



NISSAN MOTOR CORPORATION



CONTENTS

This annual report presents the results of Nissan Motor Corporation's business activities for fiscal 2017.

Viewing this Report



This Annual Report is an interactive PDF. You can use the navigation tabs and buttons to access the information you need.

• Section Tabs



Click the tabs to jump to the top page of each section.

• Navigation Buttons

- ◀ Go back one page
- ▽ Return to previously viewed page
- ▶ Go forward one page

• Link Buttons

- 🖥 Jump to information on the web

■ Financial Data

To obtain more detailed financial information, please visit our IR website.

▶▶ [website](#)

- This annual report contains forward-looking statements on Nissan's plans and targets, and related operating investment, product planning and production targets. Please note that there can be no assurance that these targets and plans will actually be achieved. Achieving them will depend on many factors, including Nissan's activities and development as well as the dynamics of the automobile industry worldwide and the global economy.

■ For further information, please contact:

Nissan Motor Co., Ltd. Investor Relations Department
 1-1, Takashima 1-chome, Nishi-ku, Yokohama-shi, Kanagawa
 220-8686, Japan
 Tel: +81 (0)45-523-5520
 Fax: +81 (0)45-523-5771
 E-mail: nissan-ir@mail.nissan.co.jp

Global Corporate Communications Department
 Global Communications Division

Tel: +81 (0)45-523-5552
 Fax: +81 (0)45-523-5770

Cover photo: NOTE e-POWER

VISION

Nissan: Enriching People's Lives

Nissan has a clear vision for the future, and – with our Alliance partner, Renault – we are working with passion to achieve it. Our mission is to enrich people's lives, building trust with our employees, customers, dealers, partners, shareholders and the world at large.



MISSION

Nissan provides unique and innovative automotive products and services that deliver superior measurable values to all stakeholders* in alliance with Renault.

* Our stakeholders include customers, shareholders, employees, dealers and suppliers, as well as the communities where we work and operate.

FINANCIAL HIGHLIGHTS

		2016	2015	2014	2013	2012 ²
	For the years ended	Mar. 31, 2017	Mar. 31, 2016	Mar. 31, 2015	Mar. 31, 2014	Mar. 31, 2013
Net sales ¹	Millions of yen	11,720,041	12,189,519	11,375,207	10,482,520	8,737,320
Ordinary income	Millions of yen	864,733	862,272	694,232	527,189	504,421
Net income attributable to owners of parent	Millions of yen	663,499	523,841	457,574	389,034	341,117
Comprehensive income	Millions of yen	615,950	75,107	719,903	796,533	721,860
Net assets	Millions of yen	5,167,136	5,140,745	5,247,262	4,671,528	4,036,030
Total assets	Millions of yen	18,421,008	17,373,643	17,045,659	14,703,403	12,442,337
Net assets per share	Yen	1,242.90	1,132.61	1,152.83	1,035.06	890.38
Basic net income per share	Yen	165.94	125.00	109.15	92.82	81.39
Diluted net income per share ³	Yen	165.94	124.99	109.14	92.82	—
Net assets as a percentage of total assets	%	26.4	27.2	28.4	29.5	30.0
Return on equity	%	13.8	11.0	10.0	9.6	9.9
Price earnings ratio	Times	6.47	8.33	11.21	9.91	11.08
Cash flows from operating activities	Millions of yen	1,335,473	927,013	692,747	728,123	412,257
Cash flows from investing activities	Millions of yen	(1,377,626)	(1,229,280)	(1,022,025)	(1,080,416)	(838,047)
Cash flows from financing activities	Millions of yen	320,610	530,606	245,896	396,925	433,817
Cash and cash equivalents at end of fiscal year	Millions of yen	1,241,124	992,095	802,612	832,716	711,901
Employees ⁴	Number	137,250	152,421	149,388	142,925	130,274
		(19,366)	(19,007)	(20,381)	(21,750)	(22,442)
() represents the average number of part-time employees not included in the above numbers		138,917	154,700	151,710	147,939	136,625
		(19,716)	(19,343)	(20,748)	(22,642)	(23,307)

Notes:

¹ Net sales are presented exclusive of consumption tax.

² Effective from fiscal 2013, International Financial Reporting Standards (IFRS) 11 Joint Arrangements, which was released on May 12, 2011, and International Accounting Standards (IAS) 19 Employee Benefits, which was released on June 16, 2011, have been applied in some foreign subsidiaries and affiliates, and key financial data and trends for fiscal 2012 are adjusted.

³ Diluted net income per share for fiscal 2012 is not presented because the Company had no securities with dilutive effects.

⁴ Staff numbers, which are presented as the lower numbers in the "Employees" line, include those of unconsolidated subsidiaries accounted for by the equity method as reference data.

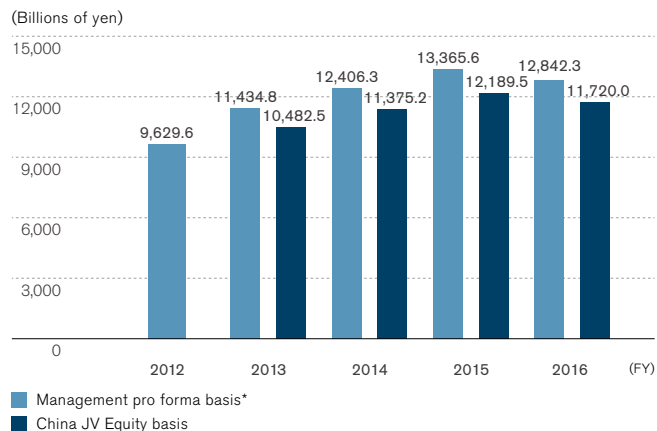
Key figures for fiscal 2016
(China JV Equity Basis)

Net sales in the fiscal year 2016 decreased by 469.5 billion yen to 11.72 trillion yen.

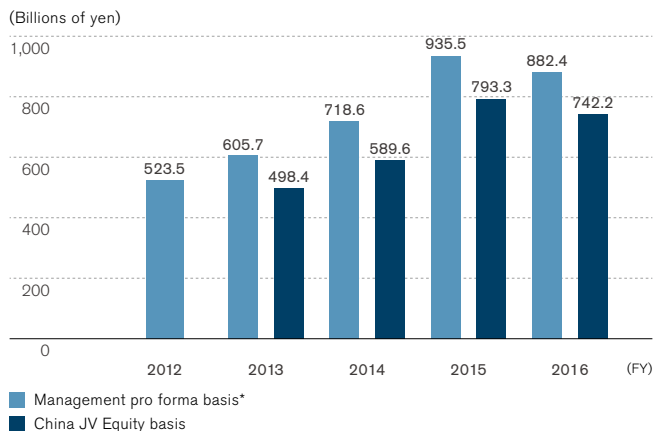
Operating profit was 742.2 billion yen, for a profit margin of 6.3%.

