



Innovation  
that excites

# Yulon Nissan Motor Co., Ltd.

Sept. 4th, 2014

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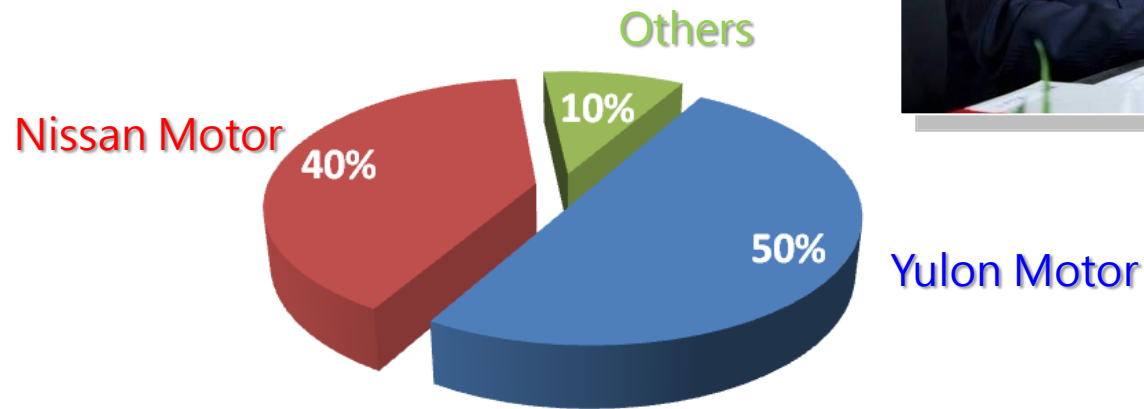
# Company Profile



# Yulon-Nissan Motor profile



- Company name : Yulon-Nissan Motor Co., Ltd.
- Establishment date : Oct. 1<sup>st</sup>, 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



