

FY2024 First Half Financial Results

November 7, 2024



- 01 FY2024 H1 Financial Results
- 02 FY2024 Outlook
- 03 Turnaround Actions



FY2024 H1 Summary

(Yen)



NET REVENUE

5,984.2 B

-1% YEAR OVER YEAR



OPERATING PROFIT

32.9 B

-90% YEAR OVER YEAR



NET INCOME

19.2 B

-94% YEAR OVER YEAR

01

FY2024 H1 Financial Results

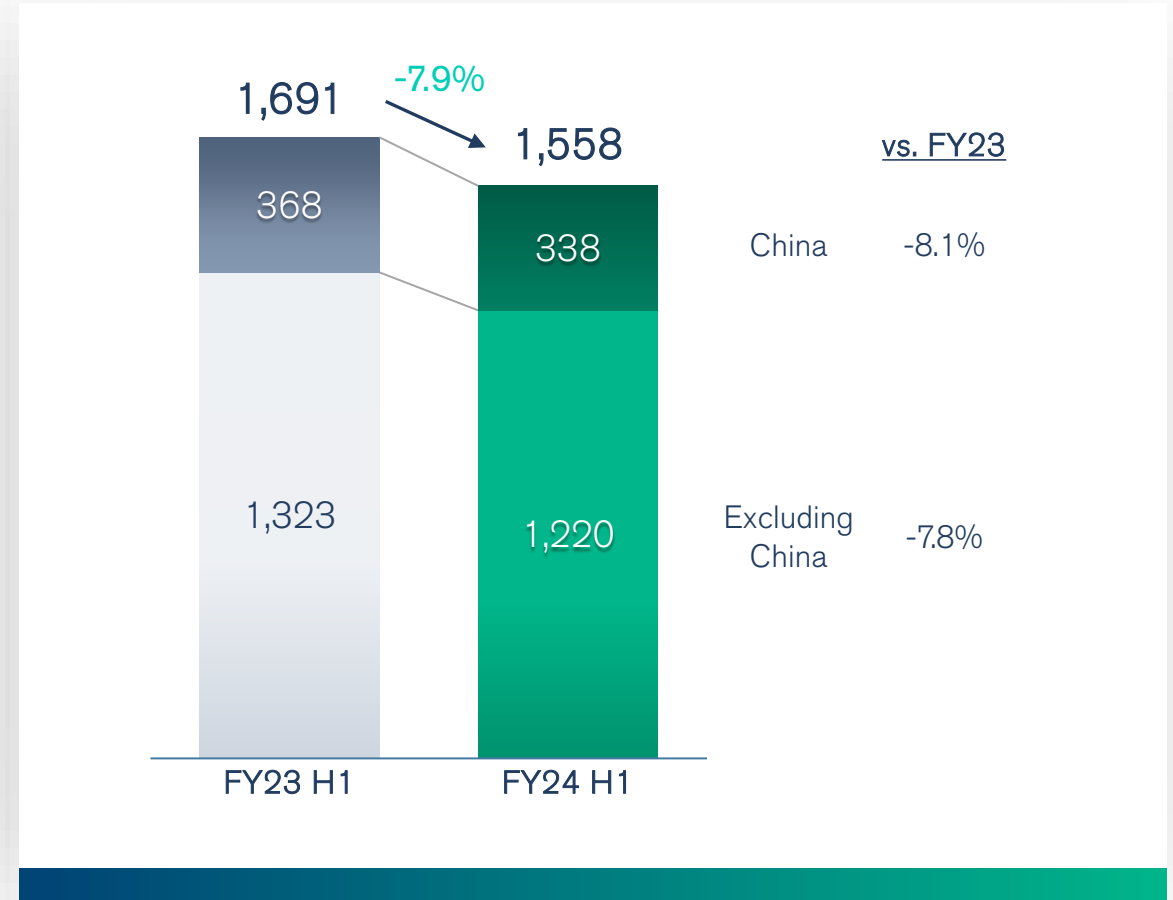
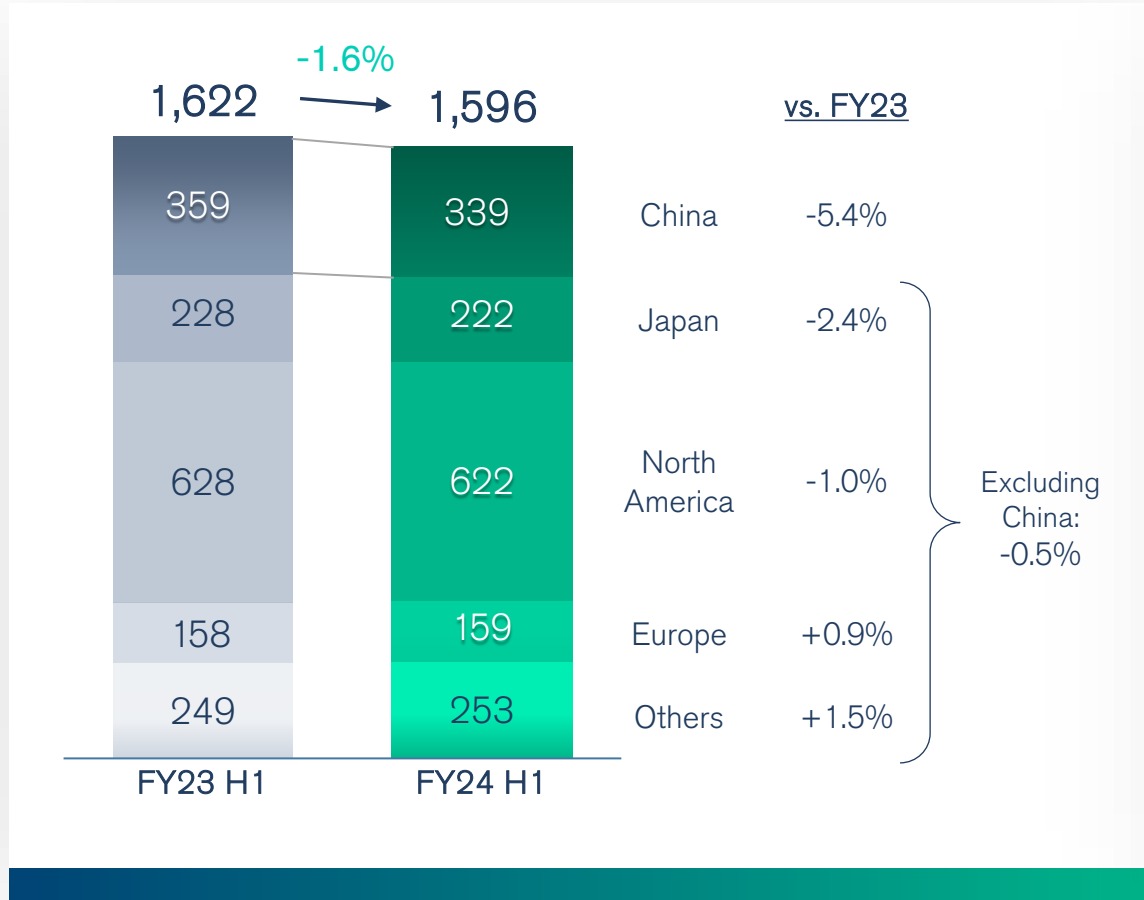


FY24 H1 Volume Results

Retail Sales

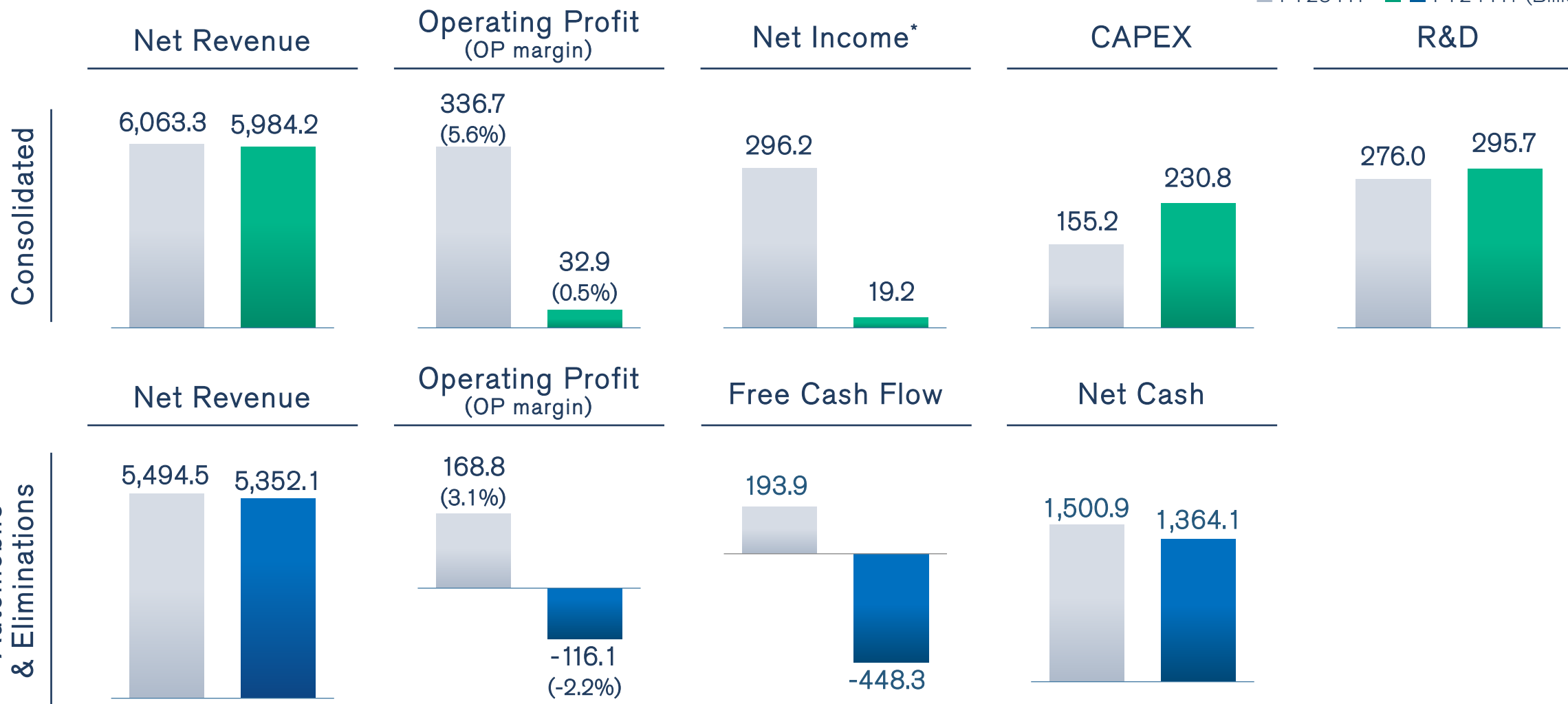
(Thousand units)

Production Volume



FY24 H1 Financial Performance

■ FY23 H1 ■ FY24 H1 (Billion Yen)



* Net income attributable to owners of the parent

Liquidity Status (as of September 30, 2024)

1. Auto cash and cash equivalent: 1,438.4 billion yen
2. Unused committed credit lines : 1,937.6 billion yen

Financial Performance

(Billion Yen)

	FY23 H1	FY24 H1	Variance	FY23 Q2	FY24 Q2	Variance
Net Revenue	6,063.3	5,984.2	-79.1	3,145.7	2,985.8	-159.9
Operating Profit	336.7	32.9	-303.8	208.1	31.9	-176.2
OP Margin	5.6%	0.5%	-5.1 points	6.6%	1.1%	-5.5 points
Non-Operating* ¹	75.9	83.1		38.0	19.0	
Ordinary Profit	412.7	116.1	-296.6	246.1	50.9	-195.2
Extraordinary* ²	-36.3	-25.5		1.0	-25.6	
Profit Before Tax	376.4	90.6	-285.8	247.1	25.3	-221.9
Taxes	-68.6	-61.2		-50.2	-31.0	
Minority Interest* ³	-11.6	-10.1		-6.2	-3.6	
Net Income*⁴	296.2	19.2	-277.0	190.7	-9.3	-200.1
FX Rate (USD/JPY)	141	153	+12	145	150	+5
(EUR/JPY)	153	166	+13	157	164	+7