Under the forecast of consolidated operating results after fiscal 2013, the consolidation method for Dongfeng Motor Co., Ltd. has been changed from proportionate consolidation to the equity method in comparison with the results until fiscal 2012 by the adoption of IFRS11.

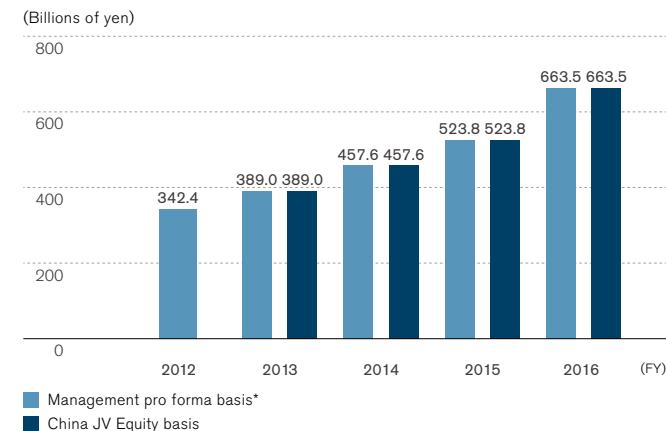
Net Sales



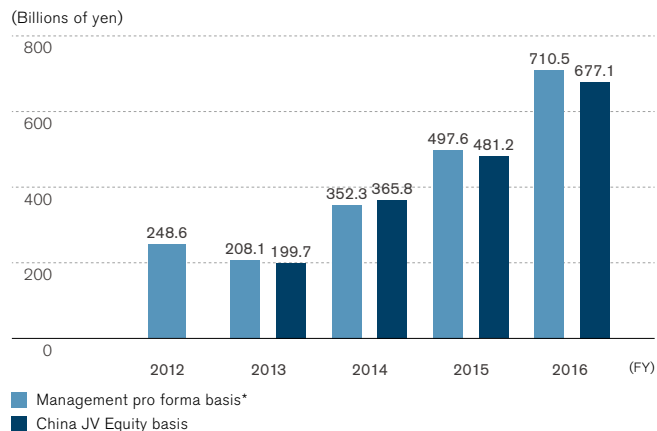
Operating Profit



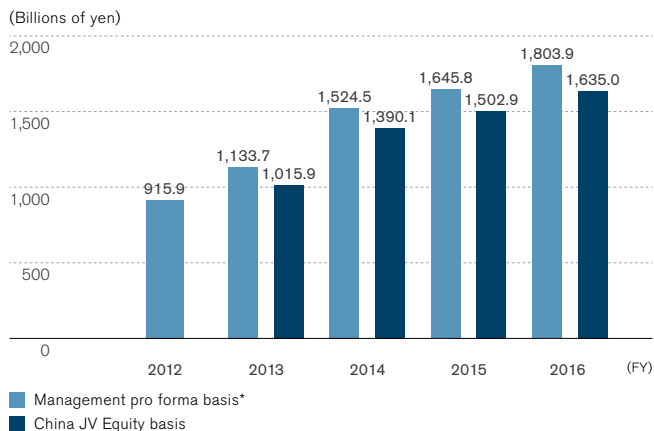
Net Income



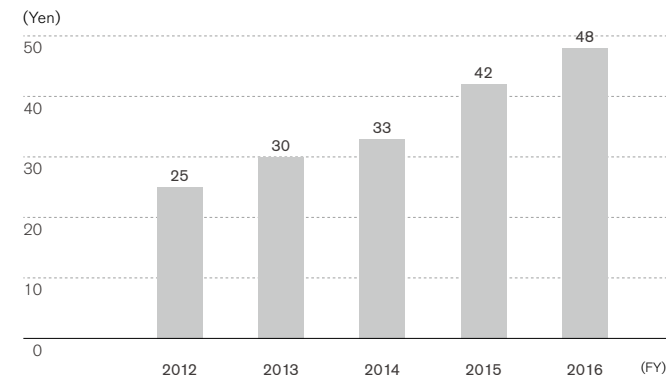
Free Cash Flow (Auto Business)



Net Cash (Auto Business)



Dividend per Share



* Based on continuation of proportionate consolidation of China JV

MESSAGE FROM THE CHAIRMAN



Carlos Ghosn
Chairman of the Board

Dear Fellow Shareholders

In 1999, when I arrived to Japan, Nissan was on the brink of bankruptcy, selling 2.3 million cars, and owing 20 billion USD in debt. Today, we sell 5.6 million cars, with over 15 billion USD in cash. Nissan is also a core member of the largest automotive alliance in the world. We now have every advantage, and no handicap. There is no limit to what we can achieve.

This transformation is a credit to the contributions of all of our employees, suppliers, partners and dealers over the last 18 years. We have had to make tough decisions, and navigate many disruptions, including the Lehman shock, industry consolidation, and technological change. But together, we have realized the products and technologies, business efficiencies, and cash-flow to deliver sustainable growth and returns to shareholders.

Leading Nissan as chief executive has been one of the privileges of my career. I was proud to have built a highly capable management team, which has enabled me to evolve my role to focus more on the expansion and stewardship of the Alliance. I was pleased the Board of Directors, at my recommendation, voted to appoint Hiroto Saikawa, who has served as co-CEO since October, as CEO. Under Mr. Saikawa's leadership, I am confident the management team has the talent and experience to continue to meet Nissan's strategic and operational goals.

As your chairman, I will supervise and guide the company, both independently and within the Renault-Nissan Alliance, which now includes Mitsubishi Motors. The Alliance is today one of the largest automotive groups by unit sales. I am committed to supporting its continued expansion and sustainable growth, ensuring that each member company benefits from the competitive advantage our combined scale is delivering.

Nissan stands at the heart of the Alliance. As we look to a future shaped by urbanization, population growth and climate change, our growth will depend upon our ingenuity in electrification, autonomous technologies, connectivity and mobility services. Nissan is well-positioned to deliver in these areas. Our brand family, including Infiniti and Datsun, and our product portfolio ranging from performance cars to light commercial vehicles and entry-level models, will enable Nissan to play a major role in the next generation of mobility.

So while I am very proud of the progress we have made since 1999, I am now looking to the future, contributing to Nissan's journey as chairman of its board.

Carlos Ghosn
Chairman of the Board
Nissan Motor Co., Ltd.

MESSAGE FROM THE CEO



Hiroto Saikawa

President and Chief Executive Officer

To achieve Nissan's corporate vision of "enriching people's lives," we are committed to delivering unique and innovative vehicles and mobility services with value that is recognized by our customers.

The environment surrounding the automobile is undergoing rapid changes driven by technological innovation. Nissan is actively working on innovation by bringing ingenuity into the areas of vehicle engineering, development, and production, as well as into sales and services, and we will further accelerate these efforts.

"The power comes from inside." This phrase embodies the efforts of all Nissan employees. I strongly believe that corporate growth cannot be achieved without highly-motivated and ambitious employees. We will continue to harness the power that is inside Nissan to realize and provide

solutions that our customers will want and value. To create the value that customers expect, through the Alliance, Nissan employees of Japan and from all around the world are working together with Renault, and our newest partner, Mitsubishi Motors.

