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# FY2011 third-quarter financial results

Nissan Motor Co., Ltd.  
February 8, 2012

www.nissan-global.com

## Key performance indicators: financial results

(billion yen)

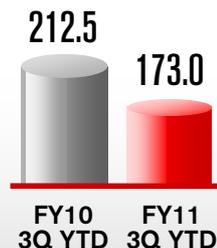
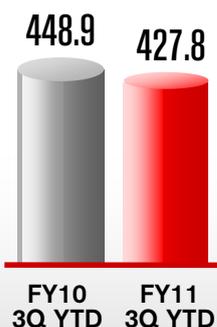
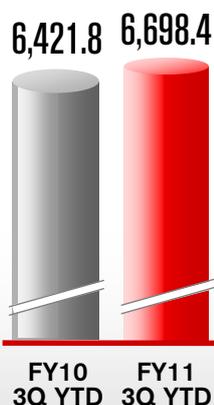
Net revenue

Operating profit

Net income

Free cash flow (Auto)

Net debt (Auto)



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# FY11 Business update

## Mid-term plan "NISSAN POWER 88"



**POWER**  
Brand & sales power

**8**  
Global market share by FY16 (%)

**8**  
Sustainable COP (%)

# FY11 Business update

## Awarded car of the year in Japan



CAR OF THE YEAR JAPAN 2011-2012  
2011-2012 日本カー・オブ・ザ・イヤー 受賞  
主催：日本カー・オブ・ザ・イヤー実行委員会

2012 RJC CAR OF THE YEAR

2011-2012 CAR OF THE YEAR  
JAHFA 日本自動車殿堂  
カーオブザイヤー



# FY11 Business update

## Zero-emission leadership



### Comprehensive approach

e-NV200 concept

Quick charger

LEAF to home

# FY11 Business update

## Motor Shows

**Delhi, India**

**Tokyo, Japan**

**Detroit, U.S.**

**Guangzhou, China**

**Los Angeles, U.S.**

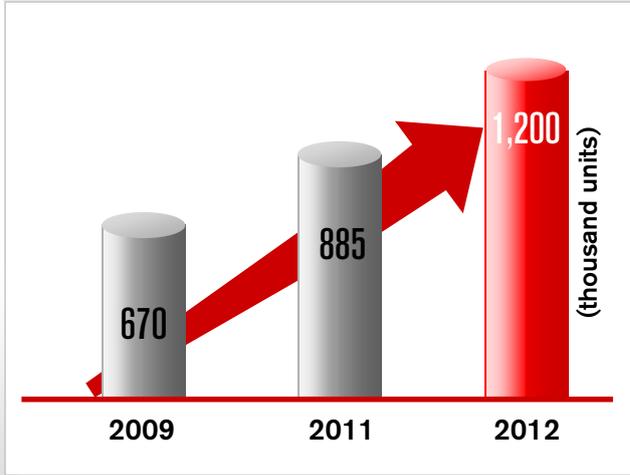
# FY11 Business update

## China production capacity enhancement

### Huadu #2 plant completion



### China production capacity (2 shifts)



# FY11 Business update

## Brazil plant construction announcement

- Location : Resende, Rio de Janeiro State
- Capacity : 200,000 units per year
- Start of production : First-half of 2014



# FY11 Business update

## Mexico new plant construction announcement

- Location : Aguascalientes
- Capacity : 175,000 units annually ( Phase I )
- Start of production : Late 2013

Total capacity for Mexico to reach over 1 million units in the mid-term



# FY11 Business update

## Alliance and partnerships

8.03 million unit sales in CY2011



**DAIMLER**

Decherd, TN facility to manufacture 4-cylinder engines for Infiniti and Mercedes-Benz in 2014

**ASHOK LEYLAND**



**FY11**

**sales performance (9 months)**

**FY11**

**financial performance (9 months)**

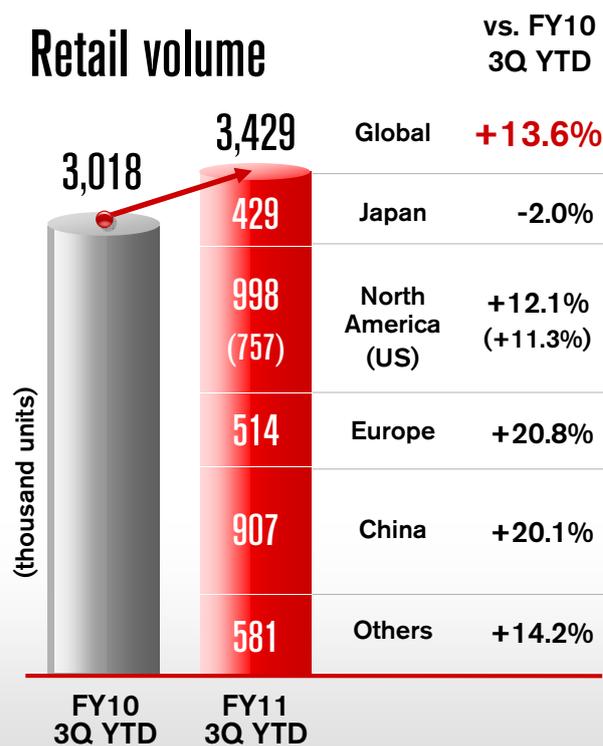
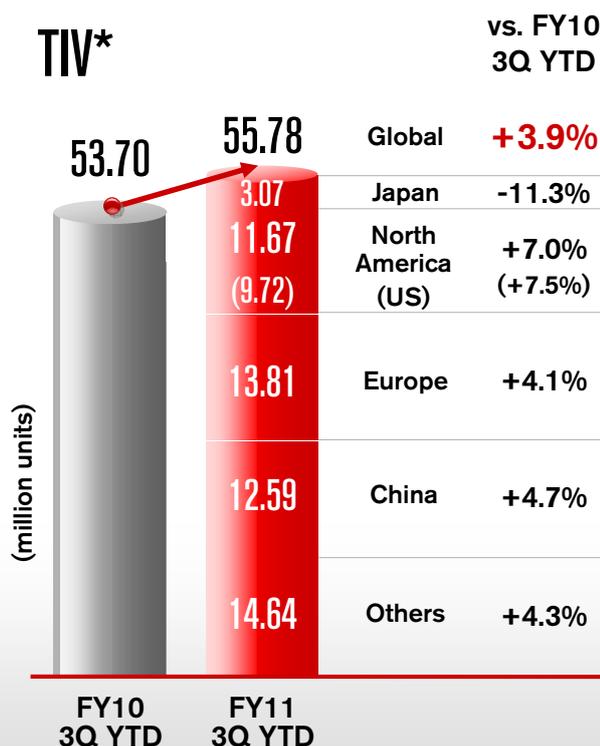
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**FY11 sales performance (9 months): Global**



