

# NISSAN

## MOTOR CORPORATION

### FY2023 FIRST-QUARTER FINANCIAL RESULTS

July 26<sup>th</sup>, 2023



# Q1 Highlights

Delivering continued performance

Net Revenue  
**+ 37%**  
year on year

Operating profit  
**+ 98%**  
year on year

Net income  
**+ 124%**  
year on year

1 FY2023 Q1 Financial Results

2 FY2023 Outlook

3 China Status Update

# 1 FY2023 Q1 Financial Results

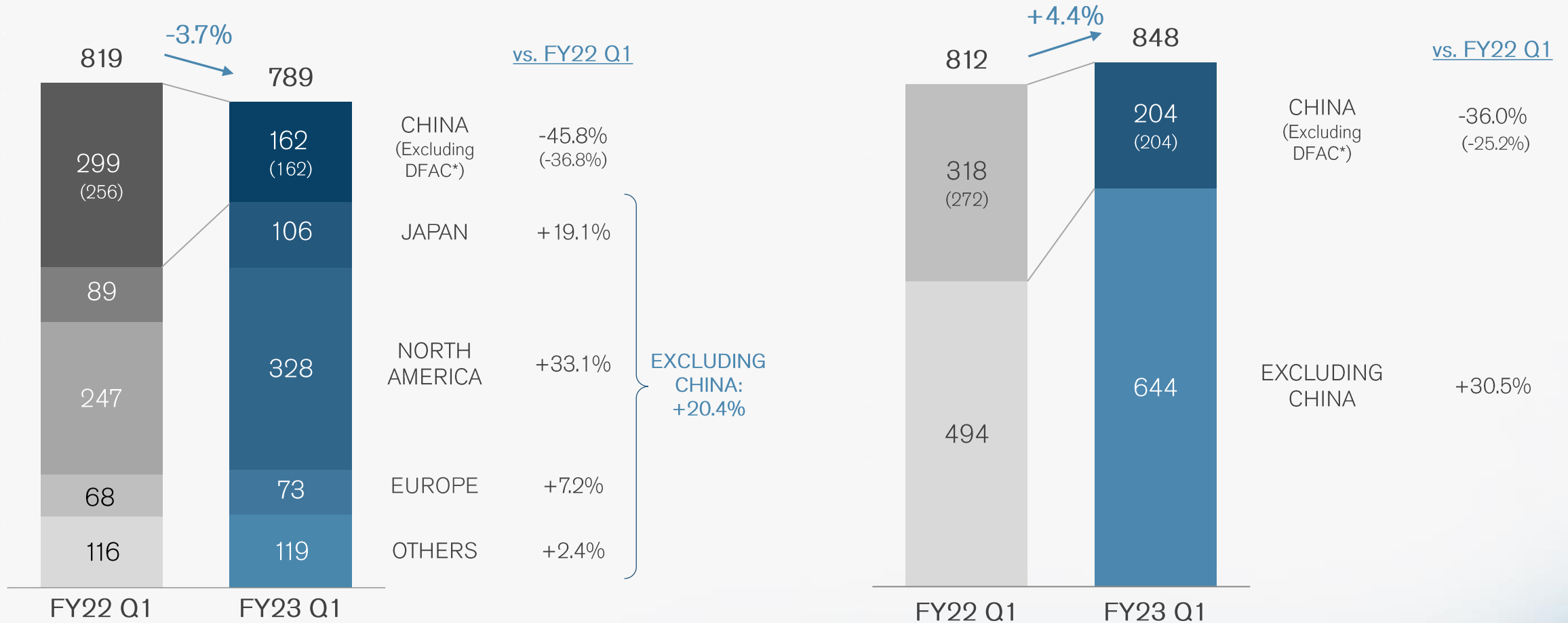


# FY23 Q1 Volume Results

(Thousand units)

## Retail Sales

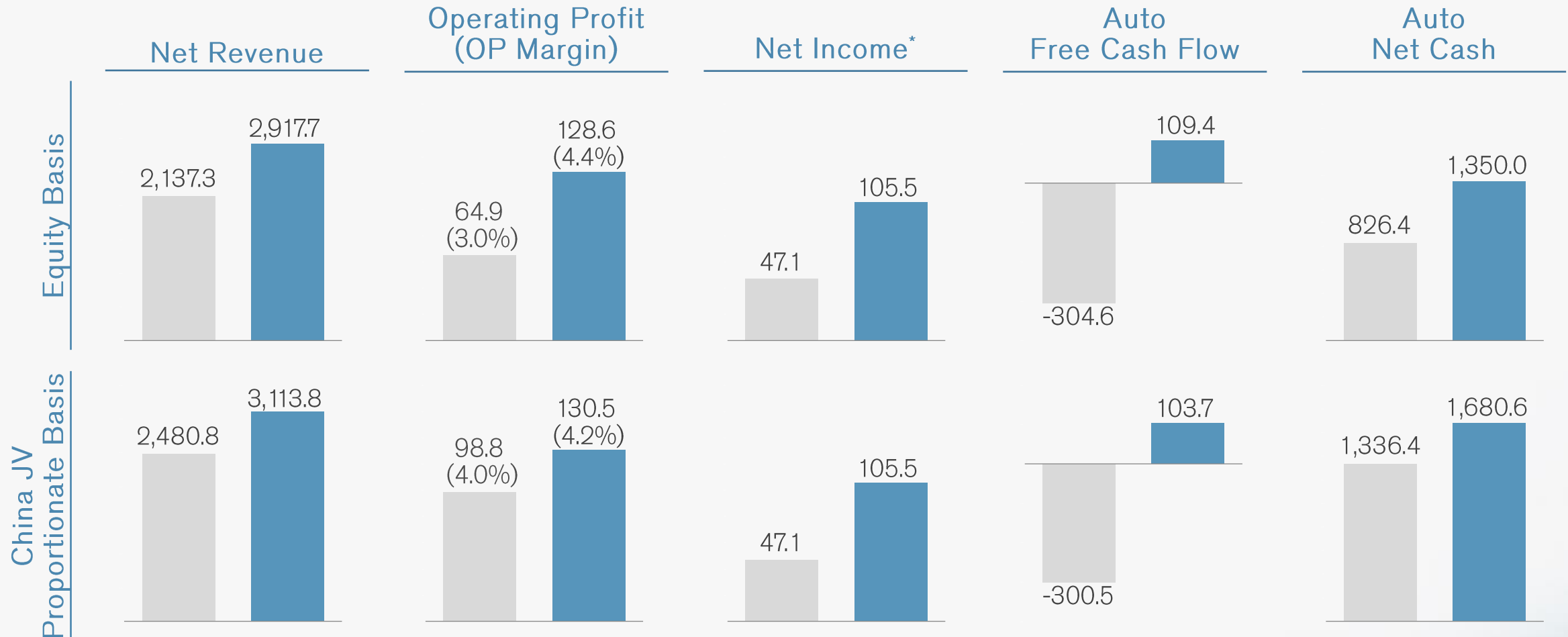
## Production



\*DFAC (Dongfeng Automobile Co., Ltd.) has been deconsolidated from October 2022 (FY22 Q4)

