

# 97th Interim Shareholders' Report

April 1 to September 29, 2019

## 2019 Interim report



**NISSAN SHATAI CO., LTD.**

## **To Our Shareholders**

We would like to thank all our shareholders for your continued support, and are pleased to submit this interim report concerning our performance in the first half of the current fiscal year (April 1 to September 30, 2019).

We sincerely ask all our shareholders for their understanding and support.

### **Operating results**

#### **I . Highlights of the Results for the First Half of FY2019**

In the first half of this fiscal year, the volume of orders from Nissan Motor Co., Ltd. decreased for Patrol (Y61 and Y62) for the Middle East, Infinity QX80 for North America and some other vehicles. As a result, sales volume decreased by 26.5% year-on-year to 85,641 units and net sales decreased by 24.3% to 229.6 billion yen. Operating income also decreased by 41.1% to 1.9 billion yen mainly because of lower vehicle sales volume. Ordinary income decreased by 36.9% to 2.2 billion yen and profit attributable to owners of parent decreased by 36.9% to 1.5 billion yen.

## II. Outlook for This Fiscal Year

For this fiscal year, we forecast consolidated sales of 501.6 billion yen, consolidated operating income of 7.0 billion yen, consolidated ordinary income of 7.4 billion yen and consolidated profit attributable to owners of parent of 4.6 billion yen.

## III. Fundamental Policy for Earnings Distributions and Current Fiscal Year Dividend

Maintaining a stable dividend backed by initiatives to strengthen the company's earnings base and improve its financial position is the fundamental policy of Nissan Shatai. In addition, we use internal reserve effectively for capital investments and other measures to develop new models and improve productivity as well as to strengthen our financial soundness. For the current fiscal year, we plan to pay a dividend of 13 yen per share, the sum of first half and year-end dividends of 6.5 yen each.



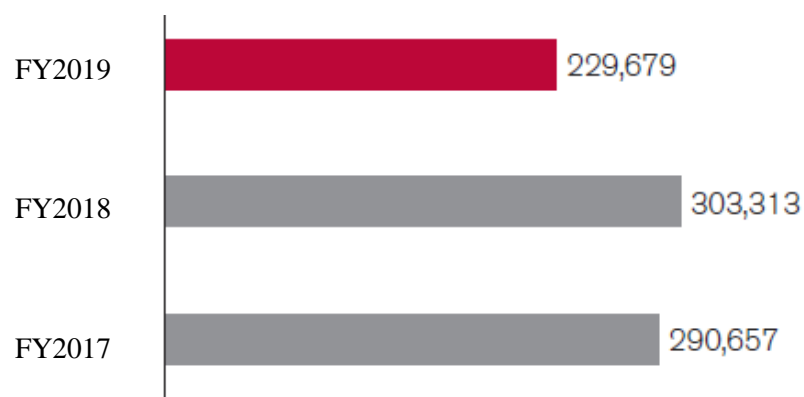
**President**

*Shouhei Kimura*

## Consolidated Financial Results

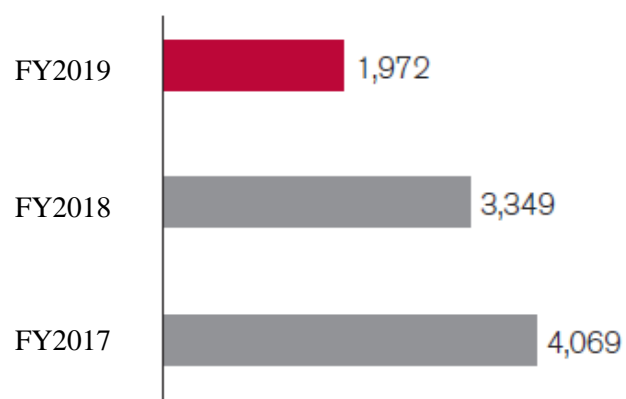
### Net Sales

(1H Unit: million yen)



