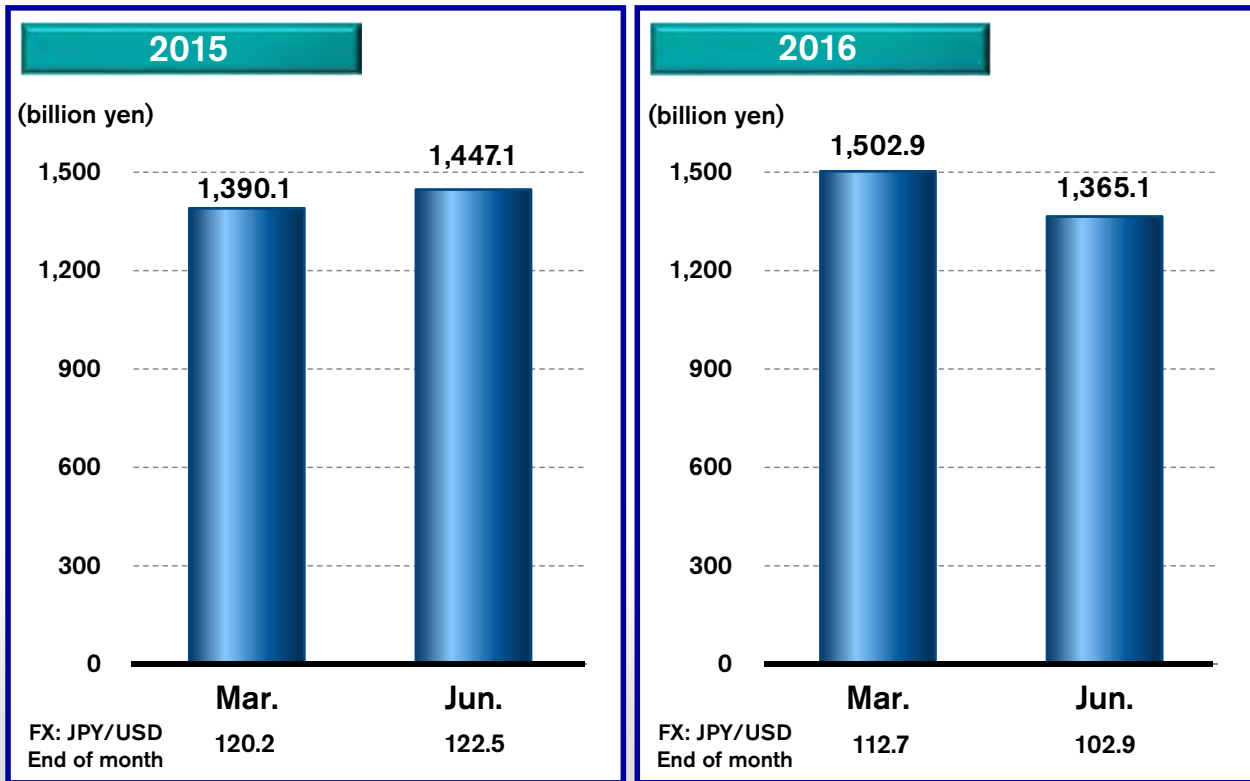
## Inventory status





# Net Cash (Auto business)

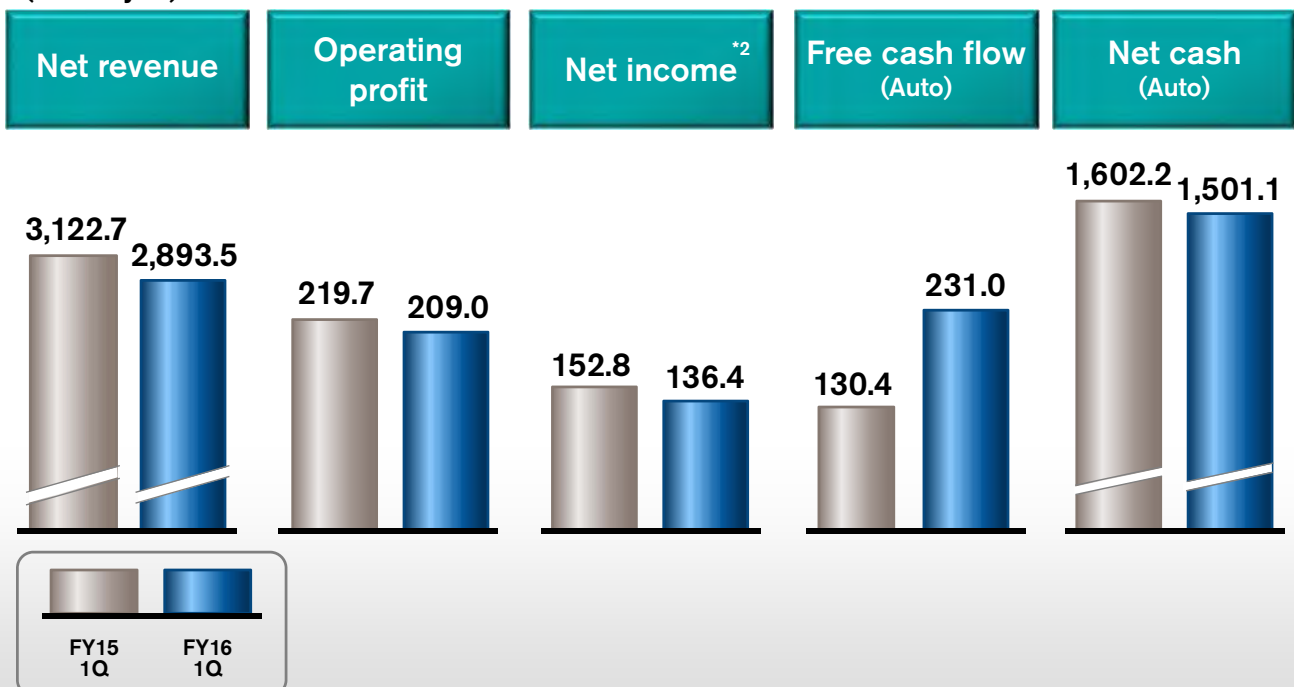
(TSE report basis - China JV Equity basis)



## Key performance indicators: financial results

(management pro forma basis<sup>\*1</sup>)

(billion yen)



<sup>\*1</sup>: Based on continuation of proportionate consolidation of China JV

<sup>\*2</sup>: Net income attributable to owners of the parent