# FY23 Q1 Financial Performance

■ FY22 Q1  
■ FY23 Q1  
(Billion Yen)



## Liquidity Status (as of June 30, 2023)

1. Auto cash and cash equivalent: 1,772.5 billion yen on equity basis, 2,145.9 billion yen on China JV proportionate basis
2. Unused committed credit lines : 1,932.5 billion yen

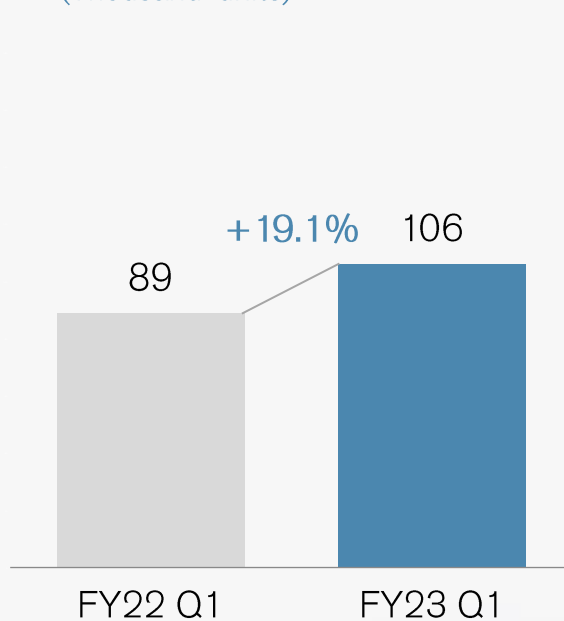
\*Net income attributable to owners of the parent

# JAPAN

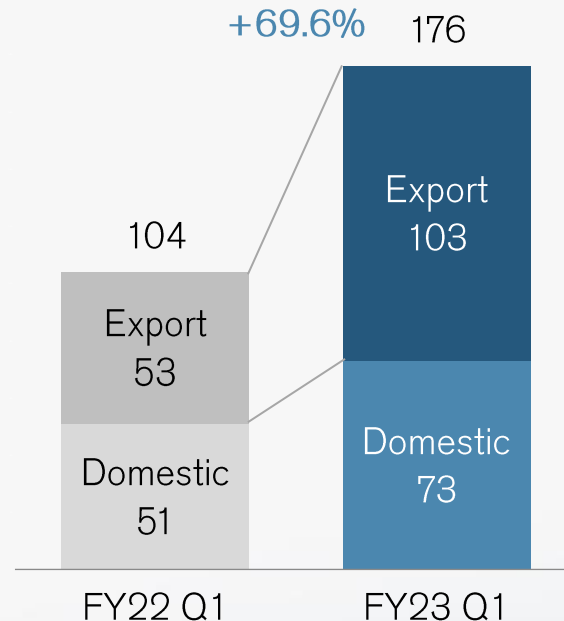
- Sales of Serena increased 130%
- Electrification ratio improved 14 points to 56%
- Net revenue per unit increased by 20% from the prior year

## Retail Sales

(Thousand units)



## Production Volume



## Top Selling Models



Serena

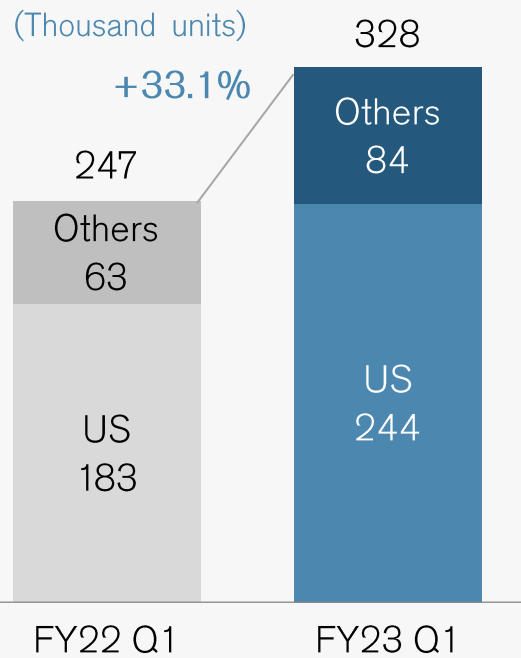


Note/Note Aura

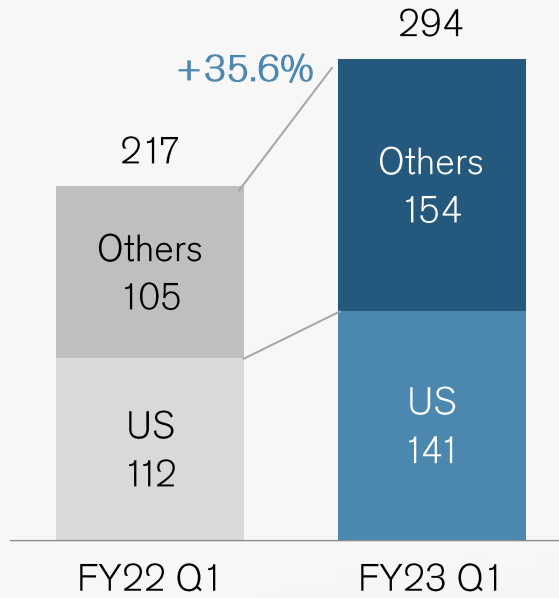
# NORTH AMERICA

- Significant increase in sales and production volume
- Net revenue per unit in the US increased by 6% from the prior year

## Retail Sales



## Production Volume



## Top Selling Models



Rogue



Sentra

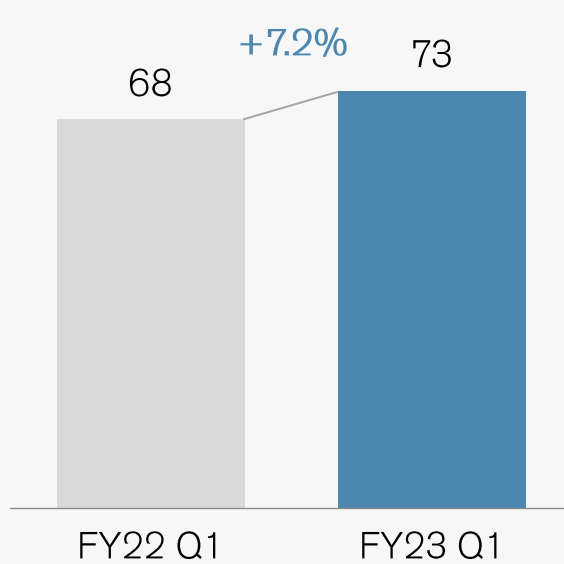


# EUROPE

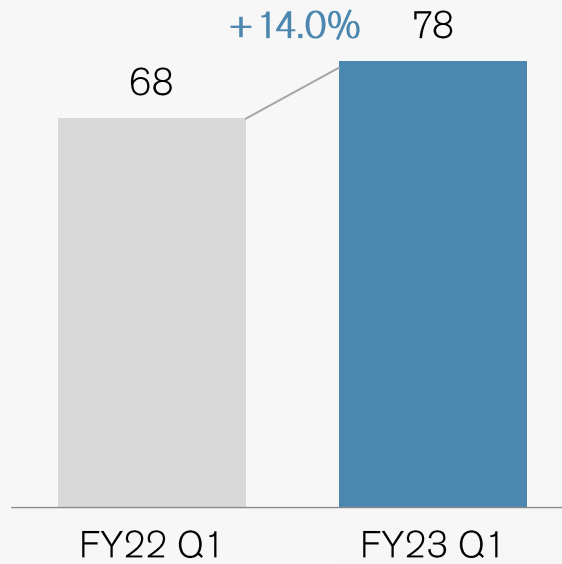
- Electrification ratio improved 27 points to 35%
- Net revenue per unit increased by 24% from the prior year

