

# FY2016 FIRST-HALF FINANCIAL RESULTS

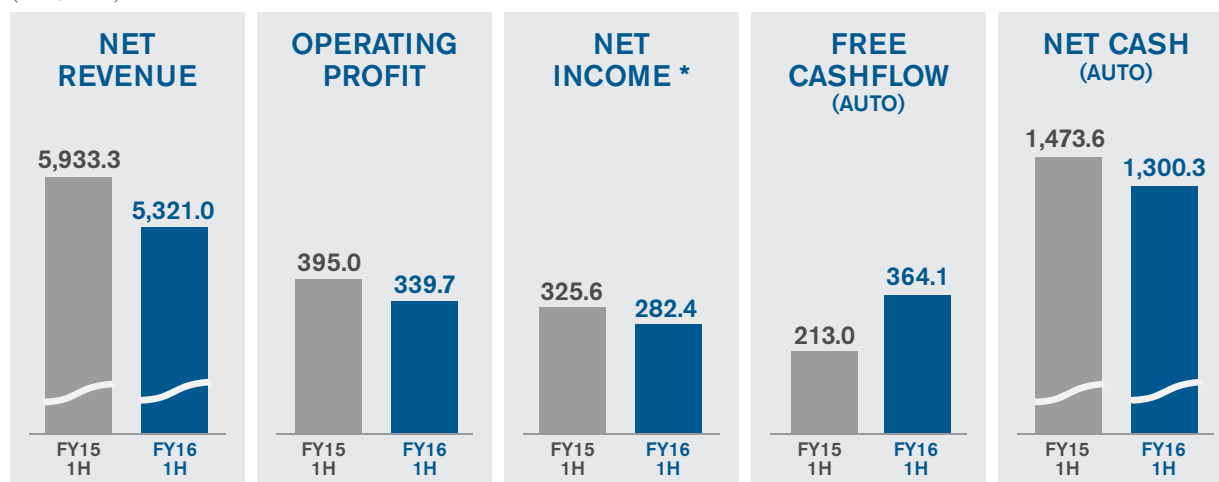
Nissan Motor Co., Ltd.  
November 7<sup>th</sup>, 2016

NISSAN MOTOR CORPORATION



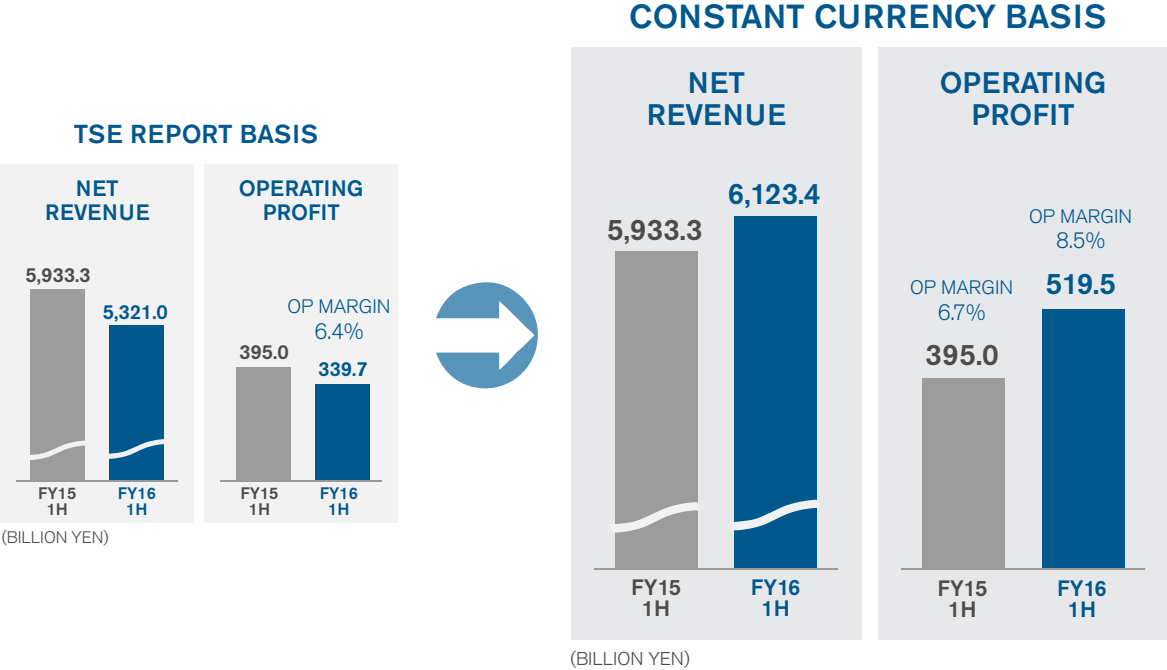
## HEADLINE FINANCIAL RESULTS (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)



\*NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

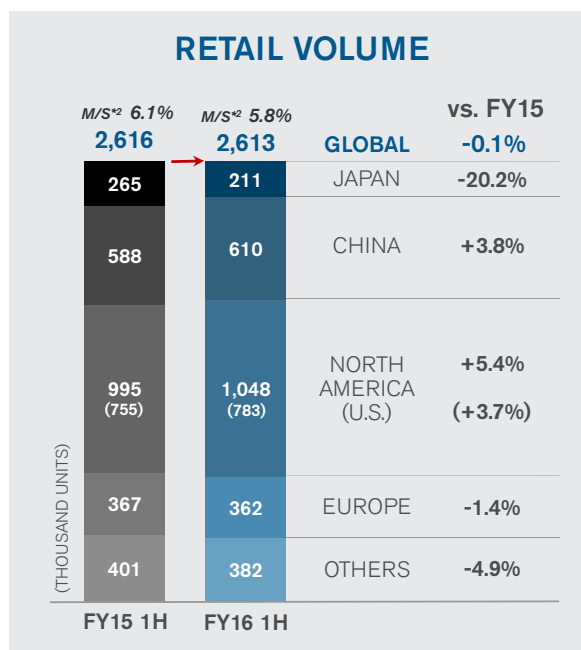
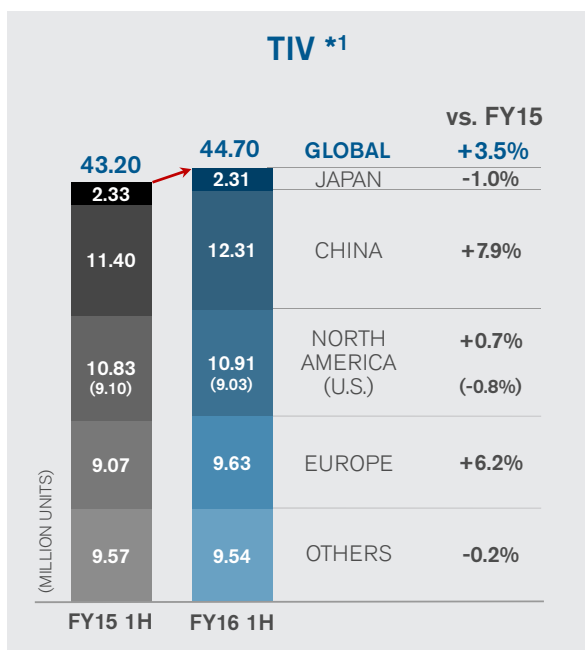
# BUSINESS PERFORMANCE