\*Nissan's estimation

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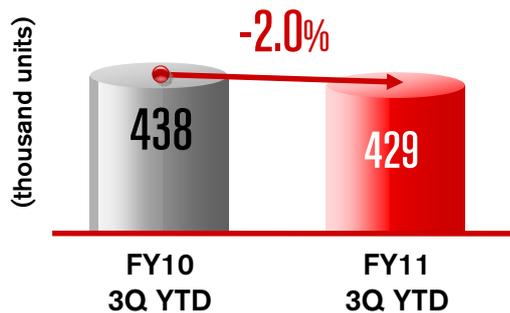
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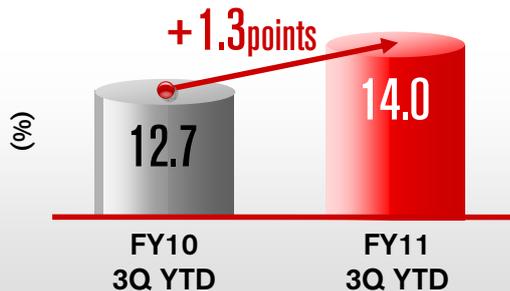
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## FY11 sales performance (9 months): Japan

### Retail volume



### Market share



- TIV decreased 11.3% to 3.07 million units
- Despite a significant drop in TIV, sales in Japan decreased only 2% thanks to Serena and Juke. As a result, Nissan achieved a 14% market share
- Nissan LEAF achieved 5.9 k unit sales
- Serena minivan achieved the No. 1 position in its class in CY2011



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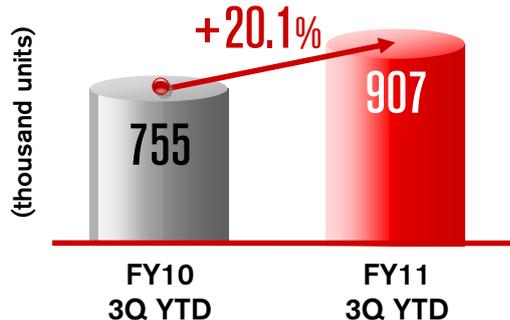
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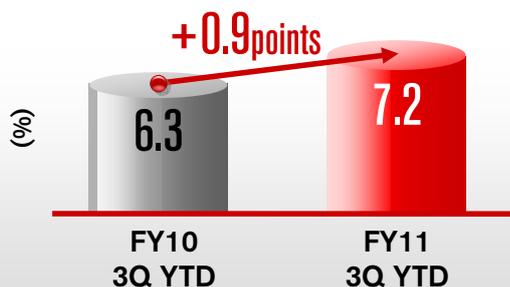
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## FY11 sales performance (9 months): China (Jan. to Sep.)

### Retail volume



### Market share



- TIV\* increased 4.7% to 12.59 million units
- Sales in China increased 20.1% to 907 k units, thanks to Teana, Sunny and QASHQAI
- 4Q (Oct. to Dec.) unit sales increased by 26.8%. As a result, FY11 (Jan. to Dec.) unit sales grew by 21.9% to 1.25 million units and market share improved 1.1 points to 7.3%



\*TIV for China : Passenger and LCV only

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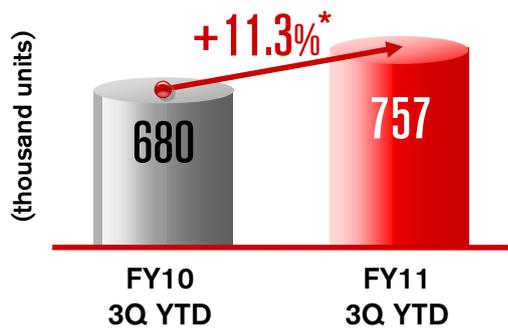
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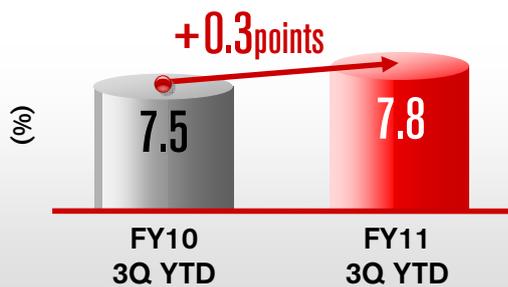
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## FY11 sales performance (9 months): North America

### US Retail volume



### US Market share



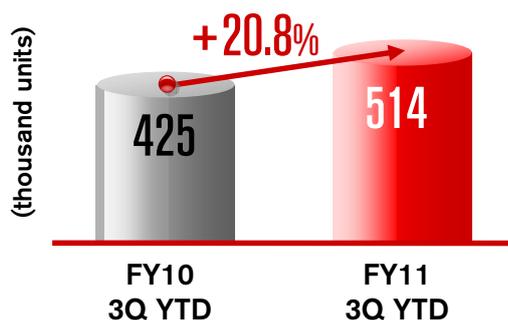
- TIV increased 7.5%\* to 9.72 million units in the US
- Sales in US increased 11.3%\* to 757 k units, thanks to Altima, Rogue and Versa
- Nissan LEAF achieved 9.2 k unit sales in the US
- Canada: Sales up 2.1% to 66.4 k units, market share maintained at 5.3%
- Mexico: Sales up 20.6% to 174.1 k units, market share improved 2.1 points to 25%



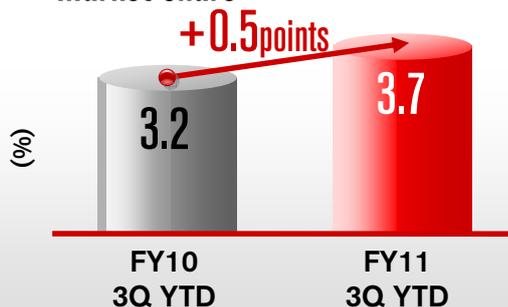
\*Variances on a straight-percentage basis

## FY11 sales performance (9 months): Europe

### Retail volume



### Market share



- TIV increased 4.1% to 13.81 million units
- Sales in Europe, excluding Russia, increased by 12.8% to 398 k units thanks to Juke and QASHQAI
- Sales in Russia increased by 59.5% to 116 k units

### Market share:

	FY10 3Q YTD	FY11 3Q YTD
Russia	4.5%	5.4%
Europe excl. Russia	3.0%	3.4%

### Juke



### QASHQAI series



# FY11 sales performance (9 months): Other markets



- Sales in Latin America increased 33.4% to 160.2 k units. Sales in Brazil increased 90.2% to 53.8 k units
- Sales in Thailand increased 9.4% to 49.1 k units
- Sales in Indonesia increased 54.5% to 44.4 k units
- Sales in India increased to 17.2 k units from 6 k units in the prior year



