



Innovation
that excites

Yulon Nissan Motor Co., Ltd.

June 4th, 2014

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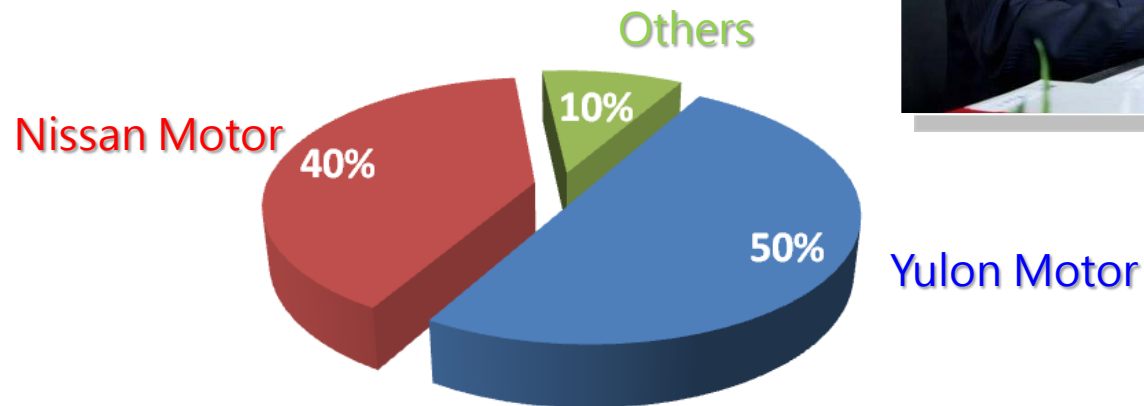
Company Profile



Yulon-Nissan Motor profile



- Company name : Yulon-Nissan Motor Co., Ltd.
- Establishment date : Oct. 1st, 2003
- Chairman : Kenneth, K.T. Yen
- President : Steve, W.R. Tsay
- Capital : 3 billion NTD
- Shareholder structure :



Operation Scope

1. Full value chain operation of Nissan and Infiniti brand in Taiwan excluding manufacturing process
2. Joint cooperation with DongFeng Motor for PRC market development

1

Domestic Business

Full value chain operation of Nissan and Infiniti brand in Taiwan excluding manufacturing process

2

Overseas Investment

義展海外投資
股份有限公司

義華大陸投資
股份有限公司

40%

廣州風神汽車有限公司 (Plant)
(annual capacity 950K units)

16.55%

風神襄陽汽車有限公司 (Plant)
(annual capacity 200K units)

33.12%

風神汽車有限公司 (Sales Co.)

45%

深圳聯友科技有限公司 (IT)

49%

東風裕隆舊車置換有限公司
(Used Car)

Corporate Vision

Become the **benchmark company** of

“Product Innovation” & “Service Innovation”