# FY16 1st quarter financial performance (management pro forma basis<sup>\*1</sup>)

(billion yen)	FY15 1Q	FY16 1Q	Variance	Change vs. FY15 (%)
Net revenue	3,122.7	2,893.5	-229.2	-7.3%
Operating profit	219.7	209.0	-10.7	-4.9%
<i>OP margin</i>	7.0%	7.2%	+0.2%	
Net income <sup>*2</sup>	152.8	136.4	-16.4	-10.7%
FX rate	121.4 JPY/USD 134.2 JPY/EUR	108.0 JPY/USD 121.9 JPY/EUR	-13.4 JPY/USD -12.3 JPY/EUR	

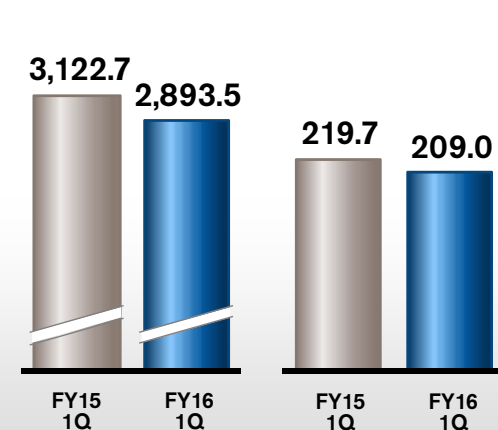
\*1: Based on continuation of proportionate consolidation of China JV