**FY11**

**sales performance (9 months)**

**FY11**

**financial performance (9 months)**

## FY11 financial performance (9 months)

(billion yen)	FY10 3Q YTD	FY11 3Q YTD	Variance	Change vs. FY10 (%)
Net revenue	6,421.8	6,698.4	+276.6	+4.3%
Operating profit	448.9	427.8	-21.1	-4.7%
<i>OP margin</i>	7.0%	6.4%		
<i>Non-operating</i>	7.3	-11.0		
Ordinary profit	456.2	416.8	-39.4	-8.6%
<i>Extraordinary</i>	-7.7	-21.0		
Profit before tax	448.5	395.8	-52.7	-11.8%
<i>Taxes</i>	-137.4	-104.9		
<i>Effective tax rate</i>	30.6%	26.5%		
<i>Minority interest</i>	-22.7	-24.8		
Net income	288.4	266.1	-22.3	-7.7%
FX rate	86.8 JPY/USD 113.3 JPY/EUR	79.0 JPY/USD 110.6 JPY/EUR	-7.8 JPY/USD -2.7 JPY/EUR	

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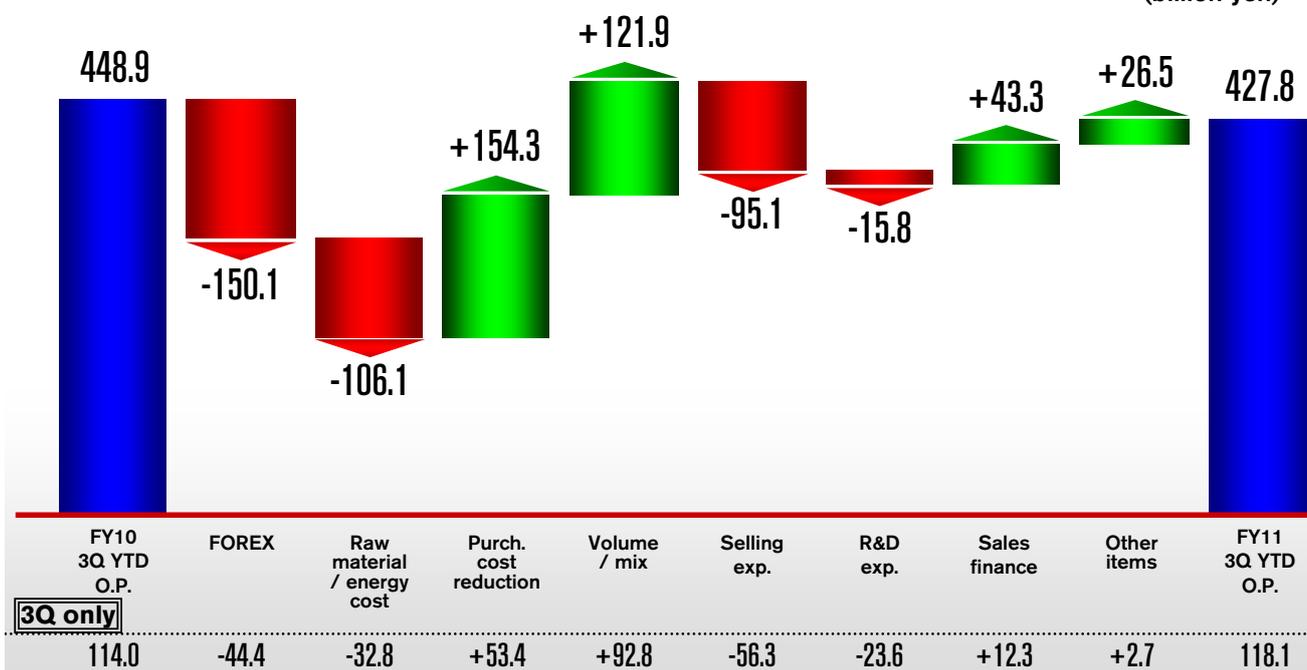
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## FY11 financial performance (9 months)

### Operating profit variance analysis

(billion yen)



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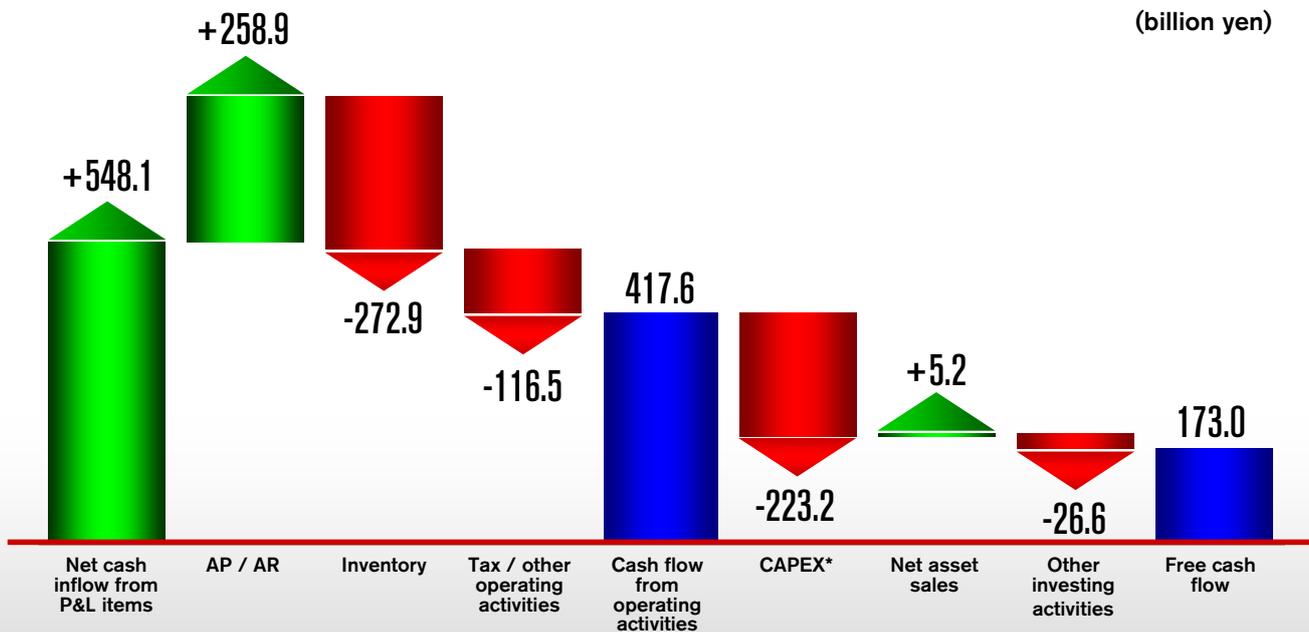
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# FY11 financial performance (9 months)