## AGENDA

- ➔ FY16 1<sup>ST</sup> HALF SALES PERFORMANCE
- FY16 1<sup>ST</sup> HALF FINANCIAL PERFORMANCE
- FY16 BUSINESS HIGHLIGHTS

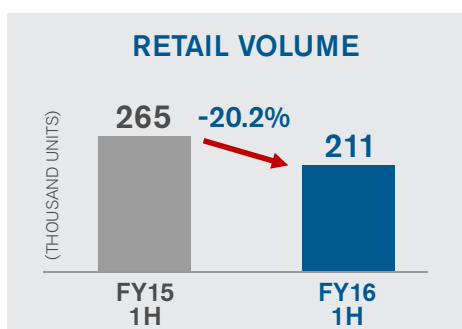
# FY16 1<sup>ST</sup> HALF SALES PERFORMANCE GLOBAL



\*1: NISSAN ESTIMATION

\*2: MARKET SHARE

# FY16 1<sup>ST</sup> HALF SALES PERFORMANCE JAPAN



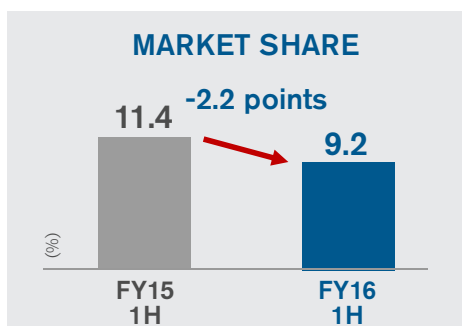
**TIV: 2.31 million units, -1.0%**

**Sales: 211 k units, -20.2%**

**Market share: 9.2%, -2.2 points**

#### Mini car

- TIV: 0.76 million units, -9.8%
- Sales: 47 k units, -47.5%
- Market share: 6.1%, -4.4 points



Decrease in sales due primarily to the stop-sale of the Dayz and Dayz Roox minicar

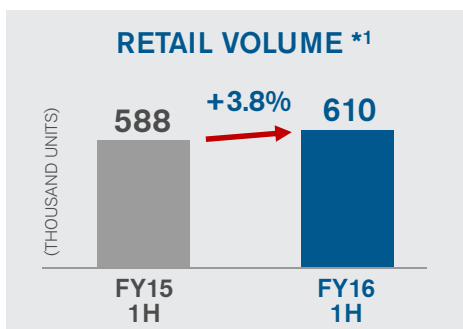


SERENA



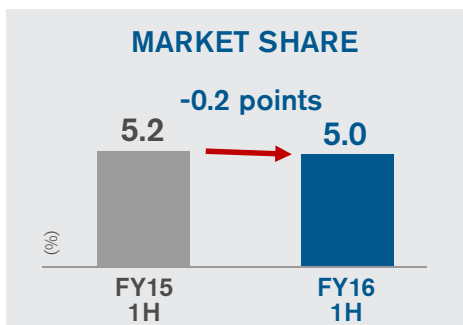
X-Trail

# FY16 1<sup>ST</sup> HALF SALES PERFORMANCE CHINA



### FY16 1H (Jan. to Jun.)

- TIV<sup>\*2</sup> : 12.31 million units, +7.9%
- Sales<sup>\*1</sup> : 610 k units, +3.8%
- Market share: 5.0%, -0.2 points



### FY16 3Q YTD (Jan. to Sep.)

- TIV<sup>\*2</sup> : 18.59 million units, +13.0%
- Sales<sup>\*1</sup> : 929 k units, +8.2%
- Market share: 5.0%, -0.2 points



X-Trail

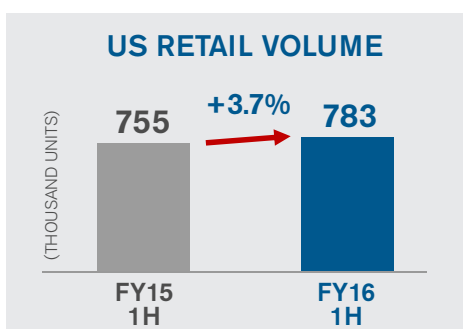


Sylphy

\* 1: PV: RETAIL SALES BASE, LCV: WHOLESALE BASE

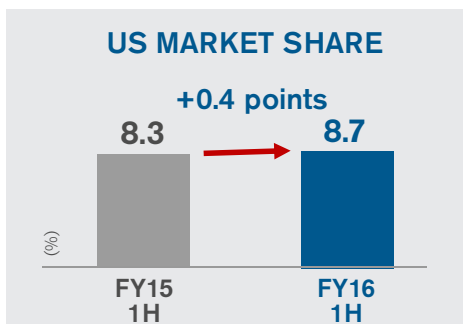
\* 2: PV AND LCV ONLY

# FY16 1<sup>ST</sup> HALF SALES PERFORMANCE NORTH AMERICA



### US

- TIV: 9.03 million units, -0.8%
- Sales: 783 k units, +3.7%
- Market share: 8.7%, +0.4 points



### Canada

- Sales: 74 k units, +1.4%
- Market share: 6.7%, 0.0 points

### Mexico

- Sales: 191 k units, +14.8%
- Market share: 24.7%, -1.3 points

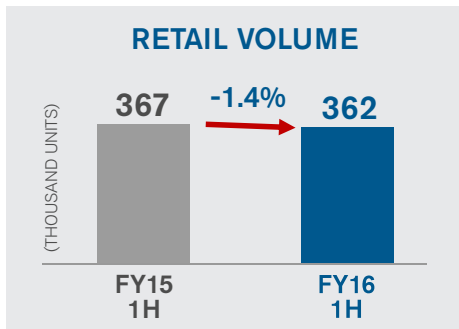


Rogue



Altima

# FY16 1<sup>ST</sup> HALF SALES PERFORMANCE EUROPE (INCLUDING RUSSIA)

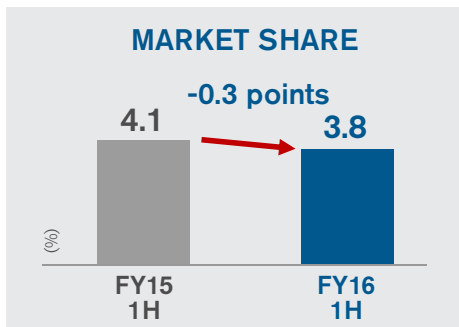


## Europe excluding Russia

- **TIV:** 8.93 million units, +8.1%
- **Sales:** 319 k units, +4.4%
- **Market share:** 3.6%, -0.2 points

## Russia

- **TIV:** 0.70 million units, -13.3%
- **Sales:** 43 k units, -30.1%
- **Market share:** 6.1%, -1.5 points