\*2: Net income attributable to owners of the parent

## Reference: Business performance simulation

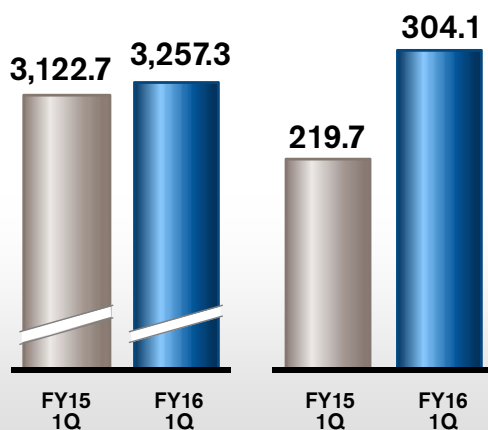
### Management pro forma basis<sup>\*</sup>

(billion yen)



### Constant currency basis

(billion yen)



\* Based on continuation of proportionate consolidation of China JV

## FY16 1st quarter sales performance

## FY16 1st quarter financial performance

### FY16 outlook

Previously announced in May

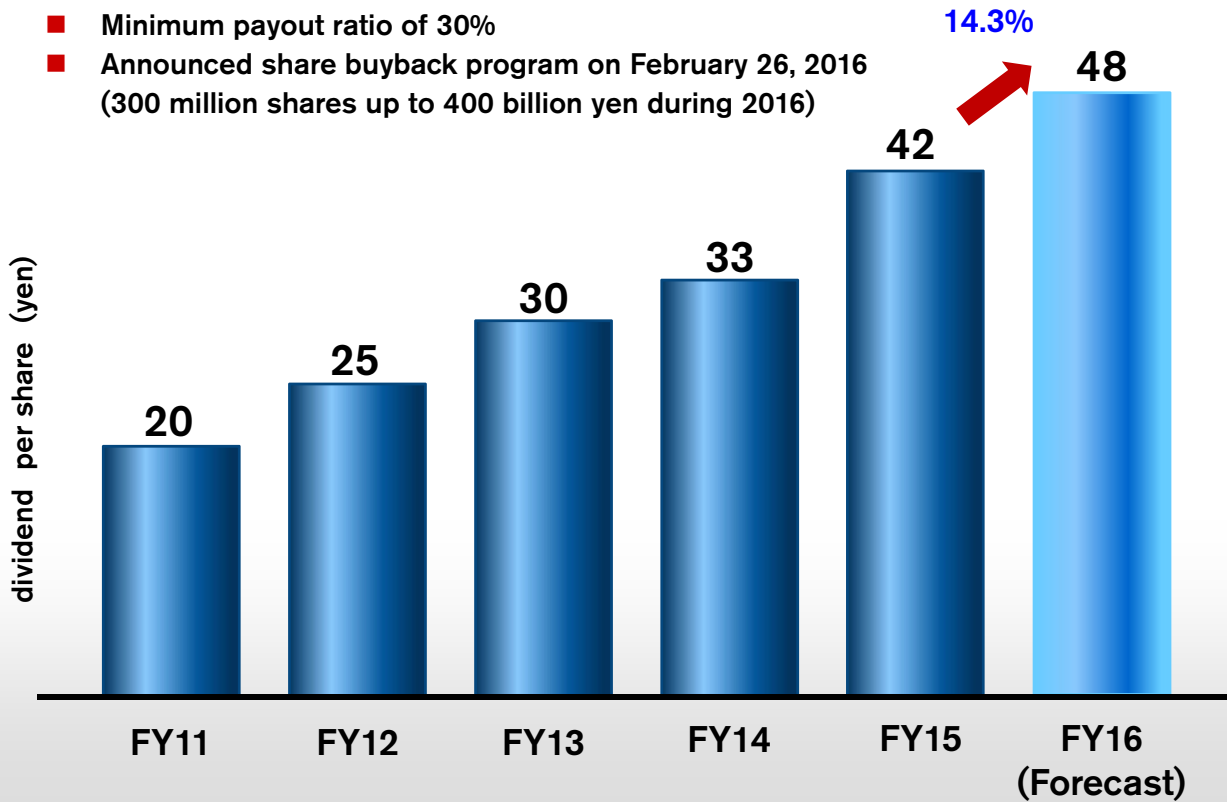
### FY16 outlook (TSE report basis - China JV Equity basis)