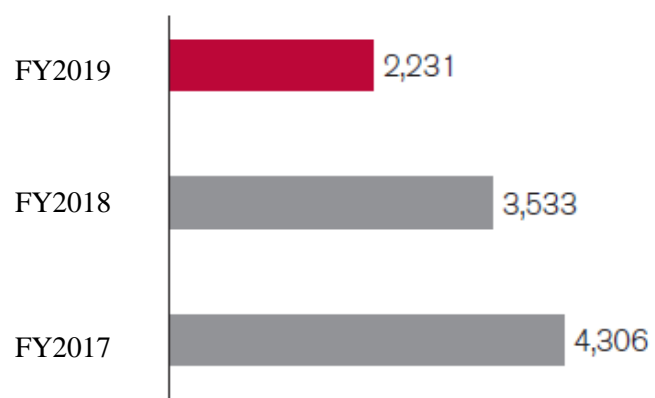
### Operating Income

(1H Unit: million yen)

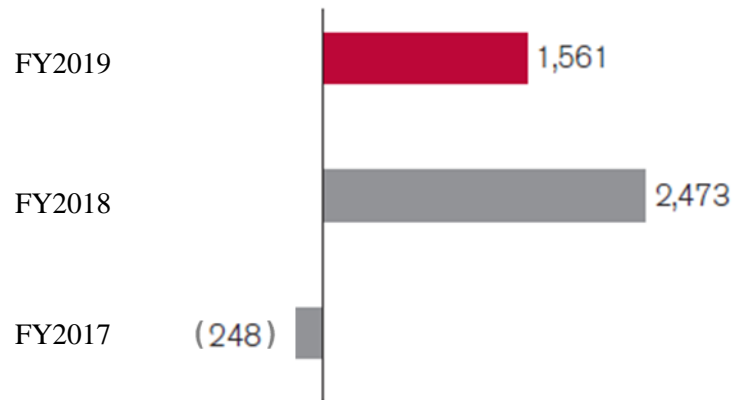


### Ordinary Income

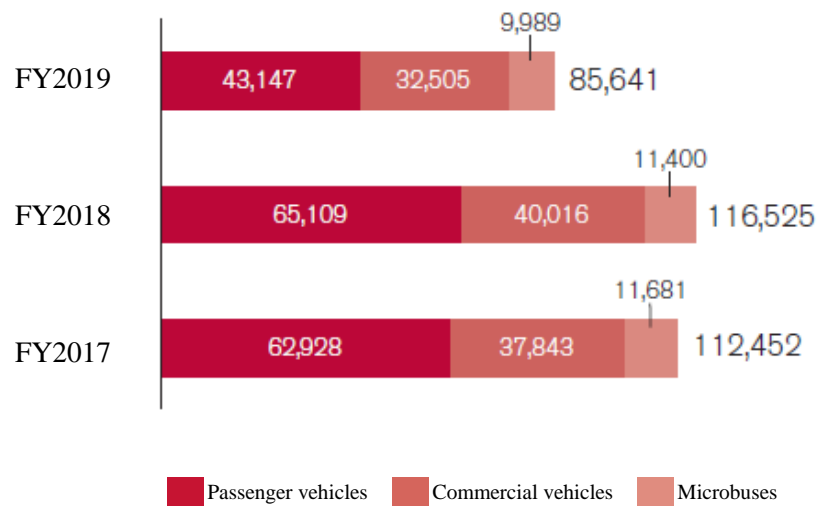
(1H Unit: million yen)



Profit attributable to owners of parent (1H Unit: million yen)



Vehicle sales volume category (1H Unit: units)



## Quarterly Consolidated Balance Sheet

(As of September 30, 2019)  
(Unit: million yen)

Item		Item	
<b>Assets</b>	<b>262,104</b>	<b>Liabilities</b>	<b>95,164</b>
<b>Current assets</b>	<b>203,926</b>	<b>Current liabilities</b>	<b>82,063</b>
Cash and deposits	424	Notes and accounts payable-trade	52,823
Notes and accounts receivable-trade	73,525	Income taxes payable	1,422
Work in process	7,174	Provision for product warranties	198
Raw materials and supplies	3,485	Other	27,618
Deposits paid	116,652	<b>Non-current liabilities</b>	<b>13,101</b>
Other	2,664	Provision for product warranties	259
<b>Non-current assets</b>	<b>58,177</b>	Net defined benefit liabilities	9,379
<b>Property, plant and equipment</b>	<b>51,493</b>	Other	3,461
Buildings and structures	11,455	<b>Net assets</b>	<b>166,939</b>
Machinery, equipment and vehicles	16,183	<b>Shareholders' equity</b>	<b>167,808</b>
Tools, furniture and fixtures	6,882	Capital stock	7,904
Land	15,684	Capital surplus	8,517
Construction in progress	1,287	Retained earnings	174,021
<b>Intangible assets</b>	<b>1,077</b>	Treasury shares	(22,635)
<b>Investments and other assets</b>	<b>5,606</b>	<b>Accumulated other comprehensive income</b>	<b>(868)</b>
		Remeasurements of defined benefit plans	(868)
<b>Total assets</b>	<b>262,104</b>	<b>Total liabilities and net assets</b>	<b>262,104</b>