Nissan is a Japanese company with a long history. At the same time, we are a global company with great diversity. Nissan also boasts advanced technologies, a robust financial base, and a global business network, as well as top-quality talent with high morale in Japan and overseas. We will utilize these assets to further drive the evolution in the industry.

I would like to thank all of you for the warm and continued support.

Progresses in FY2016

Despite a challenging business climate including foreign exchange headwinds, Nissan enjoyed steady growth in production and sales volume while enhancing operational efficiency in FY2016. This resulted in solid financial results for the last financial year.

Our new product offensive continued around the world. Nissan's retail volumes reached a record high with 5.63 million units. The company achieved steady growth with sales exceeding 3 million units in the last six months of the fiscal year, up 7.3% over the same period of the previous year.

We introduced new technologies as a step to advance Nissan Intelligent Mobility, which is the core of Nissan's brand strategy. In the autonomous driving area, Nissan launched the new Serena, a minivan equipped with the world's first ProPILOT technology. In terms of electrification, we introduced the Note e-POWER, the first application of a new type of electric vehicle powertrain that has been well received by the market. In the connected and new mobility services area, we began working with a new partner to be ready for the development and field testing of driverless cars. These initiatives show that Nissan is making progress toward future mobility.

The Renault-Nissan Alliance took another big step forward in the last 12 months. With the addition of Mitsubishi Motors as the third full member in October, the Alliance has become one of the world's largest automotive groups with annual unit sales of almost 10 million. Alongside the Alliance, the company is actively engaged in building new partnerships beyond the traditional auto industry to drive our Nissan Intelligent Mobility strategy.

During the six years of the Nissan Power 88 mid-term plan – which came to an end at the end of the last fiscal year – we significantly increased our production capacity and revenues while enhancing operation efficiency and profitability. We were successful in developing our business footprint, which provides a strong foundation for further business growth in the next mid-term plan.

FY2017 Priorities

In Fiscal 2017, the company is starting to move toward the next level of growth based on the solid foundations built during the Nissan Power 88 mid-term plan. Our future strategy will be based on the following three themes:

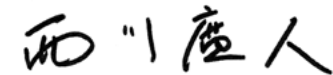
- Delivering steady growth;
- Introducing new technologies and products to further promote Nissan Intelligent Mobility; and
- Fully leveraging benefits from our global Alliance to realize these priorities.

We are forecasting global sales volume of 5.83 million units for FY2017, assuming the company's continued steady growth. Volumes are expected to rise in all regions, particularly in China and Japan where sales are picking up.

We will continue advancing Nissan Intelligent Mobility, backed by our technology DNA, and expressing a strong face for our brand. These initiatives include global commercialization of new technologies such as the ProPILOT and e-POWER as well as the introduction of the new Nissan LEAF, which will be launched first in Japan followed by North America and Europe.

The auto industry is entering a period of tremendous technological innovation that will lead to changing markets and car usage. Nissan is embracing the opportunity to evolve in terms of technologies and business by making the best use of our Alliance strengths.

Thank you again for your support.



Hiroto Saikawa
President and Chief Executive Officer
Nissan Motor Co., Ltd.

MESSAGE FROM THE CFO



Joseph G. Peter
Chief Financial Officer

Nissan delivered another solid year of improvement in FY16 (12 month period to March 31, 2017). For the year, Nissan generated operating profit of 742.2 billion yen on net revenues of 11.72 trillion yen (under the equity accounting basis for our joint venture in China). These results were delivered despite challenging foreign exchange conditions and slowing unit sales in some regions, particularly in emerging markets.

While the reported results for Revenue and Operating Profit are below the prior year's actuals, the shortfall is completely explained by the substantial negative year-over-year FX impacts, which were not offset entirely by solidly improved underlying operational performance driven by the combination of growing unit sales and continued efficiencies on the cost side of the business.

Specifically on the sales front, our global unit sales grew 3.7% reaching 5.63 million units, up from 5.42 million in the previous year and establishing a new all-time record. Our performance reflected particularly healthy unit sales in the second half of the fiscal year, when we sold more than 3 million units. Of the key markets in which we operate, Nissan saw solid growth in North America, and especially the US where unit sales rose 4.2% to 1.58 million units, equivalent to a market share of 9%. We saw healthy growth in Europe, excluding Russia, as unit sales rose by 7.2% to 683,000 vehicles. And in China, where our results are measured on a calendar year basis, unit sales increased 8.4% to more than 1.35 million units, representing a market share of 5%. Encouragingly, we also saw signs of improvement in Japan in the second half of the fiscal year, where we increased our market share in registered cars to 14%. Growth in these areas helped offset volatile conditions in emerging markets.

We also maintained our intense focus on driving cost efficiency through our entire value chain. For FY16, these improvements coupled with our sales growth lifted our year-over-year operating profit by 230.8 billion yen – or 29.1% – to 1.024 trillion yen. This, however, was not enough to entirely offset the foreign exchange effects on our business, which had negative impact of 281.9 billion yen.

Net Income for the year set a new record: rising 26.7% to 663.5 billion yen. This was partly driven by the gain we realized from the sale of Nissan's interests in Calsonic Kansei during the fiscal year. Nissan also generated automotive free cash flow of 677.1 billion yen and continued to strengthen the balance sheet, ending the year with a net cash position of 1.64 trillion yen for our automotive business.

On a management pro-forma basis which includes the proportional consolidation of our Chinese joint venture – consistent with the methodology used in developing the Nissan Power 88 Mid-term Plan objectives – FY16 operating profit reached 882.4 billion yen on revenues of 12.84 trillion yen. Looking at FY16 results on a constant currency basis – i.e., removing the year-over-year adverse impact of foreign exchange changes – operating profit would have risen to 1.19 trillion yen resulting in an Operating Profit margin of 8.3% – this would have met the margin target under the Nissan Power 88 plan.

For the current FY17 fiscal year, we expect another year of steady growth with Nissan unit sales projected to rise by 3.6% to 5.83 million units. While we anticipate rising sales in all regions, our growth will be primarily driven by China, North America and Japan. Overall, we expect Nissan to achieve a global market share of 6.2%.

At the financial level, we are forecasting net revenues of 11.8 trillion yen for the 12 months ending March 31, 2018. Operating profit is projected to reach 685 billion yen – representing a margin of 5.8% – after taking into account continued currency headwinds and increased investments in new technologies, research and product development. Net income is expected to reach 535 billion yen.

Based on our outlook of continued solid profitability and free cash flow generation, Nissan is maintaining a progressive dividend policy and we are forecasting a 5 yen increase in the FY17 full-year dividend to 53 yen per share. This represents a 10.4% increase on the fiscal 2016 dividend. At this forecast level, the annual dividend will have more than doubled since the start of our Nissan Power 88 mid-term plan six years ago. Furthermore, we completed the buyback of 300 million shares in fiscal 2016. This combined with our dividend growth reflects our continued policy of delivering attractive returns for our shareholders.