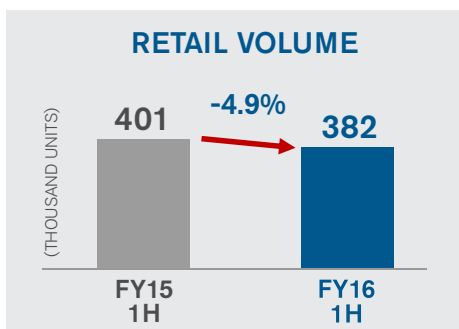


Navara



Infiniti Q30

# FY16 1<sup>ST</sup> HALF SALES PERFORMANCE OTHER MARKETS



## Sales: 382 k units, -4.9%

- **Asia & Oceania:** 168 k units, -0.1% (TIV: +9.2%)
- **Latin America:** 83 k units, -3.0% (TIV: -10.1%)
- **Middle East:** 90 k units, -8.2% (TIV: -13.8%)
- **Africa & others:** 41 k units, -18.4% (TIV: -3.6%)



Datsun redi-GO



Kicks

# AGENDA

FY16 1<sup>ST</sup> HALF SALES PERFORMANCE

 **FY16 1<sup>ST</sup> HALF FINANCIAL PERFORMANCE**

FY16 BUSINESS HIGHLIGHTS

## FY16 1<sup>ST</sup> HALF FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)	FY15 1H	FY16 1H	VARIANCE	CHANGE vs. FY15 (%)
<b>NET REVENUE</b>	<b>5,933.3</b>	<b>5,321.0</b>	<b>-612.3</b>	<b>-10.3%</b>
<b>OPERATING PROFIT</b>	<b>395.0</b>	<b>339.7</b>	<b>-55.3</b>	<b>-14.0%</b>
OP MARGIN	6.7%	6.4%		
NON-OPERATING	32.7	57.1		
<b>ORDINARY PROFIT</b>	<b>427.7</b>	<b>396.8</b>	<b>-30.9</b>	<b>-7.2%</b>
EXTRAORDINARY	-13.3	3.1		
<b>PROFIT BEFORE TAX</b>	<b>414.4</b>	<b>399.9</b>	<b>-14.5</b>	<b>-3.5%</b>
TAXES	-80.1	-101.8		
EFFECTIVE TAX RATE	19.3%	25.5%		
MINORITY INTEREST *1	-8.7	-15.7		
<b>NET INCOME *2</b>	<b>325.6</b>	<b>282.4</b>	<b>-43.2</b>	<b>-13.3%</b>
FX RATE	121.9 JPY/USD 135.1 JPY/EUR	105.2 JPY/USD 118.0 JPY/EUR	-16.7 JPY/USD -17.1 JPY/EUR	

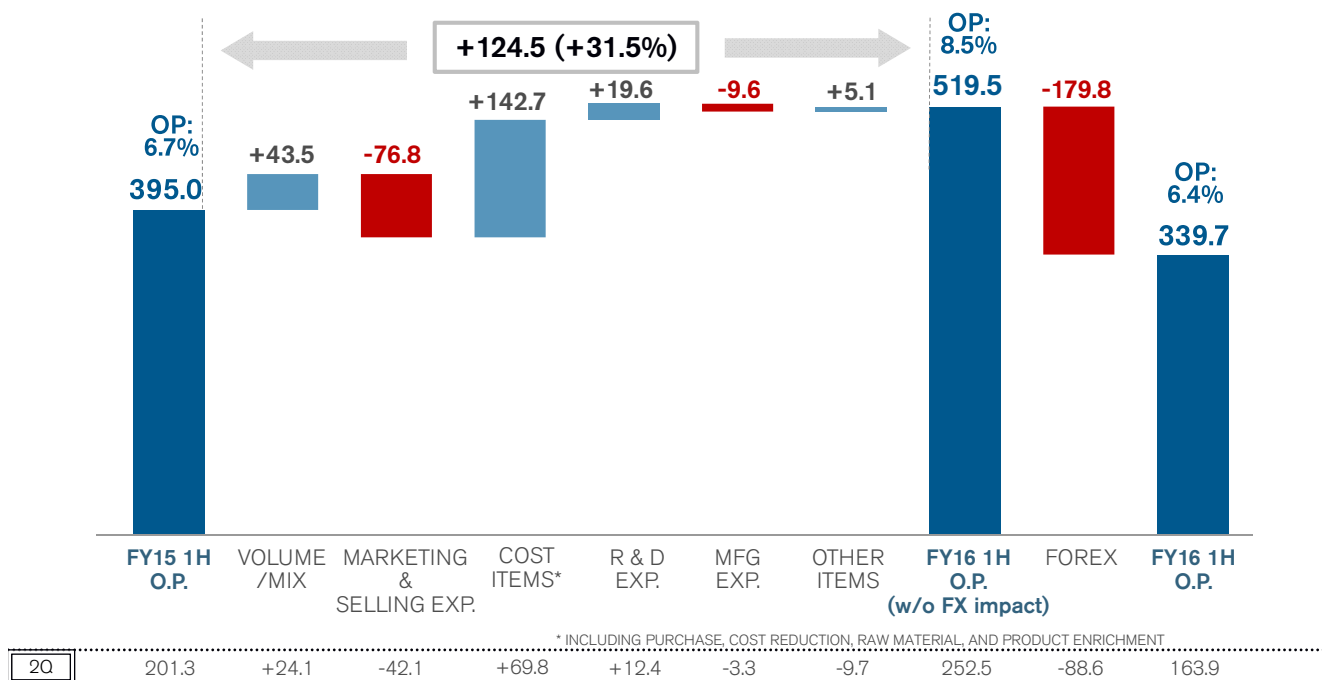
\*1: NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

