

[Translation]

August 3, 2018

To whom it may concern

Company name: Nissan Motor Co., Ltd.  
Representative Director and President: Hiroto Saikawa  
(Code no.:7201, Tokyo Stock Exchange First Section)  
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Departments  
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### **Announcement of Company Split with Automotive Energy Supply Corporation and Changes to Subsidiary (Share Transfer)**

Nissan Motor Co., Ltd. (“Nissan”) hereby announces as set forth below that it has resolved at the Board of Directors meeting today, to execute a definitive agreement (the “Definitive Agreement”) with Envision AESC Holding Ltd (together with its affiliates, “Envision”), which belongs to Envision group, a sustainable energy business operator, for the sale of Nissan’s and its subsidiaries’ battery business, and as part of the sale of said business, effective as of March 29, 2019 to (1) split the product development, technological development, and production engineering businesses related to Nissan’s pouch-type lithium-ion battery business from the company (the “NML Company Split”) to be succeeded by Automotive Energy Supply Corporation (“AESC”); (2) succeed to AESC’s LEAF electrical vehicle (EV) battery pack production business through the company split of said business from AESC (the “AESC Company Split,” collectively with the NML Company Split, the “Company Split” ); (3) (i) transfer 100% of the shares of AESC, (ii) transfer the battery business in North America held by Nissan’s subsidiary in North America and (iii) transfer all shares of the Nissan subsidiary in the UK which operates the battery business in the UK, to Envision and its subsidiary (Note 1); and (4) NML’s (or its affiliates’) retention of a 25% share or equity interest in the entity newly formed by Envision that will conduct the battery business following the closing of the sale of said business ((1) through (4) shall collectively be referred to as the “Transaction”). The Transaction is scheduled to be executed subject to approval under the competition laws of the respective countries and of US CFIUS and other relevant agencies, and on the condition that AESC becomes a wholly-owned subsidiary of Nissan (Note 2) and that Envision acquires all of outstanding shares of NEC Energy Devices Ltd.

(Note 1): By the effective date of the Company Split, Nissan UK subsidiary which currently holds and operates the UK battery business shall transfer the UK battery business to a wholly owned entity of such Nissan UK subsidiary formed to hold and operate the UK battery business and then the shares of the wholly owned entity shall be transferred to Envision.

(Note 2): On August 8, 2017, Nissan entered into a share purchase agreement (the “AESC Share Transfer Agreement”) by and among Nissan, NEC Corporation and NEC Energy Devices Ltd., pursuant to which Nissan will acquire all of the AESC shares held by NEC (39,396 shares) and NECED (6,566 shares) respectively. Based on the AESC Share Transfer Agreement, Nissan plans to hold 100% of the shares in AESC by the effective date (inclusive of the same date) of Company Split and following the Company Split such AESC shares shall be transferred to Envision.

Each of the NML Company Split and the AESC Company Split will be a company split pursuant to which increase or decrease in the net asset of Nissan as of the immediate preceding fiscal year is less than 10% and increase or decrease in the sales of Nissan as of the immediate preceding fiscal year is less than 3%, and thereby certain portions of matters and content for disclosure have been omitted.

#### **I. Company Split**

##### **1. Purpose of the Transaction**

The Transaction will enable Nissan to concentrate on developing and producing market-leading electric vehicles

(EVs) – in line with the goals set in our midterm plan Nissan M.O.V.E. to 2022. We are confident that Envision will be a strong, long-term owner of the new company and that it will further grow as a battery company with increased competitiveness.

## 2. Outline of the Transaction

### (1) Schedule of the Transaction

Date of Resolution of the Board Meeting	August 3, 2018
Date of Execution of the Definitive Agreement	August 3, 2018
Date of Execution of the Company Split Agreement	January 31, 2019 (tentative)
Effective Date of the Company Split	March 29, 2019 (tentative)
Effective Date of the Transaction	March 29, 2019 (tentative)

(Note): Each of NML Company Split and AESC Company Split is a small-scale (*kan-i*) absorption-type company split, and therefore neither will convene shareholder meetings for approval of the company split agreement.

### (2) Method of the Company Split

NML Company Split is an absorption-type company split whereby Nissan will be the splitting company and AESC will be the succeeding company. AESC Company Split is an absorption-type company split whereby AESC will be the splitting company and Nissan will be the succeeding company.

### (3) Details of allotments relating to the Company Split

There will be no delivery of considerations such as share allotments or cash payments given that the company split will take place as of the effective date of the Company Split between a parent and a wholly-owned subsidiary after acquiring 100% shares in AESC.