In summary, Nissan has emerged at the end of the Power 88 mid-term plan as a stronger and more profitable company than when we started. Our products, technologies, operating efficiency and financial discipline position us well to continue to profitably grow the company and to provide attractive shareholder returns as we meet the challenges ahead.

Joseph G. Peter
Chief Financial Officer

NISSAN INTELLIGENT MOBILITY

Nissan Intelligent Mobility makes our cars more exciting by:

Nissan Intelligent Driving

More confidence through increased safety, control and comfort for all on board.



Serena ProPILOT



Nissan IDS Concept
Sensing image



Autonomous drive technology
ProPILOT on-road test

Nissan Intelligent Power

More exhilaration through driving pleasure that is also clean and efficient.



Battery Electric Vehicle



e-POWER



e-Bio Fuel-Cell

Nissan Intelligent Integration

More connected by conveniently linking our cars and the wider society.



Energy management system (Vehicle to Home)

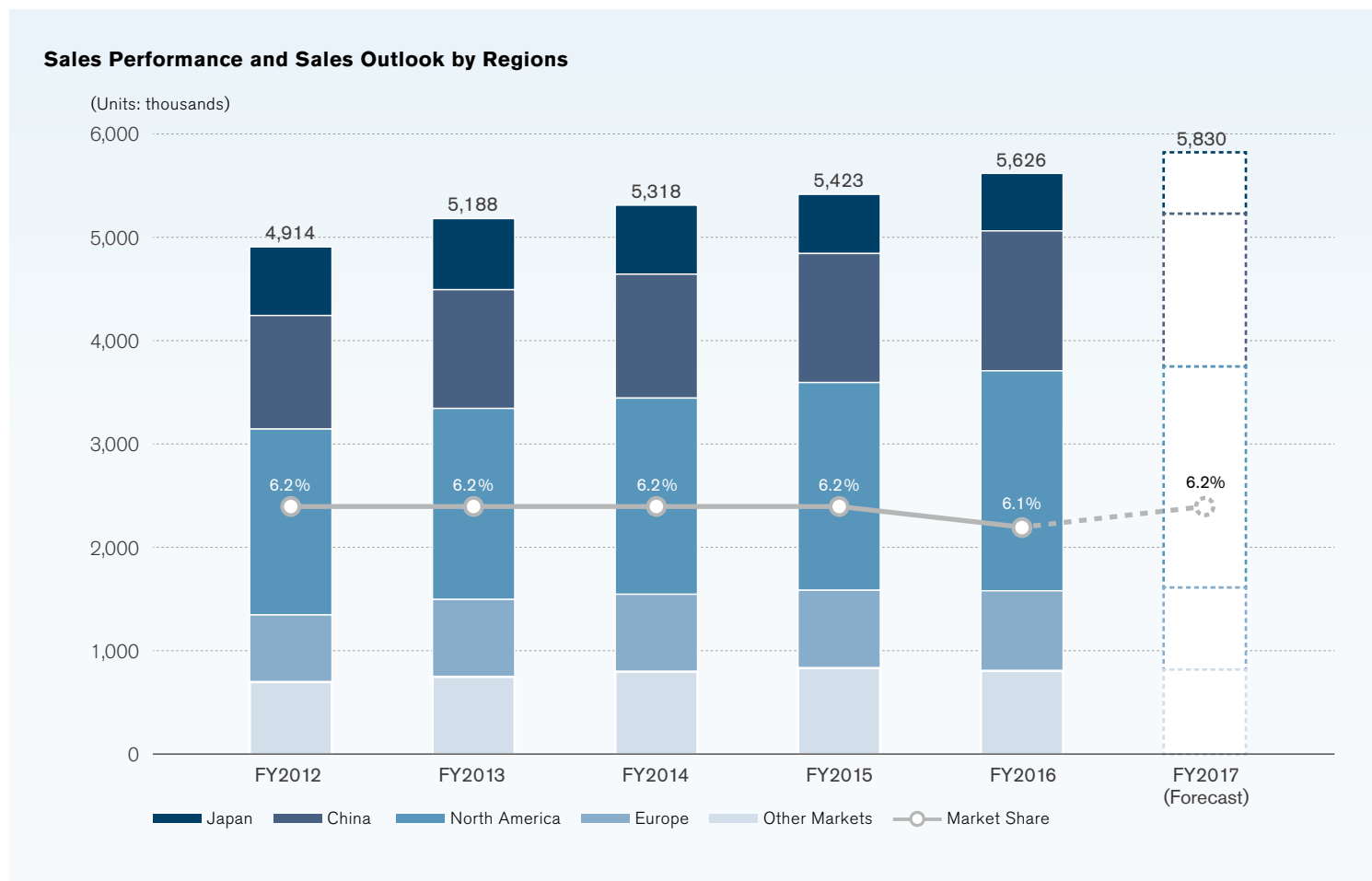


Energy management system (Vehicle to Building)

FISCAL 2016 SALES PERFORMANCE AND FISCAL 2017 SALES OUTLOOK

Global demand in fiscal 2016 reached 91.81 million vehicles, up 5.3% from fiscal 2015. Nissan's global sales volume climbed 3.7% to 5.63 million vehicles and global market share was 6.1%.

For fiscal 2017, Nissan expects to grow faster than the industry as a whole. We anticipate that total industry volumes will increase by 2.4% to 94.02 million units. Our global retail volumes are expected to rise by 3.6% to 5.83 million units. This would equate to a global market share of 6.2%, an increase of 0.1 percentage points compared to 2016.



Fiscal 2016 Sales Volume by Regions

Japan



Serena ProPILOT
Note e-POWER

Total Sales Volume: **557** thousand units

China



Venucia T90

Total Sales Volume: **1,355** thousand units

North America



Rogue

Total Sales Volume: **2,130** thousand units

Europe



Qashqai

Total Sales Volume: **776** thousand units

Other Markets



Datsun redi-GO
KICKS

Total Sales Volume: **808** thousand units

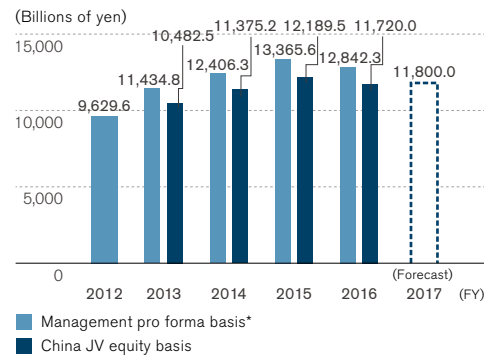
FISCAL YEAR 2016 FINANCIAL REVIEW AND FISCAL YEAR 2017 OUTLOOK

Fiscal Year 2016 Financial Performance (China JV Equity Basis)

Net revenue

For the year ended March 31, 2017, consolidated net revenues decreased 3.9%, to 11.72 trillion yen due to currency headwinds.