\*2: NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

# FY16 1<sup>ST</sup> HALF FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

## OPERATING PROFIT VARIANCE ANALYSIS

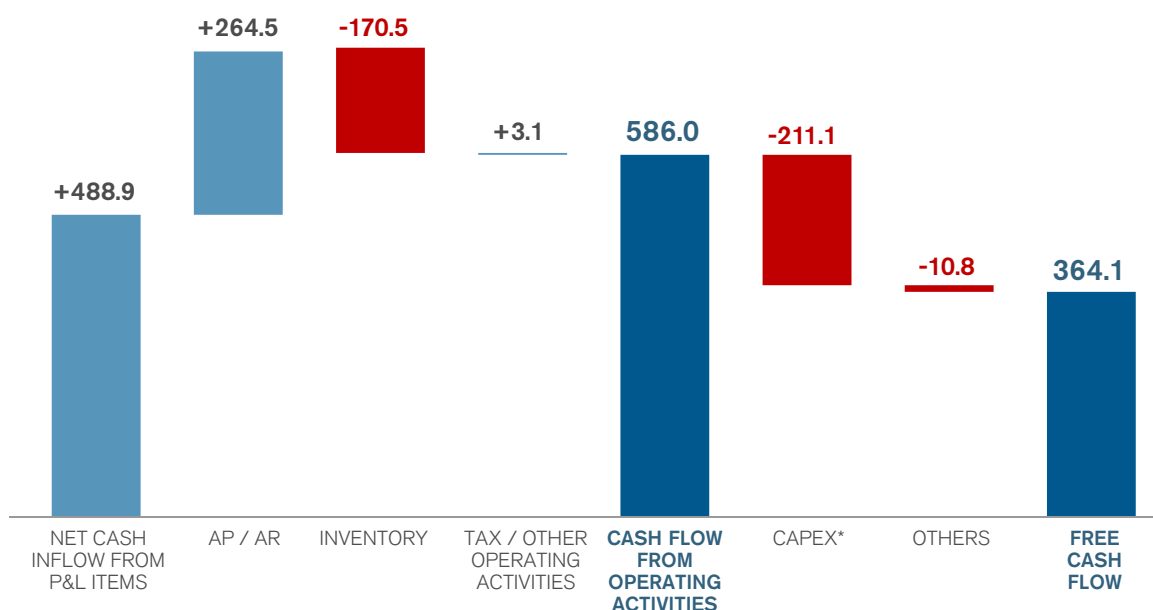
(BILLION YEN)



# FY16 1<sup>ST</sup> HALF FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

## FREE CASH FLOW (AUTO BUSINESS)

(BILLION YEN)

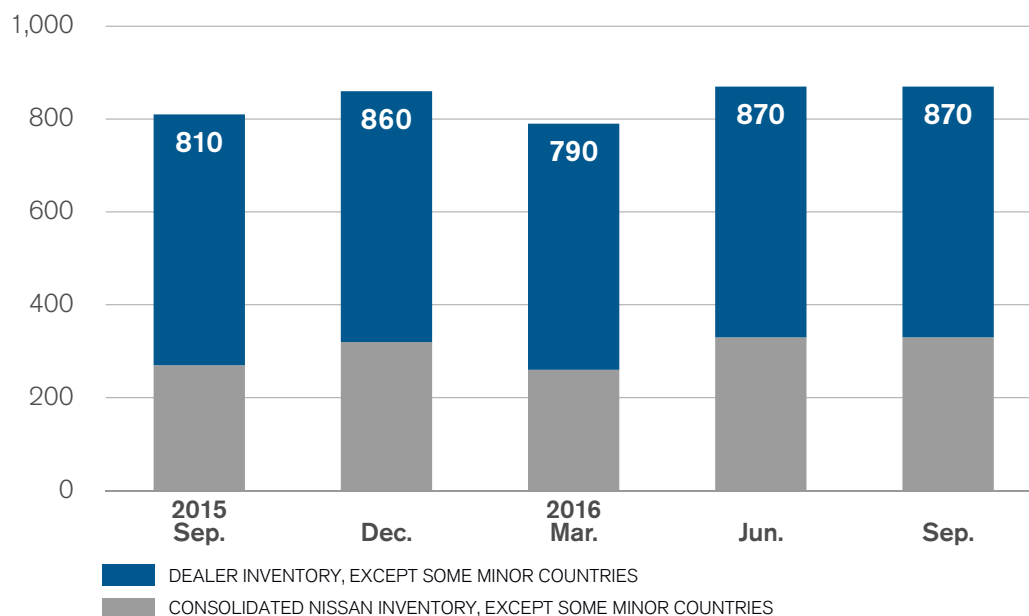


\* CAPEX DOES NOT INCLUDE FINANCE LEASE-RELATED INVESTMENTS

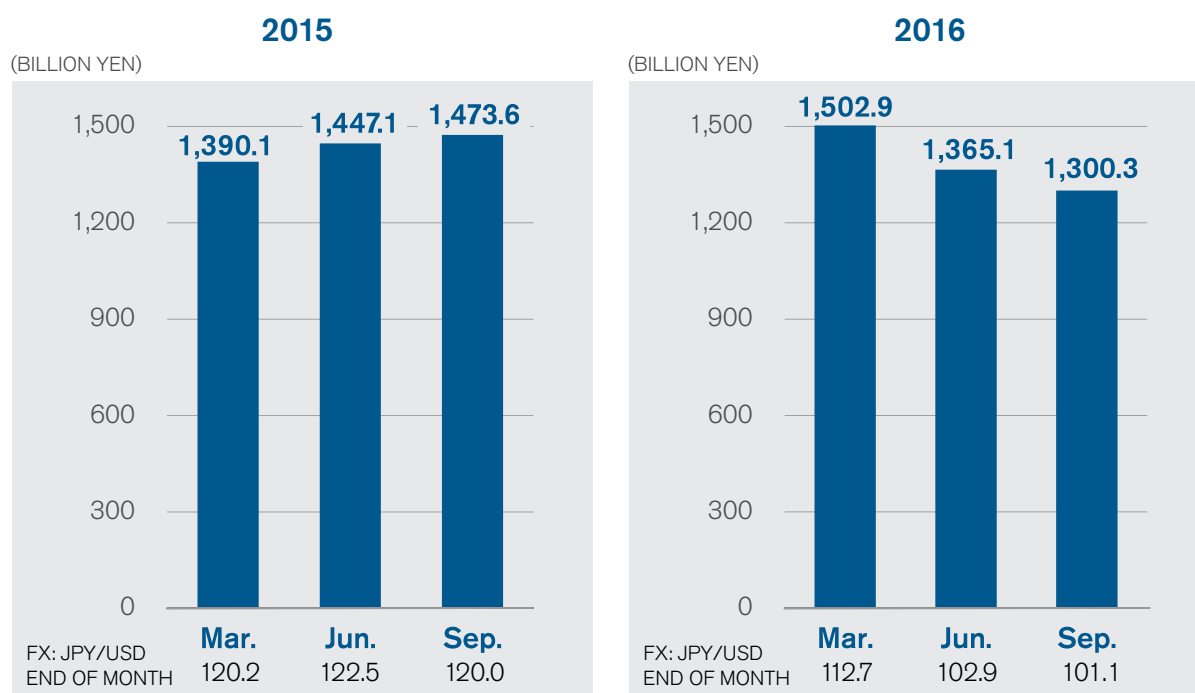
# INVENTORY MANAGEMENT (EXCLUDING CHINA JV)

## INVENTORY STATUS

(THOUSAND UNITS)



