FY19 FINANCIAL RESULTS & FY20-23 TRANSFORMATION PLAN

NISSAN MOTOR CORPORATION
Setting the context

**RIGHT DIRECTION**

- Streamlining redundant assets
- Efficient resource allocation to core markets and segments

**STRATEGIC GOALS**

- Ensure steady, profitable growth
- Capitalize core on competencies
  - Enhance quality of business
  - Ensure financial discipline
- Restore Nissan-ness

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**A new roadmap for sustainable growth**

**Rationalize**

- Right-sizing production capacity
- Streamlining product portfolio
- Fixed Cost reduction

**Prioritize & Focus**

- Core Markets
- Core Products
- Core Technologies

**Foundation**

- Our DNA / Our Culture / Our focus on Quality & Customer
- Leverage the Alliance new business model
- Strengthen business partnerships
Reducing production capacity

- 20% capacity reduction to 5.4 million units under normal operation
- Production line reductions and select facility closures
- Production utilization ratio above 80%

**MEASURES**

- Close Indonesia plant → Thailand to be single production base in ASEAN
- Intend to close Barcelona plant
  Maintain Sunderland as production base
- Optimize North American plants → production by segment / platform

![Bar chart showing production capacity reduction](chart.png)
Streamlining product portfolio

- Reduce number of models by 20% by FY23 from 69 to ~55
- Reallocate resources to globally competitive models
- Shorten product life cycle to manage portfolio age < 4 years old

**MEASURES**

<table>
<thead>
<tr>
<th>Focus segments</th>
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<tbody>
<tr>
<td>C-Segment</td>
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<tr>
<td>D-Segment</td>
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<tr>
<td>EV</td>
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<tr>
<td>Sports</td>
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Optimize line-up
Minimize regional models

Focus on C/D/EV & Sports

Utilize Alliance leader/follower scheme

**MEASURES**

<table>
<thead>
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<tbody>
<tr>
<td>20% Reduction in production capacity</td>
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<tr>
<td>20% reduction in models</td>
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<tr>
<td>15% G&amp;A cost reduction</td>
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<tr>
<td>Future investment into our core</td>
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Improving cost base

- Optimize fixed cost levels: -300B JPY vs FY18
- Invest in core with tighter control

**MEASURES**

<table>
<thead>
<tr>
<th>Reduction from Non-Core</th>
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<tbody>
<tr>
<td>Invest in Core</td>
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<tr>
<td>More Efficiency</td>
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<tr>
<td>Invest in Core</td>
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</tbody>
</table>

-300 B JPY
Prioritizing core markets

- Japan, China and North America as core markets
- Strategy realigned to deliver sustainable growth instead of unit volumes

MEASURES

Drive core market opportunities – Japan, China, North America

Sustain business in Europe, Latin America, ASEAN, leveraging the Alliance

Sustaining momentum

Reaffirming home market

Rebuilding quality of business
Reaffirming home market: Japan

- Launch new models every year, with strong electrified pipeline
- Maintain leadership in EV & Autonomous Driving

**Gain market share**

<table>
<thead>
<tr>
<th>FY19</th>
<th>FY23</th>
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**Continued product offering**

- ICE
- e-PWR
- EV

 FY19

 FY23

EV expansion: + SUV / kei
Electrified: 25 →~60%

**Younger portfolio age**

- ~90% satisfied
- ~90% satisfied


**Sustaining momentum: China**

- Continue to strengthen presence with clear focus on Nissan Intelligent Mobility to drive a strong brand

**Growing market share**

<table>
<thead>
<tr>
<th>FY19</th>
<th>FY23</th>
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**Product campaign with NIM**

- ICE
- e-PWR
- EV

 FY19

 FY23

EV expansion: +5 → 7 models
e-Power campaign

**Younger portfolio age**

- 6 million units in operation to be connected by FY23


<table>
<thead>
<tr>
<th>FY19</th>
<th>FY23</th>
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- 75%
- 90%
Rebuilding quality of business: US