## Retail Sales

(Thousand units)



## Production Volume



## Top Selling Models



Qashqai



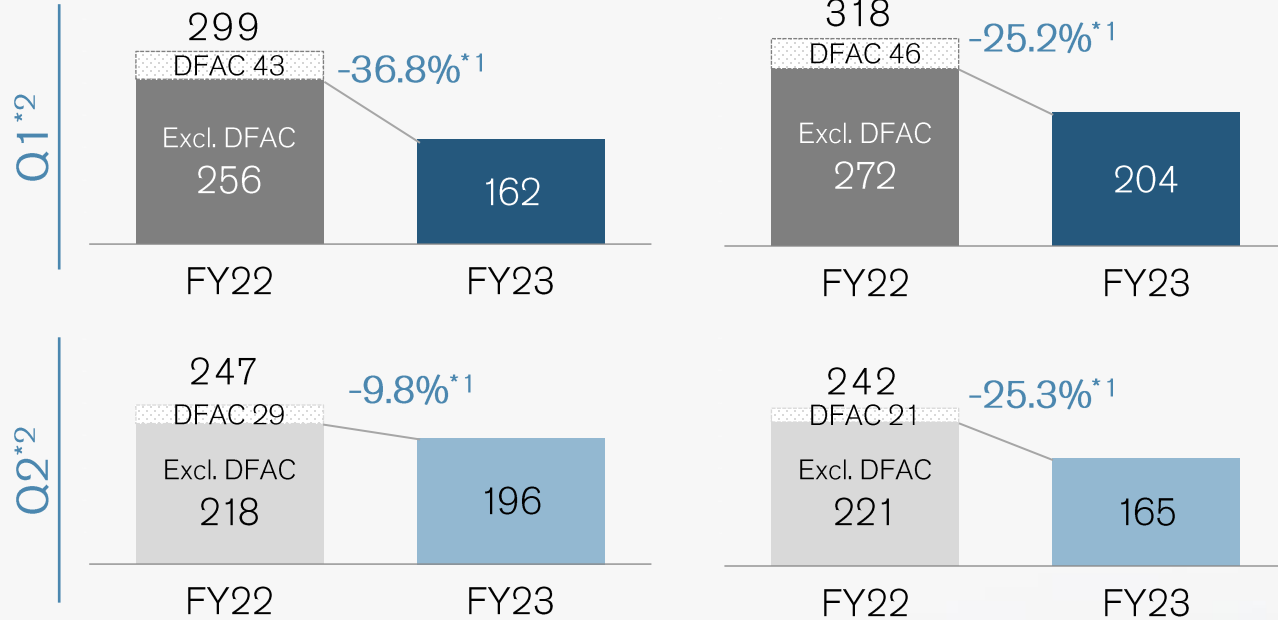
Juke

# CHINA

- Volume significantly impacted by pandemic and market dynamics
- Sylphy - top-selling model in ICE segment
- Net revenue per unit decreased by 11% from the prior year

## Retail Sales

(Thousand units)



## Top Selling Models



Sylphy

\*1: Excluding DFAC, which was deconsolidated from October 2022

\*2: Jan-Mar for Q1, Apr-Jun for Q2

# FY23 Q1 Financial Performance (Equity Basis)

(Billion Yen)	FY22 Q1	FY23 Q1	Variance
Net Revenue	2,137.3	2,917.7	+780.4
Operating Profit	64.9	128.6	+63.7
OP Margin	3.0%	4.4%	+1.4 points
Non-operating* <sup>1</sup>	39.1	38.0	
Ordinary Profit	104.0	166.6	+62.6
Extraordinary	1.6	-37.4	
Profit Before Tax	105.6	129.2	+23.6
Taxes	-53.2	-18.3	
Minority Interest* <sup>2</sup>	-5.3	-5.4	
Net Income* <sup>3</sup>	47.1	105.5	+58.4
FX Rate (USD/JPY)	130	137	
(EUR/JPY)	138	150	

\*1: Includes profit in companies under equity method of 33.6 billion yen in FY22 Q1 and 33.4 billion yen in FY23 Q1

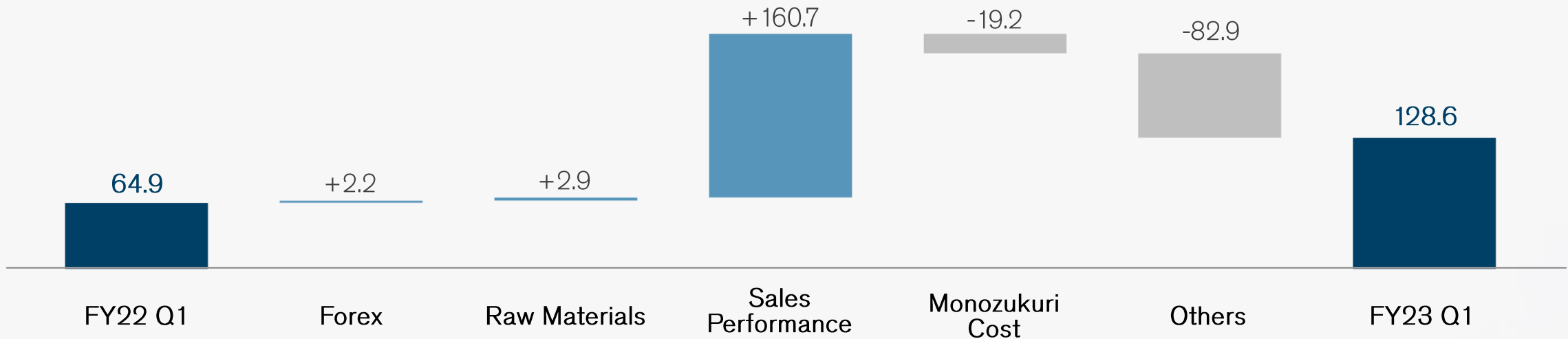
\*2: Net income attributable to non-controlling interests

\*3: Net income attributable to owners of the parent

# FY23 Q1 Financial Performance (Equity Basis)

## Operating Profit Variance Analysis FY23 Q1 vs. Previous Year

(Billion Yen)



### Breakdown

Volume/Mix	+115.8	Manufacturing	+11.2	Sales Finance	-13.4
Selling Exp/ Pricing	+41.6	Inflation	-9.6	- Asset decline	-1.8
After Sales	+3.0	Regulatory / Product Enrichment	-9.4	- Others	-11.6
Others	+0.3	Logistics	-7.5	Remarketing	-7.5
		Others	-3.9	Other Inflation	-5.4
				Others	-56.6