## Free cash flow (Auto business)

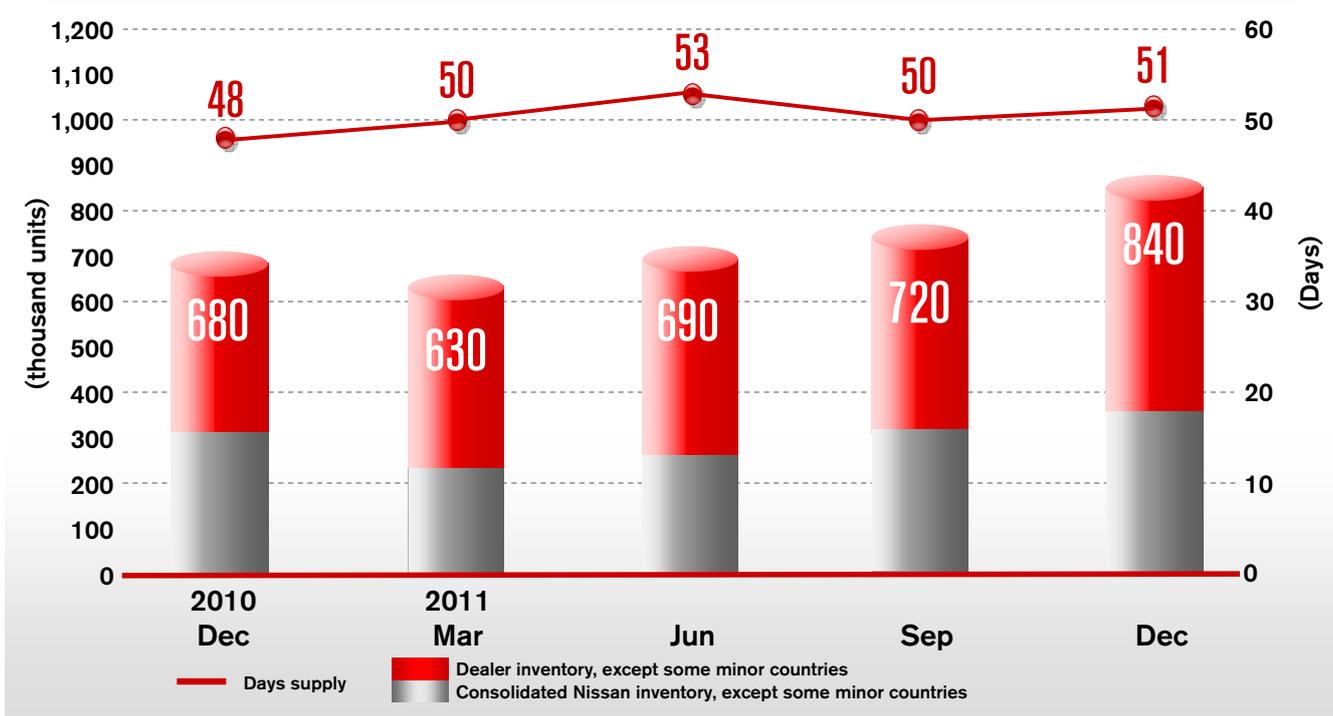
(billion yen)



\* CAPEX does not include finance lease-related investments

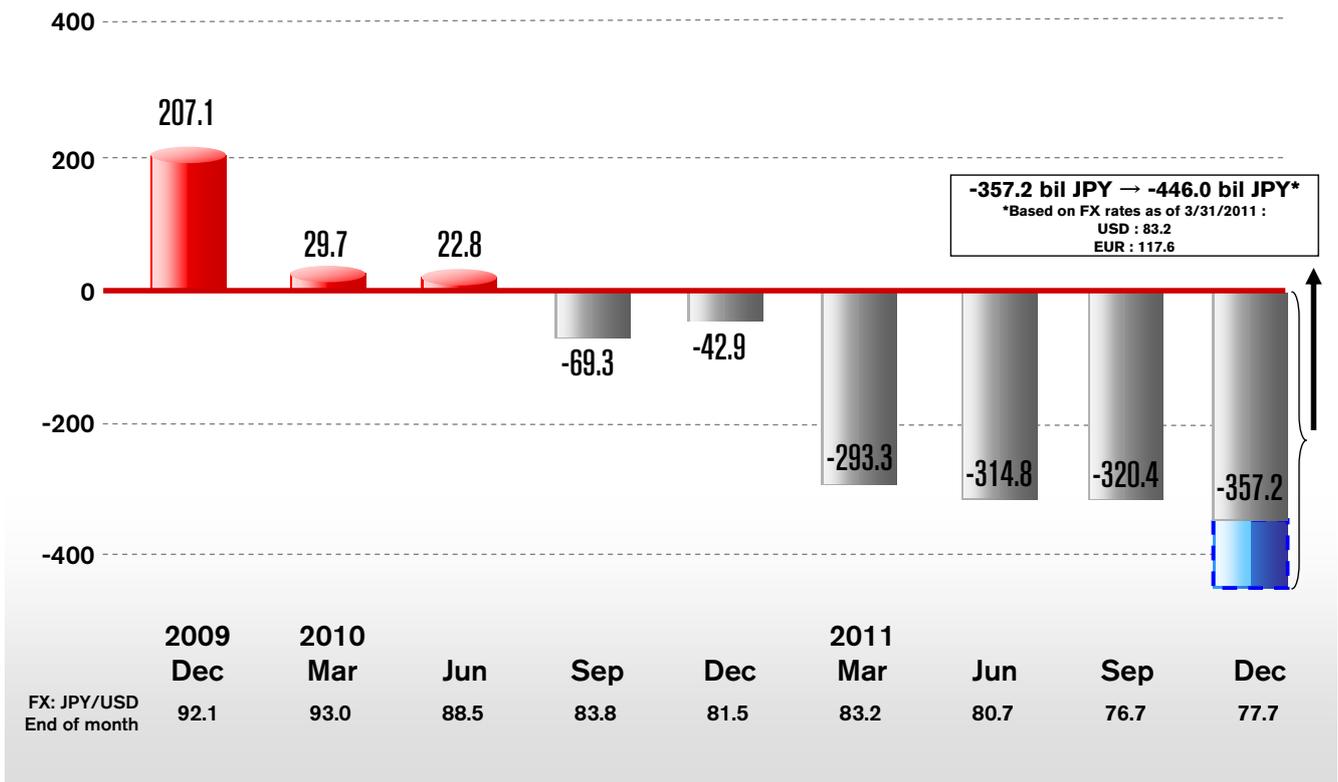
# Inventory management

## Inventory status



# Net debt (Auto business)

(billion yen)