(billion yen)	FY15 actual	FY16 outlook	Variance	Change vs. FY15 (%)
<b>Net revenue</b>	12,189.5	11,800.0	-389.5	-3.2%
<b>Operating profit</b>	793.3	710.0	-83.3	-10.5%
<i>OP margin</i>	6.5%	6.0%	-0.5%	
<b>Ordinary profit</b>	862.3	800.0	-62.3	-7.2%
<b>Net income *</b>	523.8	525.0	+1.2	+0.2%
<i>Net income ratio *</i>	4.3%	4.4%	+0.1%	
<b>CAPEX</b>	479.0	540.0	+61.0	+12.7%
<i>Sales ratio</i>	3.9%	4.6%	+0.7%	
<b>R&amp;D</b>	531.9	560.0	+28.1	+5.3%
<i>Sales ratio</i>	4.4%	4.7%	+0.3%	
<b>FX rate assumptions</b>				
(JPY/USD)	120.2	105.0	-15.2	
(JPY/EUR)	132.6	120.0	-12.6	

\* Net income attributable to owners of the parent

# FY16 shareholder return outlook

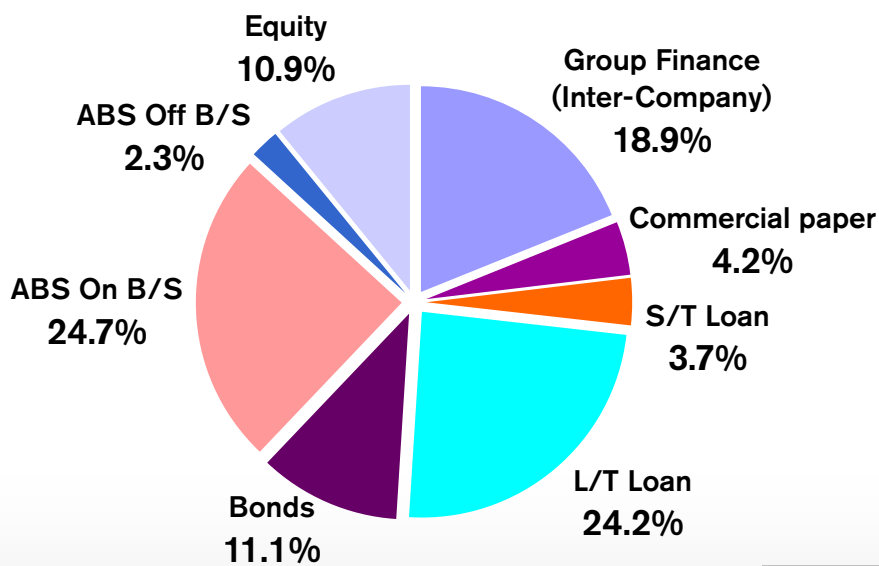
- Minimum payout ratio of 30%
- Announced share buyback program on February 26, 2016 (300 million shares up to 400 billion yen during 2016)



