

[Translation]

August 8, 2017

To whom it may concern

Company name: Nissan Motor Co., Ltd.  
Representative Director and President: Hiroto Saikawa  
(Code no.:7201, Tokyo Stock Exchange First Section)  
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Departments  
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## **Announcement of Company Split with Automotive Energy Supply Corporation and Changes to Subsidiary (Share Transfer)**

Nissan Motor Co., Ltd. (“Nissan”) hereby announces as set forth below that it has resolved at the Board of Directors meeting today, to execute the definitive agreement (“Definitive Agreement”) with GSR Electric Vehicle (UK) Holding Limited (“GSR”) incorporated by the private fund of GSR Capital group for the sale of Nissan’s and its subsidiaries’ battery business, and as part of the sale of said business, effective as of December 31, 2017 to (1) split the product development, technological development, and production engineering businesses related to Nissan’s pouch-type lithium-ion battery business from the company (“NML Company Split”) to be succeeded by Automotive Energy Supply Corporation (“AESC”); (2) succeed to AESC’s LEAF electrical vehicle (EV) battery pack production business through company split of said business from AESC (“AESC Company Split;” collectively with NML Company Split, “Company Split” ); and (3) (i) transfer all shares of AESC, together with (ii) transfer battery business in North America held by Nissan’s subsidiary in North America and (iii) transfer all shares of Nissan’s subsidiary in UK operating battery business in UK, to GSR and its subsidiary (Note 1) ((i) through (iii) and the Company Split shall collectively referred to as “Transaction”). The Transaction is scheduled to be executed subject to approval under the competition laws of the respective countries and of US CFIUS and other relevant agencies, and on condition that AESC becomes a wholly-owned subsidiary of the Company (Note 2) and that GSR acquires all of outstanding shares of NEC Energy Devices Ltd.

(Note 1): By the effective date of the Company Split, Nissan UK subsidiary’s UK battery business shall be transferred to a newly incorporated entity wholly owned by such Nissan UK Subsidiary and then such shares of the new entity shall be transferred to GSR.

(Note 2): As of today, Nissan has entered into a share purchase agreement (“AESC Share Transfer Agreement”) by and among NEC Corporation and NEC Energy Devices Ltd., pursuant to which Nissan acquires all of AESC shares held by NEC (39,396 shares) and NECED (6,566 shares) respectively. Based on AESC Share Transfer Agreement Nissan plans to hold 100% shares in AESC by the effective date of Company Split and such AESC shares shall be transferred to GSR.

The Company Split for each of NML Company Split and AESC Company Split will be a company split pursuant to which increase or decrease in the net asset of Nissan as of the immediate preceding fiscal year is less than 10% and increase or decrease in the sales of Nissan as of the immediate preceding fiscal year is less than 3%, and thereby certain portions of matters and content for disclosure have been omitted.

### **I. Company Split**

#### **1. Purpose of the Transaction**

AESC will be able to utilize GSR’s wide networks and proactive investment to expand its customer base and further increase its competitiveness. In turn, this will further enhance Nissan’s EV competitiveness. AESC will remain a very important partner for Nissan as we deepen our focus on designing and producing market-leading electric vehicles.

## 2. Outline of the Transaction

### (1) Schedule of the Transaction

Date of Resolution of the Board Meeting	August 8, 2017
Date of Execution of the Definitive Agreement	August 8, 2017
Date of Execution of the Company Split Agreement	September 29, 2017 (tentative)
Effective Date of the Company Split	December 31, 2017 (tentative)
Effective Date of the Transaction	December 31, 2017 (tentative)

(Note): Each of NML Company Split and AESC Company Split is a small-scale (*kan-i*) absorption-type company split, and therefore neither will convene shareholder meetings for approval of the company split agreement.

### (2) Method of the Company Split

NML Company Split is an absorption-type company split whereby Nissan will be the splitting company and AESC will be the succeeding company. AESC Company Split is an absorption-type company split whereby AESC will be the splitting company and Nissan will be the succeeding company.

### (3) Details of allotments relating to the Company Split

There will be no delivery of considerations such as share allotments or cash payments given that the company split will take place as of the effective date of the Company Split between a parent and a wholly-owned subsidiary after acquiring 100% shares in AESC.

### (4) Treatment of share subscription rights and bonds with stock subscription rights in relation to the Company Split

The Company issues share subscription rights, but there will be no change in treatment due to the Company Split. The Company does not issue bonds with stock subscription rights.