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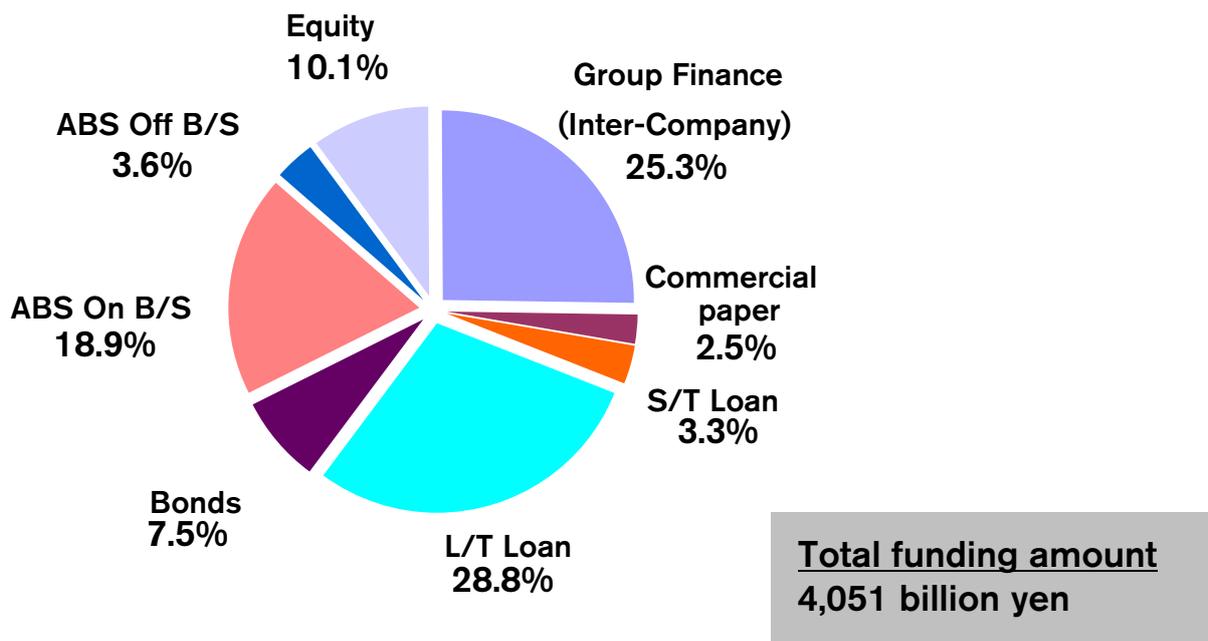
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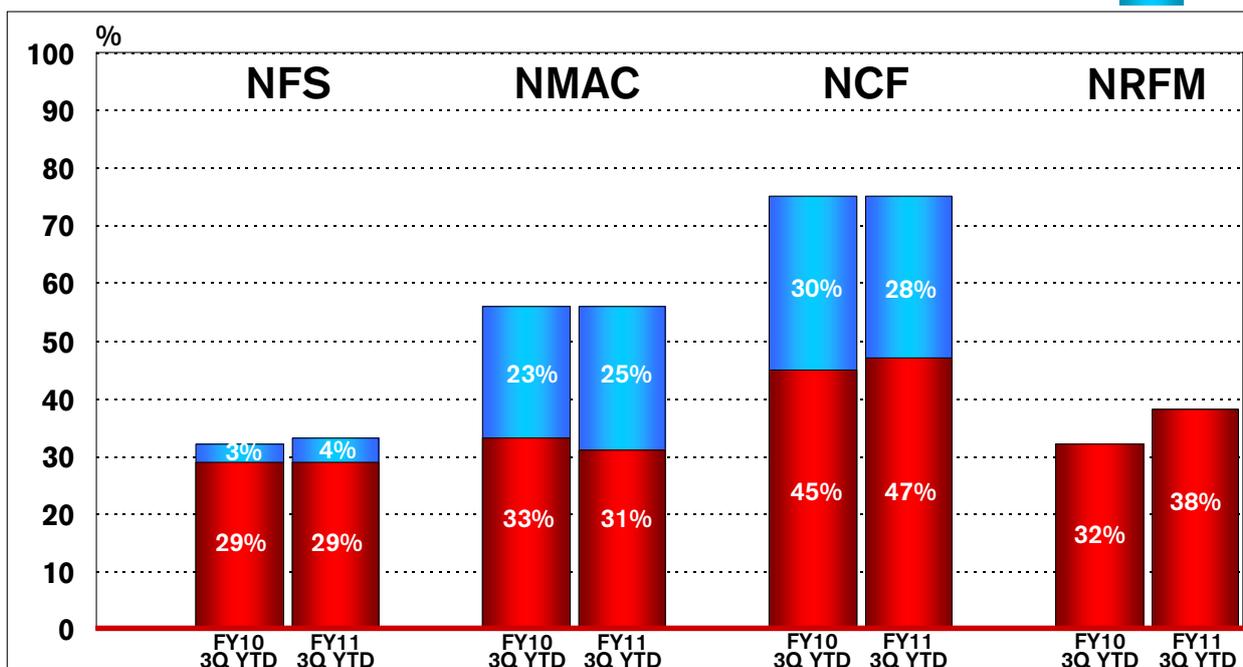
## Appendix

# Sales financing : Funding sources

(As of December 2011)



## Sales financing: penetration



NFS: Nissan Financial Service, sales finance company in Japan

NMAC: Nissan Motor Acceptance Corporation, sales finance company in USA

NCF: Sales financing division of Nissan Canada Inc

NRFM: NR Finance Mexico, sales finance company in Mexico

## Sales financing: net credit loss ratio

	FY10 3Q YTD	FY11 3Q YTD	Variance
<b>NFS</b>	Lease: 0.06% Retail: 0.27%	Lease: 0.06% Retail: 0.26%	Lease: 0.00% Retail: -0.01%
<b>NMAC</b>	Lease: 0.39% Retail: 1.06%	Lease: 0.11% Retail: 0.68%	Lease: -0.28% Retail: -0.38%
<b>NCF</b>	Lease: 0.23% Retail: 0.24%	Lease: 0.18% Retail: 0.17%	Lease: -0.05% Retail: -0.07%

NFS: Nissan Financial Service, 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)

	FY10 3Q YTD	FY11 3Q YTD	Variance
<b>NFS</b>	Asset: 1,038.2 OP: 10.1	Asset: 1,078.8 OP: 13.7	Asset: +40.6 OP: +3.6
<b>NMAC</b>	Asset: 32,716 OP: 618	Asset: 36,226 OP: 982	Asset: +3,510 OP: +364
<b>NCF</b>	Asset: 3,843 OP: 66	Asset: 3,950 OP: 95	Asset: +107 OP: +29
<b>NRFM</b>	Asset: 26,471 OP: 510	Asset: 30,868 OP: 785	Asset: +4,397 OP: +275

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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

# FY11 financial performance (9 months)

## Operating profit variance analysis

(billion yen)

### 1. Foreign exchange impact **-150.1**

USD	-119.5 (86.8 to 79.0)	RUB	-15.0 (2.85 to 2.70)
CAD	-6.9 (84.5 to 79.9)	EUR*	+0.4
AUD	+2.2 (80.1 to 82.3)	Others	-11.3

\* including other European currencies (excluding RUB)

### 2. Volume / mix **+121.9**

Japan <b>+2.1</b> Vol: +3.2 Mix: -1.1	US <b>+20.0</b> Vol: +60.9 Mix: -40.9	EUR <b>+47.5</b> Vol: +57.8 Mix: -10.3	MEX&CAN <b>+2.9</b>	Others <b>+49.4</b>
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### 3. Selling expenses **-95.1**