*1: Includes profit in companies under equity method of 65.4 billion yen in FY23 H1 and 52.1 billion yen in FY24 H1

*2: Includes loss related to litigation : 41.0 billion yen in FY23 H1

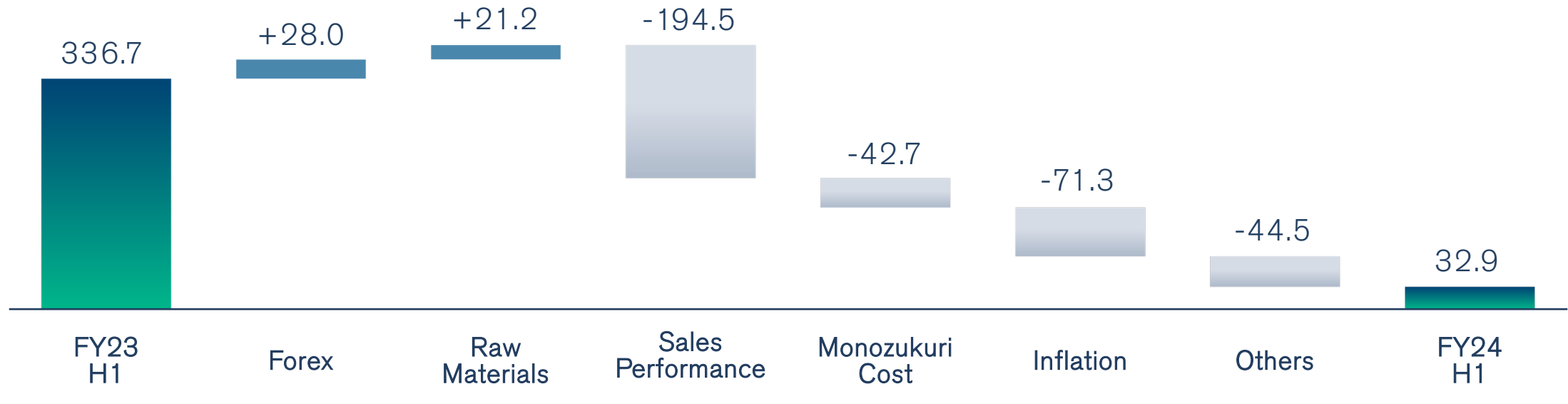
*3: Net income attributable to non-controlling interests

*4: Net income attributable to owners of the parent

Operating Profit Variance Analysis

FY24 H1 Actual vs. FY23 H1 Actual

(Billion Yen)



Breakdown

Volume/Mix	-96.0	Manufacturing	-3.9	Monozukuri	-58.6	Sales Finance	-10.3
Selling Exp / Pricing	-102.7	Regulatory / Product Enrichment	+3.9	Other	-12.7	-Credit loss	-16.8
After Sales	+1.9	Logistics	+3.5			-Others	+6.5
Others	+2.3	R&D	-13.8			Remarketing	-33.9
		Others	-32.4			Others	-0.3

02

FY2024 Outlook



FY24 Volume Outlook

Retail Sales

(Thousand units)

Production Volume



FY24 Outlook

(Billion Yen)

	FY23 Actual	FY24 Previous Outlook	FY24 Revised Outlook	Variance vs FY23	Variance vs Previous Outlook
Net Revenue	12,685.7	14,000.0	12,700.0	+14.3	-1,300.0
Operating Profit	568.7	500.0	150.0	-418.7	-350.0
OP Margin	4.5%	3.6%	1.2%	-3.3 points	-2.4 points
Net Income* ¹	426.6	300.0	TBD	-	-
FX Rate* ² (USD/JPY)	145	155	149	+4	-6
(EUR/JPY)	157	167	164	+7	-3
CAPEX	486.1	620.0	580.0	+93.9	-40.0
R&D	609.9	665.0	650.0	+40.1	-15.0

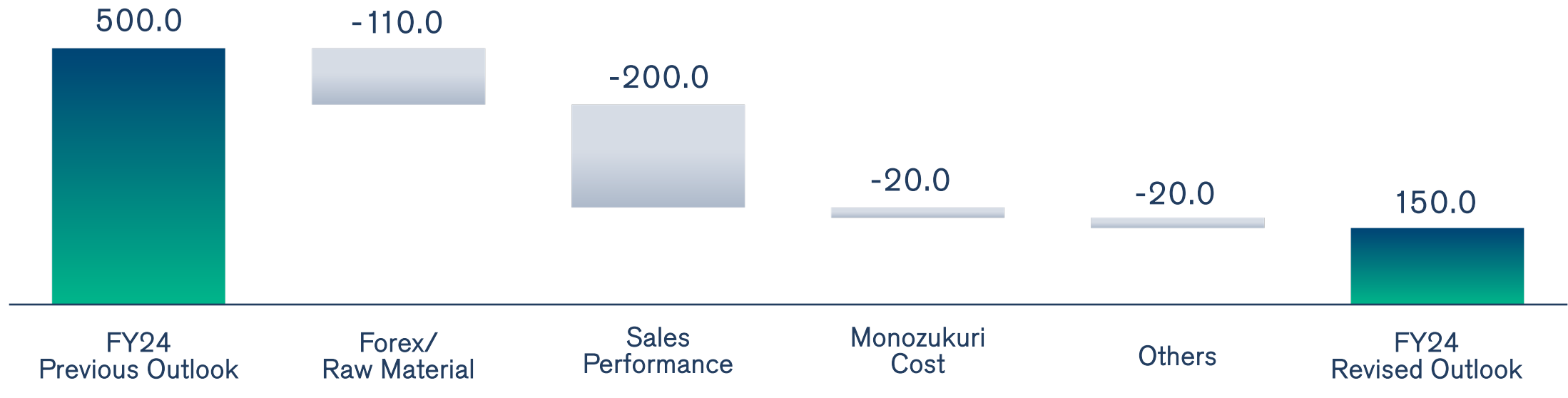
*1: Net income attributable to owners of the parent

*2: FY24 FX assumption rate for Q3-Q4 is 145 yen for USD/JPY and 162 yen for EUR/JPY

Operating Profit Variance Analysis

FY24 Revised Outlook vs. Previous Outlook

(Billion Yen)



Breakdown

Volume/Mix	-100.0	Manufacturing	-30.0	Credit Loss	-10.0
Selling Exp / Pricing	-100.0	Regulatory/Product Enrichment	0.0	Remarketing	0.0
		Logistics	0.0	Others	-10.0
		R&D	0.0		
		Others	+10.0		

03 Turnaround Actions

- China: Shift to NEVs / shrinking JV Non-premium market / price cuts and excess capacity.
- Intensifying competition from Chinese OEM exports
- US: Growing HEV/PHEV demand

**Shifting
market
conditions**

Nissan Specific Issues

Profitability
challenges

Unable to meet
customer needs in time

Gap between
sales plan and actual

Cost competitiveness
& brand power

Turnaround Actions

Towards a lean, agile, and resilient structure
that quickly adapts to business changes



FY26

Stabilize & Right-size business

Even at 3.5 million units annual sales, ensure sustainable profitability and cash generation for healthy future growth



Mid-long term

Reinforce product / Ensure growth

Execute the Arc while enhancing investment efficiency and product competitiveness through strategic partnerships

**Restructure organization & management
and streamline processes**

Stabilize & Right-size Business

Maintain healthy level cash flow and improve profitability

Measures

-20% global production capacity

-9K headcount and SG&A reduction

Reduce variable COGS

Asset rationalization

Prioritize CAPEX and R&D

Fixed Cost reduction
300 billion JPY
vs FY24

Variable cost reduction
100 billion JPY
vs FY24

Maintain healthy level FCF

Accelerate the Arc initiatives to maximize market opportunities



Portfolio

- Accelerate introduction of NEVs in China / PHEV and e-POWER in the US.
- Increase sales per model
- Enhance brand power



Competitiveness

- Reduce development lead time to 30 months



Partnerships

- Maximize the Alliance and Honda partnerships
- Forge smart partnerships in tech and software

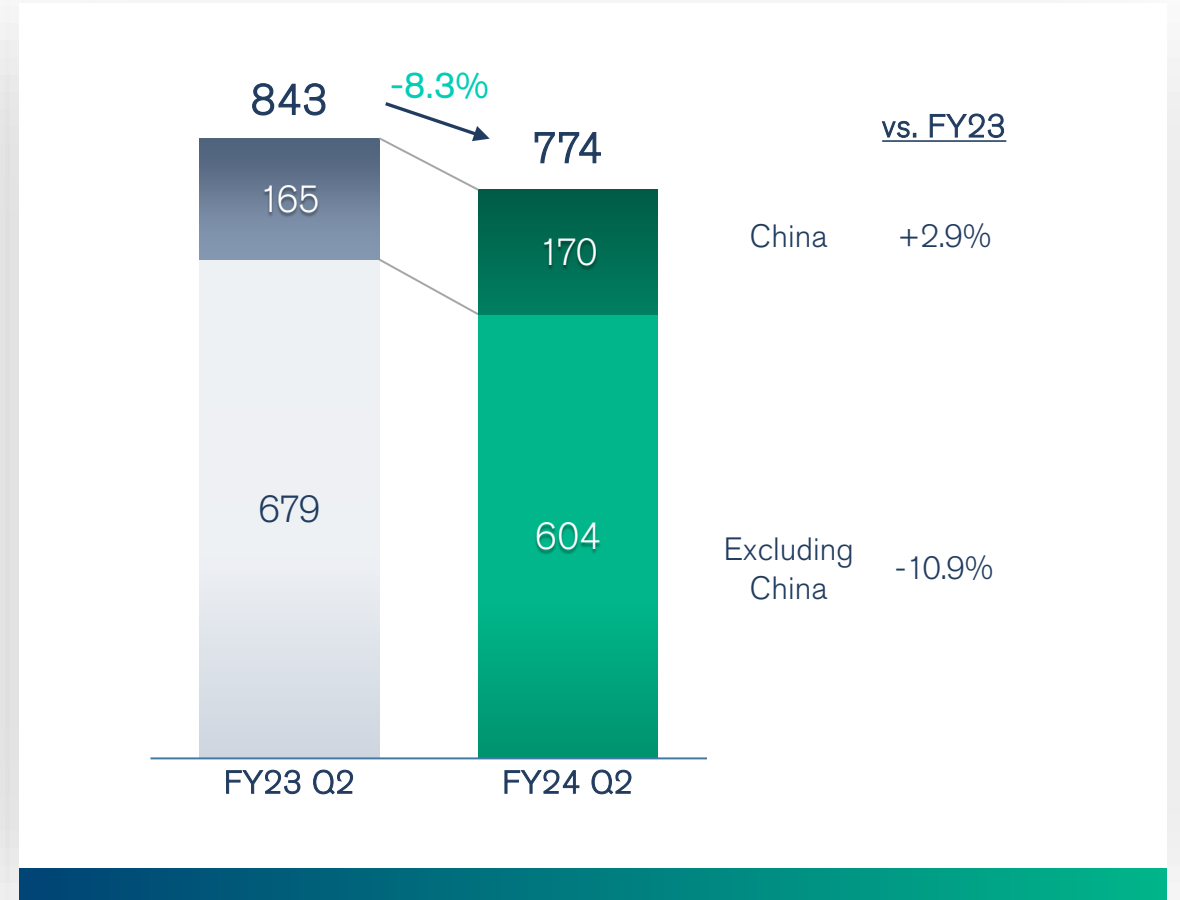
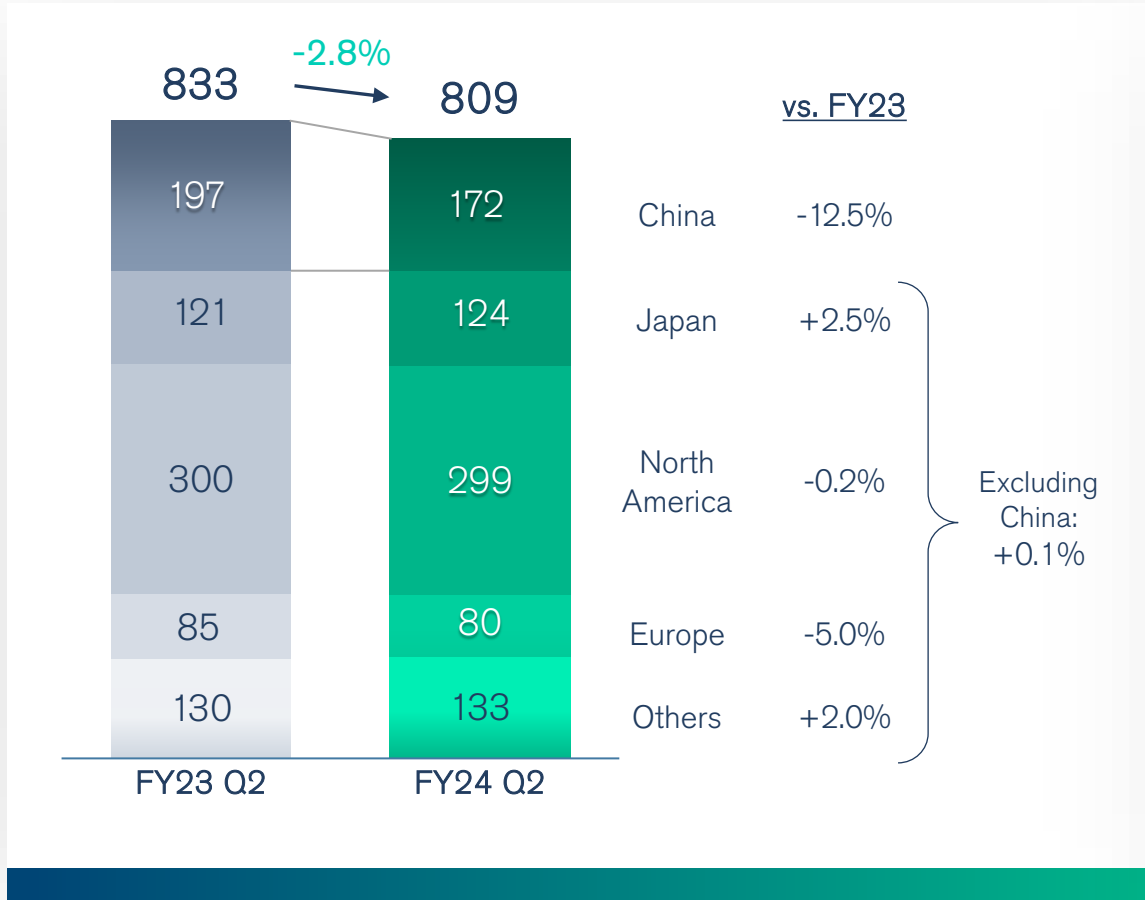
Appendix