Note: Amounts less than one million yen are rounded down.

## Quarterly Consolidated Statements of Income

Second Quarter (Fiscal year-to-date)  
 (April 1 to September 30, 2019)  
 (Unit: million yen)

Item	
Net sales	229,679
Cost of sales	224,146
Gross profit	5,533
Selling, general and administrative expenses	3,560
<b>Operating income</b>	<b>1,972</b>
<b>Non-operating income</b>	
Interest income	163
Rent income on non-current assets	141
Other	76
Total non-operating income	382
<b>Non-operating expenses</b>	
Interest expense	28
Rent expense on non-current assets	83
Other	12
Total non-operating expenses	123
<b>Ordinary income</b>	<b>2,231</b>
<b>Extraordinary losses</b>	
Loss on retirement of non-current assets	92
Total extraordinary losses	92
<b>Income before income taxes</b>	<b>2,138</b>
Income taxes	577
<b>Net income</b>	<b>1,561</b>
<b>Income attributable to non-controlling interests</b>	<b>—</b>
<b>Profit attributable to owners of parent</b>	<b>1,561</b>

Note: Amounts less than one million yen are rounded down.

## Status of Shares

Number of shares authorized to be issued 400,000,000

Number of shares issued 157,239,691

(Including 21,786,490 shares of treasury stock)

Number of shareholders at the end of First Half 4,245

(Decrease from the end of previous fiscal year :172)

Ten largest shareholders

Name	Number of shares held (thousands)	Ratio of issued shares (%)
Nissan Motor Co., Ltd.	67,726	50.0
MLI for Client General Omni Non Collateral Non Treaty-PB	21,002	15.5
ECM MF	7,182	5.3
Bank of New York GCM Client Account JPRD AC ISG (FE-AC)	6,377	4.7
Goldman Sachs International	3,821	2.8
Nissan Shatai Supplier Stock Ownership Plan	2,804	2.1
The Master Trust Bank of Japan, Ltd. (Trust account)	1,677	1.2
Japan Trustee Services Bank, Ltd.(Trust account)	1,253	0.9
J.P. Morgan Securities PLC for and on Behalf of its Clients JPMSP Re Client Assers-Segr ACCT	900	0.7
JP Morgan Chase Bank 385151	883	0.7

Notes:

1. Amounts less than one thousand shares are rounded down.

2. Nissan Shatai holds 21,786,490 shares of treasury stock, but has been excluded from the above list of ten largest shareholders. The ratios of issued shares have been calculated after excluding treasury stock.



### Details of Shareholders

Classification		Number of Shareholders (persons)	Number of Shares (thousands)	Ratio (%)
National and Local Governments		1	0	0.0
Financial Institutions		22	6,874	4.4
Securities Companies		32	193	0.1
Other Corporations		109	72,381	46.0
Foreign Shareholders	Individuals Only	8	3	0.0
	Other than Individuals	190	48,595	30.9
Individuals and Other		3,883	29,191	18.6
Total		4,245	157,239	100.0

Note: Amounts less than one thousand shares are rounded down.