Japan <b>+4.1</b> Incentives: +5.6 Others: -1.5	US&CAN <b>-51.1</b> Incentives: -25.0 Others: -26.1	EUR <b>-13.8</b> Incentives: -12.0 Others: -1.8	Others <b>-34.3</b> Incentives: -20.8 Others: -13.5
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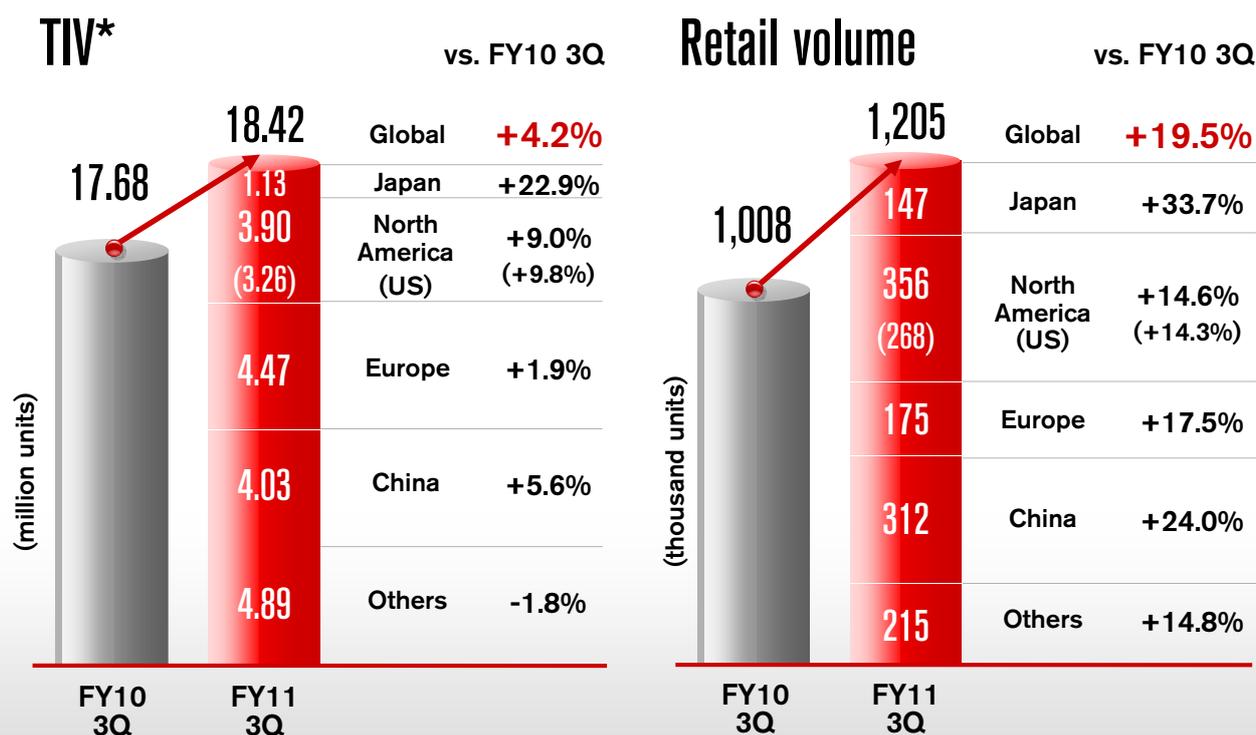
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## FY11 third-quarter sales performance : Global (3 months)



\*Nissan's estimation

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## FY11 third-quarter financial performance (3 months)

(billion yen)	FY10 3Q	FY11 3Q	Variance	Change vs. FY10 (%)
Net revenue	2,102.8	2,331.0	+228.2	+10.9%
Operating profit	114.0	118.1	+4.1	+3.6%
<i>OP margin</i>	5.4%	5.1%		
<i>Non-operating</i>	27.1	3.4		
Ordinary profit	141.1	121.5	-19.6	-13.9%
<i>Extraordinary</i>	-8.0	-2.4		
Profit before tax	133.1	119.1	-14.0	-10.5%
<i>Taxes</i>	-46.0	-26.6		
<i>Effective tax rate</i>	34.6%	22.4%		
<i>Minority interest</i>	-7.0	-9.8		
Net income	80.1	82.7	+2.6	+3.2%
FX rate	82.7 JPY/USD 112.2 JPY/EUR	77.4 JPY/USD 104.3 JPY/EUR	-5.3 JPY/USD -7.9 JPY/EUR	

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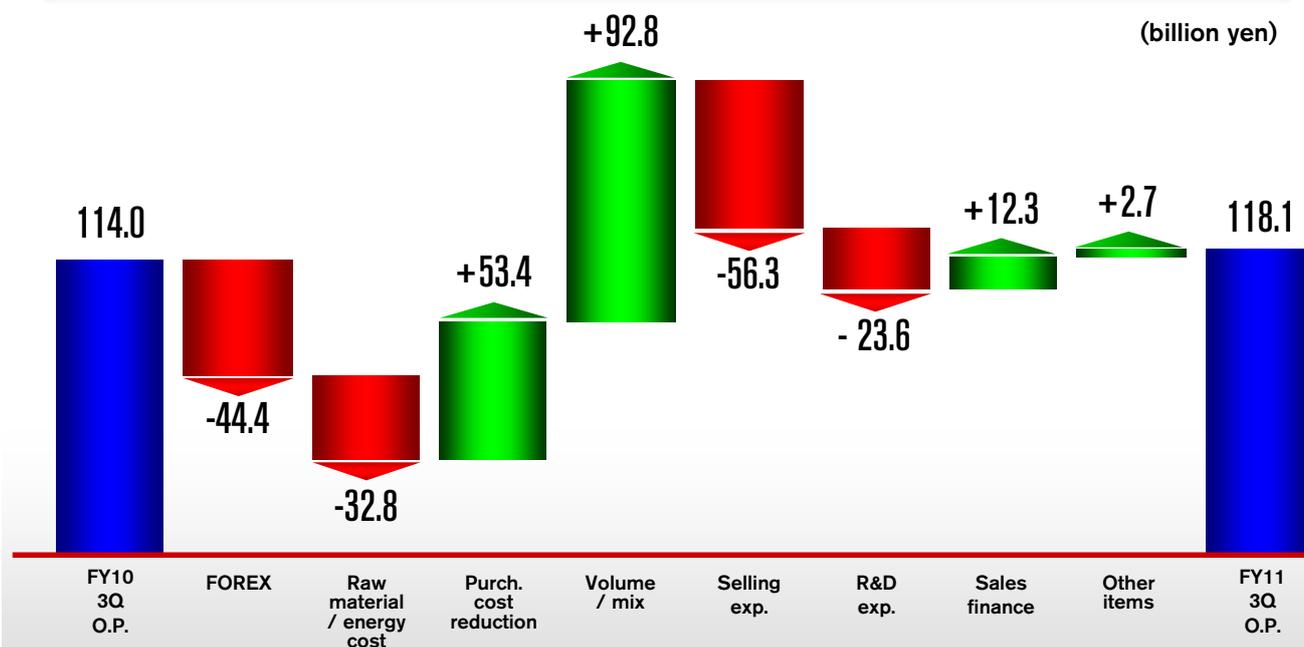
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## FY11 third-quarter financial performance (3 months)

### Operating profit variance analysis



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# FY11 third-quarter financial performance (3 months)