in the **Cross-strait Auto Industry**

INFINITI- imported luxury models



Q60



Q70



QX50



QX60



QX70

NISSAN- imported models



GT-R



370Z ROADSTER



370Z COUPE



MURANO



ROGUE



JUKE

NISSAN- domestic models



BIG TIIDA



SUPER SENTRA



ALL NEW LIVINA



NEW MARCH



ALL NEW TEANA



TIIDA

New Marketing Campaigns



ALL NEW LIVINA

ECO RV

JUKE
Star special edition



BIG TIIDA
SR limited edition



2

Operation Briefing



Consolidated Income Statements

Currency:K\$NTD

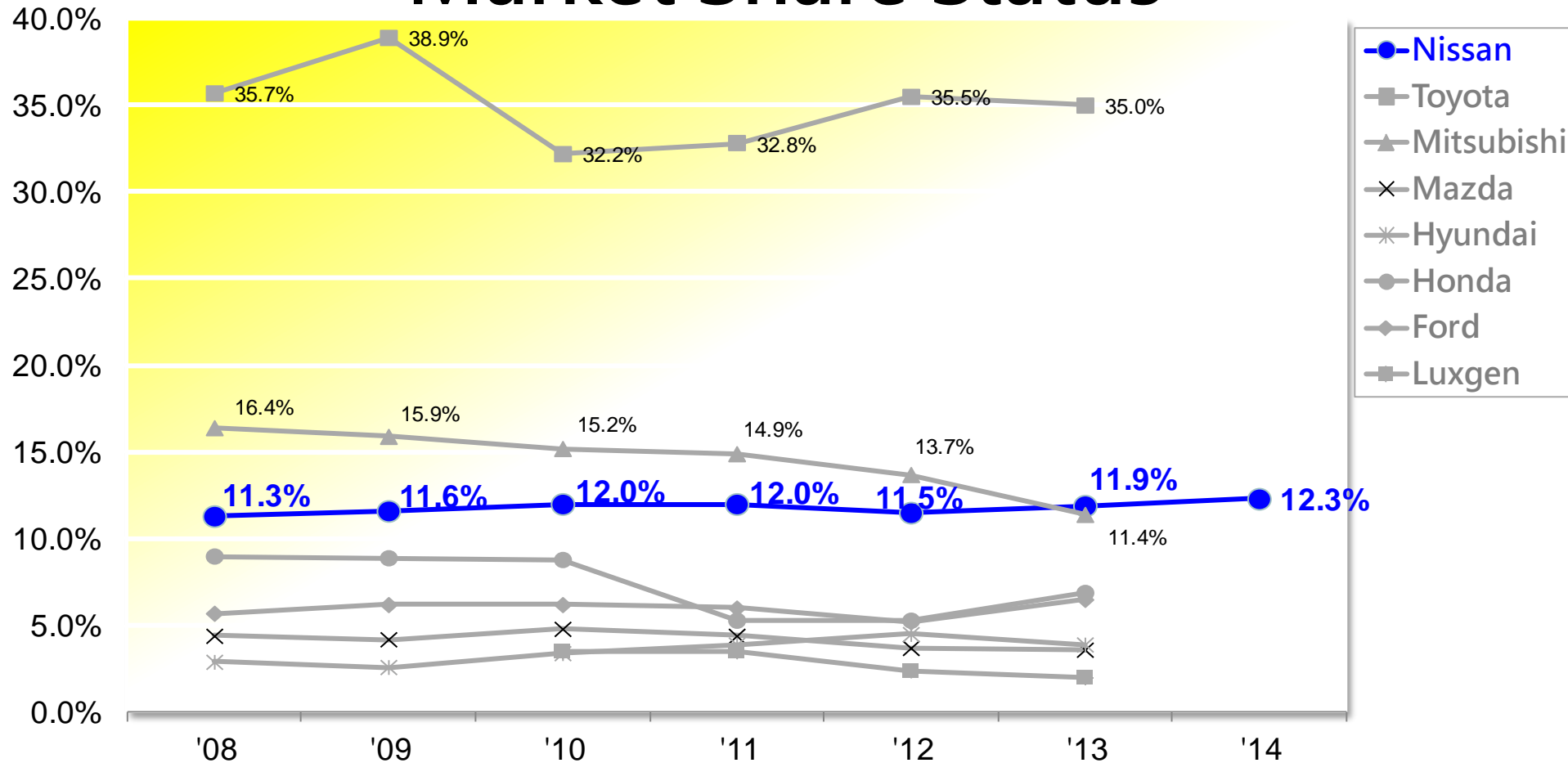
	2010		2011		2012		2013		2014Q1	
Net Sales	27,455,696	100.0%	32,115,351	100.0%	29,134,530	100.0%	31,486,050	100.0%	8,179,598	100.0%
Gross Profit	3,784,639	13.8%	4,735,148	14.7%	3,670,937	12.6%	5,448,850	17.3%	949,796	11.6%
Operating Expenses	3,280,085	11.9%	3,686,435	11.5%	3,158,729	10.8%	3,616,656	11.5%	895,539	10.9%
Operating Income	504,554	1.8%	1,048,713	3.3%	512,388	1.8%	1,832,179	5.8%	54,257	0.7%
Income before Taxes	3,344,247	12.2%	4,597,907	14.3%	6,101,134	20.9%	8,806,890	28.0%	1,436,346	17.6%
Tax Expenses	460,349	1.7%	766,342	2.4%	1,162,064	4.0%	1,506,893	4.8%	240,787	2.9%
Income after Taxes	2,883,898	10.5%	3,831,565	11.9%	4,939,070	17.0%	7,299,997	23.2%	1,195,559	14.6%
Earnings Per Share	9.61	—	12.77	—	16.46	—	24.33	—	3.99	—
Cash Dividend (NTD)	5.6	—	10.2	—	13.3	—	19.47	—	—	—
Dividend Paid Out Ratio	58.3%	—	79.9%	—	80.8%	—	80.0%	—	—	—