FY24 Q2 Volume Results

Retail Sales

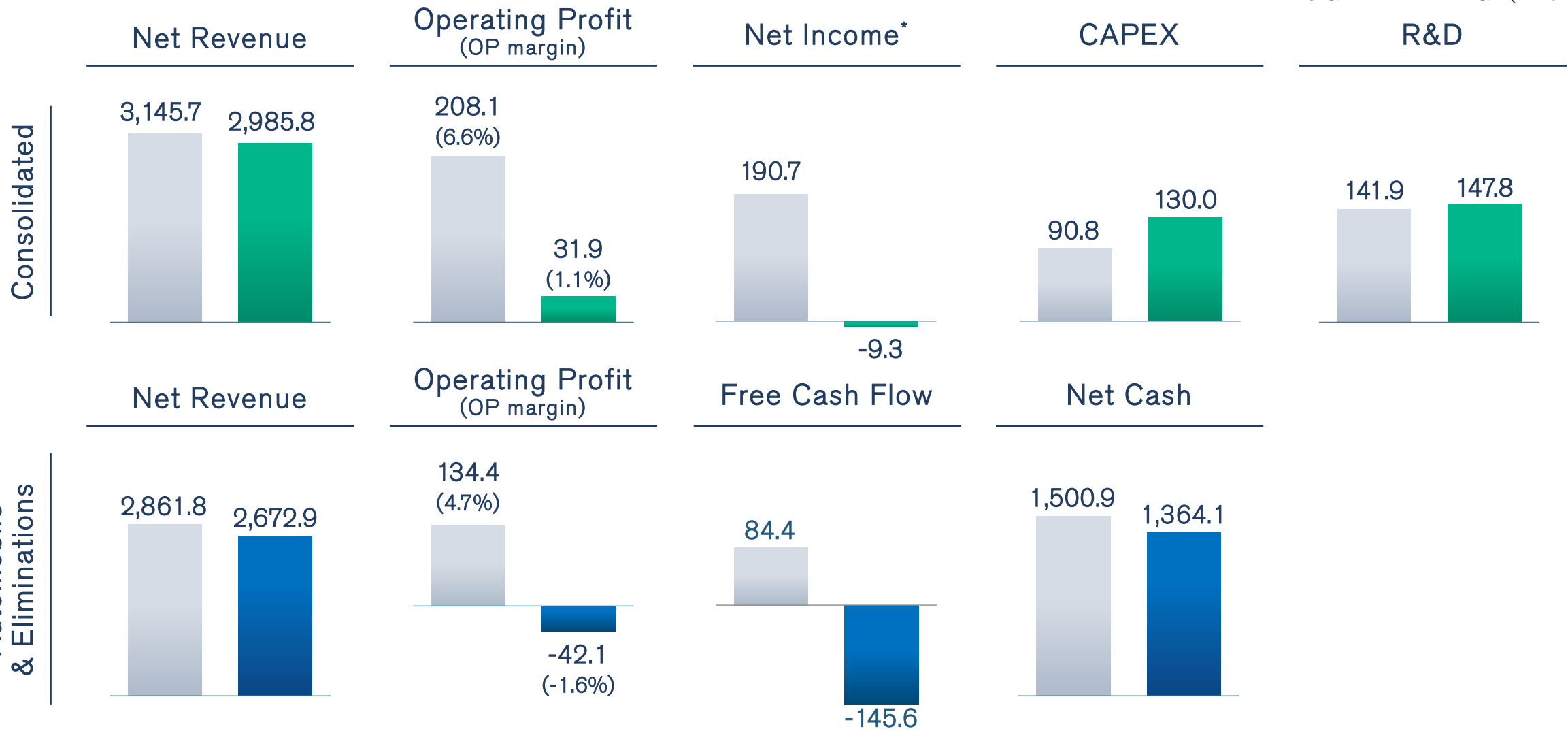
(Thousand units)

Production Volume



FY24 Q2 Financial Performance

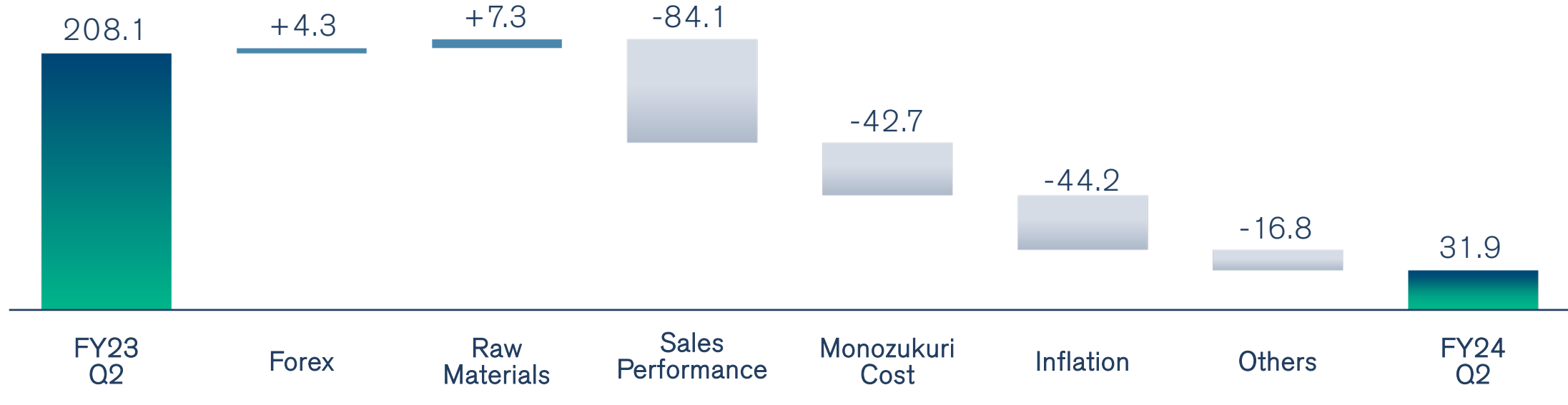
■ FY23 Q2 ■ FY24 Q2 (Billion Yen)



Operating Profit Variance Analysis

FY24 Q2 Actual vs. FY23 Q2 Actual

(Billion Yen)

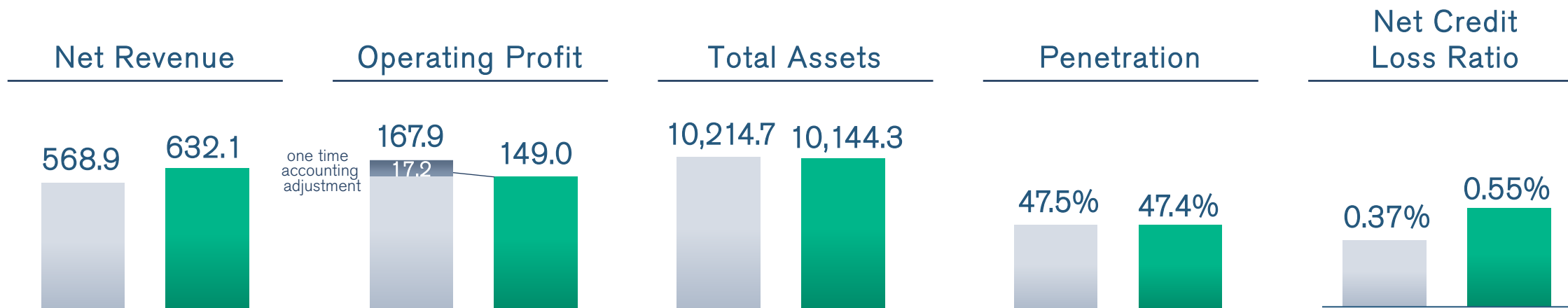


Breakdown

Volume/Mix	-61.1	Manufacturing	-6.7	Monozukuri	-37.7	Sales Finance	-1.0
Selling Exp / Pricing	-24.9	Regulatory / Product Enrichment	-1.8	Other	-6.5	-Credit loss	-5.9
After Sales	+2.0	Logistics	-0.3			-Others	+4.9
Others	-0.1	R&D	-4.9			Remarketing	-19.7
		Others	-29.0			Others	+3.9