# INFINITI -New Model Campaigns



**Q50**  
(2.0 Turbo/ 3.5 Hybrid)

## QX60 HYBRID



# 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**

# NISSAN -New Model Campaigns



## ALL NEW LIVINA

Small RV with outstanding fuel efficiency and huge space

## JUKE Star special edition



## BIG TIIDA SR limited edition



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# Operation Briefing



# Consolidated Income Statements

Currency:K\$NTD

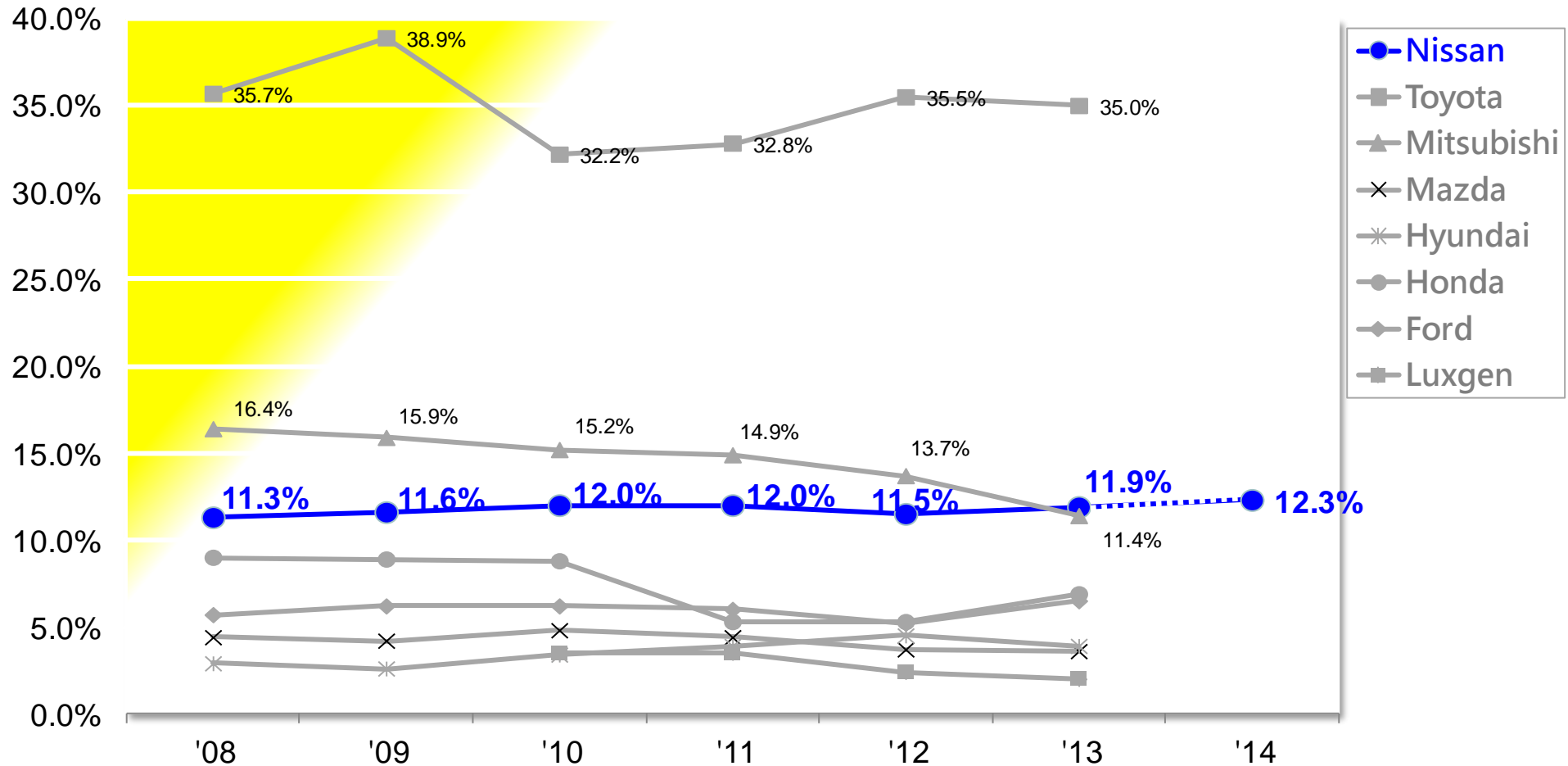
	2010		2011		2012		2013		2014H1	
Net Sales	27,455,696	100.0%	32,115,351	100.0%	29,134,530	100.0%	31,486,050	100.0%	18,276,721	100.0%
Gross Profit	3,784,639	13.8%	4,735,148	14.7%	3,670,937	12.6%	5,448,850	17.3%	2,201,172	12.0%
Operating Expenses	3,280,085	11.9%	3,686,435	11.5%	3,158,729	10.8%	3,616,656	11.5%	1,851,021	10.1%
<b>Operating Income</b>	<b>504,554</b>	<b>1.8%</b>	<b>1,048,713</b>	<b>3.3%</b>	<b>512,388</b>	<b>1.8%</b>	<b>1,832,179</b>	<b>5.8%</b>	<b>350,151</b>	<b>1.9%</b>
Income before Taxes	3,344,247	12.2%	4,597,907	14.3%	6,101,134	20.9%	8,806,890	28.0%	3,121,378	17.1%
Tax Expenses	460,349	1.7%	766,342	2.4%	1,162,064	4.0%	1,506,893	4.8%	645,846	3.5%
<b>Income after Taxes</b>	<b>2,883,898</b>	<b>10.5%</b>	<b>3,831,565</b>	<b>11.9%</b>	<b>4,939,070</b>	<b>17.0%</b>	<b>7,299,997</b>	<b>23.2%</b>	<b>2,475,532</b>	<b>13.5%</b>
Earnings Per Share	9.61	—	12.77	—	16.46	—	24.33	—	8.25	—
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	2014H1
Current Assets	4,391,683	13,848,011	14,954,714	18,135,802	21,617,572
Fund and Investment (Long-term Equity)	14,876,477	9,310,797	10,379,966	14,989,267	12,905,436
Property, Plant and Equipment	40,840	37,166	37,182	39,962	42,750
Other Assets	1,443,401	1,459,680	1,958,517	2,153,934	2,630,132
<b>Total Assets</b>	<b>20,752,401</b>	<b>24,655,654</b>	<b>27,330,379</b>	<b>35,318,965</b>	<b>37,195,890</b>
Current Liabilities	1,843,485	2,698,570	3,150,089	5,172,523	10,978,126
Other Liabilities	1,743,572	2,393,600	3,564,997	5,105,965	4,647,166
<b>Total Liabilities</b>	<b>3,587,057</b>	<b>5,092,170</b>	<b>6,715,086</b>	<b>10,278,488</b>	<b>15,625,292</b>
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	12,335,177
Other Adjustments	217,579	464,154	-904,066	210,438	106,016
<b>Total Shareholders' Equity</b>	<b>17,165,344</b>	<b>19,563,484</b>	<b>20,615,293</b>	<b>25,040,477</b>	<b>21,570,598</b>
Book Value / Share	57.22	65.21	68.72	83.47	71.90

# Market Share Status





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# 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)