### (5) Increase or decrease of capital stock due to the Company Split

There will be no change in capital stock due to the Company Split.

### (6) Rights and Obligations to be succeeded by the succeeding company

#### NML Company Split

AESC, a succeeding company under the NML Company Split, shall succeed to the assets and other rights and obligations that are needed to operate the product development, technological development, and production engineering businesses related to Nissan's pouch-type lithium-ion battery business (which includes a part of assets and other rights and obligations that are needed to operate the electrical vehicle (EV) battery pack production business).

#### AESC Company Split

Nissan, a succeeding company under the AESC Company Split, shall succeed to the assets that are needed to operate the LEAF electrical vehicle (EV) battery pack production business (excluding any assets concerning electrical vehicle (EV) battery pack production business that AESC succeeds to from Nissan under the said NML Company Split).

### (7) Capability of satisfying liabilities

#### NML Company Split

The Company has determined that there are no obstacles to satisfying the liabilities which the succeeding company (ie., AESC) bears after the effective date of the Company Split.

## AESC Company Split

The Company has determined that there are no obstacles to satisfying the liabilities which the succeeding company (i.e., Nissan) bears after the effective date of the Company Split.

### 3. Outline of the Companies involved in the Company Split

	Splitting company in NML Company Split Succeeding company in AESC Company Split	Succeeding company in NML Company Split Splitting company in AESC Company Split
(1) Name	Nissan Motor Co., Ltd.	Automotive Energy Supply Corporation
(2) Address	2, Takara-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	10-1 Hironodai 2-chome, Zama shi, Kanagawa
(3) Title and name of representative	Representative Director and President, Hiroto Saikawa	Representative Director and President, Yo Tsunashima
(4) Contents of business	Development, production, and sales, etc. of automobiles, etc.	Research, development, manufacture and sale of lithium-ion battery for automobiles
(5) Capital	605,813,734,035 JPY	2,345,000,000 JPY
(6) Date of establishment	December 26, 1933	April 19, 2007
(7) Number of shares issued (as of March 31, 2017)	4,220,715,112 shares	93,800 shares
(8) Fiscal term	March 31	March 31
(9) Major shareholders and their shareholding ratio	Renault S.A.:43.40% The Chase Manhattan Bank, N.A. London Special Account Number 1:3.37% Japan Trustee Services Bank, Ltd. (trust account):2.74% The Master Trust Bank of Japan (trust account):2.54% Japan Trustee Services Bank, Ltd. (trust account9):1.43% Nippon Life Insurance Company:1.28% Japan Trustee Services Bank, Ltd. (trust account 5):1.03% JPMorgan Chase Bank 385632 : 1.00% State Street Bank West Client Treaty 505234:0.81% Moxley & Co. LLC:0.81%	Nissan Motor Co., Ltd.51% NEC Corporation:42% NEC Energy Devices, Ltd.: 7% (Company Split is conditioned upon acquisition of 100% of AESC shares by Nissan and Nissan expects to acquire 100% AESC shares by the effective date of Company Split)
(10) Relationship between listed companies and the relevant company	Capital relationship	As set forth above
	Personnel relationship	Nissan's executives and employees are concurrently acting as executives of AESC; in addition, employees are being seconded.
	Business relationship	AESC sells its lithium-ion battery products to Nissan, purchases equipment, parts and supplies from Nissan, subcontracts services to Nissan, and guarantees liabilities of Nissan, etc.
(11) Results of operation and financial position		

Fiscal term	Splitting company in NML Company Split Succeeding company in AESC Company Split	Succeeding company in NML Company Split Splitting company in AESC Company Split		
	(consolidated)	(individually)		
	FY ended March 2017	FY ended March 2017	FY ended March 2016	FY ended March 2015
Net assets	5,167,136	-5,216	-2,464	1,022
Total assets	18,421,008	36,046	38,574	39,277
Net assets per share (JPY)	1,242.90	-55,612.71	-26,263.32	10,898.90
Sales	11,720,041	38,356	36,619	48,946
Operating income	742,228	-2,329	-3,165	534
Ordinary income	864,733	-2,668	-3,387	541
Net income	663,499 (*)	-2,752	-3,486	460
Basic net income per share (JPY)	165.94	-29,347.39	-37,164.22	4,912.69

(Unit: 1 million yen; unless otherwise noted.)