# NET CASH (AUTO BUSINESS) (TSE REPORT BASIS — CHINA JV EQUITY BASIS)



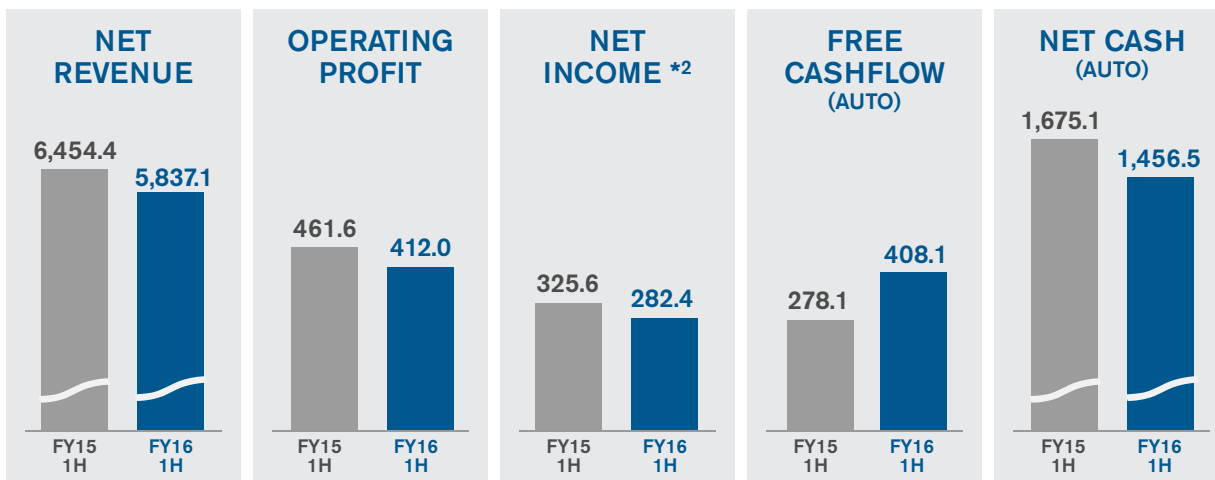


# KEY PERFORMANCE INDICATORS

## FINANCIAL RESULTS

(MANAGEMENT PRO FORMA BASIS \*1)

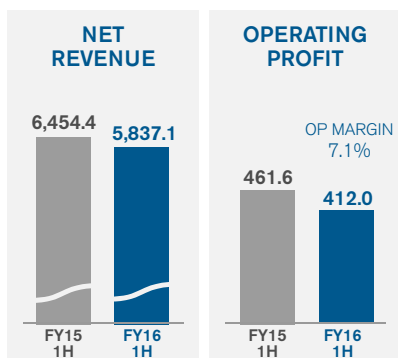
(BILLION YEN)



\*1: BASED ON CONTINUATION OF PROPORTIONATE CONSOLIDATION OF CHINA JV  
 \*2: NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

# BUSINESS PERFORMANCE

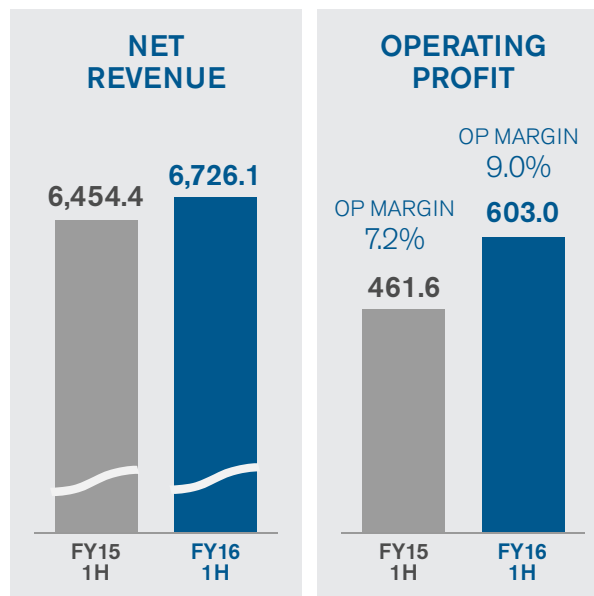
MANAGEMENT PRO FORMA BASIS \*



(BILLION YEN)



CONSTANT CURRENCY BASIS



(BILLION YEN)

\* BASED ON CONTINUATION OF PROPORTIONATE CONSOLIDATION OF CHINA JV

# AGENDA

FY16 1<sup>ST</sup> HALF SALES PERFORMANCE

FY16 1<sup>ST</sup> HALF FINANCIAL PERFORMANCE

 **FY16 BUSINESS HIGHLIGHTS**

## FY16 1<sup>ST</sup> HALF NEW MODELS



**Datsun redi-GO**



**Serena**



**Kicks**



**Pathfinder**



**Armada**



**Titan**

# FY16 2<sup>ND</sup> HALF NEW MODELS



**Rogue**



**Micra**



**Note e-POWER**

# INFINITI



**Q30**



**QX30**



**QX60**



**Q60**

# BRAND EXTENSION



**Interbrand**  
BEST GLOBAL BRANDS

2016  
**43rd**  
2015  
49th  
2014  
56th

**4th FASTEST  
RISING BRAND**



# NISSAN INTELLIGENT MOBILITY



**Serena - ProPILOT**



**Partnership with Microsoft**

# ALLIANCE/PARTNERSHIPS



Previously announced in May

## FY16 OUTLOOK (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

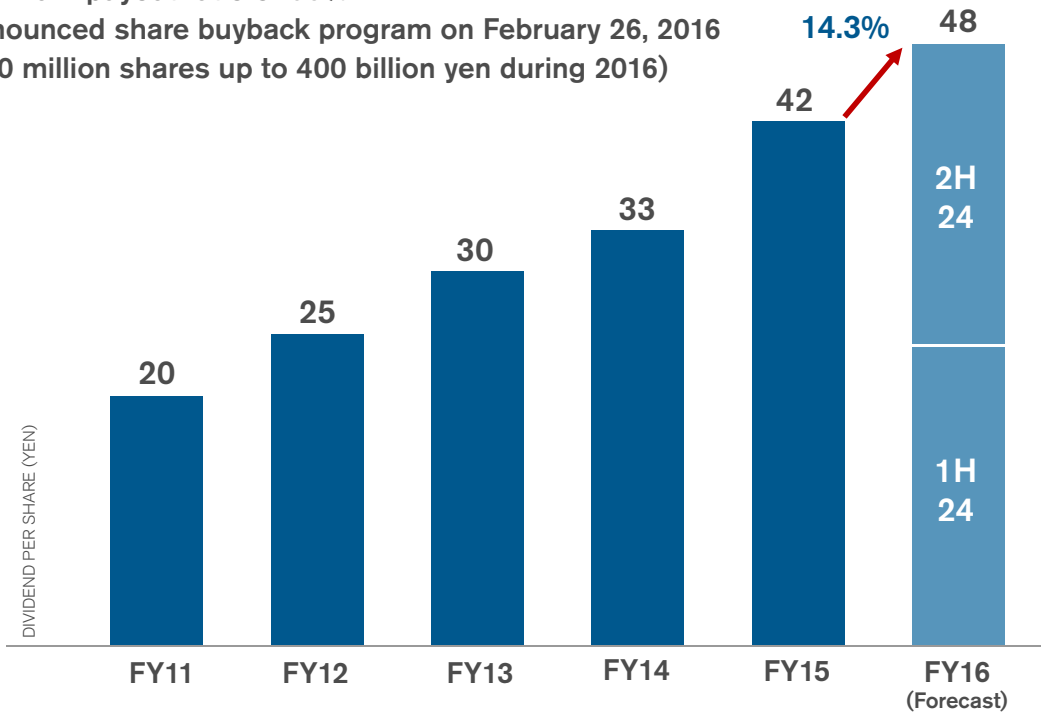
(BILLION YEN)	FY15 ACTUAL	FY16 OUTLOOK	VARIANCE	CHANGE vs. FY15 (%)
<b>RETAIL VOLUME</b> (THOUSAND UNITS)	<b>5,423</b>	<b>5,600</b>	<b>+177</b>	<b>+3.3%</b>
<b>NET REVENUE</b>	<b>12,189.5</b>	<b>11,800.0</b>	<b>-389.5</b>	<b>-3.2%</b>
<b>OPERATING PROFIT</b>	<b>793.3</b>	<b>710.0</b>	<b>-83.3</b>	<b>-10.5%</b>
OP MARGIN	6.5%	6.0%	-0.5%	
<b>ORDINARY PROFIT</b>	<b>862.3</b>	<b>800.0</b>	<b>-62.3</b>	<b>-7.2%</b>
<b>NET INCOME *</b>	<b>523.8</b>	<b>525.0</b>	<b>+1.2</b>	<b>+0.2%</b>
NET INCOME RATIO *	4.3%	4.4%	+0.1%	
<b>CAPEX</b>	<b>479.0</b>	<b>540.0</b>	<b>+61.0</b>	<b>+12.7%</b>
SALES RATIO	3.9%	4.6%	+0.7%	
<b>R&amp;D</b>	<b>531.9</b>	<b>560.0</b>	<b>+28.1</b>	<b>+5.3%</b>
SALES RATIO	4.4%	4.7%	+0.3%	
<b>FX RATE</b> (JPY/USD)	<b>120.2</b>	<b>105.0</b>	<b>-15.2</b>	
<b>ASSUMPTIONS</b> (JPY/EUR)	<b>132.6</b>	<b>120.0</b>	<b>-12.6</b>	

\* NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT



# FY16 SHAREHOLDER RETURN OUTLOOK

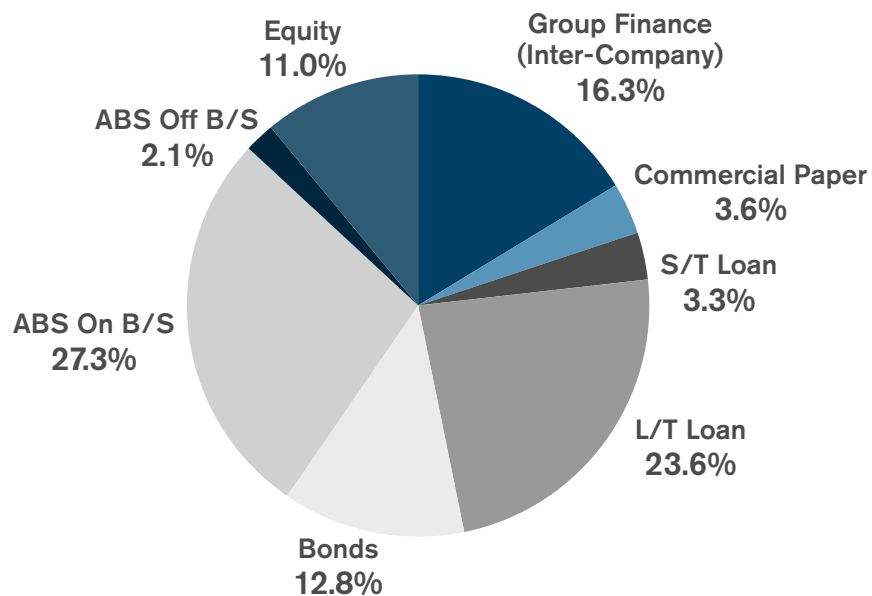
- Minimum payout ratio of 30%
- Announced share buyback program on February 26, 2016 (300 million shares up to 400 billion yen during 2016)



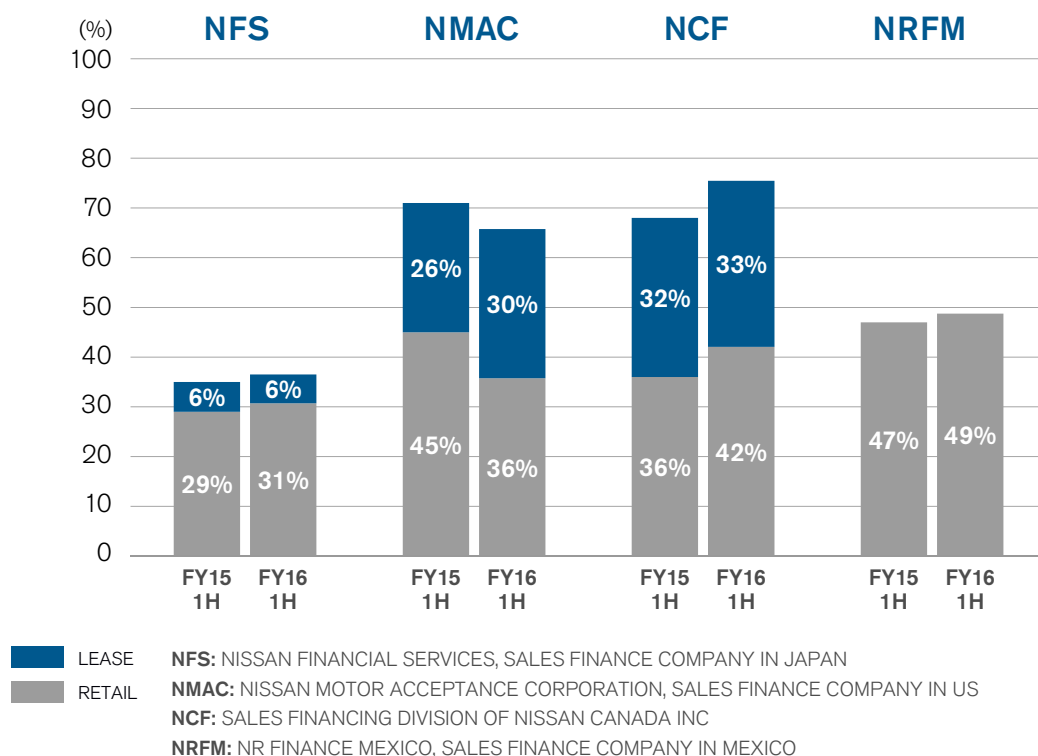
# Appendix

## SALES FINANCING: FUNDING SOURCES (AS OF SEPTEMBER 2016)

TOTAL FUNDING AMOUNT: 8,295 BILLION YEN



# SALES FINANCING: PENETRATION



# SALES FINANCING NET CREDIT LOSS RATIO

	FY15 1H	FY16 1H	VARIANCE
NFS	Lease: <b>0.04%</b>	Lease: <b>0.02%</b>	Lease: <b>-0.02%</b>
	Retail: <b>0.11%</b>	Retail: <b>0.11%</b>	Retail: <b>0.00%</b>
NMAC	Lease: <b>0.28%</b>	Lease: <b>0.36%</b>	Lease: <b>+0.08%</b>
	Retail: <b>0.79%</b>	Retail: <b>1.04%</b>	Retail: <b>+0.25%</b>
NCF	Lease: <b>0.18%</b>	Lease: <b>0.12%</b>	Lease: <b>-0.06%</b>
	Retail: <b>0.39%</b>	Retail: <b>0.32%</b>	Retail: <b>-0.07%</b>