# Strengthening Service Competitiveness

Test driving to your home



Elite sales



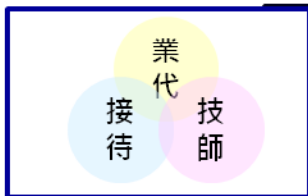
Female customer treatments



Heartwork service



Service triangle



2013-2014

J.D. Power SSI (Sales Satisfaction Index)

**NO.1** among domestic manufacturers

2013

J.D. Power CSI (Customer Satisfaction Index)

**NO.2** among domestic manufacturers

NISSAN PAD



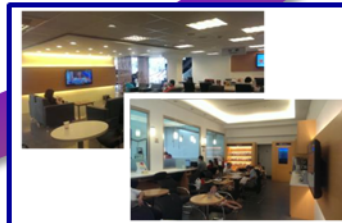
Interactive touch panel system



Smart-Dealer Management System



Customer resting area upgrade



# Corporate Social Responsibility



Automobile design contest for college students



Environmental education from childhood



Charity cookies in dealers



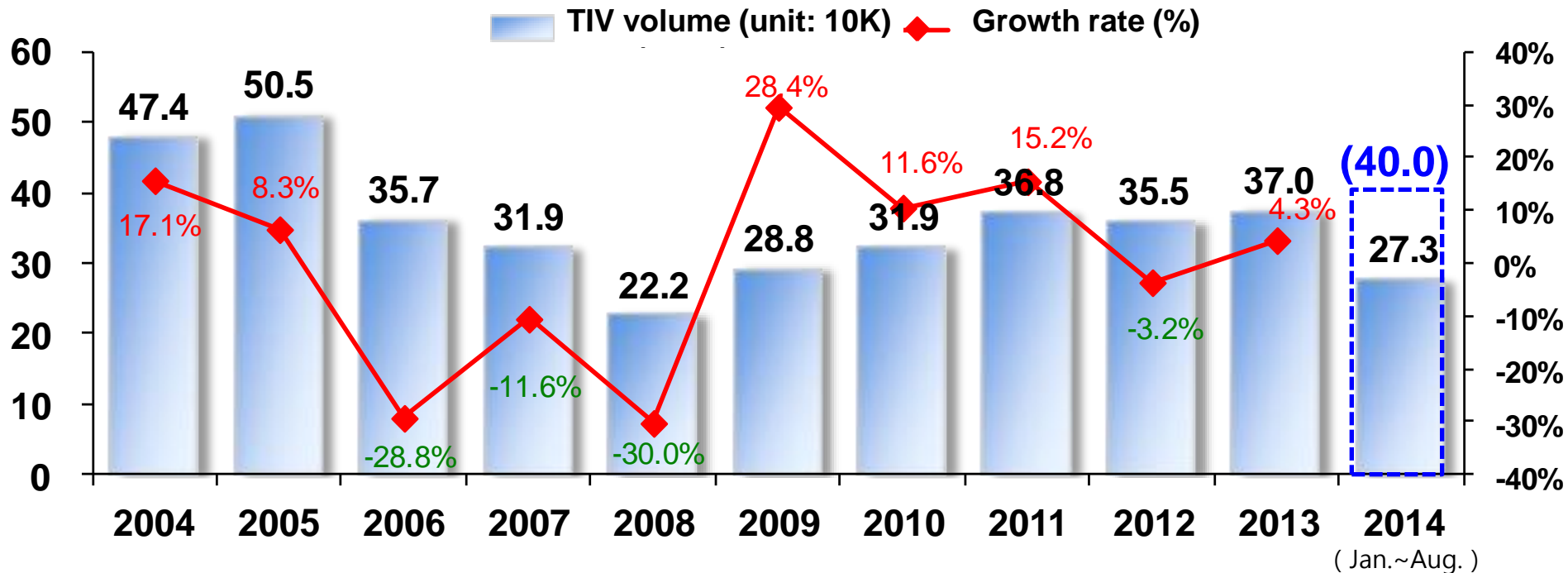
Donation of accident insurances for Taipei City EPA contract workers