## Outline of Company

Trade name	<i>Nissan Shatai Kabushikikaisha</i>
Established in	July 1, 1941
Incorporated	April 1, 1949
Capital	7,904,951,279 yen
Employees	1,854 (As of September 30, 2019)

### Offices & Plants

#### **Head Office**

2-1, Tsutsumicho, Hiratsuka, Kanagawa Prefecture, 254-8610  
Tel: +81-463-21-8001

#### **Kyushu Office**

1-3, Shinhama-cho, Kanda-machi, Miyako-gun, Fukuoka Prefecture, 800-0321  
Tel: +81-50-3789-9774

### **Development Division**

#### **Techno Center (Development Division)**

2909, Ookami, Hiratsuka, Kanagawa Prefecture, 254-0012  
Tel: +81-463-21-8305

#### **Hadano Office**

233, Horiyamashita, Hadano, Kanagawa Prefecture, 259-1304  
Tel: +81-463-87-2972

#### **Tochigi Office (At the Tochigi Plant of Nissan Motor Co., Ltd.)**

2500, Kamigamo Kaminokawa-machi, Kawachi-gun, Tochigi Prefecture, 329-0617  
Tel: +81-285-56-1574

### **Production Division**

#### **Shonan Plant**

2-1, Tsutsumicho, Hiratsuka, Kanagawa Prefecture, 254-8610  
Tel: +81-463-21-8108

#### **Quality Assurance Kyushu, Quality Administration Group**

1-3, Shinhama-cho, Kanda-machi, Miyako-gun, Fukuoka Prefecture, 800-0321  
Tel: +81-50-3789-9579

#### **Kyoto office**

1-1, Nishinohata, Okubo-cho, Uji, Kyoto Prefecture, 611-8523  
Tel: +81-774-46-7287

## Executives

Title	Name
President *	Shohei Kimura
Director	Yuichi Mabuchi
Director	Hiroyuki Otsuka
Director	Shin Kotaki
Director(Outside)	Seiichiro Ichikawa
Director(Outside)	Masayuki Imai
Standing statutory auditor	Toshikatsu Hamaji
Standing statutory auditor(Outside)	Tetsunobu Ikeda
Statutory auditor(Outside)	Izumi Inoue

Notes:

1. \* Indicates a representative director.
2. Mr. Ichikawa and Mr. Imai are independent directors and Mr. Inoue is an independent statutory auditors as stipulated by Tokyo Stock Exchange.

**Accounting Auditor:** Ernst & Young ShinNihon LLC

# Principal Products



**ARMADA**



**PATROL Y62**



**Infiniti QX80**



**NV350  
CARAVAN**



**ELGRAND**



**NV150  
AD**



**NV200  
VANETTE**



**PATROL Y61**



**PATROL PICKUP**



**NV200**



**CIVILIAN**



**ATLAS F24**

## **Memorandum for Shareholders**

### **Fiscal year**

From April 1 to March 31 of the following year

### **Ordinary general shareholders meeting**

June of each year

### **Date of record for ordinary general shareholders meeting**

March 31 each year

### **Date of record for year-end dividends**

March 31 each year.

When an interim dividend is declared, the date of record therefor is September 30.

### **Administrator of shareholder register (Administrator of special account)**

Sumitomo Mitsui Trust Bank, Limited

1-4-1 Marunouchi, Chiyoda-ku, Tokyo

### **Postal address**

Stock Transfer Agency Business Planning Dept., Sumitomo Mitsui Trust Bank, Limited

2-8-4 Izumi, Suginami-ku, Tokyo 168-0063

## Notices

*Reporting change of address, requesting purchase of shares less than one unit, etc.*

Please inform the securities company where your account is held. Shareholders for whom a special account has been opened because they do not hold an account with a securities company are requested to inform Sumitomo Mitsui Trust Bank, Limited, the administrator of the special account.

*Payment of unpaid dividends*

Please contact Sumitomo Mitsui Trust Bank, Limited, the administrator of the shareholder register.

*Dividend statement*

The dividend statement sent when dividends are paid also serves as a notice of payment as provided for in the Act on Special Measures Concerning Taxation. Please use that document as an attachment when filing your tax return.

For shareholders who have opted for proportional distribution, their securities company or other relevant institution will calculate the amount of tax to be withheld at source. Please contact the securities company, etc., concerned with regard to documents to attach to your tax return.

Note: Shareholders intending to file tax returns are advised to store this document carefully.

Trade name	<i>Nissan Shatai Kabushikikaisha</i>
English version of name	Nissan Shatai Co., Ltd.

**NISSAN SHATAI CO., LTD.**