Consolidated Balance Sheets

Currency:K\$NTD

	2010	2011	2012	2013	2014Q1
Current Assets	4,391,683	13,848,011	14,954,714	18,135,802	19,795,124
Fund and Investment (Long-term Equity)	14,876,477	9,310,797	10,379,966	14,989,267	14,129,164
Property, Plant and Equipment	40,840	37,166	37,182	39,962	36,793
Other Assets	1,443,401	1,459,680	1,958,517	2,153,934	2,345,326
Total Assets	20,752,401	24,655,654	27,330,379	35,318,965	36,306,407
Current Liabilities	1,843,485	2,698,570	3,150,089	5,172,523	5,284,462
Other Liabilities	1,743,572	2,393,600	3,564,997	5,105,965	4,392,620
Total Liabilities	3,587,057	5,092,170	6,715,086	10,278,488	9,677,082
Capital Stock	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Capital Surplus	5,988,968	5,988,968	6,129,405	6,129,405	6,129,405
Retained Earnings	7,958,797	10,110,362	12,389,954	15,700,634	16,896,233
Other Adjustments	217,579	464,154	-904,066	210,438	603,687
Total Shareholders' Equity	17,165,344	19,563,484	20,615,293	25,040,477	26,629,325
Book Value / Share	57.22	65.21	68.72	83.47	88.76

Market Share Status



Challenges

2014 market share objective is 12.3%. However, with the successful new model introduction of SUPER SENTRA and ALL NEW LIVINA, YNM expects to take challenges to achieve 13% M/S.

New models to be launched in 2014



INFINITI Q50
(2.0 Turbo/ 3.5 Hybrid)



INFINITI QX60 HYBRID

3 Core Strategy





**NISSAN
POWER
88**

6-Year Midterm Plan (2011~2016)