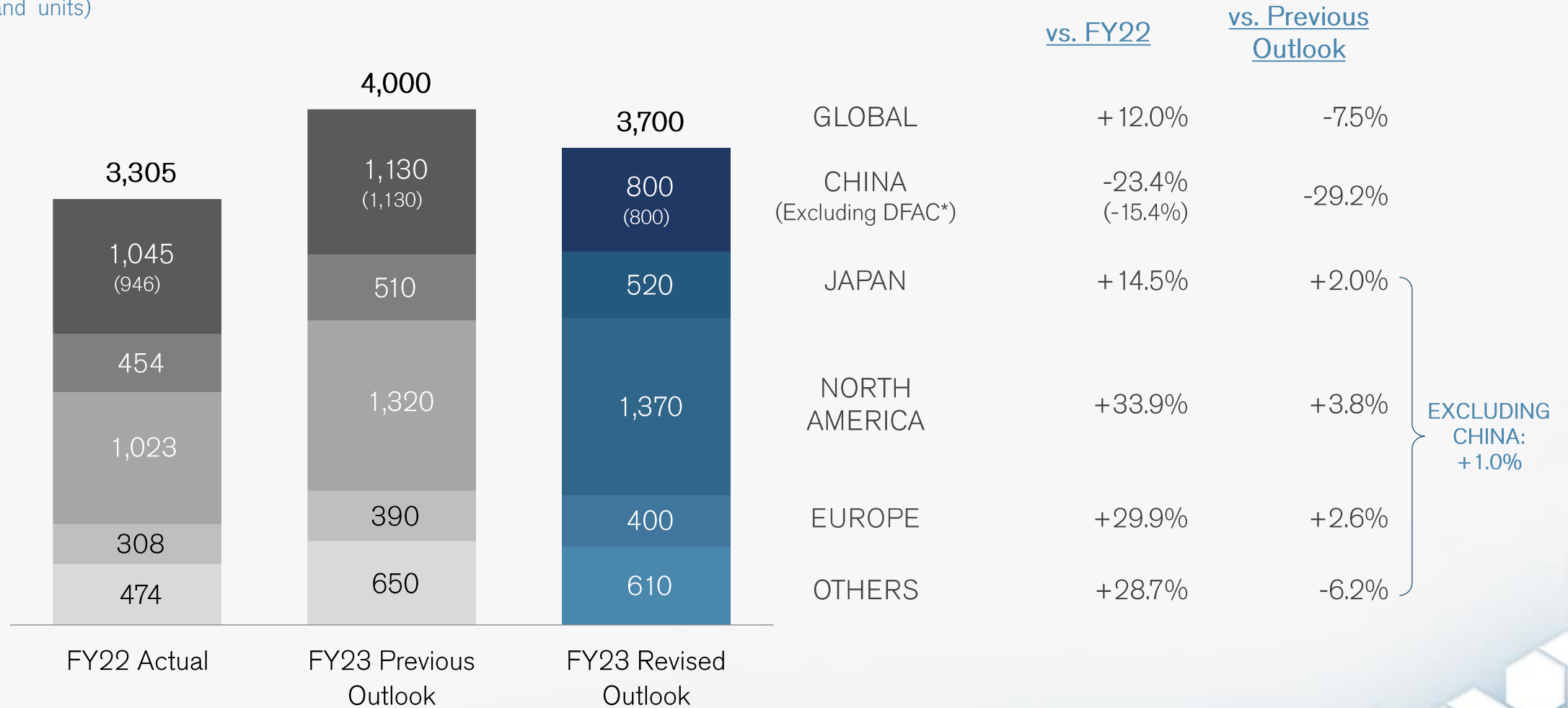
# 2 FY2023 Outlook



# FY23 Volume Outlook

## Retail Sales

(Thousand units)



\*DFAC (Dongfeng Automobile Co., Ltd.) has been deconsolidated from October 2022 (FY22 Q4)

# FY23 Outlook (Equity Basis)

(Billion Yen)	FY22 Actual	FY23 Previous Outlook	FY23 Revised Outlook	Variance vs FY22	Variance vs Previous Outlook
Net Revenue	10,596.7	12,400.0	12,600.0	+2,003.3	+200.0
Operating Profit	377.1	520.0	550.0	+172.9	+30.0
OP Margin	3.6%	4.2%	4.4%	+0.8 points	+0.2 points
Net Income <sup>*1</sup>	221.9	315.0	340.0	+118.1	+25.0
FX Rate <sup>*2</sup> (USD/JPY)	136	130	132	-4	+2
(EUR/JPY)	141	135	139	-2	+4

\*1: Net income attributable to owners of the parent

\*2: FY23 FX assumption rate for Q2-Q4 is 130 yen for USD/JPY and 135 yen for EUR/JPY (no change from the previous outlook)