Net Sales



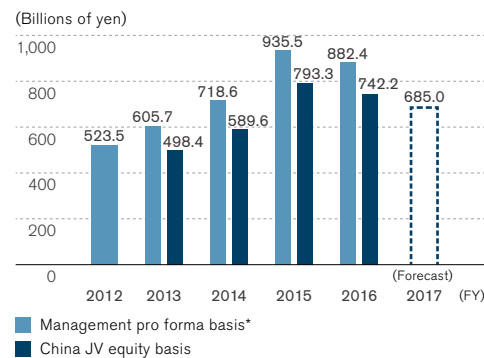
Operating profit

Consolidated operating profit totaled 742.2 billion yen, resulting in an operating profit margin of 6.3%.

In comparison to the previous fiscal year's consolidated operating profit, the variance was due to the following factors:

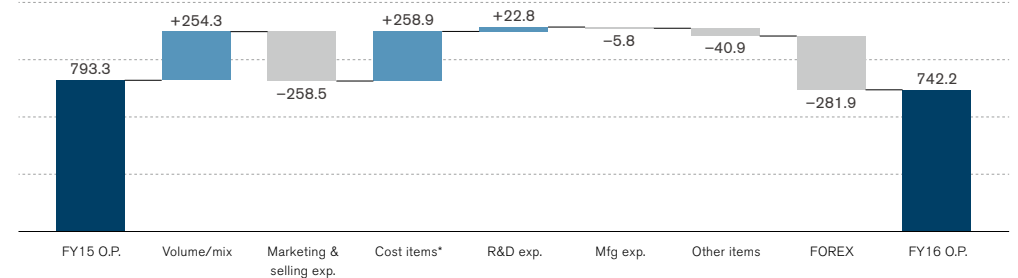
- Volume and mix produced a positive impact of 254.3 billion yen.
- The increase in marketing and selling expenses resulted in a 258.5 billion yen negative movement.
- Cost items including purchasing cost reduction efforts, lower raw material costs and product enrichment resulted in savings of 258.9 billion yen.
- R&D expenses had a positive impact of 22.8 billion yen.
- Manufacturing expenses increased by 5.8 billion yen.
- Other items had a negative impact of 40.9 billion yen.
- Foreign exchange rates had a negative impact of 281.9 billion yen.

Operating Profit



Impact on Operating Profit

(Billions of yen)



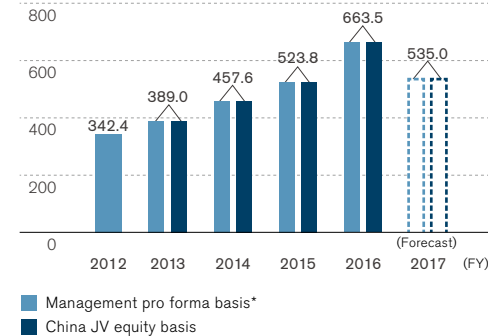
* Including purchasing cost reduction, raw material and product enrichment.

Net income

Consolidated net income increased 26.7% from fiscal year 2015 to 663.5 billion yen for the fiscal year.

Net Income

(Billions of yen)



* Based on continuation of proportionate consolidation of China JV

Financial Position (China JV Equity Basis)

Balance sheet

At March 31, 2017, current assets increased 6.7% to 11.463 trillion yen compared to the end of the prior fiscal year. This was mainly attributable to the increase in sales finance receivables by 687.4 billion yen and cash on hand and in banks by 203.7 billion yen.

Fixed assets increased 5.0% to 6.958 trillion yen compared to the end of the prior fiscal year. This was mainly attributable to the increase in investment securities and machinery, equipment and vehicles, net by 265.0 billion yen and 159.8 billion yen, respectively. As a result, total assets increased 6.0% to 18.421 trillion yen compared to March 31, 2016.

At March 31, 2017, current liabilities increased 4.3% to 7.054 trillion yen compared to the end of the prior fiscal year. This was mainly due to the increase in accrued expenses by 130.6 billion yen.

Long-term liabilities increased 13.4% to 6.199 trillion yen compared to the end of the prior fiscal year. This was mainly due to the increase in bonds and long-term borrowings by 523.2 billion yen and 347.9 billion yen, respectively. As a result, total liabilities increased 8.3% to 13.254 trillion yen compared to March 31, 2016.

At March 31, 2017, net assets increased 0.5% to 5.167 trillion yen compared to the end of the prior fiscal year. This was mainly attributable to the increase in retained earnings by 198.4 billion yen despite the increase in translation adjustments (loss) by 105.5 billion yen.

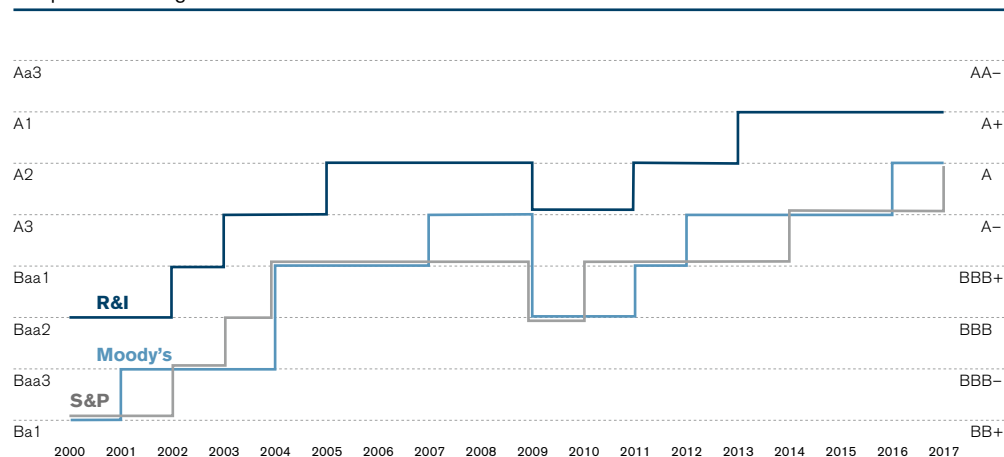
Free cash flow and net cash (auto business)

For fiscal year 2016, automotive free cash flow was a positive 677.1 billion yen. As a result, automotive net cash was 1.635 trillion yen at the end of the period.

Long-term credit rating

Nissan's long-term credit rating with Rating & Investment Information, Inc. (R&I) is A+ with a positive outlook. The Standard & Poor's (S&P) long-term credit rating for Nissan is A with a stable outlook. Nissan's credit rating with Moody's is A2 with a stable outlook.