# Appendix

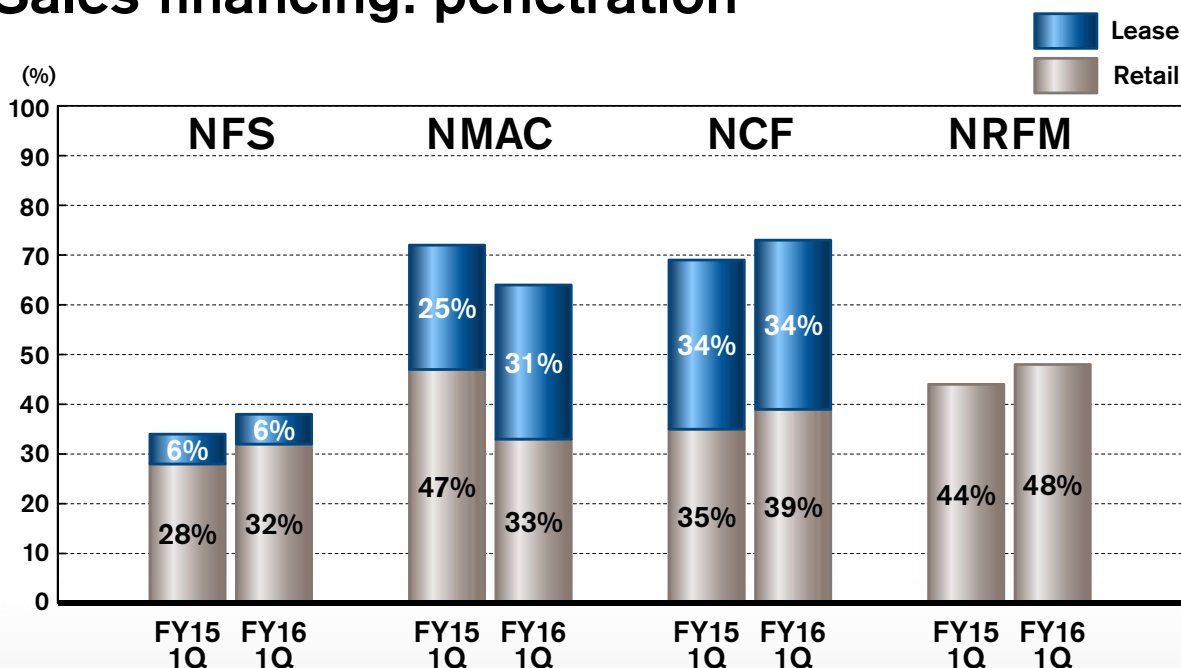
## Sales financing: funding sources

(As of June 2016)



**Total funding amount**  
**8,251 billion yen**

## Sales financing: penetration



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

	FY15 1Q	FY16 1Q	Variance
NFS	Lease: 0.04%	Lease: 0.02%	Lease: -0.02%
	Retail: 0.11%	Retail: 0.11%	Retail: 0.00%
NMAC	Lease: 0.25%	Lease: 0.27%	Lease: +0.02%
	Retail: 0.71%	Retail: 0.88%	Retail: +0.17%
NCF	Lease: 0.20%	Lease: 0.10%	Lease: -0.10%
	Retail: 0.41%	Retail: 0.36%	Retail: -0.05%

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 1Q	FY16 1Q	Variance
<b>NFS</b>	Asset: 1,131.6 OP: 7.2	Asset: 1,086.0 OP: 7.3	Asset: -45.6 OP: +0.1
<b>NMAC</b>	Asset: 55,930 OP: 237	Asset: 61,729 OP: 242	Asset: +5,799 OP: +5
<b>NCF</b>	Asset: 5,082 OP: 33	Asset: 6,090 OP: 41	Asset: +1,008 OP: +8
<b>NRFM</b>	Asset: 76,807 OP: 749	Asset: 94,419 OP: 825	Asset: +17,612 OP: +76

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 1st quarter financial performance

(TSE report basis - China JV Equity basis)

### Operating profit variance analysis

(billion yen)

#### 1. Foreign exchange impact **-91.2**

USD	-34.0 (121.4 ⇒ 108.0)	THB	+7.1 (3.66 ⇒ 3.06)
MXN	-17.0 (7.93 ⇒ 5.96)	RUB	-6.7 (2.30 ⇒ 1.64)
CAD	-15.1 (98.6 ⇒ 83.7)	Others	-25.5

#### 2. Volume / mix **+19.4**

Japan +8.3	US +10.6	EUR +14.8	MEX&CAN -0.4
Vol*: +5.9	Vol*: +34.6	Vol*: +15.2	Others -13.9
Mix: +2.4	Mix: -24.0	Mix: -0.4	

\* Includes country mix

#### 3. Selling expenses **-34.7**

Japan +2.4	US -40.5	EUR -9.6	MEX&CAN +9.6
Incentives: +2.0	Incentives: -36.9	Incentives: -8.9	Others +3.4
Others: +0.4	Others: -3.6	Others: -0.7	