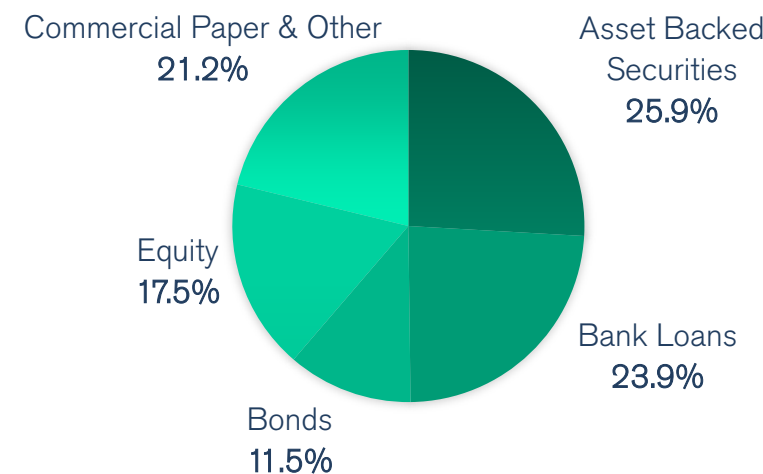
Sales Financing

■ FY23 H1 ■ FY24 H1 (Billion Yen)



Funding Sources (as of Sep. 2024)

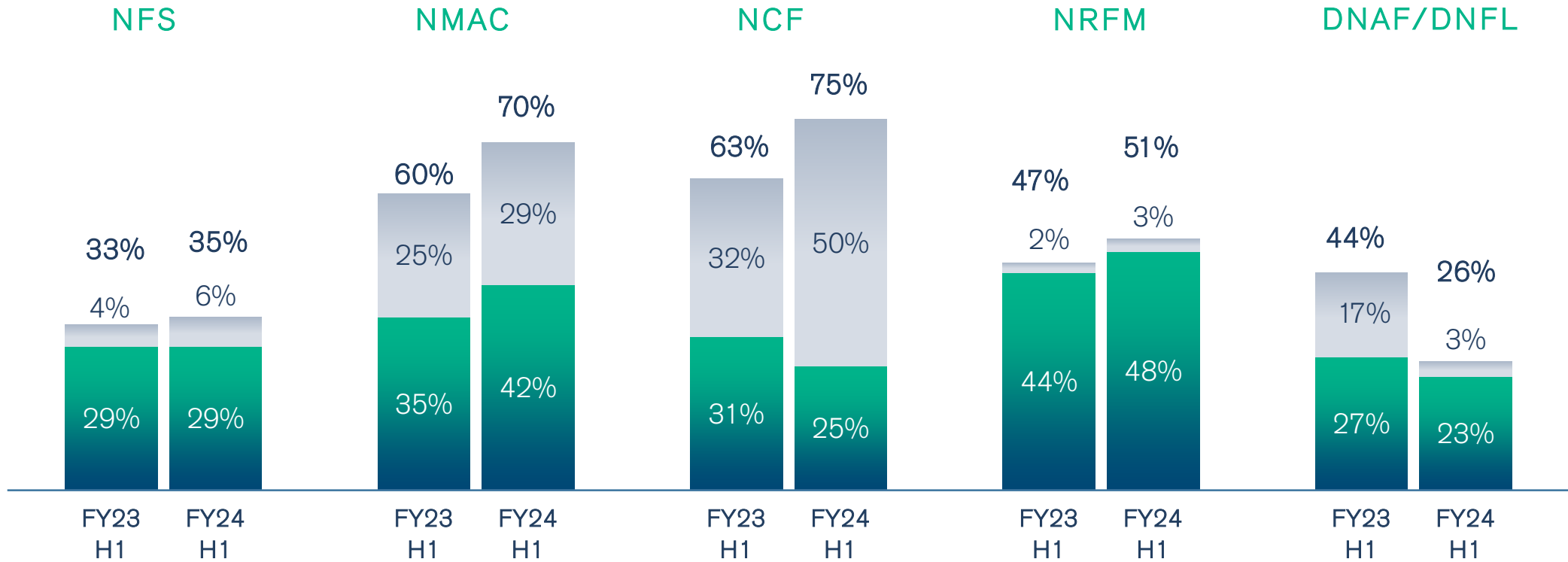
Total Funding Amount: 9,432 Billion Yen



- Excluding one-time accounting adjustment of FY23, profits are flat year over year. Foreign exchange benefit offset by normalization of credit losses and higher funding cost driven by interest rate increase. (FY24 Net Credit Losses are comparable to industry average)
- Assets slightly decreased year over year mainly due to lower retail sales in China partially offset by growth in the US.
- Diversified funding sources, strong liquidity and equity position.

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

APPENDIX: 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>
FY23 H1	0.02%	0.05%	0.04%	-0.03%	0.56%	0.34%	0.00%	0.05%	0.03%	0.99%	0.53%	0.59%
FY24 H1	0.02%	0.06%	0.06%	0.34%	0.79%	0.63%	0.05%	0.12%	0.08%	1.03%	0.66%	0.74%
Variance	0.00pt	+0.01pt	+0.02pt	+0.37pt ^{*1}	+0.23pt	+0.29pt	+0.05pt	+0.07pt	+0.05pt	+0.04pt	+0.13pt ^{*2}	+0.15pt

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.

DNAF: Dongfeng Nissan Auto finance company in China

DNFL: Dongfeng Nissan Financial Leasing in China

*1 NMAC lease: Mainly due to used car price normalization

*2 DNAF Retail: Partially due to significantly lower assets driven by lower retail sales and penetration

APPENDIX: SALES FINANCING

Operating Profit & Asset

	NFS (Billion JPY)		NMAC (Million USD)		NCF (Million CAD)		NRFM (Million MXN)		DNAF/DNFL (Million CNY)	
	Asset	OP	Asset	OP	Asset	OP	Asset	OP	Asset	OP
FY23 H1	1,376.7	16.9	39,735	606	6,705	105	92,098	2,462	50,879	1,237
FY24 H1	1,485.0	19.0	41,358	451	6,947	102	112,516	2,393	38,252	787
Variance	+108.3	+2.1	+1,623	-155 ^{*1}	+242	-3	+20,418	-69	-12,627	-450 ^{*2}

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

*1 NMAC OP: Excluding one-time accounting adjustment of 122M USD in FY23, profit lower year over year by 33M USD

*2 DNAF/DNFL OP: Mainly due to significantly lower assets driven by lower retail sales and penetration

APPENDIX: TIV AND RETAIL SALES

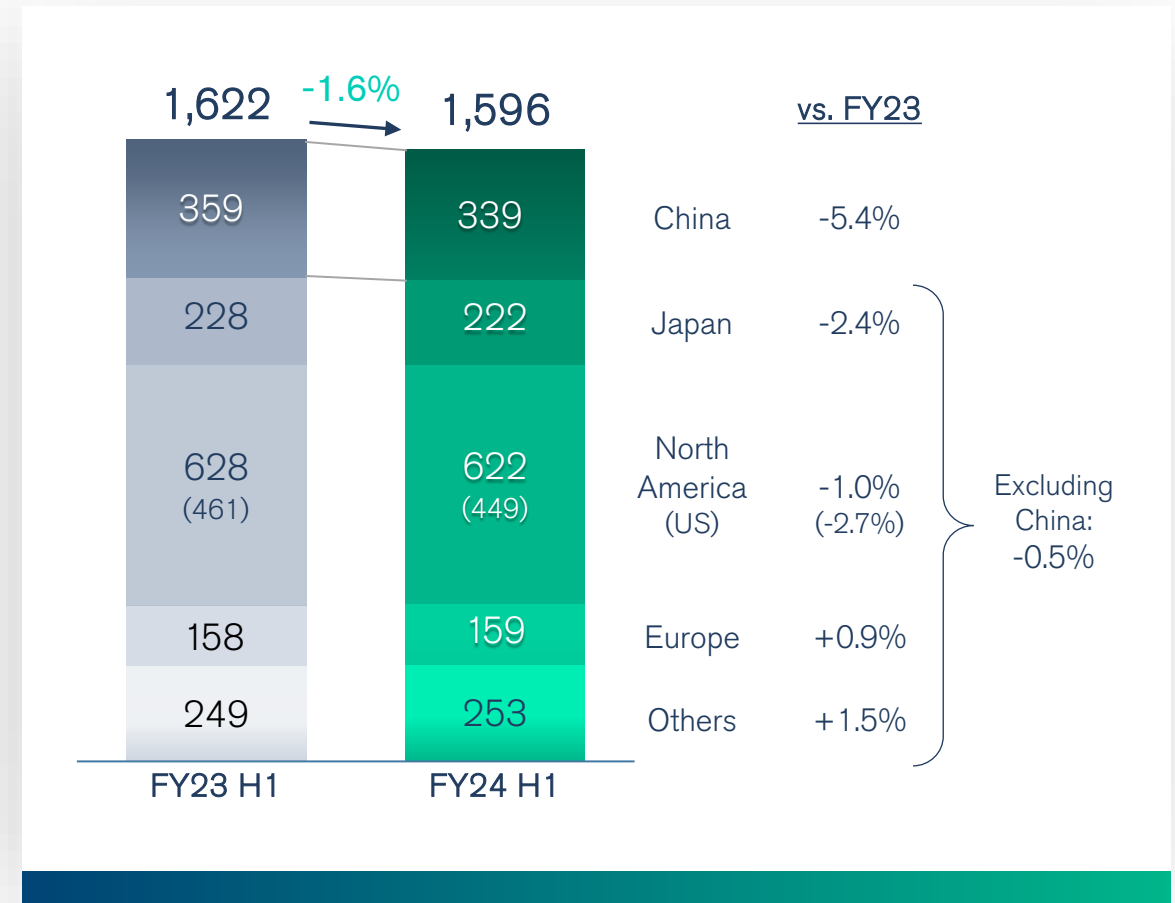
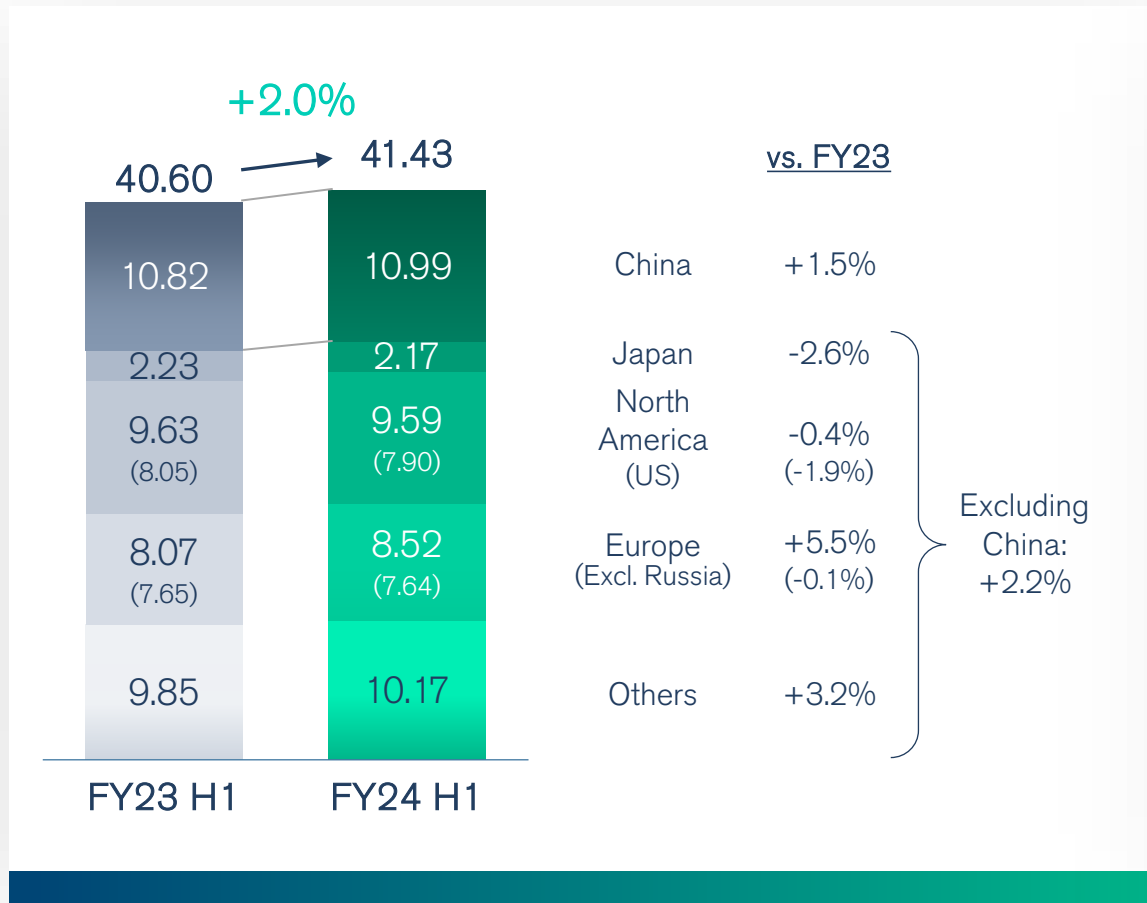
FY24 H1 Sales Performance