- Shift business to more retail sales and less fleet
- Product enhancement in SUV and pickups

### Steady market share, more retail

<table>
<thead>
<tr>
<th>FY19</th>
<th>FY23</th>
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<tbody>
<tr>
<td>Fleet</td>
<td>Retail</td>
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</table>

### Enhance SUV & Pick-Up

- **SUV Pick-Up**
- **Sedan**
- **Almera**
- **Sentra**
- **Versa**
- **New Frontier**
- **New Pathfinder**
- **New Rogue**
- **New Altima**
- **New Maxima**
- **New NV**

### Improve quality of business

- **FY19 → FY21~**: +10% net revenue by stronger product and less sales incentives (e.g.) *Sentra Success*
- **Improving inventory management**
  - **FY19 → FY21~**: -20%

**FY19**

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<tbody>
<tr>
<td><em>Sedan</em></td>
<td><em>SUV/Pick-Up</em></td>
<td><em>4 years old</em></td>
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Leverage the Alliance: Europe

- Sustainable market share with enhancement of electrification
- Nissan focus on Crossover SUVs and leverage the Alliance assets

### Sustainable market share

<table>
<thead>
<tr>
<th>FY19</th>
<th>FY23</th>
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<tbody>
<tr>
<td>ICE</td>
<td>SUV</td>
</tr>
<tr>
<td>e-PWR</td>
<td>PHEV</td>
</tr>
<tr>
<td>EV</td>
<td>EV</td>
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### Enhance Electrification

- **EV expansion**: +SUVs
- **e-Power campaign**

### Leverage the Alliance

* Nissan to focus on Crossover SUVs and leverage Alliance assets

<table>
<thead>
<tr>
<th>SUV</th>
<th>EV</th>
<th>HB</th>
<th>LCV</th>
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<tbody>
<tr>
<td>Compact</td>
<td>Midsize</td>
<td>Compact</td>
<td>Midsize</td>
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</table>
Maintaining product momentum

- 12 new models in 18 months
- Concentrate on integrating next-generation technologies into strong portfolio
- Refocused execution of Nissan Intelligent Mobility on core segments

Ramping-up Electrification

- On track to introduce more than 8 pure EVs by 2023
- e-POWER expansion to B- & C-segment and across regions
- Electrification ratio: JPN 60% / China 23% / Europe 50% by FY2023
- Target more than 1 million sales in FY23
Expanding Autonomous Drive Vehicle line-up

- On track to introduce more than 20 models in 20 markets
- Target more than 1.5 million sales per year in FY23

NEW MODELS

ProPILOT

Serena  LEAF  X-TRAIL/Rogue  Qashqai/Rogue Sport  Altima  Infiniti QX50

Skyline  Dayz  Juke  Roox  Ariya

Towards sustainable society

Offer freedom of mobility with Electrification X Autonomous Drive

3D HD-map data

360 degree sensing

Easy Ride by Nissan & DeNA
Laying a pathway to sustainable growth

- Market share 6% level in FY23
- COP > 5.0% in FY23 through concrete actions

<table>
<thead>
<tr>
<th>COP (%)</th>
<th>FY19</th>
<th>FY21</th>
<th>FY23</th>
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<tbody>
<tr>
<td>COP &gt; 5.0%</td>
<td>89.6</td>
<td>85.7</td>
<td>89.6</td>
</tr>
<tr>
<td>Market Share (%)</td>
<td>6.0%</td>
<td>5.8%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Portfolio Age (yrs old)</td>
<td>&lt; 4.0</td>
<td>&gt; 5.0</td>
<td>&lt; 4.0</td>
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</tbody>
</table>

- Focus on Core Markets, Products, Technologies
- Maximize the Alliance assets
- Younger portfolio age
- Improve quality of sales
- Right size production capacity
- Optimize product portfolio
- Reduce G&A cost
- Younger portfolio age
- Improve quality of sales

Building on core strengths – Our DNA

Passionate

Innovative

Challenger
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