# 3 China Status Update



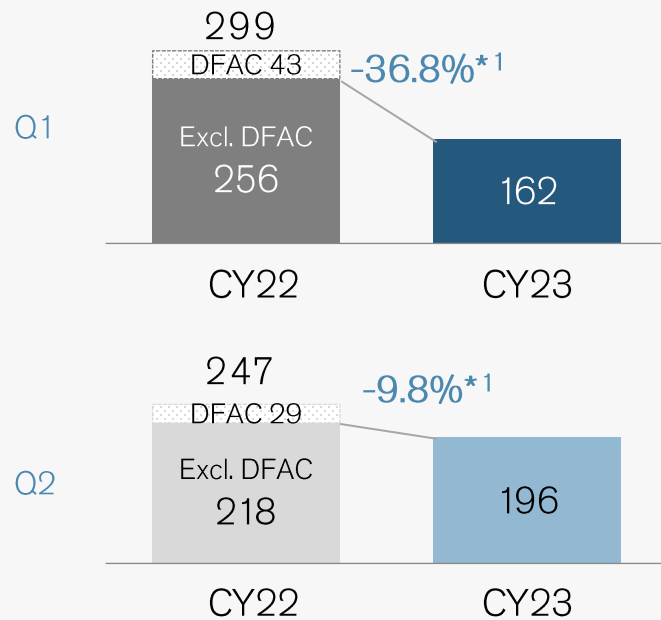


# China Status Update

## Local NEV rapidly replacing JV Non-NEV market

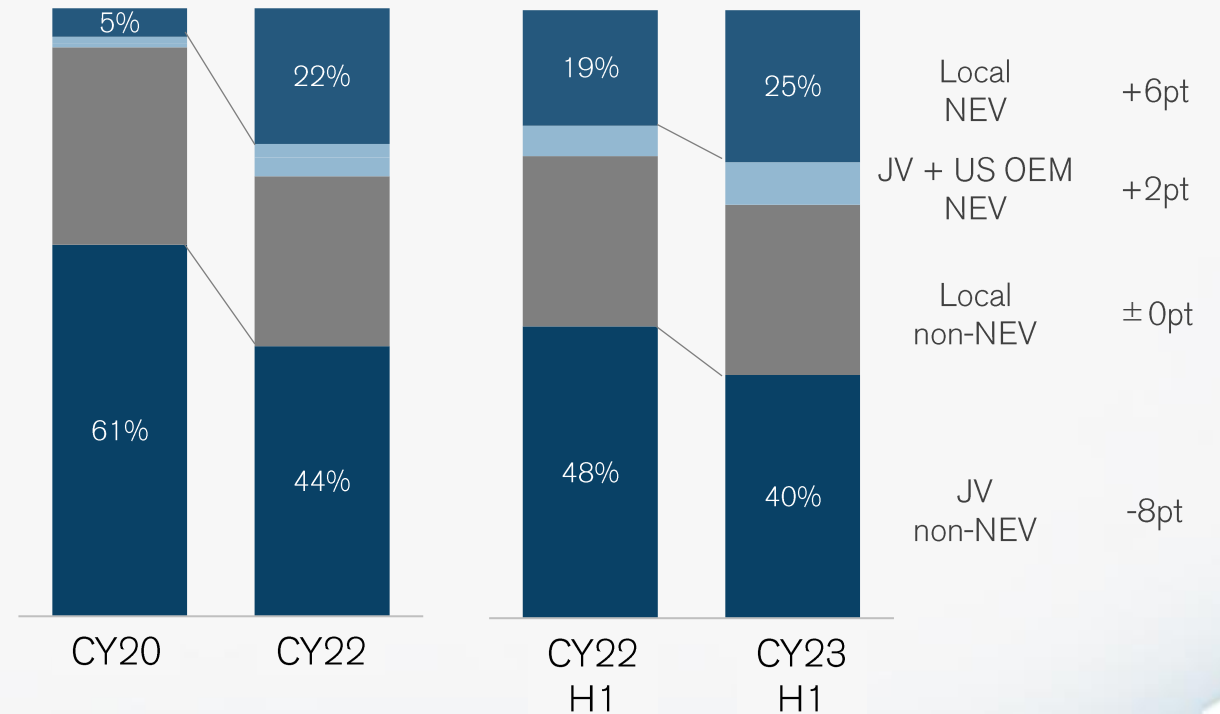
### Retail Sales

(Thousand units)



### TIV Trend\*2

CY22 H1 vs CY23 H1



\*1: Excluding DFAC, which was deconsolidated from October 2022

\*2: Source: CAAM

NEV : New Energy Vehicle

# China Status Update

Performance recovery with introduction of new models

## New Energy Vehicle



**Zero Emission**

Nissan  
Ariya 500  
(July)



**PHEV**

Venucia  
V-Online DD-i  
(July)

## C-segment SUV



**e-POWER**

Nissan  
X-TRAIL e-POWER  
(May)

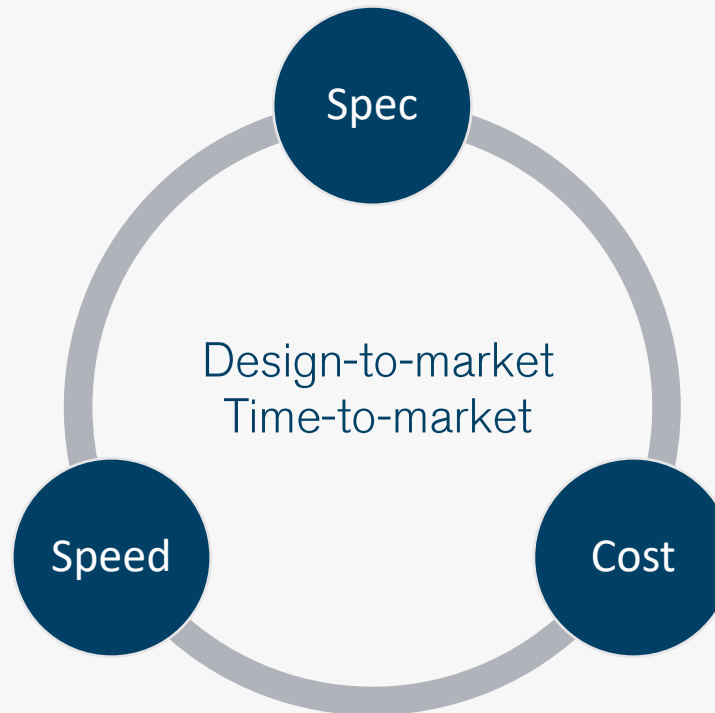


All-New  
Nissan Qashqai  
(August)

# China Status Update

Leveraging local existing assets

20-years JV experience



Full Value Chain

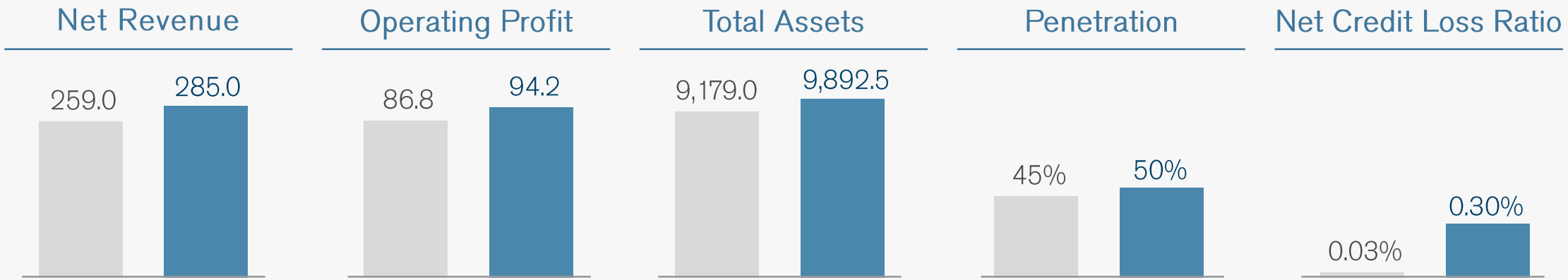




# Appendix

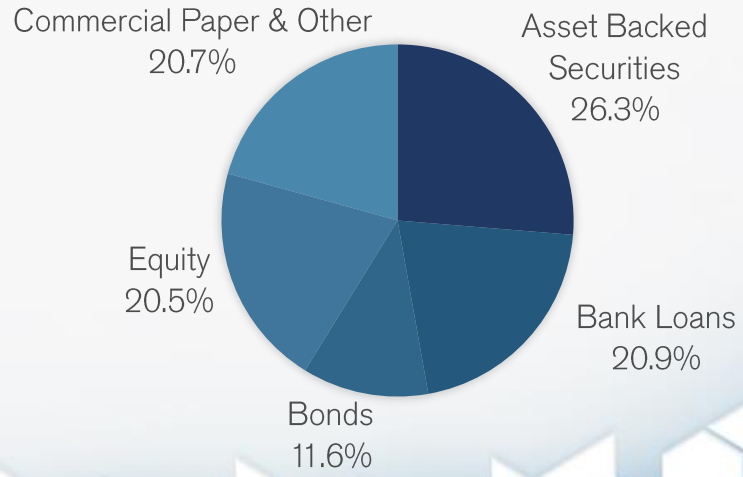
# Sales Financing

■ FY22 Q1  
 ■ FY23 Q1  
 (Billion Yen)