TIV

(Million units)

Retail Volume

(Thousand units)



*Nissan estimation for TIV includes China local brands and LCV

APPENDIX: TIV AND RETAIL SALES

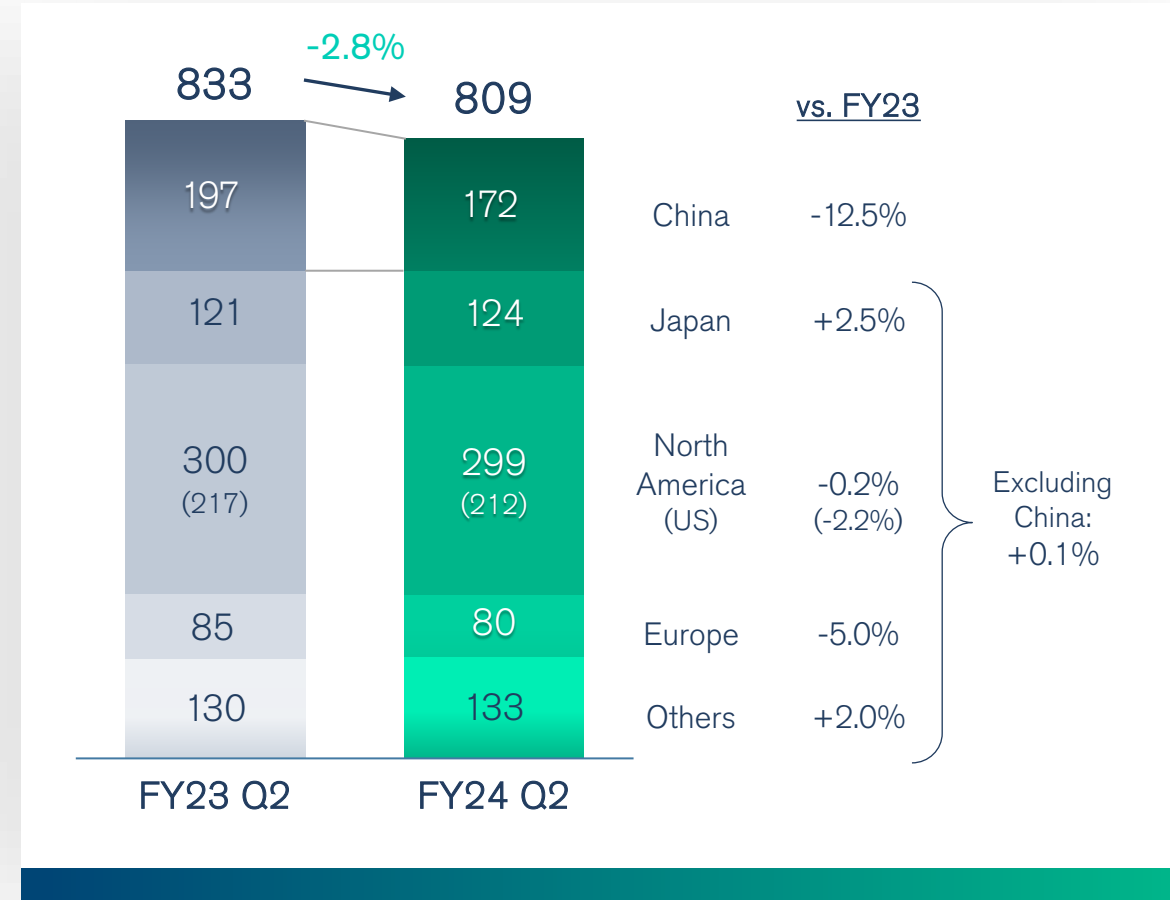
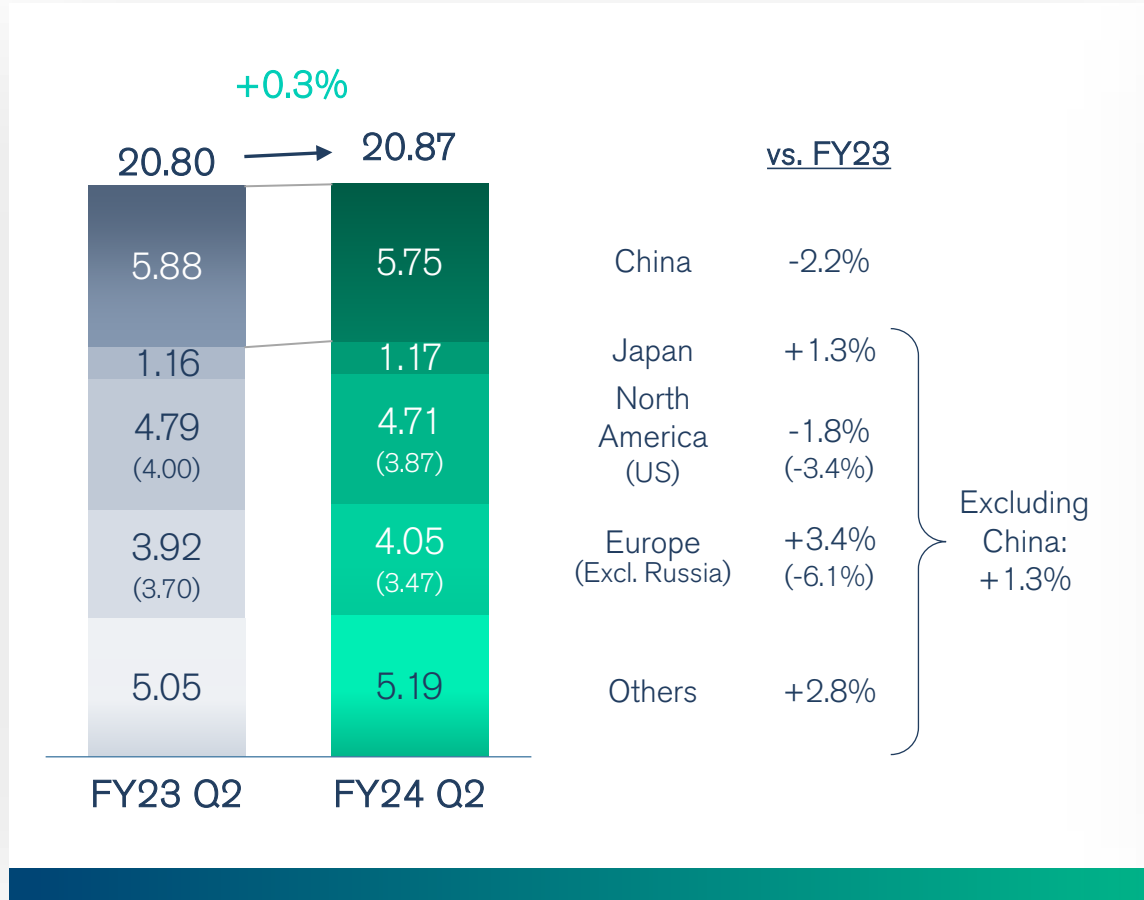
FY24 Q2 Sales Performance

TIV

(Million units)

Retail Volume

(Thousand units)



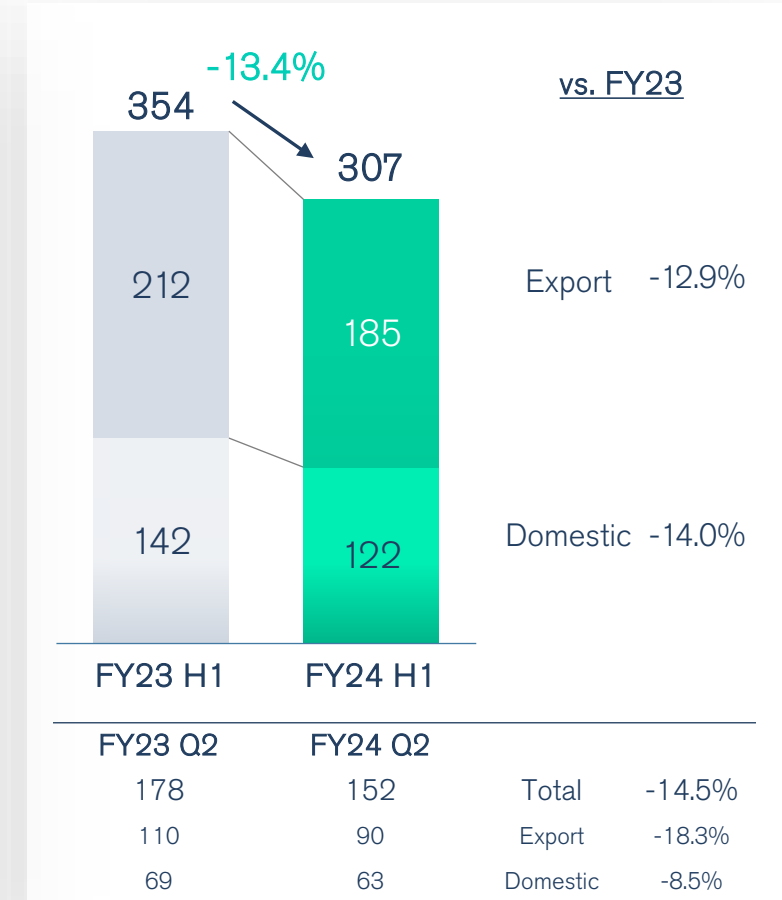
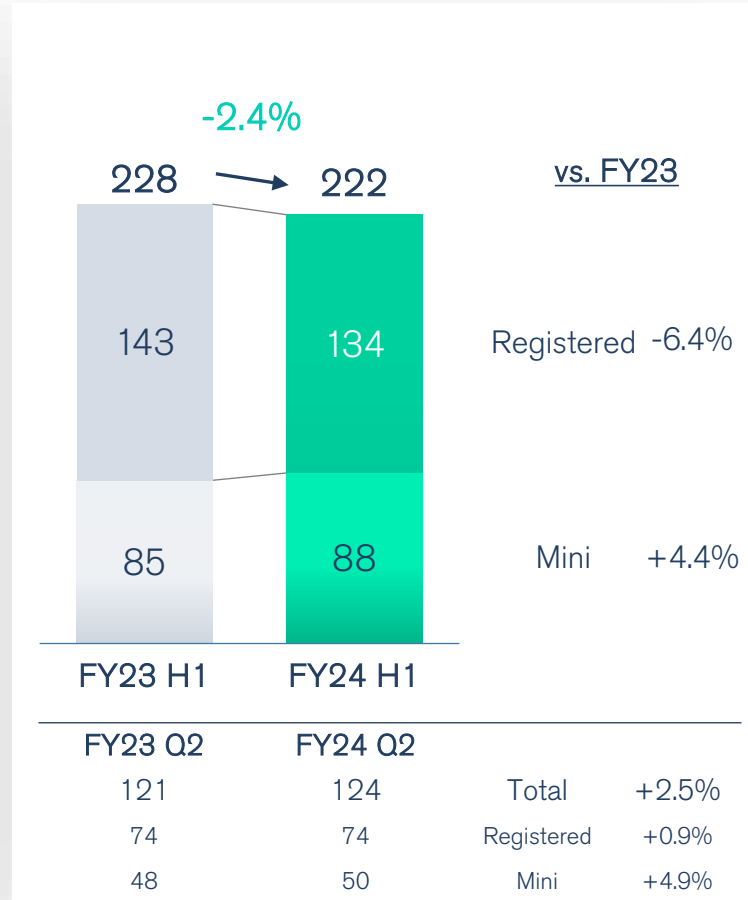
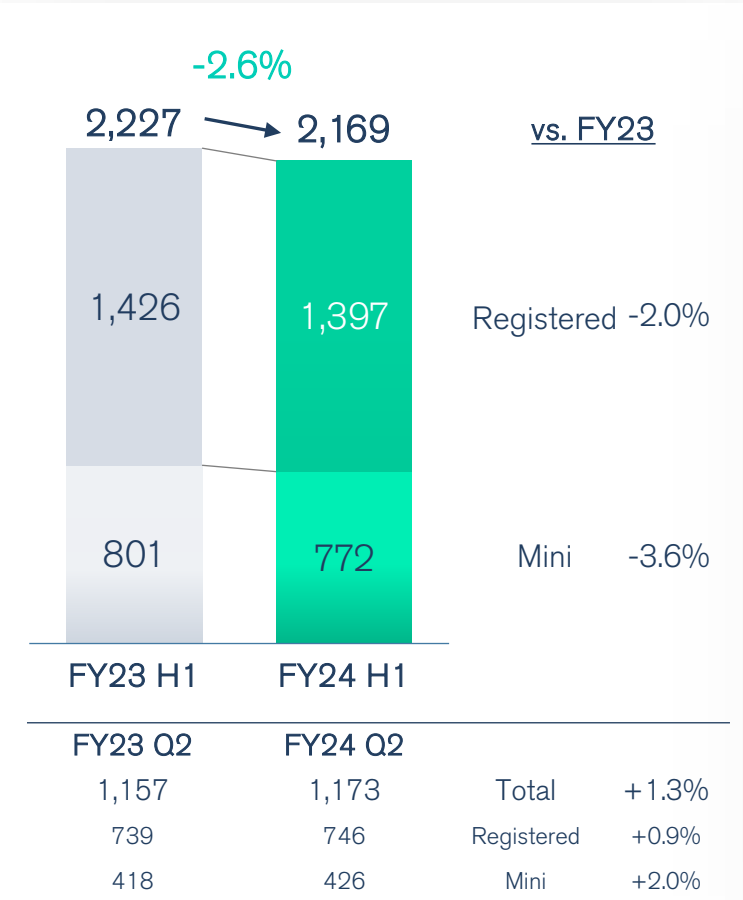
*Nissan estimation for TIV includes China local brands and LCV