## Operating profit variance analysis

(billion yen)

### 1. Foreign exchange impact **-44.4**

USD	-28.8 (82.7 to 77.4)	RUB	-8.1 (2.70 to 2.49)
CAD	-3.2 (81.6 to 75.6)	EUR*	+0.5
AUD	-1.5 (81.6 to 78.4)	Others	-3.3

\* including other European currencies (excluding RUB)

### 2. Volume / mix **+92.8**

Japan <b>+22.4</b> [ Vol: +21.5 Mix: +0.9 ]	US <b>+20.6</b> [ Vol: +29.2 Mix: -8.6 ]	EUR <b>+16.0</b> [ Vol: +17.3 Mix: -1.3 ]	MEX&CAN <b>+5.5</b>	Others <b>+28.3</b>
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### 3. Selling expenses **-56.3**

Japan <b>-5.5</b> [ Incentives: +3.5 Others: -9.0 ]	US&CAN <b>-27.7</b> [ Incentives: -13.8 Others: -13.9 ]	EUR <b>-12.6</b> [ Incentives: -10.8 Others: -1.8 ]	Others <b>-10.5</b> [ Incentives: -13.1 Others: +2.6 ]
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# FY11 financial performance (9 months)

## Detail of non-operating income/expenses

(billion yen)

	FY10 3Q YTD	FY11 3Q YTD	Variance
▪ Interest income / expenses	-9.8	-11.7	-1.9
▪ FX translation	-32.1	-20.4	+11.7
↳ NML	-21.8	-19.3	+2.5
↳ NMEX	0.7	6.2	+5.5
↳ NMAC	-14.4	-2.3	+12.1
↳ Others	3.4	-5.0	-8.4
▪ Derivative gain and loss	17.5	8.8	-8.7
↳ NMAC	15.2	2.6	-12.6
↳ Others	2.3	6.2	+3.9
▪ Profit/Loss under equity methods	42.3	18.2	-24.1
▪ Amortization of net retirement benefit	-8.0	-7.6	+0.4
▪ Others	-2.6	1.7	+4.3

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## FY11 financial performance (9 months)

### Detail of extraordinary gains/losses

(billion yen)

	FY10 3Q YTD	FY11 3Q YTD	Variance
▪ Sale/disposal of fixed assets	3.7	-2.7	-6.4
▪ Sale of investment securities	2.2	10.6	+8.4
▪ Impairment loss on fixed assets	-5.4	-9.4	-4.0
▪ Loss on disaster	0.0	-27.1	-27.1
▪ Others	-8.2	7.6	+15.8

## FY11 third-quarter financial performance (3 months)

### Detail of non-operating income/expenses

(billion yen)

	FY10 3Q	FY11 3Q	Variance
▪ Interest income / expenses	-2.0	-4.1	-2.1
▪ FX translation	-5.2	9.9	+15.1
↳ NML	-6.7	3.1	9.8
↳ NMEX	-0.5	1.1	1.6
↳ NMAC	0.0	3.1	3.1
↳ Others	2.0	2.6	0.6
▪ Derivative gain and loss	2.0	-3.3	-5.3
↳ NMAC	1.2	-3.1	-4.3
↳ Others	0.8	-0.2	-1.0
▪ Profit/Loss under equity methods	37.0	2.6	-34.4
▪ Amortization of net retirement benefit	-2.7	-2.5	+0.2
▪ Others	-2.0	0.8	+2.8

Offset

## FY11 third-quarter financial performance (3 months)

### Detail of extraordinary gains/losses

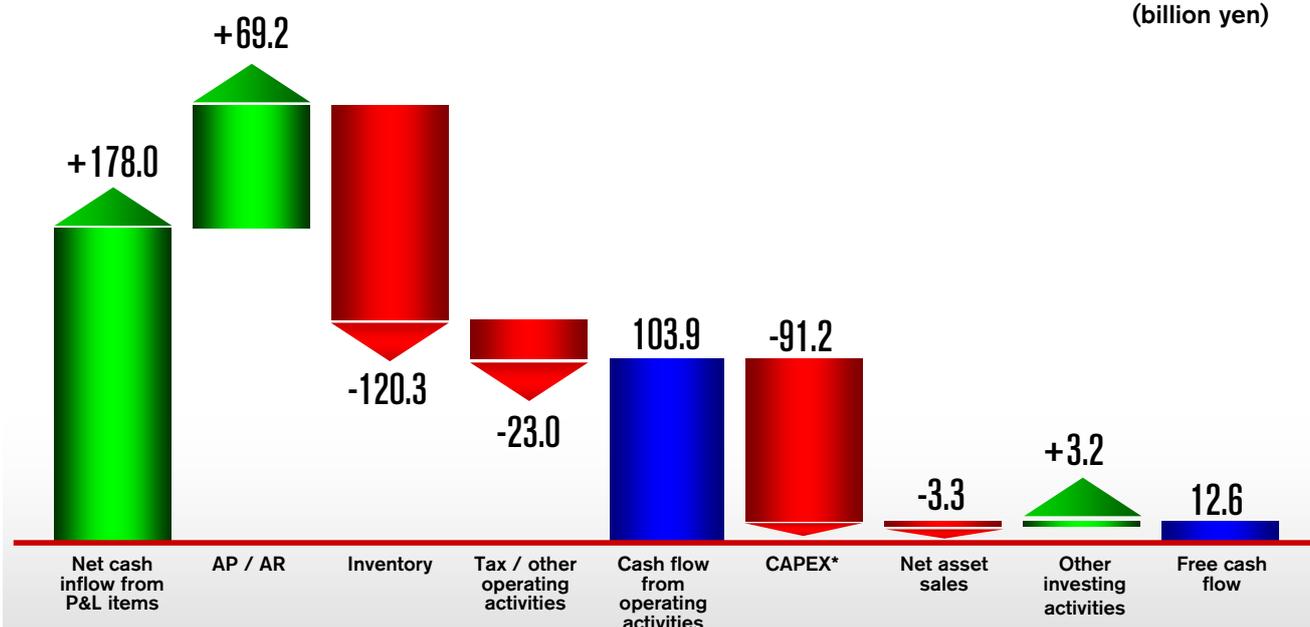
(billion yen)

	FY10 3Q	FY11 3Q	Variance
▪ Sale/disposal of fixed assets	-2.6	-0.6	+2.0
▪ Sale of investment securities	0.3	0.1	-0.2
▪ Impairment loss on fixed assets	-3.6	-3.1	+0.5
▪ Others	-2.1	1.2	+3.3

## FY11 third-quarter financial performance (3 months)

### Free cash flow (Auto business)

(billion yen)