- Profits higher year over year mainly due to positive FX impact and one-time profits
- Assets increased year over year mainly due to positive FX impact
- Higher penetration mainly due to recovery of North America companies
- Higher Net Credit Losses due to China lockdown in FY22 and normalization of used car market; Q1 Net Credit Losses still below long-term average
- Diversified funding sources, strong liquidity and equity position

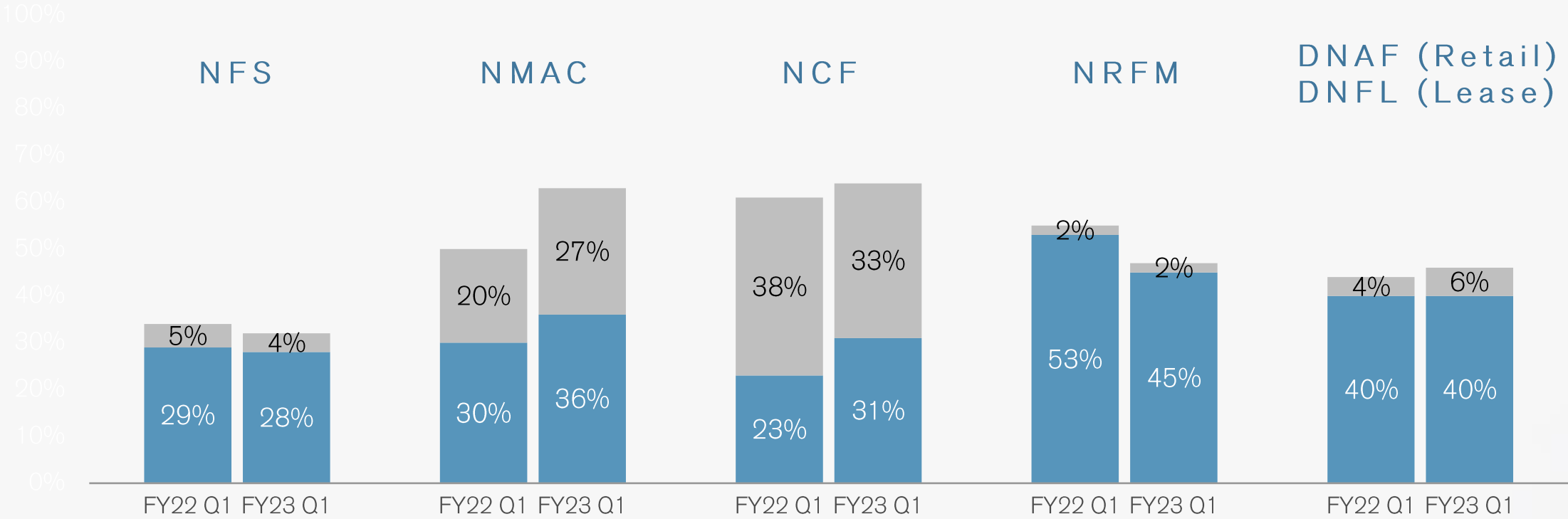
Funding Sources as of Jun 2023  
 Total Funding Amount: 9,016 Billion Yen



# Sales Financing

## Penetration

■ Lease  
■ Retail



**NFS:** Nissan Financial Services, sales finance company in Japan  
**NMAC:** Nissan Motor Acceptance Company LLC, sales finance company in US  
**NCF:** Sales Financing division of Nissan Canada Inc.

**NRFM:** NR Finance Mexico, sales finance company in Mexico  
**DNAF:** Dongfeng Nissan Auto finance company in China  
**DNFL:** Dongfeng Nissan Financial Leasing in China

# Sales Financing

## Net Credit Loss Ratio

	NFS			NMAC			NCF			DNAF/DNFL*		
	<u>Lease</u>	<u>Retail</u>	<u>Total</u>	<u>Lease</u>	<u>Retail</u>	<u>Total</u>	<u>Lease</u>	<u>Retail</u>	<u>Total</u>	<u>Lease</u>	<u>Retail</u>	<u>Total</u>
FY22 Q1	0.01%	0.07%	0.06%	-0.84%	0.18%	-0.23%	-0.03%	0.06%	0.02%	1.40%	0.18%	0.31%
FY23 Q1	0.01%	0.06%	0.05%	-0.16%	0.39%	0.18%	-0.01%	0.04%	0.02%	1.10%	0.68%	0.73%
Variance	0.00pt	-0.01pt	-0.01pt	+0.68pt	+0.21pt	+0.41pt	+0.02pt	-0.02pt	0.00pt	-0.30pt	+0.50pt	+0.42pt

NFS: Nissan Financial Services, sales finance company in Japan

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NCF: Sales Finance division of Nissan Canada Inc.

DNAF: Dongfeng Nissan Auto finance company in China

DNFL: Dongfeng Nissan Financial Leasing in China

\*Credit losses at DNFL are not stable as yet as DNFL business is still in early stage and higher risk profile of DNFL customers

# Sales Financing

## Operating Profit & Asset

	NFS		NMAC		NCF		NRFM		DNAF/DNFL	
	(Billion JPY)		(Million USD)		(Million CAD)		(Million MXN)		(Million CNY)	
	<u>Asset</u>	<u>OP</u>	<u>Asset</u>	<u>OP</u>	<u>Asset</u>	<u>OP</u>	<u>Asset</u>	<u>OP</u>	<u>Asset</u>	<u>OP</u>
FY22 Q1	1,303.2	9.0	37,589	345	7,394	67	78,412	1,124	67,732	742
FY23 Q1	1,370.2	8.6	39,482	376	6,693	55	89,942	1,263	53,998	666
Variance	+67.0	-0.4	+1,893	+31	-701	-12	+11,530	+139	-13,734	-76