Corporate Ratings

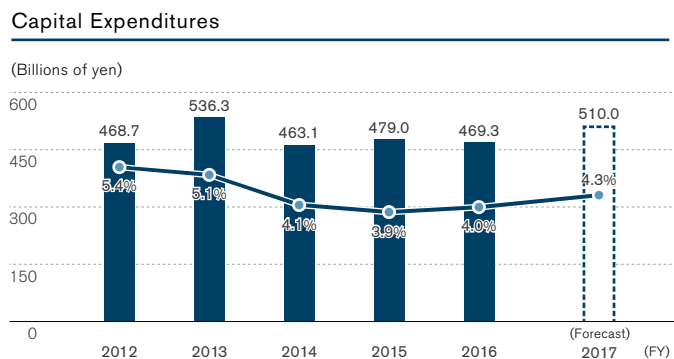
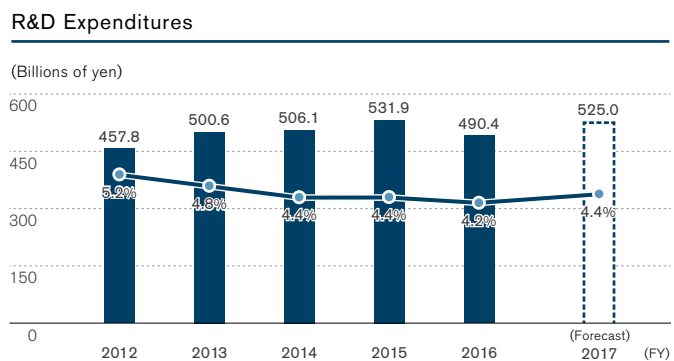


Sales finance

Due to the increase in retail sales, total financial assets for the sales finance segment increased 8.8% to 10.571 trillion yen in fiscal year 2016 from 9.720 trillion yen in fiscal year 2015. The sales finance segment generated 183.9 billion yen in operating profits in fiscal 2016 and 232.1 billion yen in fiscal year 2015.

Investment policy

Capital expenditures ensure the Company's future competitiveness. In fiscal year 2016, capital expenditures totaled 469.3 billion yen, which was 4.0% of net revenues. R&D expenditures totaled 490.4 billion yen.



■ China JV equity basis ● % of net sales (China JV equity basis)

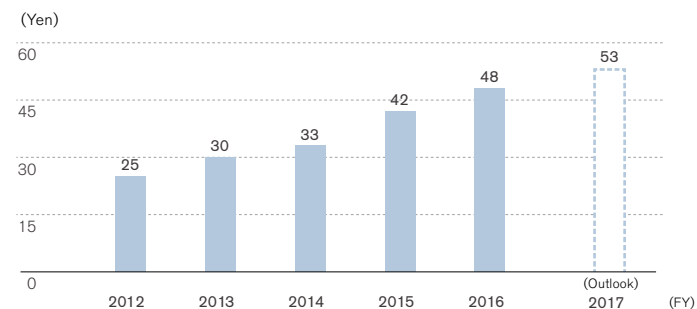
Dividend

Nissan's strategic actions reflect not only its long-term vision as a global company to create sustainable value but also the Company's commitment to maximizing total shareholder returns.

As a result, the total dividend for fiscal year 2016 was 48 yen per share.

The dividend payment plan for fiscal year 2017 is 53 yen per share, given the business outlook, risks and opportunities for the year.

Dividend per share



Fiscal Year 2017 Outlook (China JV Equity Basis)

For fiscal year 2017, Nissan expects its global sales to increase 3.6% from the prior fiscal year to 5.83 million units.

Based on this sales forecast, the Company's financial forecast, using a foreign exchange rate assumption of 108 yen to the dollar, is as follows:

Nissan's Fiscal 2017 Outlook

- Net sales 11.80 trillion yen
- Operating profit 685.0 billion yen
- Net income 535.0 billion yen

FINANCIAL STATEMENTS

Consolidated balance sheets (China JV Equity basis)

	(Millions of yen)	
	FY2015 As of March 31, 2016	FY2016 As of March 31, 2017
Assets		
Current assets		
Cash on hand and in banks	918,771	1,122,484
Trade notes and accounts receivable	837,704	808,981
Sales finance receivables	6,653,237	7,340,636
Securities	73,384	121,524
Merchandise and finished goods	857,818	911,553
Work in process	86,313	73,409
Raw materials and supplies	330,435	288,199
Deferred tax assets	251,689	156,457
Other	825,080	746,650
Allowance for doubtful accounts	(86,858)	(107,344)
Total current assets	10,747,573	11,462,549
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	645,945	609,769
Machinery, equipment and vehicles, net	3,182,514	3,342,305
Land	625,152	599,626
Construction in progress	196,718	177,394
Other, net	566,573	546,127
Total property, plant and equipment	5,216,902	5,275,221
Intangible fixed assets	130,877	127,807
Investments and other assets		
Investment securities	893,688	1,158,676
Long-term loans receivable	7,747	16,036
Net defined benefit assets	4,691	8,456
Deferred tax assets	187,106	176,354
Other	186,962	197,757
Allowance for doubtful accounts	(1,903)	(1,848)
Total investments and other assets	1,278,291	1,555,431
Total fixed assets	6,626,070	6,958,459
Total assets	17,373,643	18,421,008

	(Millions of yen)	
	FY2015 As of March 31, 2016	FY2016 As of March 31, 2017
Liabilities		
Current liabilities		
Trade notes and accounts payable	1,479,689	1,578,594
Short-term borrowings	1,037,271	980,654
Current portion of long-term borrowings	1,350,894	1,339,982
Commercial papers	499,875	430,019
Current portion of bonds	357,998	368,101
Lease obligations	14,916	31,565
Accrued expenses	981,989	1,112,591
Deferred tax liabilities	51	2
Accrued warranty costs	106,536	110,086
Other	934,968	1,102,626
Total current liabilities	6,764,187	7,054,220
Long-term liabilities		
Bonds	969,987	1,493,159
Long-term borrowings	2,755,896	3,103,803
Lease obligations	14,460	20,398
Deferred tax liabilities	691,809	601,398
Accrued warranty costs	138,107	128,394
Net defined benefit liability	424,123	369,346
Other	474,329	483,154
Total long-term liabilities	5,468,711	6,199,652
Total liabilities	12,232,898	13,253,872
Net assets		
Shareholders' equity		
Common stock	605,814	605,814
Capital surplus	805,646	817,464
Retained earnings	4,150,740	4,349,136
Treasury stock	(148,684)	(140,697)
Total shareholders' equity	5,413,516	5,631,717
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	64,030	57,778
Unrealized gain and loss from hedging instruments	(4,486)	7,154
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(13,945)	(13,945)
Translation adjustments	(582,363)	(687,841)
Remeasurements of defined benefit plans	(155,487)	(133,016)
Total accumulated other comprehensive income	(692,251)	(769,870)
Share subscription rights	502	391
Non-controlling interests	418,978	304,898
Total net assets	5,140,745	5,167,136
Total liabilities and net assets	17,373,643	18,421,008

Consolidated statement of income (China JV Equity basis)