TIV

(Thousand units)

Retail Sales

Production



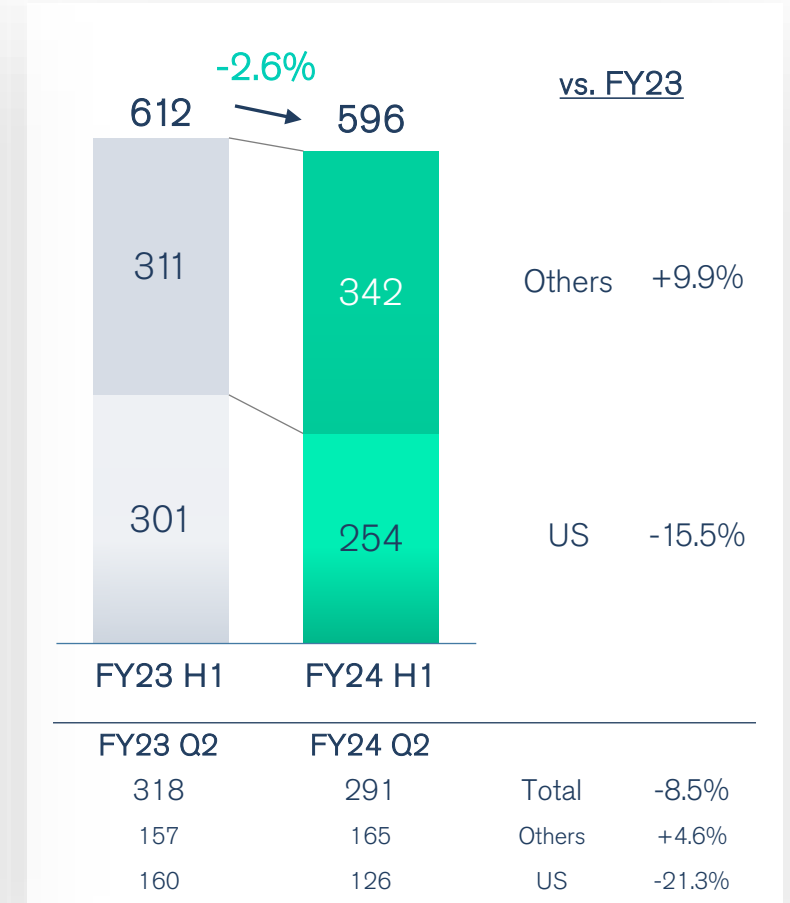
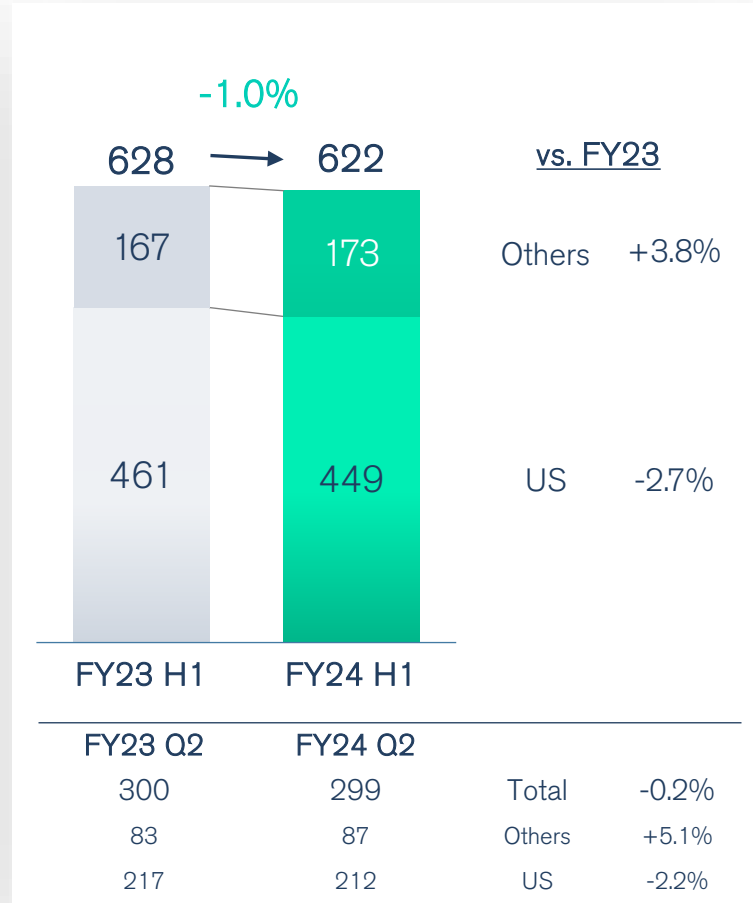
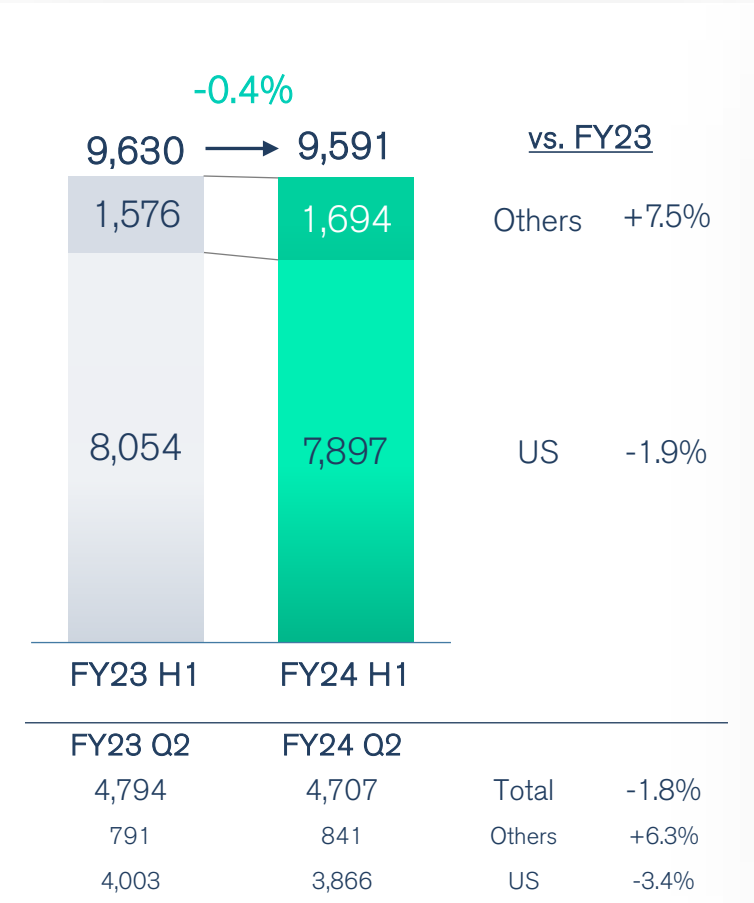
APPENDIX North America

TIV

(Thousand units)