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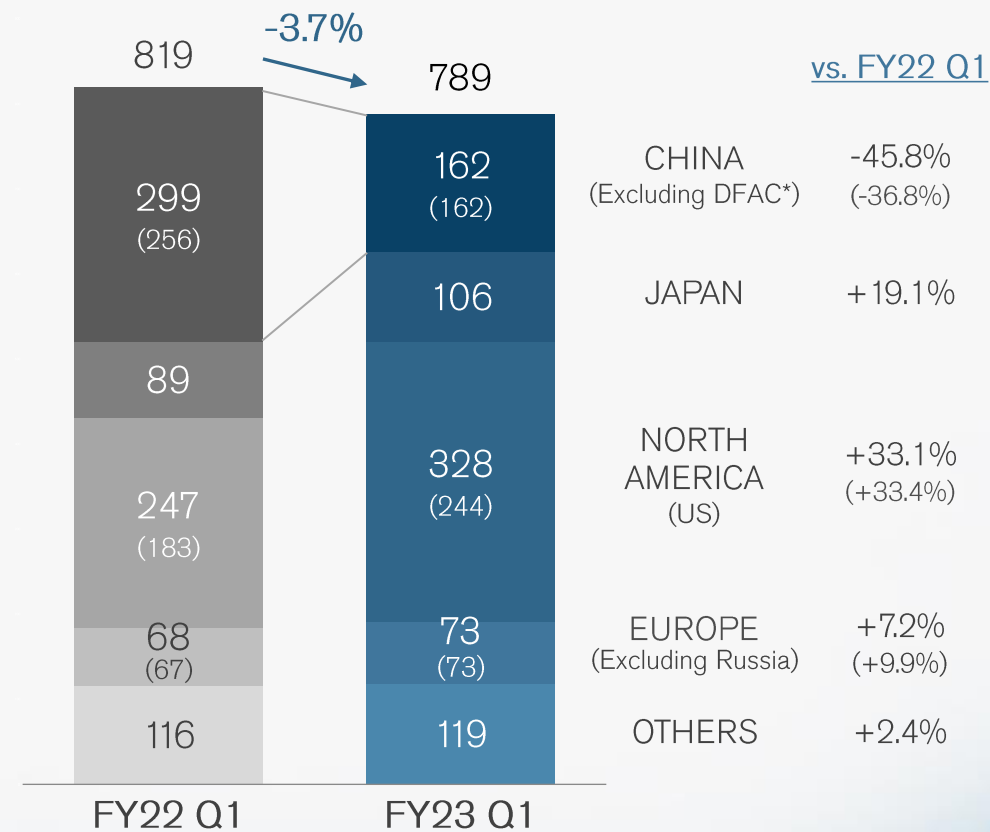
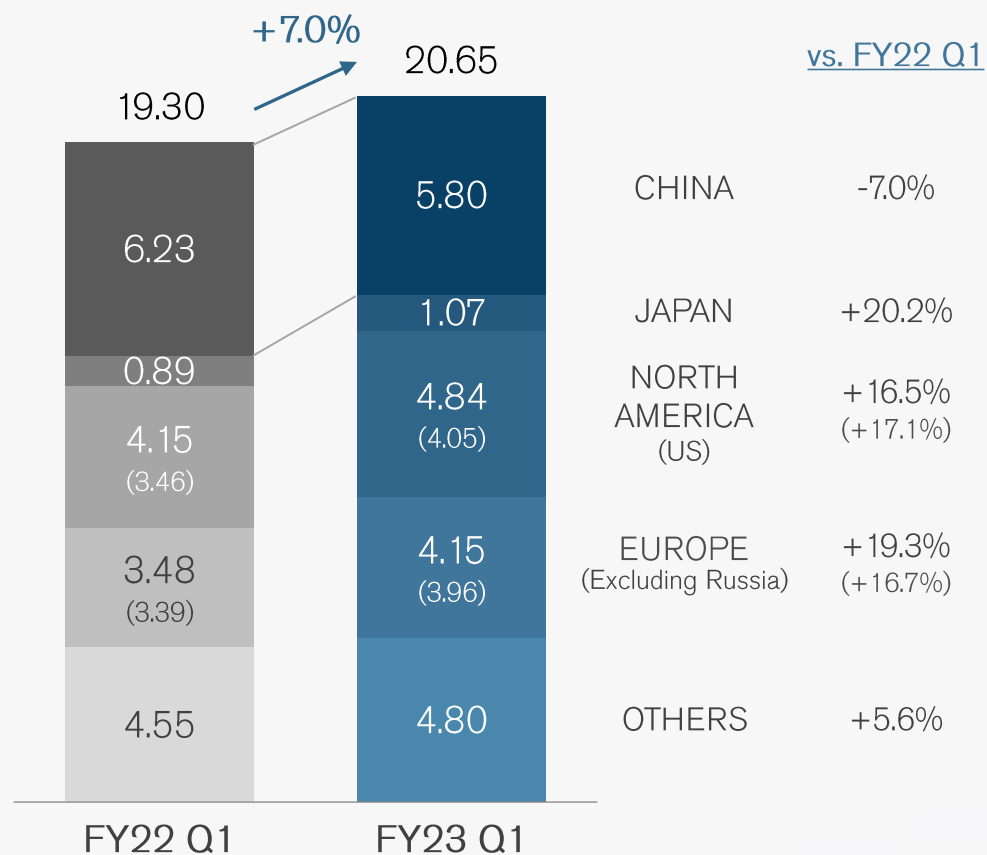
# FY23 Q1 Sales Performance

## TIV

(Million units)

## Retail Volume

(Thousand units)