**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 1H	FY16 1H	VARIANCE
<b>NFS</b>	Asset: <b>1,076.6</b> OP: <b>13.9</b>	Asset: <b>1,124.6</b> OP: <b>15.1</b>	Asset: <b>+48.0</b> OP: <b>+1.2</b>
<b>NMAC</b>	Asset: <b>58,109</b> OP: <b>473</b>	Asset: <b>61,978</b> OP: <b>442</b>	Asset: <b>+3,869</b> OP: <b>-31</b>
<b>NCF</b>	Asset: <b>5,339</b> OP: <b>71</b>	Asset: <b>6,398</b> OP: <b>81</b>	Asset: <b>+1,059</b> OP: <b>+10</b>
<b>NRFM</b>	Asset: <b>78,284</b> OP: <b>1,591</b>	Asset: <b>104,825</b> OP: <b>1,683</b>	Asset: <b>+26,541</b> OP: <b>+92</b>

**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

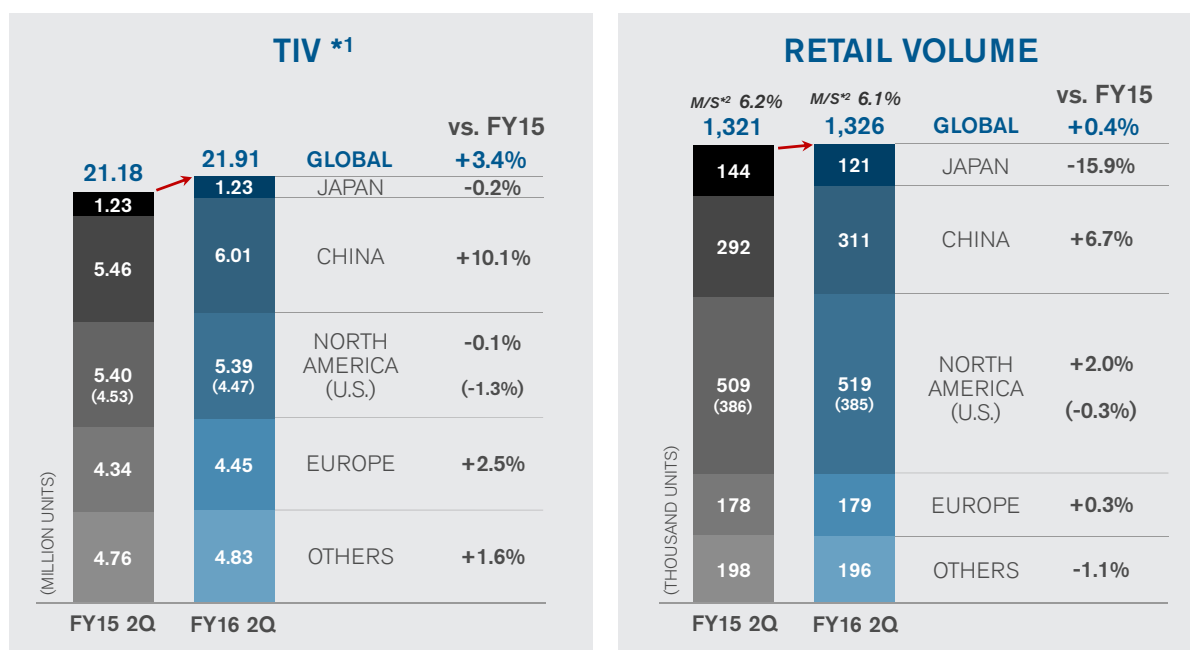
## FY16 1H (6 MONTHS) FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

### OPERATING PROFIT VARIANCE ANALYSIS

(BILLION YEN)

FOREIGN EXCHANGE IMPACT	VOLUME /MIX	SELLING EXPENSES
<b>-179.8</b>	<b>+43.5</b>	<b>-76.8</b>
<b>USD -92.3</b> (121.9 ⇒ 105.2)	<b>JPN +4.7</b> VOL*: -4.8 MIX: +9.5	<b>JPN +5.5</b> INCENTIVES: +4.4 OTHERS: +1.1
<b>MXN -36.0</b> (7.69 ⇒ 5.72)	<b>US +34.2</b> VOL*: +60.1 MIX: -25.9	<b>US -86.3</b> INCENTIVES: -77.4 OTHERS: -8.9
<b>CAD -26.5</b> (96.1 ⇒ 81.1)	<b>EUR +21.3</b> VOL*: +15.9 MIX: +5.4	<b>EUR -13.4</b> INCENTIVES: -16.8 OTHERS: +3.4
<b>THB +15.6</b> (3.57 ⇒ 3.00)	<b>MEX&amp;CAN +2.6</b>	<b>MEX&amp;CAN +13.2</b>
<b>EUR* -13.6</b>	<b>OTHERS -19.3</b>	<b>OTHERS +4.2</b>
<b>OTHERS -27.0</b>		
* INCLUDES OTHER EUROPEAN CURRENCIES (EXCLUDES RUB)	* INCLUDES COUNTRY MIX	

# FY16 2Q (3 MONTHS) SALES PERFORMANCE GLOBAL



\*1: NISSAN ESTIMATION  
\*2: MARKET SHARE

# FY16 2Q (3 MONTHS) FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

(BILLION YEN)	FY15 2Q	FY16 2Q	VARIANCE	CHANGE vs. FY15 (%)
<b>NET REVENUE</b>	<b>3,033.9</b>	<b>2,666.5</b>	<b>-367.4</b>	<b>-12.1%</b>
<b>OPERATING PROFIT</b>	<b>201.3</b>	<b>163.9</b>	<b>-37.4</b>	<b>-18.6%</b>
OP MARGIN	6.6%	6.1%		
NON-OPERATING	10.4	34.7		
<b>ORDINARY PROFIT</b>	<b>211.7</b>	<b>198.6</b>	<b>-13.1</b>	<b>-6.2%</b>
EXTRAORDINARY	-11.2	3.4		
<b>PROFIT BEFORE TAX</b>	<b>200.5</b>	<b>202.0</b>	<b>1.5</b>	<b>0.8%</b>
TAXES	-22.0	-47.3		
EFFECTIVE TAX RATE	11.0%	23.4%		
MINORITY INTEREST *1	-5.7	-8.6		
<b>NET INCOME *2</b>	<b>172.8</b>	<b>146.1</b>	<b>-26.7</b>	<b>-15.5%</b>
FX RATE	122.3 JPY/USD 136.0 JPY/EUR	102.4 JPY/USD 114.3 JPY/EUR	-19.9JPY/USD -21.7JPY/EUR	