Retail Sales

Production

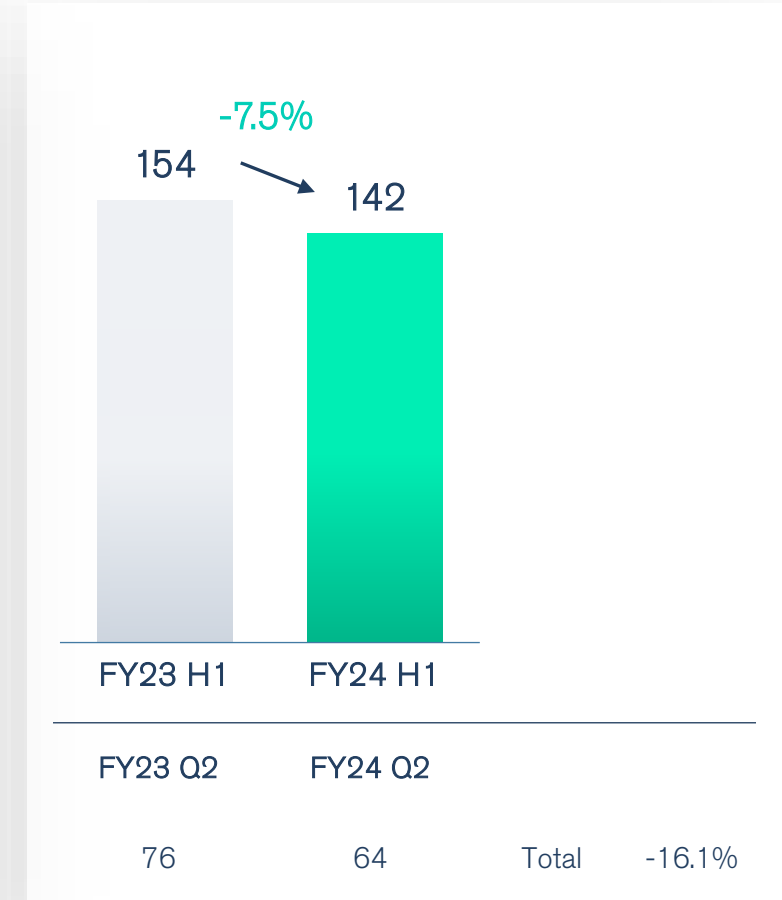
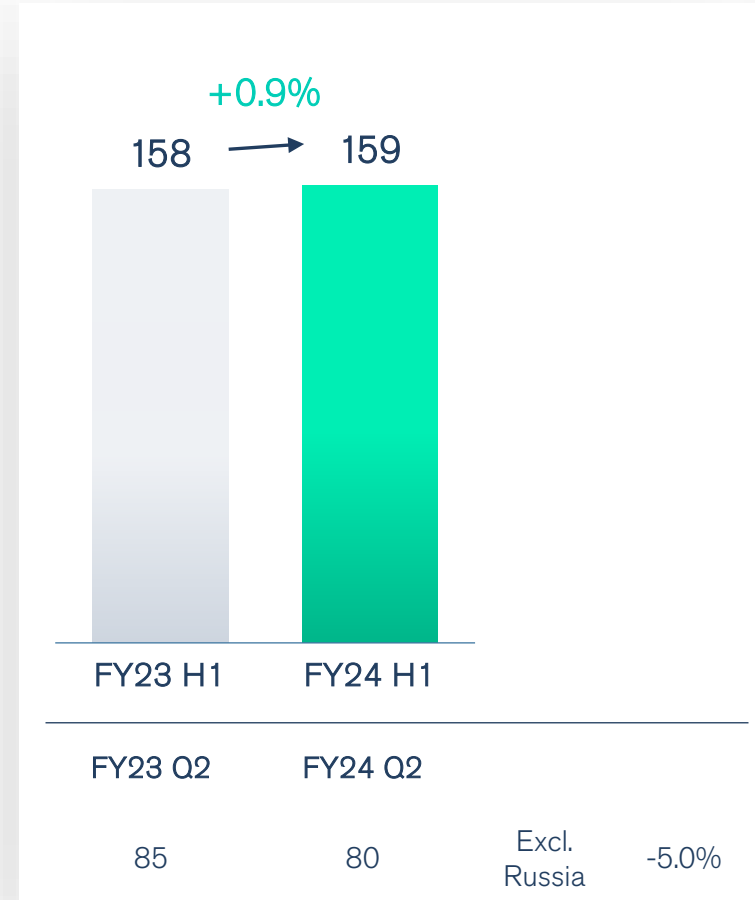
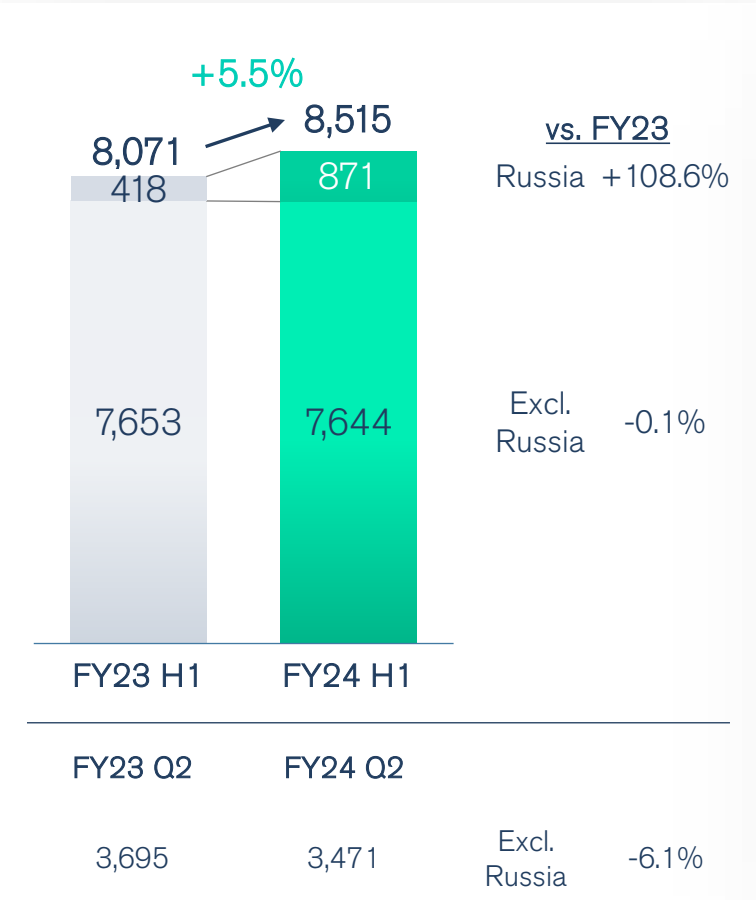


TIV

(Thousand units)

Retail Sales

Production

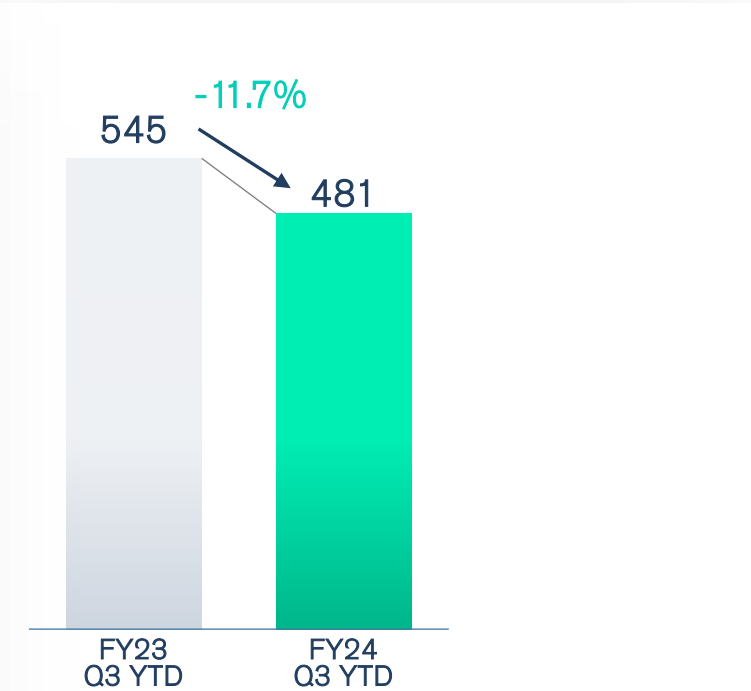
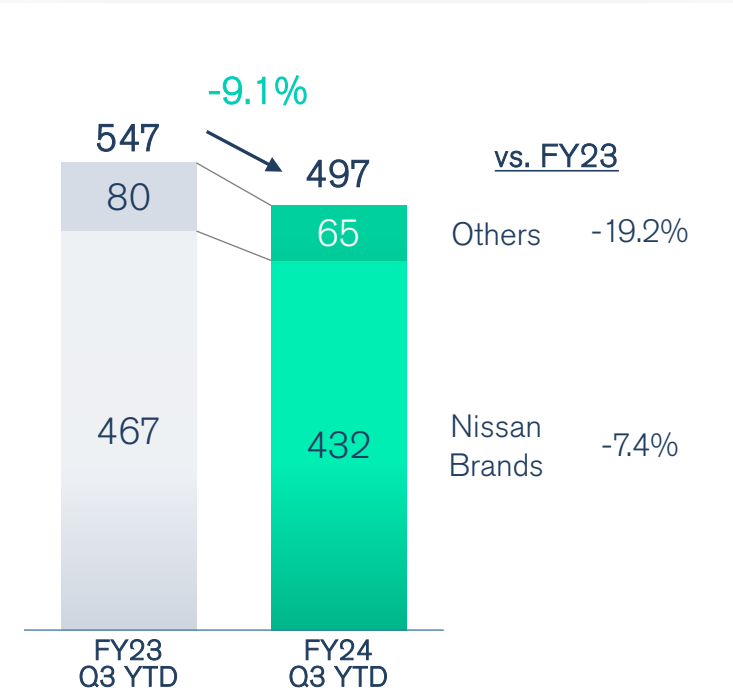
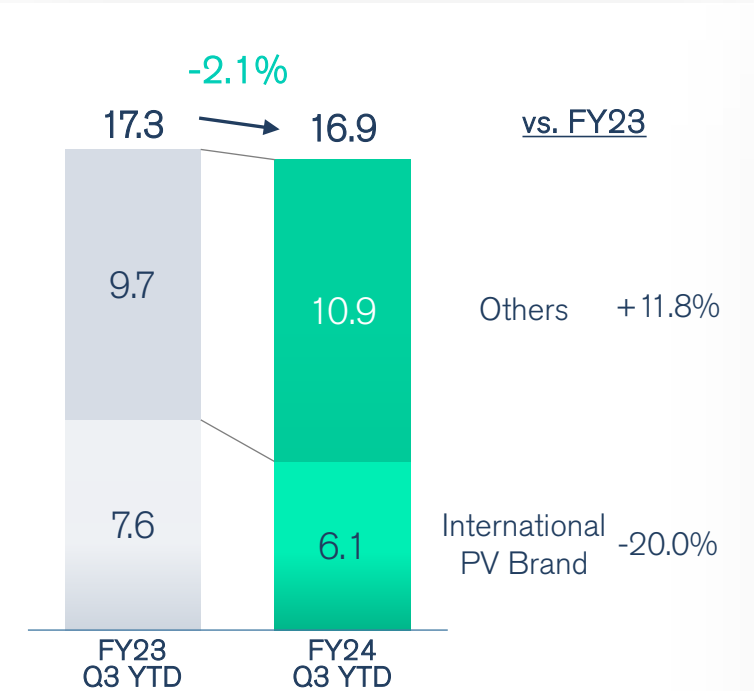


TIV

(Thousand units)

Retail Sales

Production



FY23 Q3	FY24 Q3		% Change
6.5	6.0	Total	-8.2%
3.7	4.0	Others	+6.7%
2.7	2.0	International PV Brand	-28.5%

FY23 Q3	FY24 Q3		% Change
188	158	Total	-16.2%
25	22	Others	-12.5%
163	136	Nissan Brands	-16.8%