	(Millions of yen)	
	FY2015 (From April 1, 2015 to March 31, 2016)	FY2016 (From April 1, 2016 to March 31, 2017)
Net sales	12,189,519	11,720,041
Cost of sales	9,796,998	9,422,551
Gross profit	2,392,521	2,297,490
Selling, general and administrative expenses		
Advertising expenses	342,213	313,406
Service costs	130,530	79,125
Provision for warranty costs	137,941	131,059
Other selling expenses	234,456	251,378
Salaries and wages	393,739	402,202
Retirement benefit expenses	16,137	20,809
Supplies	3,901	4,083
Depreciation and amortization	45,056	50,773
Provision for doubtful accounts	63,586	88,550
Amortization of goodwill	5,111	1,818
Other	226,573	212,059
Total selling, general and administrative expenses	1,599,243	1,555,262
Operating income	793,278	742,228
Non-operating income		
Interest income	26,467	15,868
Dividends income	5,966	9,416
Equity in earnings of affiliates	122,524	148,178
Derivative gain	37,683	33,419
Miscellaneous income	11,726	20,914
Total non-operating income	204,366	227,795
Non-operating expenses		
Interest expense	24,806	14,128
Exchange loss	96,452	65,289
Credit liquidation costs	9,702	10,906
Miscellaneous expenses	4,412	14,967
Total non-operating expenses	135,372	105,290
Ordinary income	862,272	864,733

	(Millions of yen)	
	FY2015 (From April 1, 2015 to March 31, 2016)	FY2016 (From April 1, 2016 to March 31, 2017)
Special gains		
Gain on sales of fixed assets	9,011	7,114
Gain on sales of investment securities	23,338	—
Gain on sales of shares of subsidiaries and affiliates	—	111,502
Insurance income	5,287	7,204
Gain on transfer of business	—	9,788
Other	4,762	1,459
Total special gains	42,398	137,067
Special losses		
Loss on sales of fixed assets	4,937	9,256
Loss on disposal of fixed assets	13,274	11,253
Loss on sales of investment securities	—	3,865
Impairment loss	42,087	5,532
Quality related costs	90,700	—
Other	20,738	6,737
Total special losses	171,736	36,643
Income before income taxes	732,934	965,157
Income taxes-current	149,920	275,818
Income taxes-deferred	30,221	(11,179)
Total income taxes	180,141	264,639
Net income	552,793	700,518
Net income attributable to non-controlling interests	28,952	37,019
Net income attributable to owners of parent	523,841	663,499

Consolidated statement of cash flows (China JV Equity basis)

	(Millions of yen)	
	FY2015 (From April 1, 2015 to March 31, 2016)	FY2016 (From April 1, 2016 to March 31, 2017)
Cash flows from operating activities		
Income before income taxes	732,934	965,157
Depreciation and amortization (for fixed assets excluding leased vehicles)	424,881	391,798
Depreciation and amortization (for long term prepaid expenses)	18,666	22,910
Depreciation and amortization (for leased vehicles)	389,339	426,349
Impairment loss	42,087	5,532
Increase (decrease) in allowance for doubtful receivables	16,669	22,959
Provision for residual value risk of leased vehicles (net changes)	53,737	63,049
Quality related costs	90,700	—
Interest and dividends income	(32,433)	(25,284)
Interest expense	111,906	119,310
Equity in losses (earnings) of affiliates	(122,524)	(148,178)
Loss (gain) on sales of fixed assets	(4,074)	2,142
Loss on disposal of fixed assets	13,274	11,253
Loss (gain) on sales of investment securities	(23,338)	3,865
Loss (gain) on sales of shares of subsidiaries and affiliates	—	(111,502)
Loss (gain) on transfer of business	—	(9,788)
Decrease (increase) in trade notes and accounts receivable	15,171	(42,584)
Decrease (increase) in sales finance receivables	(830,209)	(765,894)
Decrease (increase) in inventories	(17,244)	(32,660)
Increase (decrease) in trade notes and accounts payable	217,587	296,060
Retirement benefit expenses	13,581	26,707
Payments related to net defined benefit assets and liabilities	(29,854)	(24,517)
Other	55,978	190,498
Subtotal	1,136,834	1,387,182
Interest and dividends received	33,222	24,467
Proceeds from dividends income from affiliates accounted for by equity method	144,961	127,772
Interest paid	(110,439)	(117,213)
Income taxes paid	(277,565)	(86,735)
Net cash provided by operating activities	927,013	1,335,473

	(Millions of yen)	
	FY2015 (From April 1, 2015 to March 31, 2016)	FY2016 (From April 1, 2016 to March 31, 2017)
Cash flows from investing activities		
Net decrease (increase) in short-term investments	4,855	(2,119)
Purchase of fixed assets	(531,251)	(503,745)
Proceeds from sales of fixed assets	80,320	72,814
Purchase of leased vehicles	(1,385,990)	(1,293,840)
Proceeds from sales of leased vehicles	560,861	512,375
Payments of long-term loans receivable	(3,018)	(1,581)
Collection of long-term loans receivable	8,285	2,096
Purchase of investment securities	(24,869)	(270,228)
Proceeds from sales of investment securities	25,192	—
Proceeds from (payments for) sales of subsidiaries' shares resulting in changes in the scope of consolidation	—	97,055
Proceeds from (payments for) purchase of subsidiaries' shares resulting in changes in the scope of consolidation	(6,354)	—
Net decrease (increase) in restricted cash	44,839	4,779
Proceeds from transfer of business	—	9,582
Other	(2,150)	(4,814)
Net cash used in investing activities	(1,229,280)	(1,377,626)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	420,085	16,119
Proceeds from long-term borrowings	1,824,367	1,724,688
Proceeds from issuance of bonds	270,592	878,641
Repayments of long-term borrowings	(1,545,177)	(1,369,795)
Redemption of bonds	(212,033)	(344,009)
Proceeds from non-controlling shareholders	4,914	1,275
Purchase of treasury stock	(28,325)	(277,419)
Proceeds from sales of treasury stock	303	128
Repayments of lease obligations	(23,093)	(26,265)
Cash dividends paid	(157,239)	(182,803)
Cash dividends paid to non-controlling interests	(23,788)	(99,950)
Net cash provided by financing activities	530,606	320,610
Effects of exchange rate changes on cash and cash equivalents	(45,107)	(34,875)
Increase in cash and cash equivalents	183,232	243,582
Cash and cash equivalents at beginning of the period	802,612	992,095
Increase due to inclusion in consolidation	6,251	5,447
Cash and cash equivalents at end of the period	992,095	1,241,124

EXECUTIVES

DIRECTORS OF THE BOARD AND AUDITORS

Representative Directors

Carlos Ghosn
Chairman of the Board

Hiroto Saikawa
Greg Kelly

Directors

Kimiyasu Nakamura
Hideyuki Sakamoto
Fumiaki Matsumoto

Toshiyuki Shiga
Jean-Baptiste Duzan
Rey Bernard

Auditors

Hidetoshi Imazu
Toshiyuki Nakamura
Motoo Nagai
Celso Guiotoko
Shigetoshi Andoh
(As of June 30, 2017)