### (4) Treatment of share subscription rights and bonds with stock subscription rights in relation to the Company Split

The Company issues share subscription rights, but there will be no change in treatment due to the Company Split. The Company does not issue bonds with stock subscription rights.

### (5) Increase or decrease of capital stock due to the Company Split

There will be no change in capital stock due to the Company Split.

### (6) Rights and Obligations to be succeeded by the succeeding company

#### NML Company Split

AESC, a succeeding company under the NML Company Split, shall succeed to the assets and other rights and obligations that are needed to operate product development, technological development and production technology businesses related to Nissan's pouch-type lithium-ion battery business (which includes a part of assets and other rights and obligations that are needed to operate the electrical vehicle (EV) battery pack production business).

#### AESC Company Split

Nissan, a succeeding company under the AESC Company Split, shall succeed to the assets that are needed to operate the LEAF electrical vehicle (EV) battery pack production business (excluding any assets concerning electrical vehicle (EV) battery pack production business that AESC succeeds to from Nissan under the said NML Company Split).

### (7) Capability of satisfying liabilities

#### NML Company Split

The Company has determined that there are no obstacles to satisfying the liabilities which the succeeding

company (ie., AESC) bears after the effective date of the Company Split.

#### AESC Company Split

The Company has determined that there are no obstacles to satisfying the liabilities which the succeeding company (ie., Nissan) bears after the effective date of the Company Split.

### 3. Outline of the Companies involved in the Company Split

	Splitting company in NML Company Split Succeeding company in AESC Company Split	Succeeding company in NML Company Split Splitting company in AESC Company Split
(1) Name	Nissan Motor Co., Ltd.	Automotive Energy Supply Corporation
(2) Address	2, Takara-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	10-1 Hironodai 2-chome, Zama shi, Kanagawa
(3) Title and name of representative	Representative Director and President, Hiroto Saikawa	Representative Director and President, Yo Tsunashima
(4) Contents of business	Development, production, and sales, etc. of automobiles, etc.	Research, development, manufacture and sale of lithium-ion battery for automobiles
(5) Capital	605,813,734,035 JPY	2,345,000,000 JPY
(6) Date of establishment	December 26, 1933	April 19, 2007
(7) Number of shares issued (as of March 31, 2018)	4,220,715,112 shares	93,800 shares
(8) Fiscal term	March 31	March 31
(9) Major shareholders and their shareholding ratio	Renault S.A.:43.7% The Chase Manhattan Bank, N.A. London Special Account Number 1:3.4% The Master Trust Bank of Japan (trust account):3.1% Japan Trustee Services Bank, Ltd. (trust account):2.6%  Japan Trustee Services Bank, Ltd. (trust account):1.4% Nippon Life Insurance Company:1.3% Japan Trustee Services Bank, Ltd. (trust account 5):1.1% State Street Bank West Client Treaty 505234:1% Japan Trustee Services Bank, Ltd. (trust account 7):0.8% Japan Trustee Services Bank, Ltd. (trust account 1):0.8%	Nissan Motor Co., Ltd.51% NEC Corporation:42% NEC Energy Devices, Ltd.: 7% (Company Split is conditioned upon acquisition of 100% of AESC shares by Nissan and Nissan expects to acquire 100% AESC shares by the effective date (inclusive of the same date) of Company Split)
(10) Relationship between listed companies and the relevant company	Capital relationship	As set forth above
	Personnel relationship	Nissan's executives and employees are concurrently acting as executives of AESC; in addition, employees are being

		seconded.		
	Business relationship	AESC sells its lithium-ion battery products to Nissan, purchases equipment, parts and supplies from Nissan, subcontracts services to Nissan, and guarantees liabilities of Nissan, etc.		
(11) Results of operation and financial position				
	Splitting company in NML Company Split Succeeding company in AESC Company Split	Succeeding company in NML Company Split Splitting company in AESC Company Split		
	(consolidated)	(individually)		
Fiscal term	FY ended March 2018	FY ended March 2018	FY ended March 2017	FY ended March 2016
Net assets	5,688,735	-2,620	-5,216	-2,705
Total assets	18,746,901	53,134	36,046	38,574
Net assets per share (JPY)	1377.05	-27,935.96	-55,612.71	-28,838.60
Sales	11,951,169	63,532	38,356	36,619
Operating income	574,760	3,265	-2,329	-3,406
Ordinary income	750,302	3,127	-2,668	-3,628
Net income	746,892 (注)	2,596	-2,752	-3,727
Basic net income per share (JPY)	190.96	27,676.75	-29,347.39	-39,737.50

(Unit: 1 million yen; unless otherwise noted.)