Power

Brand & sales power

8%

Global market share by
FY16

8%

Sustainable COP

Brand
Power

Pillar 1

Sales Power

Pillar 2

Enhancing
Quality

Pillar 3

Zero-Emission
Leadership

Pillar 4

Business
Expansion

Pillar 5

Cost
Leadership

Pillar 6

Operation Strategy

2016 objective

Market Share 15%

Product
Strategy

Marketing
Strategy

Customer
Satisfaction
Strategy

Profit
Enhancement
Strategy

HR strategy

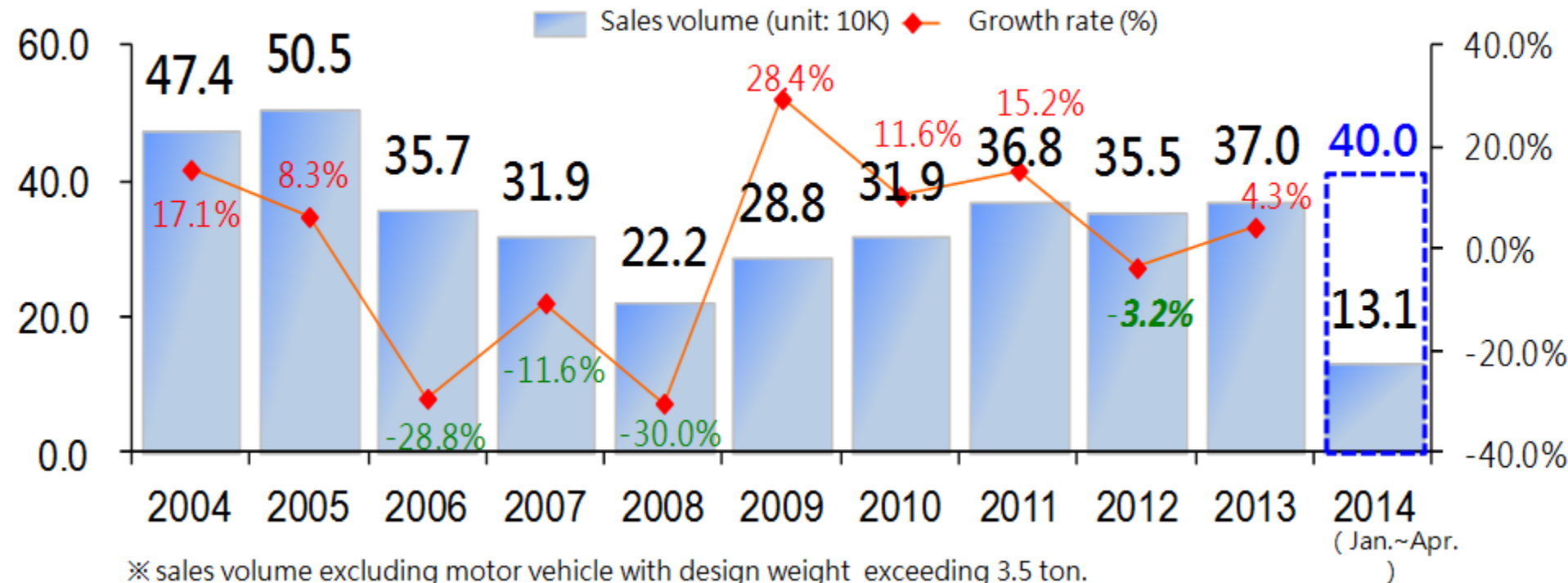
Smart-Decision Support System(S-DSS)

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Cross-strait Market Forecast



Taiwan automobile market status



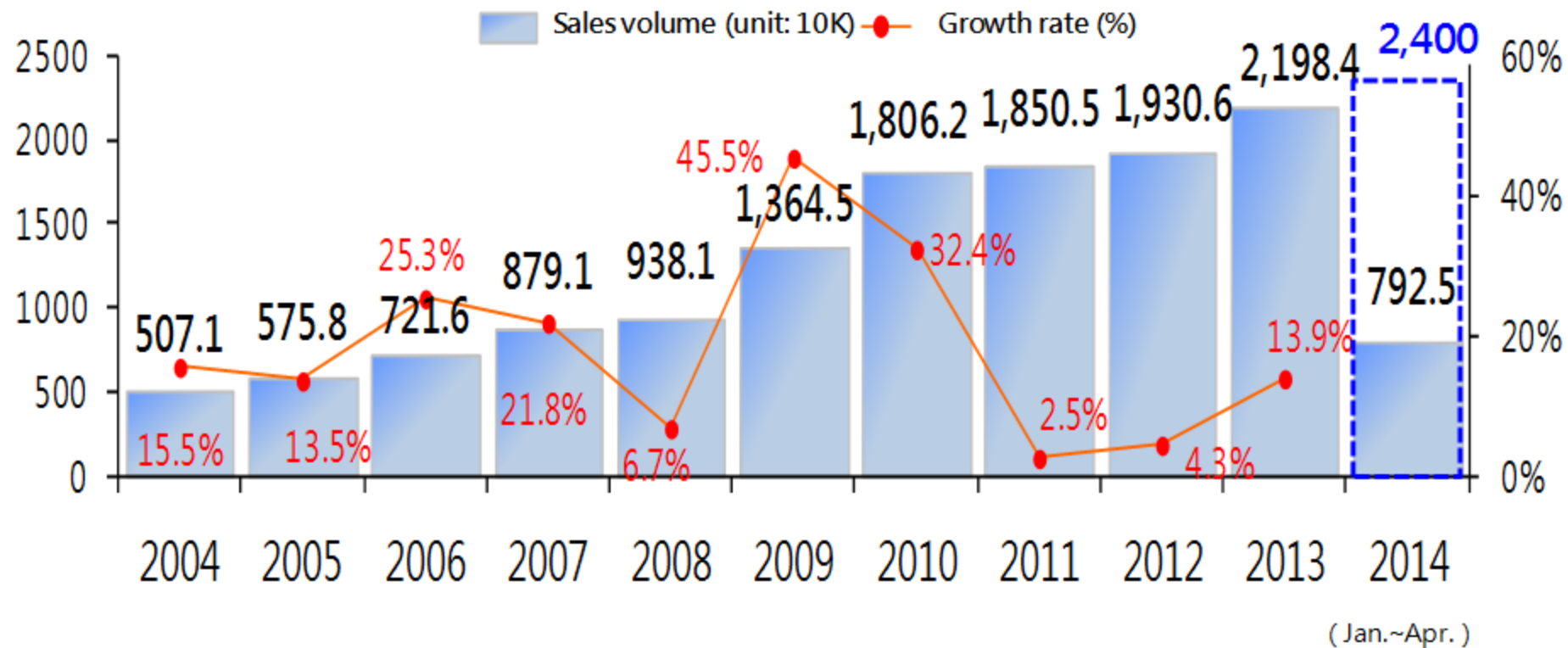
1. Private consumption growth rate is less than 3%
2. Overall consumer confidence "CCI" shows positive, but future expectation of "family economic situation" and "domestic economy" decline in confidence
3. Political instability and the end of year election influence purchase intention