CORPORATE OFFICERS

Chairman of the Board
Carlos Ghosn

President and Chief Executive Officer
Hiroto Saikawa*

Chief Financial Officer (CFO)
Joseph G. Peter*
Finance

IR
Control
M&A Support
Global Sales Finance Business Unit
Administration for Affiliated Companies,
Global IS/IT

Chief Planning Officer (CPO)
Philippe Klein*
Global Product Planning
Global Program Management
Global Market Intelligence
Vehicle Information Technology

Chief Performance Officer (CPO)
Jose Munoz*
Region: North America
Responsible for 6 management committees

Chief Competitive Officer (CCO)
Yasuhiro Yamauchi*

Executive Vice President
Kimiyasu Nakamura*
TCSX
(Total Customer Satisfaction Function)

Executive Vice President
Hideyuki Sakamoto*
Product Engineering

Executive Vice President
Fumiaki Matsumoto*
Manufacturing & SCM Operations

Executive Vice President
Daniele Schillaci*
Global Marketing & Sales
Global Dealer Network
Global Product Marketing
Zero Emission Vehicle &
Battery Business
Region: Japan, Asia, Oceania

Executive Vice President
Tsuyoshi Yamaguchi
Alliance Technology Development

Senior Vice Presidents
Hitoshi Kawaguchi
Takao Asami
Jun Seki
Jose Luis Valls
Takashi Hata
Paul Willcox
Roland Krueger
Arun Bajaj
Asako Hoshino
Rakesh Kochhar
Hari Nada
Noboru Tateishi
Alfonso Albaisa
Peyman Kargar

Corporate Vice Presidents
Joji Tagawa
Yusuke Takahashi
Hiroshi Karube
Roel De Vries
Tony Laydon
Kunio Nakaguro
Mitsuro Antoku
Toshihiro Hirai
Hiroshi Nagaoka
Akihiro Otomo
Atul Pasricha
Kent O'Hara
Leon Dorsers
Atsuhiko Hayakawa
Yoshikazu Nakai
Kinichi Tanuma
Haruhiko Yoshimura
Makoto Uchida
Yukio Ito
Catherine Perez
Jose Roman
Carlos Servin

Fellows
Haruyoshi Kumura
Shunichi Toyomasu

(As of June 30, 2017)

* Executive Committee Members

CHAIRMAN OF THE BOARD



Carlos Ghosn

EXECUTIVE COMMITTEE MEMBERS



Hiroto Saikawa



Joseph G. Peter



Philippe Klein



Jose Munoz



Yasuhiro Yamauchi



Kimiyasu Nakamura



Hideyuki Sakamoto



Fumiaki Matsumoto

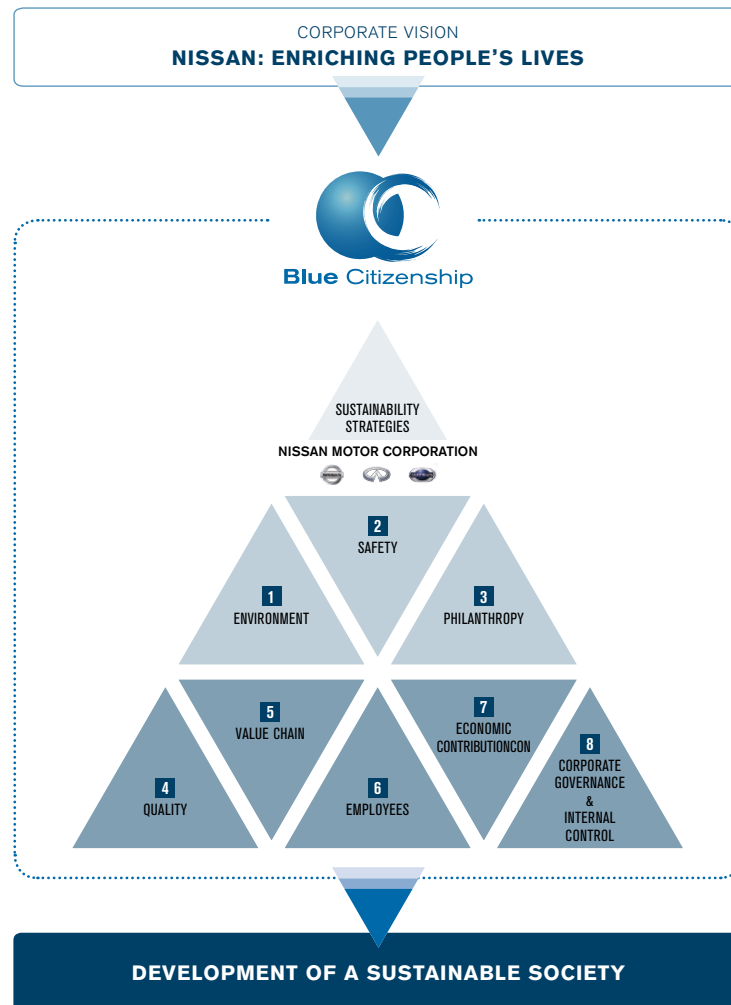


Daniele Schillaci

NISSAN'S EIGHT SUSTAINABILITY STRATEGIES

Through its business activities, Nissan aims not only to create economic value but also to actively contribute to the sustainable development of society.

In order to achieve this goal, Nissan has defined eight sustainability strategies. By steadily advancing these strategies and by being transparent on progress and challenges faced, Nissan is able to fulfill its responsibilities to society and build trust.



▶ website
Click here for more information on the 2017 Sustainability Report.

1 ENVIRONMENT

Nissan aims to lead a social transformation aimed at bringing about a sustainable mobility society by reducing vehicles' environmental impact throughout their lifecycle and expanding the lineup of effective green products and technologies.

2 SAFETY

Nissan develops innovative technology and plays an active role in safety promotion, making the automobile society safer for all.

3 PHILANTHROPY

Nissan carries out social contribution activities as a corporate citizen, focusing on the environment, education and humanitarian support.

4 QUALITY

Nissan provides top-level quality in its products and services around the world.

5 VALUE CHAIN

Nissan promotes ethical, environmentally sound actions in all stages of the supply chain.

6 EMPLOYEES

Nissan aims to form an attractive organization where diverse human resources can achieve personal growth through experience in global business.

7 ECONOMIC CONTRIBUTION

Nissan aims for sustainable, profitable growth, contributing to economic development for all of society.

8 CORPORATE GOVERNANCE & INTERNAL CONTROL

Nissan aims to conduct fair, impartial and efficient business activities, having a high degree of transparency and consistency by adhering to the applicable laws and corporate rules.

Click below for more information about Nissan's eight strategies.

- ▶▶ website
- ▶▶ website
- ▶▶ website
- ▶▶ website
- ▶▶ website
- ▶▶ website
- ▶▶ website

▶▶ website
Click here for more information about Nissan's risk management.