# 4

## Cross-strait Market Forecast



# Taiwan automobile market status



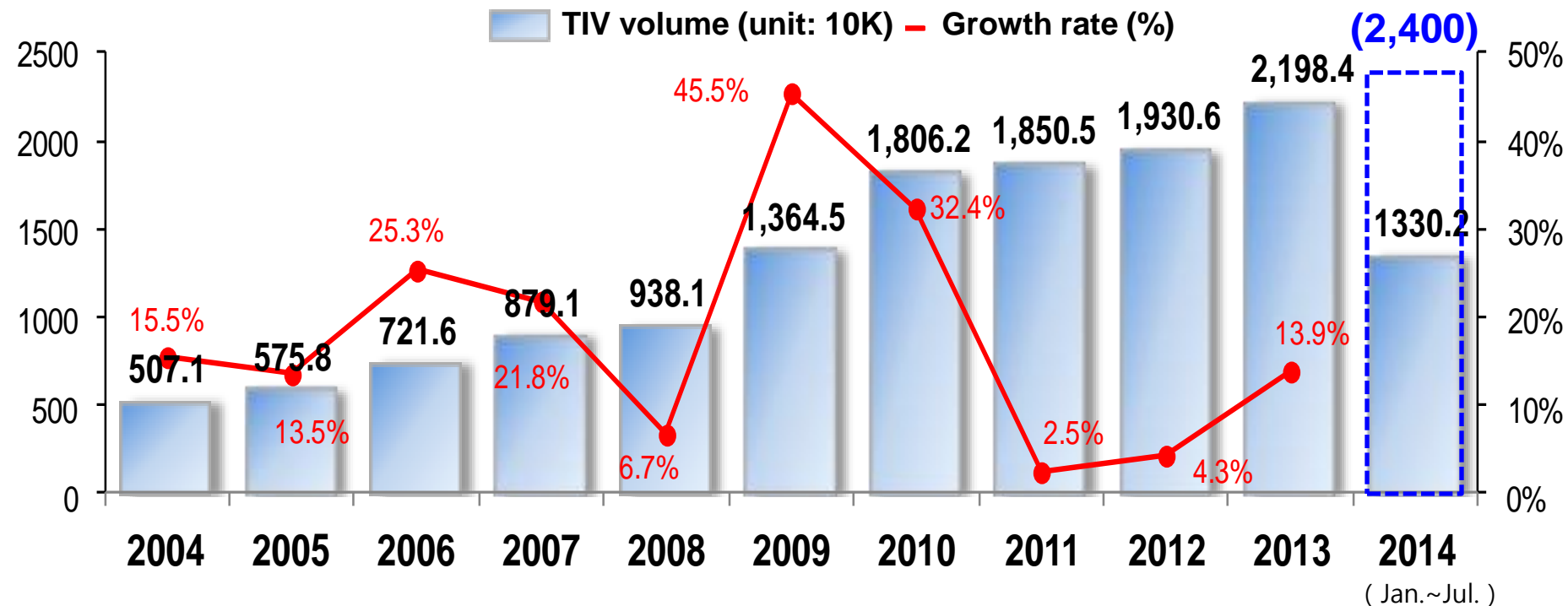
1. Private consumption growth rate is less than 3%
2. Overall consumer confidence "CCI" shows positive, but future expectation of "family economic situation" and "domestic economy" decline in confidence
3. Political instability and the end of year election influence purchase intention

## 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



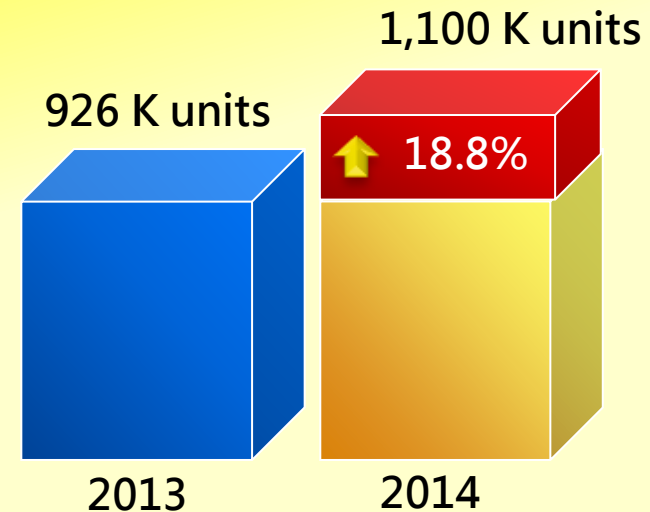
※sales volume including passenger and commercial vehicles



# Dongfeng Nissan Passenger Vehicle Company - Sales performance

Jan.~Jul. : 533,802 units

(changes vs. FY13 : +14.7%)



1. YNM investment income recognition is mainly accountable from OEM income in Mainland China. Income recognition is in positive correlation with the sales volume. Starting from this year, Zhenzhou plant is combined with GuangZhou FengShen Motor. Therefore income recognition will increase from Q1 onwards.
2. In addition to the successful introduction of New X-trail in the end of Q1 with plausible sales performance, Venucia is also introducing new model, R30, with MSRP lower than 50K RMB in H2. Considerable sales volume growth is expected. Furthermore,, 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