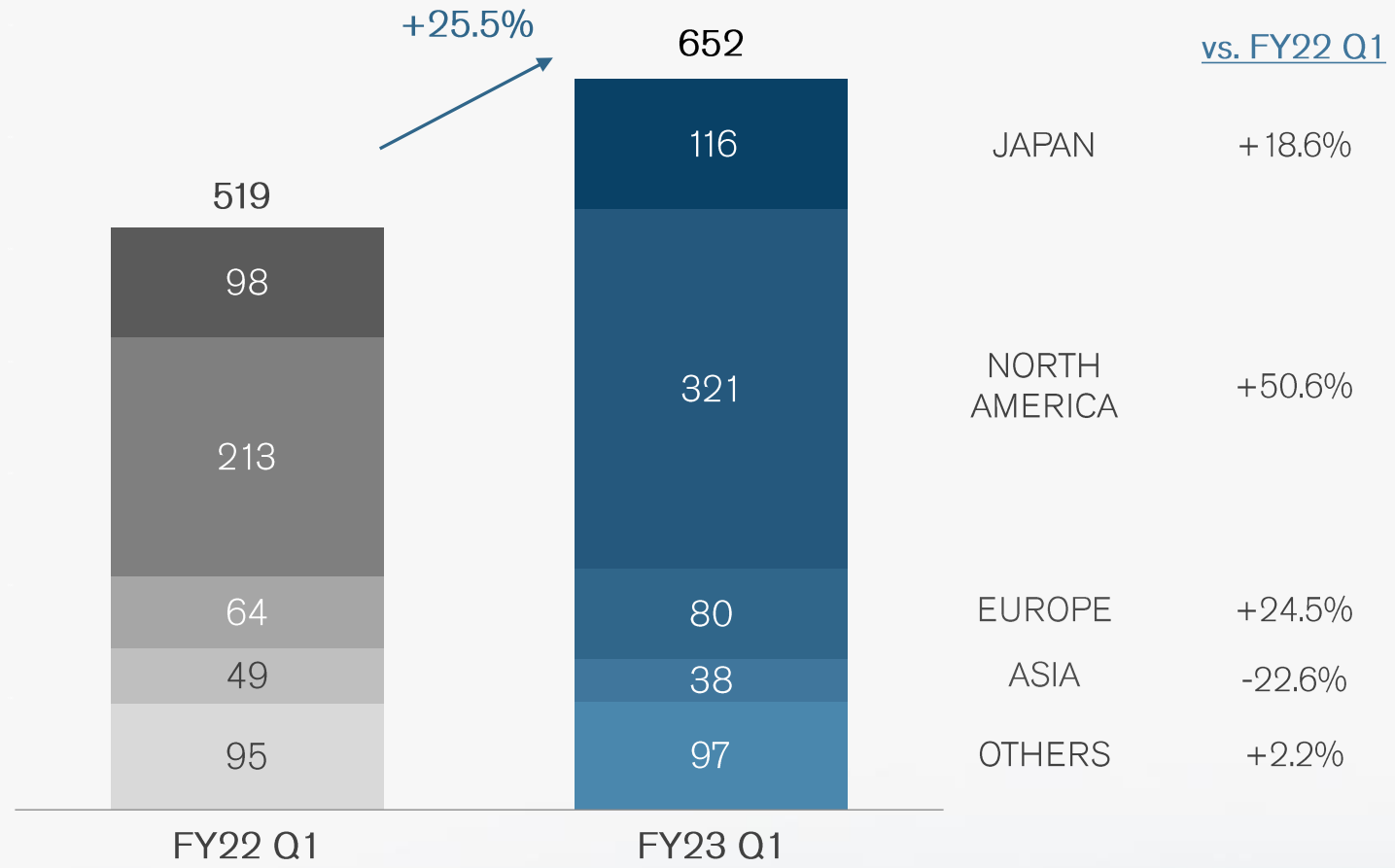
\*Nissan estimation for TIV

\*Includes China local brands and LCV

\*DFAC (Dongfeng Automobile Co., Ltd.) has been deconsolidated from October 2022 (FY22 Q4)

# FY23 Q1 Consolidated Sales Volume (Equity Basis)

(Thousand units)



# FY23 Q1 Financial Performance (Equity Basis)

## Operating Profit Variance Analysis: Forex

Currency (vs JPY)	FY22 Q1 Rate	FY23 Q1 Rate	OP Impact (Billion Yen)
USD	129.7	137.5	34.3
GBP	163.1	172.1	1.7
MXN	6.5	7.8	-2.1
EGP	7.0	4.4	-2.4
THB	3.8	4.0	-2.5
TRY	8.2	6.6	-4.7
CNY	18.3	19.3	-5.0
ARS	1.1	0.6	-10.9
Others	--	--	-6.2
Total	--	--	2.2

# FY23 Q1 Financial Performance (Equity Basis)

## Operating Profit Variance Analysis: Sales Performance

(Billion Yen)		Volume <sup>*1</sup>	Mix	Incentives <sup>*2</sup>	Total
Volume/Mix	Japan	4.5	7.6	-2.0	10.1
	US	95.8	-1.8	-25.7	68.2
	Europe	14.3	4.8	-7.8	11.4
	MEX/CAN	15.7	7.9	-2.5	21.1
	Others	9.2	-2.1	-2.1	5.0
	Total	139.5	16.4	-40.0	115.8
		Incentives <sup>*3</sup> / Pricing	Others	Total	
Selling Expenses/ Pricing	Japan	10.5	-0.7	9.8	
	US	3.8	-6.0	-2.2	
	Europe	8.4	-2.2	6.2	
	MEX/CAN	4.0	-1.0	3.0	
	Others	27.5	-2.7	24.8	
	Total	54.2	-12.6	41.6	

\*1: Includes country mix

\*2: Volume/mix impact on incentives

\*3: Impact of change in incentive/unit

# FY23 Q1 Financial Performance (Equity Basis)

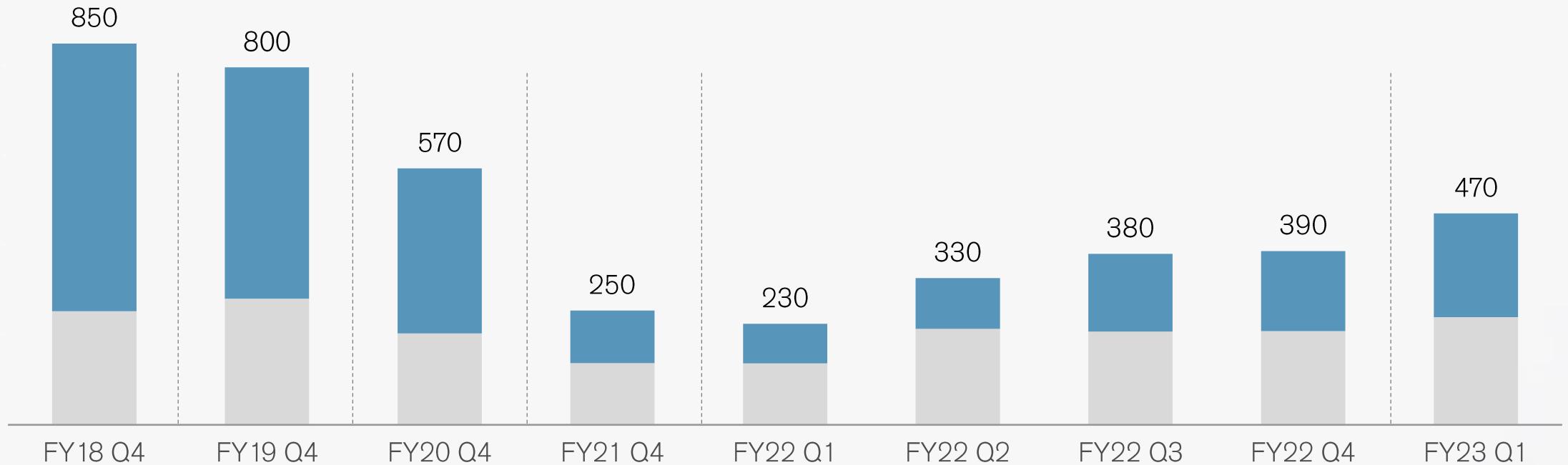
## Automotive Free Cash Flow

(Billion Yen)	Q1
Net Cash Inflow From P&L Items	+133.3
AP/AR	+135.6
Inventory	-71.9
Working Capital	+63.7
Tax/Other Operating Activities	+1.2
<b>Cash Flow From Operating Activities</b>	<b>+198.2</b>
Capex*1	-91.7
Others	+2.9
<b>Automotive Free Cash Flow</b>	<b>+109.4</b>
	Q1
FY22 Automotive Free Cash Flow	-304.6

\*1: CAPEX does not include finance lease-related investments

# Inventory Status (Excluding China JV)

(Thousand units)



- Dealer inventory, except some minor countries
- Consolidated Nissan inventory, except some minor countries

# Net Cash by Business Segment (Equity Basis)

	As of March 31, 2023			As of June 30, 2023		
	Automobile & Eliminations	Sales Financing	Total	Automobile & Eliminations	Sales Financing	Total
(Billion Yen)						
Borrowings From Third Parties	2,144.0	4,895.1	7,039.1	2,194.6	5,193.3	7,387.9
Internal Loan to Sales Financing (Net)	-1,457.0	1,457.0	0	-1,772.1	1,772.1	0
Cash and Cash Equivalent	1,900.2	114.2	2,014.4	1,772.5	92.2	1,864.7
Net Cash	1,213.2	-6,237.9	-5,024.7	1,350.0	-6,873.2	-5,523.2

This presentation contains forward-looking statements, based on judgments and estimates that have been made on the basis of currently available information. By nature, such statements are subject to uncertainty and risk. Therefore, you are advised that the final results might be significantly different from the aforementioned statements due to changes in economic environments related to our business, market trends and exchange rate, etc.