(\*) Net income attributable to parent shareholder

#### 4. Outline of Businesses to be Split

##### (1) Outline of Businesses to be Split

###### NML Company Split

Businesses regarding product development, technological development, and production engineering businesses related to Nissan's pouch-type lithium-ion battery business

###### AESC Company Split

Electric vehicle (EV) battery pack production business

##### (2) Operating results of the business units to be split (as of fiscal year ending March 2017)

###### NML Company Split

Sales of business to be split (A)	Sales of splitting company (consolidated) (B)	Ratio (A/B)
22,650 MJPY	11,720,041 MJPY	0.19%

###### AESC Company Split

Sales of business to be split (A)	Sales of splitting company (consolidated) (B)	Ratio (A/B)
-	-	-

##### (3) Items and book value of assets and liabilities to be split (as of fiscal year ending March 2017)

###### NML Company Split

Assets		Liabilities	
Current assets	482 MJPY	Current liabilities	- MJPY
Fixed assets	5,502 MJPY	Fixed liabilities	- MJPY
Total	5,984 MJPY	Total	- MJPY

## AESC Company Split

Assets		Liabilities	
Current assets	- MJPY	Current liabilities	- MJPY
Fixed assets	350 MJPY	Fixed liabilities	- MJPY
Total	350 MJPY	Total	- MJPY

### 5. Status after the Company Split

	Splitting company in the NML Company Split Succeeding company in the AESC Company Split	Succeeding company in the NML Company Split Splitting company in the AESC Company Split
(1) Name	Nissan Motor Co., Ltd.	Automotive Energy Supply Corporation
(2) Address	2, Takara-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	10-1 Hironodai 2-chome, Zama shi, Kanagawa
(3) Title and name of representative	Representative Director and President, Hiroto Saikawa	Representative Director and President, Yo Tsunashima
(4) Contents of business	Development, production, and sales and purchase, etc. of automobiles, etc.	Research, development, manufacture and sale of lithium-ion battery for automobiles
(5) Capital	605,814 MJPY	2,345 MJPY
(6) Fiscal term	March 31	March 31

## II. AESC Share Transfer

### 1. Outline of the Counterparty of Share Transfer

(1) Name	GSR Electric Vehicle (UK) Holding Limited	
(2) Address	Suite 1, 3rd Floor 11 - 12 St. James's Square, London, United Kingdom, SW1Y 4LB	
(3) Title and name of representative	Hsuan Yu Lim, - Director Simon Vieira-Ribeiro - Director Sonny Wu - Director	
(4) Contents of business	Business support service activities	
(5) Capital	US\$ 100	
(6) Date of establishment	19 July 2017	
(7) Net assets	US\$ 100	
(8) Total assets	US\$ 100	
(9) Major shareholders and their shareholding ratio	GSR Electric Vehicle SPV Limited – 100%	
(10) Relationship between the listed companies and the relevant company	Capital relationship	None
	Personnel relationship	None
	Business relationship	None
	Applicability to related parties	None

### 2. Number of Shares to be Transferred, Purchase Price, and Shareholding Situation before and after Share Transfer

(1) Number of shares held before the change	93,800 shares (Note 1) (Number of voting rights: 93,800 units) (Ratio of voting rights held: 100%)
(2) Number of shares to be transferred	93,800 shares (Number of voting rights: 93,800)
(3) Number of shares held	0 shares

after the change	(Number of voting rights: 0 units) (Ratio of voting rights held: 0%)
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(Note 1): Based on AESC Share Transfer Agreement Nissan plans to hold 100% shares in AESC by the effective date of Company Split and such AESC shares shall be transferred to GSR.

(Note 2): Purchase price shall be undisclosed due to the non-disclosure obligation owed to GSR.

### III. Future Outlook

The effect of the Transaction on the Company's consolidated results for FY ended March 2018 is immaterial. The Company will promptly notify when a timely disclosure becomes necessary in the future.

(Reference) Forecast of consolidated results of the current fiscal term (disclosed on July 27, 2017) and actual consolidated results for the previous fiscal term

	Consolidated sales	Consolidated operating profit	Net income attributable to the shareholders of parent company
Forecast of results for the current fiscal term (FY ending March 2018)	11,800,000 MJPY	685,000 MJPY	535,000 MJPY
Actual results of the previous fiscal term (FY ended March 2017)	11,720,041 MJPY	742,228 MJPY	663,499 MJPY

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