\* CAPEX does not include finance lease-related investments

# FY11 financial performance (9 months)

## Free cash flow (Auto business) variance

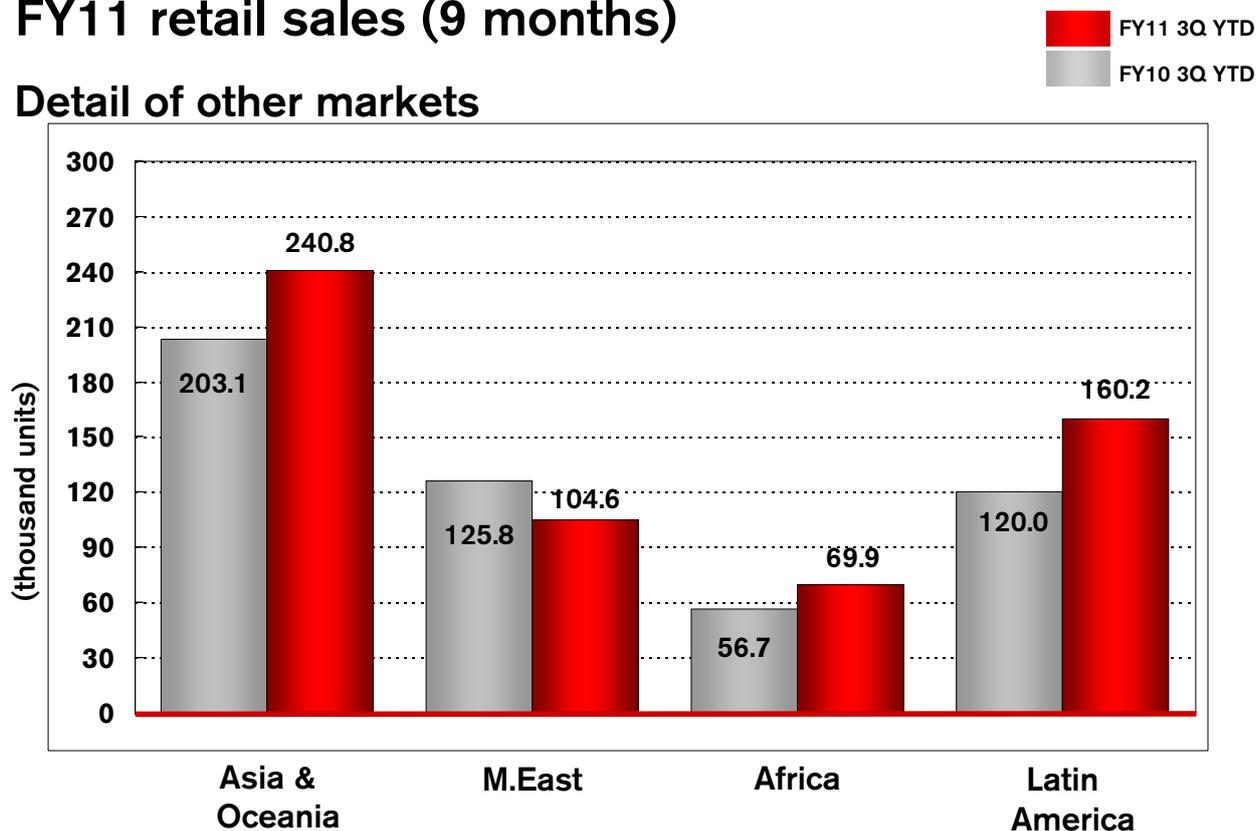
(billion yen)

	FY10 3Q YTD	FY11 3Q YTD	Variance
Net cash inflow from P&L items	645.1	548.1	-97.0
AP/AR	116.4	258.9	+142.5
Inventory	-322.0	-272.9	+49.1
Tax/Others	-143.0	-116.5	+26.5
<b>Operating activities</b>	<b>296.5</b>	<b>417.6</b>	<b>+121.1</b>
Capex *	-153.8	-223.2	-69.4
Asset sales	19.1	5.2	-13.9
Others	50.7	-26.6	-77.3
<b>Investing activities</b>	<b>-84.0</b>	<b>-244.6</b>	<b>-160.6</b>
<b>Free cash flow</b>	<b>212.5</b>	<b>173.0</b>	<b>-39.5</b>

\* Capex does not include finance lease-related investments

# FY11 retail sales (9 months)

## Detail of other markets

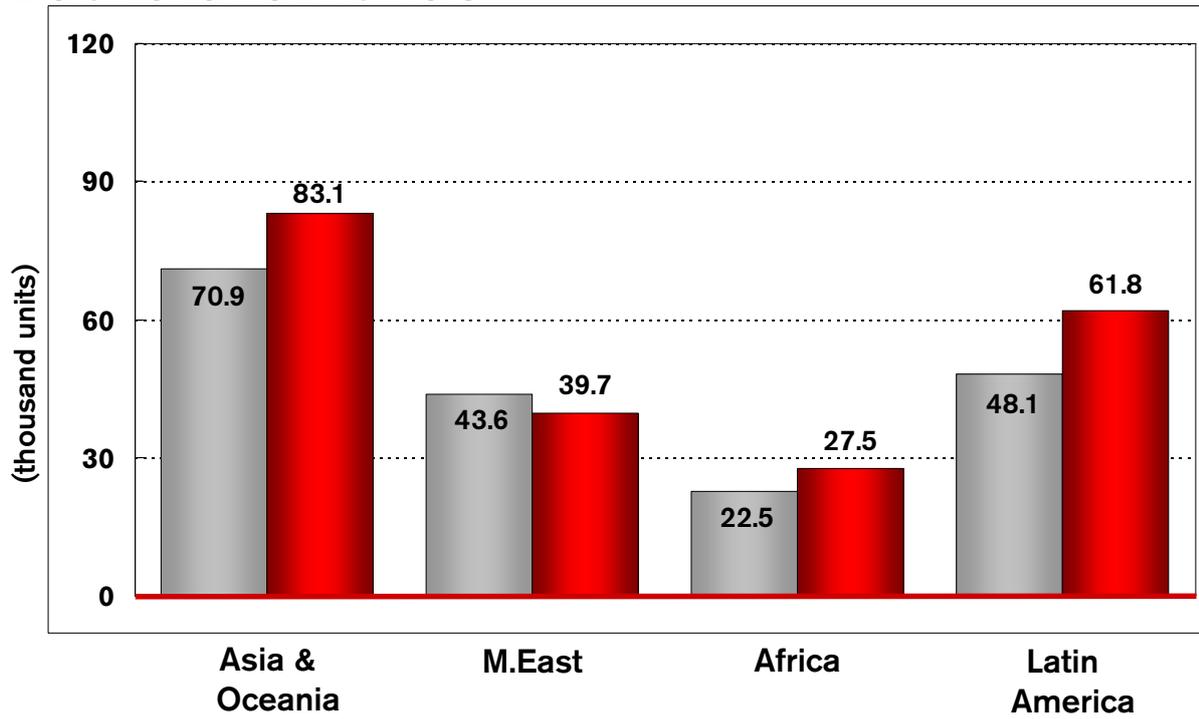


\*Scope change between M.East and Africa

# FY11 third-quarter retail sales (3 months)

 FY11 3Q  
 FY10 3Q

## Detail of other markets



\*Scope change between M.East and Africa

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