(\*) Net income attributable to parent shareholder

#### 4. Outline of Businesses to be Split

##### (1) Outline of Businesses to be Split

###### NML Company Split

Businesses regarding product development, technological development, and production engineering businesses related to Nissan's pouch-type lithium-ion battery business

###### AESC Company Split

Electric vehicle (EV) battery pack production business

##### (2) Operating results of the business units to be split (as of fiscal year ending March 2018)

###### NML Company Split

Sales of business to be split (A)	Sales of splitting company (consolidated) (B)	Ratio (A/B)
-	11,951,169 MJPY	-

###### AESC Company Split

Sales of business to be split (A)	Sales of splitting company (consolidated) (B)	Ratio (A/B)
-	63,532 MJPY	-

##### (3) Items and book value of assets and liabilities to be split (as of fiscal year ending March 2018)

###### NML Company Split

Assets		Liabilities	
Current assets	2 MJPY	Current liabilities	- MJPY

Fixed assets	4,990 MJPY	Fixed liabilities	- MJPY
Total	4,992 MJPY	Total	- MJPY

#### AESC Company Split

Assets		Liabilities	
Current assets	- MJPY	Current liabilities	- MJPY
Fixed assets	296 MJPY	Fixed liabilities	- MJPY
Total	296 MJPY	Total	- MJPY

#### 5. Status after the Company Split

	Splitting company in the NML Company Split Succeeding company in the AESC Company Split	Succeeding company in the NML Company Split Splitting company in the AESC Company Split
(1) Name	Nissan Motor Co., Ltd.	Automotive Energy Supply Corporation
(2) Address	2, Takara-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	10-1 Hironodai 2-chome, Zama shi, Kanagawa
(3) Title and name of representative	Representative Director and President, Hiroto Saikawa	Representative Director and President, Yo Tsunashima
(4) Contents of business	Development, production, and sales and purchase, etc. of automobiles, etc.	Research, development, manufacture and sale of lithium-ion battery for automobiles
(5) Capital	605,814 MJPY	2,345 MJPY
(6) Fiscal term	March 31	March 31

#### II. AESC Share Transfer

##### 1. Outline of the Counterparty of Share Transfer

(1) Name	Envision AESC Holding Ltd	
(2) Address	94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands	
(3) Title and name of representative	Legal Person: Zhang Lei	
(4) Contents of business	Manage and invest pouch-type lithium battery business	
(5) Capital	US\$10,000	
(6) Date of establishment	July 31, 2018	
(7) Net assets	-	
(8) Total assets	-	
(9) Major shareholders and their shareholding ratio	Zhang Lei: 100%	
(10) Relationship between the listed companies and the relevant company	Capital relationship	None
	Personnel relationship	None
	Business relationship	None
	Applicability to related parties	None

(Note): Envision intends to transfer the rights, obligations and status under the Definitive Agreement to an entity that Envision will establish after entering into the Definitive Agreement. The above table shows the information as of the date of the Definitive Agreement.

##### 2. Number of Shares to be Transferred, Purchase Price, and Shareholding Situation before and after Share Transfer

(1)	Number of shares held before the change	93,800 shares (Note 1) (Number of voting rights: 93,800 units) (Ratio of voting rights held: 100%)
(2)	Number of shares to be transferred	93,800 shares (Number of voting rights: 93,800 units)
(3)	Number of shares held after the change	0 shares (Number of voting rights: 0 units) (Ratio of voting rights held: 0%)

(Note 1): Based on AESC Share Transfer Agreement Nissan plans to hold 100% shares in AESC by the effective date of Company Split and such AESC shares shall be transferred to Envision.

(Note 2): Purchase price shall be undisclosed due to the non-disclosure obligation owed to Envision.

### III. Future Outlook

The effect of the Transaction on the Company's consolidated results for FY ending March 2019 is immaterial. The Company will promptly notify when a timely disclosure becomes necessary in the future.

(Reference) Forecast of consolidated results of the current fiscal term (disclosed on May 14, 2018) and actual consolidated results for the previous fiscal term

	Consolidated sales	Consolidated operating profit	Net income attributable to the shareholders of parent company
Forecast of results for the current fiscal term (FY ending March 2019)	12,000,000 MJPY	540,000 MJPY	500,000 MJPY
Actual results of the previous fiscal term (FY ended March 2018)	11,951,169 MJPY	574,760 MJPY	746,892 MJPY

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