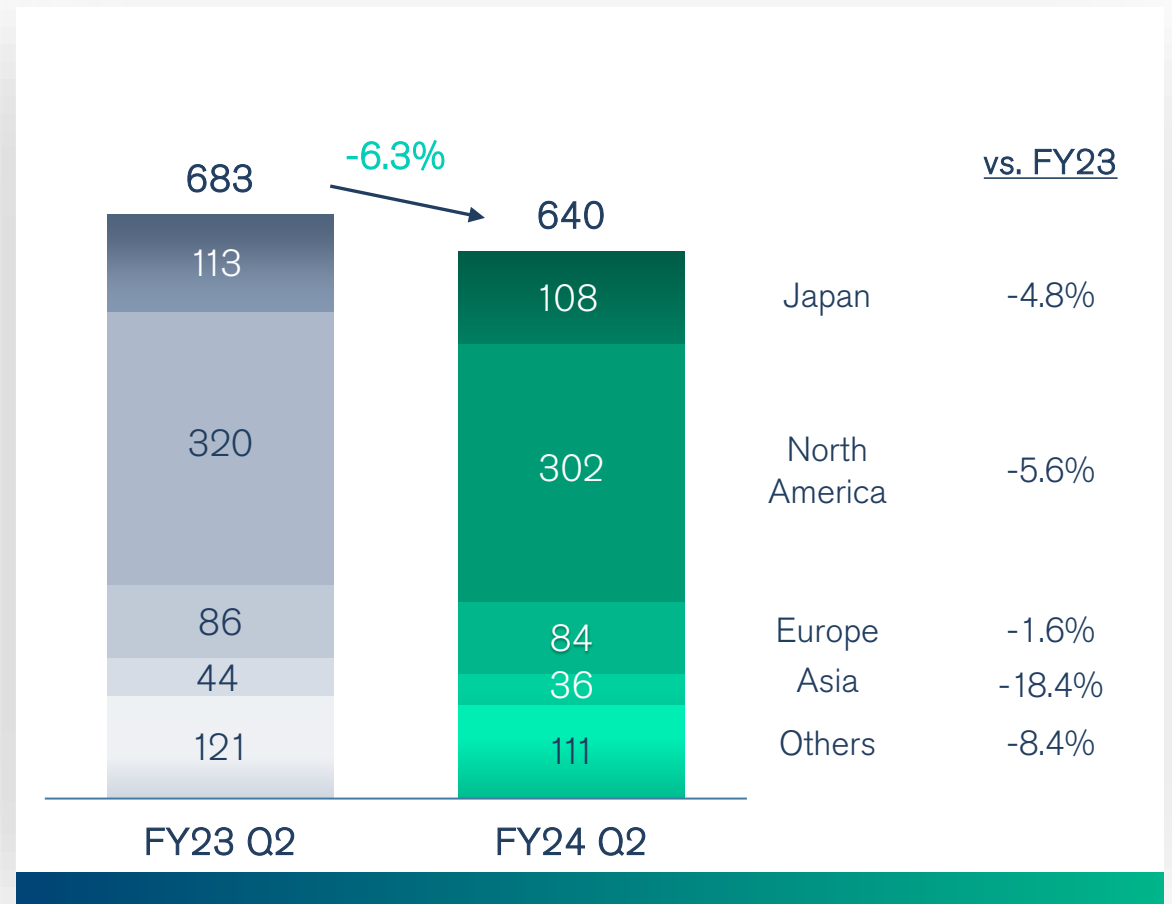
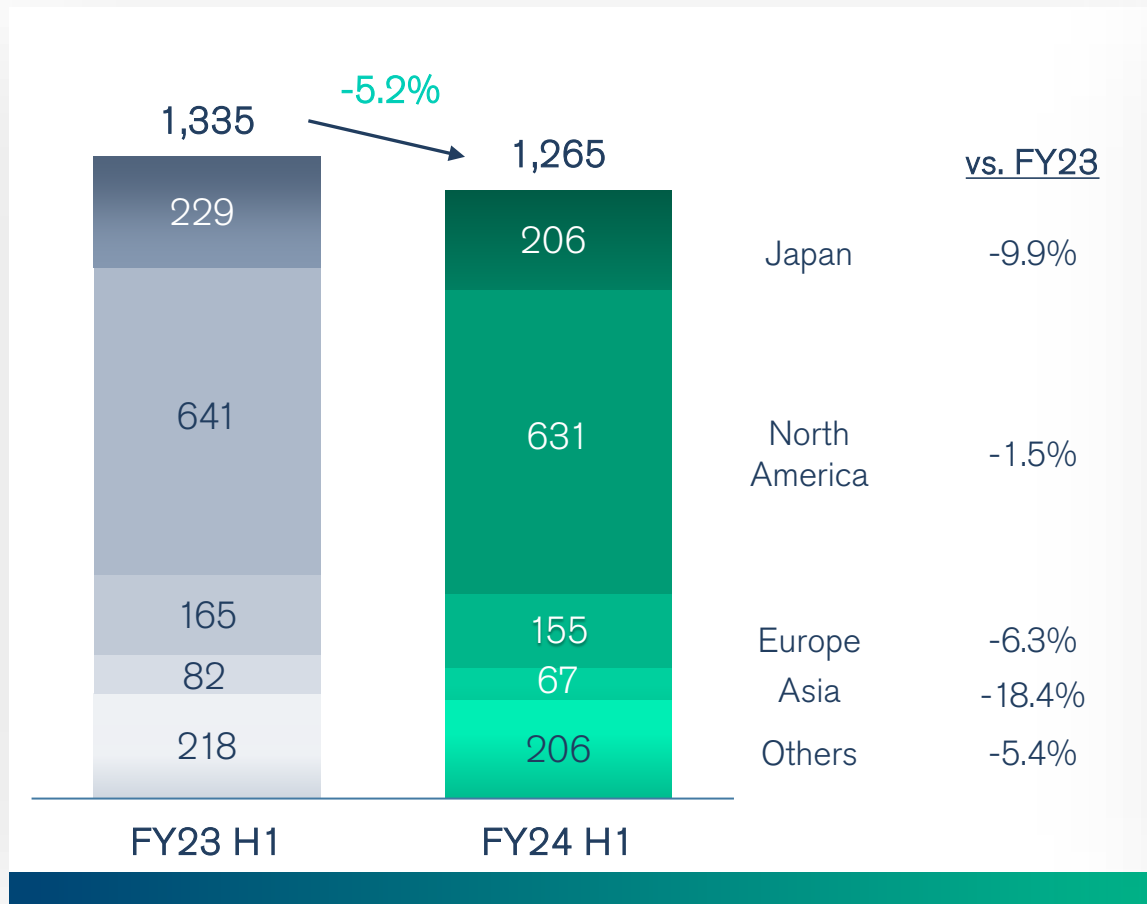
FY23 Q3	FY24 Q3		% Change
177	143	Total	-19.3%

Consolidated Sales Volume

FY24 H1

(Thousand units)

FY24 Q2



Operating Profit Variance Analysis Forex

Currency	FY23 H1 Rate	FY24 H1 Rate	OP Impact (Billion Yen)	Currency	FY23 Q2 Rate	FY24 Q2 Rate	OP Impact (Billion Yen)
USD	141.1	152.8	65.3	USD	144.6	149.7	18.7
CAD	105.1	111.8	11.9	MXN	8.5	7.9	12.4
GBP	177.6	195.6	7.4	GBP	183.1	194.4	3.9
AUD	93.3	101.4	6.6	AUD	94.6	100.2	2.1
MXN	8.1	8.5	1.7	CAD	107.8	109.7	0.8
TWD	4.4	4.8	1.6	TWD	4.5	4.8	0.1
THB	4.1	4.3	-5.8	THB	4.1	4.3	-2.2
EUR	153.5	166.1	-6.5	EUR	157.3	164.3	-3.1
TRY	6.0	4.7	-12.8	ARS	0.5	0.2	-3.7
ARS	0.5	0.2	-13.3	TRY	5.4	4.5	-5.7
CNY	19.5	21.1	-17.9	CNY	19.6	21.5	-10.0
Others	--	--	-10.2	Others	--	--	-9.0
Total	--	--	28.0	Total	--	--	4.3

Operating Profit Variance Analysis Sales Performance

(Billion Yen)

		FY24 H1				FY24 Q2			
		Volume ^{*1}	Mix	Incentives ^{*2}	Total	Volume ^{*1}	Mix	Incentives ^{*2}	Total
Volume/Mix	Japan	-3.8	+3.1	+1.4	+0.6	-0.7	+2.2	+0.3	+1.8
	US	-43.5	-41.9	+20.3	-65.0	-25.7	-21.0	+6.1	-40.7
	Europe	-12.6	-8.4	+5.7	-15.3	-2.0	-6.1	+0.5	-7.6
	MEX/CAN	+12.7	-11.3	-0.1	+1.3	+0.9	-2.9	+0.4	-1.6
	Others	-14.0	-10.6	+7.0	-17.5	-11.1	-5.2	+3.2	-13.1
	Total	-61.2	-69.0	+34.3	-96.0	-38.6	-33.0	+10.5	-61.1
		Incentives ^{*3} / Pricing	Others	Total		Incentives ^{*3} / Pricing	Others	Total	
Selling Expenses/ Pricing	Japan	+6.6	-1.9	+4.7		+2.1	-2.2	-0.1	
	US	-100.4	-16.2	-116.6		-25.7	-10.0	-35.7	
	Europe	-36.2	-0.4	-36.6		-18.3	-1.3	-19.6	
	MEX/CAN	-7.2	-3.2	-10.4		-2.5	-1.3	-3.8	
	Others	+56.3	-0.2	+56.2		+32.2	+2.2	+34.3	
	Total	-80.8	-21.9	-102.7		-12.2	-12.7	-24.9	

*1: Includes country mix

*2: Volume/mix impact on incentives

*3: Impact of change in incentive/unit

Automotive Free Cash Flow

(Billion Yen)

	Q1	Q2	FY24 H1
Net Cash Inflow From P&L Items	+75.4	-8.2	+67.2
AP/AR	-98.5	+4.2	-94.2
Inventory	-47.9	-42.6	-90.6
Working Capital	-146.4	-38.4	-184.8
Tax/Other Operating Activities	-121.1	+4.7	-116.5
Cash Flow From Operating Activities	-192.1	-41.9	-234.0
CAPEX*	-122.6	-114.8	-237.4
Others	+11.9	+11.1	+23.0
Automotive Free Cash Flow	-302.8	-145.6	-448.3
	Q1	Q2	H1
FY23 Automotive Free Cash Flow	+109.5	+84.4	+193.9

*CAPEX does not include finance lease-related investments

Operating Profit Variance Analysis

FY24 Revised Outlook vs. FY23 Actual

(Billion Yen)



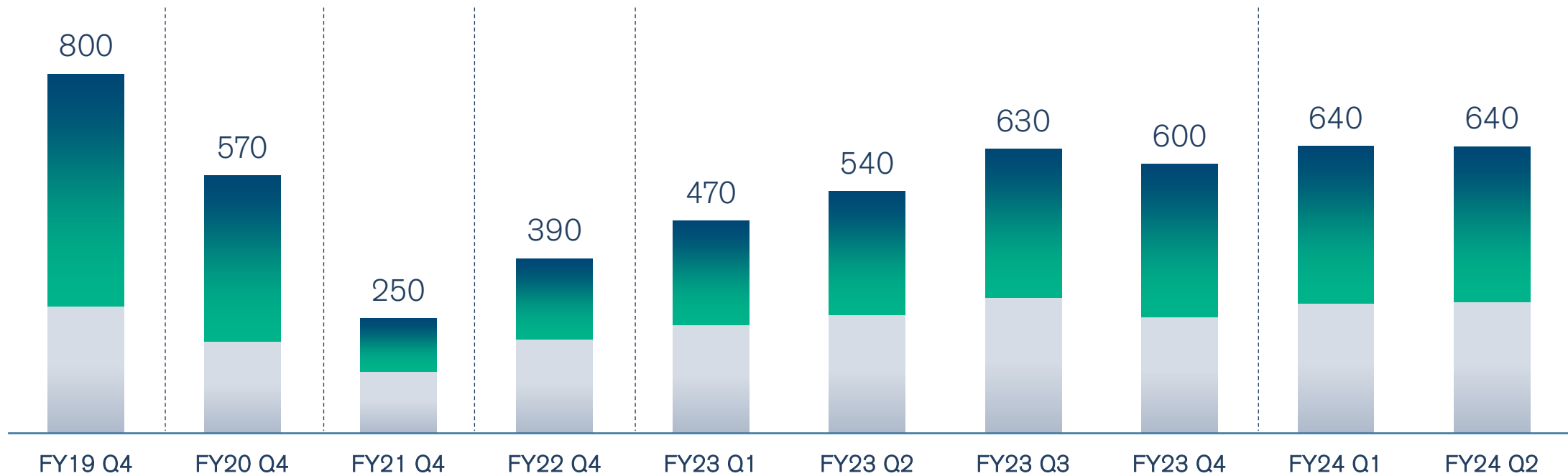
Breakdown

Volume/Mix	-90.0	Manufacturing	0.0	Monozukuri	-60.0	Credit loss	-30.0
Selling Exp / Pricing	-160.0	Regulatory / Product Enrichment	+5.0	Other	-40.0	Remarketing	-55.0
		Logistics	+5.0			Others	-53.7
		R&D	+10.0				
		Others	+20.0				

Inventory Status (Excluding China JV)

■ Dealer inventory (except some minor countries)
■ Consolidated Nissan inventory (except some minor countries)

(Thousand units)



Net Cash by Business Segment

(Billion Yen)

	AS OF MARCH 31, 2024			AS OF SEPTEMBER 30, 2024		
	Automobile & Eliminations	Sales Financing	Total	Automobile & Eliminations	Sales Financing	Total
Borrowings From Third Parties	2,028.3	5,783.1	7,811.4	1,971.1	5,622.1	7,593.2
Internal Loan to Sales Financing (Net)	-1,560.0	1,560.0	0.0	-1,896.8	1,896.8	0.0
Cash and Cash Equivalent	2,014.3	111.9	2,126.2	1,438.4	81.6	1,520.0
Net Cash	1,546.0	-7,231.2	-5,685.2	1,364.1	-7,437.3	-6,073.2

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.