Opportunities

1. Major brands introduced new models in FY13-FY14 period to stimulate purchase intentions
2. 10-year replacement wave (last peak in FY04-FY05)

Risks

PRC automobile market status

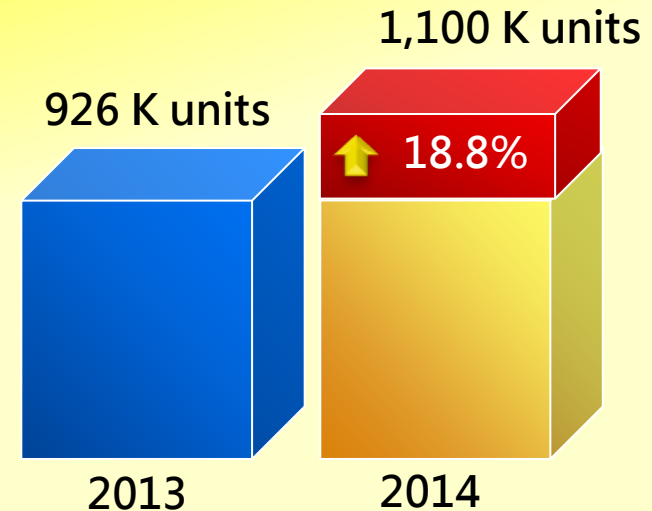


※sales volume including passenger and commercial vehicles

Dongfeng Nissan Passenger Vehicle Company - Sales performance

Jan.~Apr. : 304,443 units

(changes vs. FY13 : +24.02%)



1. YNM investment income recognition is mainly from OEM income in Mainland China. Therefore investment income recognition is in positive correlation with the sales volume. Starting from this year, Zhenzhou plant is combined into GuangZhou FengShen Motor. Therefore income recognition will increase from Q1 onwards. Despite the negative impact of RMB depreciation, the investment income recognition is expected to increase comparing with last year.
2. Introduction of New X-trail in end of Q1 is successful. Therefore Q2 sales volume increase over Q1 is anticipated.
3. Considerable sales volume growth is expected along with Venucia' s introduction of new model with MSRP less then 50K RMB in H2. In addition, new production plant in Dalian will start to operate soon. Therefore, the achievement of 1.1million sales volume objective should be cautiously optimistic .

THANK YOU FOR YOUR ATTENTION