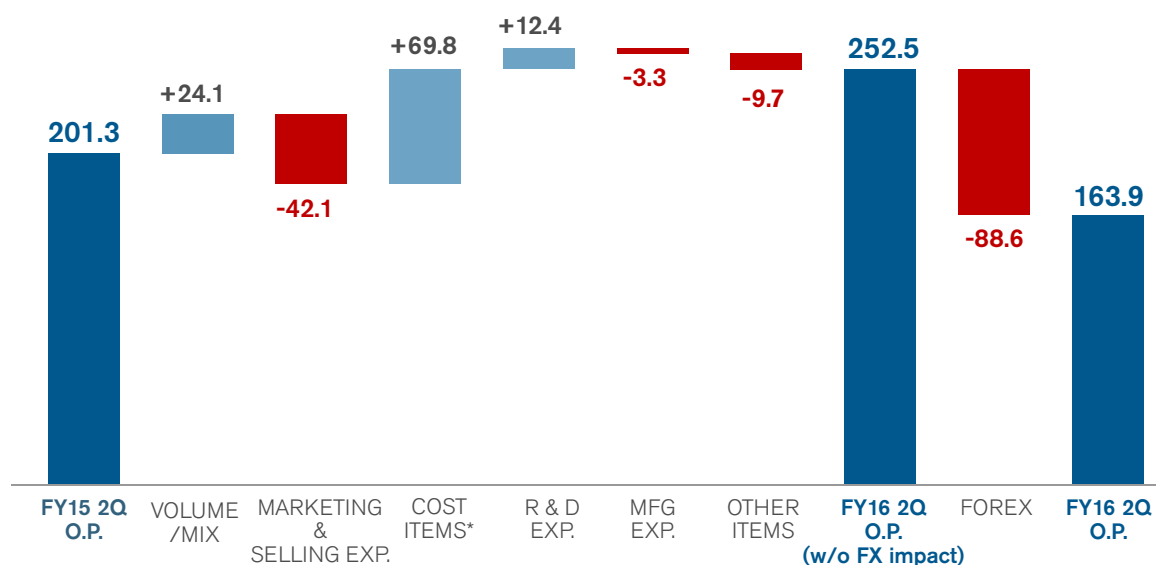
\*1: NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

\*2: NET INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT

# FY16 2Q (3 MONTHS) FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

## OPERATING PROFIT VARIANCE ANALYSIS

(BILLION YEN)



\* INCLUDING PURCHASE, COST REDUCTION, RAW MATERIAL, AND PRODUCT ENRICHMENT

# FY16 2Q (3 MONTHS) FINANCIAL PERFORMANCE (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

## OPERATING PROFIT VARIANCE ANALYSIS

(BILLION YEN)

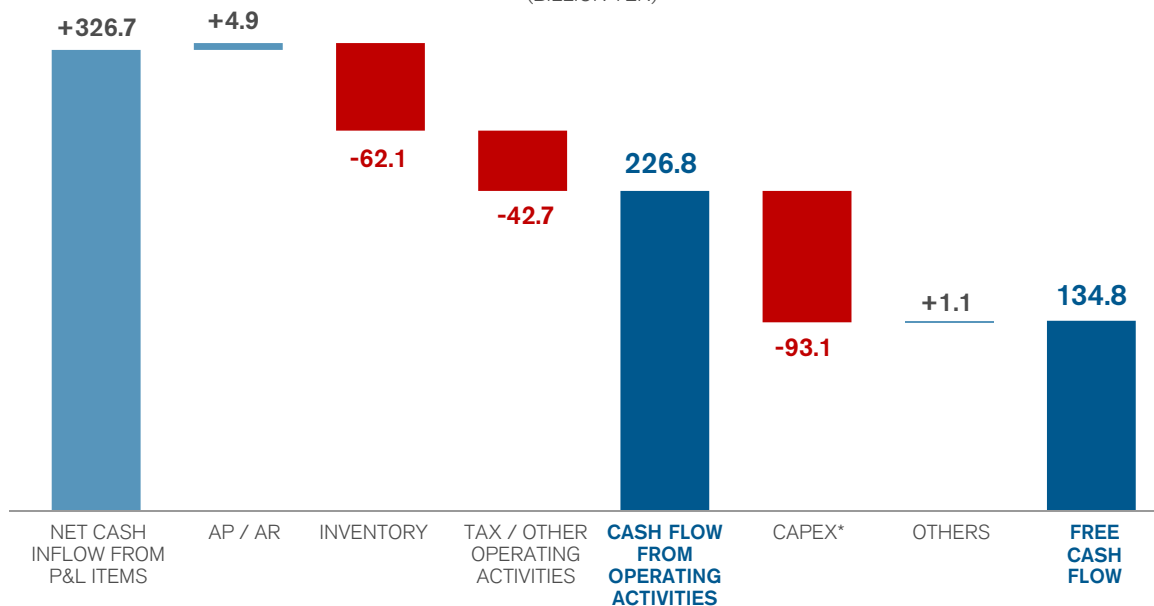
FOREIGN EXCHANGE IMPACT	VOLUME /MIX	SELLING EXPENSES
<b>-88.6</b>	<b>+24.1</b>	<b>-42.1</b>
<b>USD -58.3</b> (122.3 ⇒ 102.4) <b>MXN -19.1</b> (7.46 ⇒ 5.47) <b>CAD -11.4</b> (93.6 ⇒ 78.5) <b>CNY +10.8</b> (19.6 ⇒ 16.5) <b>THB +8.5</b> (3.48 ⇒ 2.94) <b>OTHERS -19.1</b>	<b>JPN -3.6</b> VOL*: -10.7 MIX: +7.1 <b>US +23.6</b> VOL*: +25.5 MIX: -1.9 <b>EUR +6.5</b> VOL*: +0.7 MIX: +5.8 <b>MEX&amp;CAN +3.0</b> <b>OTHERS -5.4</b> <small>* INCLUDES COUNTRY MIX</small>	<b>JPN +3.1</b> INCENTIVES: +2.4 OTHERS: +0.7 <b>US -45.8</b> INCENTIVES: -40.5 OTHERS: -5.3 <b>EUR -3.8</b> INCENTIVES: -7.9 OTHERS: +4.1 <b>MEX&amp;CAN +3.6</b> <b>OTHERS +0.8</b>

# FY16 2Q (3 MONTHS) FINANCIAL PERFORMANCE

## (TSE REPORT BASIS — CHINA JV EQUITY BASIS)

### FREE CASH FLOW (AUTO BUSINESS)

(BILLION YEN)



\* CAPEX DOES NOT INCLUDE FINANCE LEASE-RELATED INVESTMENTS