



<TRANSLATION>

July 28, 2020

Company Name Nissan Motor Co., Ltd.  
 Code No. 7201  
 Inquiry IR Department  
 (TEL 045-523-5523)

Notice of FY2020 Financial Forecast and Dividend Plan

The company has announced its financial forecast and dividend plan for FY2020.

1. FY2020 Financial Forecast

	Net sales	Operating income	Net income attributable to owners of parent	Net income per share
	Millions of yen	Millions of yen	Millions of yen	Yen
Previous projection (A)	—	—	—	—
Revised projection (B)	7,800,000	△470,000	△670,000	△171.23
Variance in amount (B-A)	—	—	—	—
Variance in percentage (%)	—	—	—	—
(Ref.) FY2019 Full Year Results	9,878,866	△40,469	△671,216	△171.54

<Reasons for the announcement>

Given the impact of the COVID-19 pandemic, we anticipate all markets to decrease in fiscal year 2020. We are forecasting global TIV to be 72.04 million units, a decrease of 16% from the prior year. For the full fiscal year, Nissan's global retail volume is expected to be 4.125 million units, a decline of 16.3%, which is nearly on par with the market trend.

We are forecasting net revenue of 7.8 trillion yen, down 21%, which reflects a 21.7% decrease in sales volume excluding China which is accounted for using the equity method, and an operating loss of 470 billion yen.

Below is operating profit variance analysis versus the prior year.

- Foreign exchange fluctuations, mainly from the yen-dollar rate, are expected to have a negative impact of 40 billion yen.
- The volume impact, including volume and mix of new vehicles resulting from lower TIV due to the COVID-19 outbreak, parts sales and deterioration in profit of consolidated dealers, is expected to have a negative impact of 425 billion yen.
- The decrease in profit from the sales finance business, including provisioning for net credit losses, and costs associated with residual value losses for leased vehicles, primarily in the U.S., is forecast to have a negative impact of 85 billion yen.
- The negative impacts from the inefficiency of variable manufacturing costs, due to the decline in production volume and resulting lower utilization rates, and an increase in product enrichment costs are offset by the positive contribution from fixed cost and purchasing cost reduction efforts. The net impact of manufacturing related, fixed costs and others is expected to be a positive 120.5 billion yen.

As we stated in May, we are on track to reduce fixed costs by 300 billion yen versus FY18. For this fiscal year, we expect to reduce fixed costs by more than 150 billion yen year-on-year, including depreciation,

We also forecast a net loss of 670 billion yen for the fiscal year, as we expect losses in companies under the equity method and additional restructuring charges that we did not book last year.

## 2. FY2020 Dividend Plan

	Dividend per share		
	1 <sup>st</sup> half	Year-end	Full-year
Previous dividend plan (Announced on May 28, 2020)	Yen —	Yen —	Yen —
Revised dividend plan	0.0	0.0	0.0
FY2020 dividend	—	—	—
(Ref) FY2019 dividend	10.0	0.0	10.0

### <Reasons for the announcement>

Fiscal year 2020 will be a challenging year in terms of profitability and free cash flow, as we are still on the road to recovery with our new transformation plan, not to mention the significant negative impact of the COVID-19 pandemic. Therefore, we plan to suspend payment of the dividend for this fiscal year. Our entire team is committed to the implementation and execution of our transformation plan, in order to recover profitability and to return to a stable and sustainable dividend as soon as possible.

### ※Explanation regarding the appropriate use of forecasts for business results.

The financial forecasts for business results are based on judgments and estimates made from currently available information.

By nature, such financial forecasts are subject to uncertainty and risk. Therefore, you are advised that the final results may significantly differ from the aforementioned forecasts due to changes in economic environments related to our business, market trends, exchange rates and other factors.

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