

Quarterly Securities Report

Second Quarter of FY2022

(From July 1, 2022 To September 30, 2022)

(The English translation of the Quarterly Securities Report “Shihanki-Houkokusho”)

Nissan Motor Co., Ltd.

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【Document Submitted】	Quarterly Securities Report (“Shihanki-Houkokusho”)
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Part I Information on the Company

1. Overview of the Company

1. Key financial data and trends

Fiscal year		123rd Six months ended September 30, 2021	124th Six months ended September 30, 2022	123rd
Accounting period		(From April 1, 2021 To September 30, 2021)	(From April 1, 2022 To September 30, 2022)	(From April 1, 2021 To March 31, 2022)
Net sales	(Millions of yen)	3,946,997	4,662,250	8,424,585
[Current second quarter]		[1,938,750]	[2,524,939]	
Ordinary income	(Millions of yen)	184,527	196,933	306,117
Net income attributable to owners of parent	(Millions of yen)	168,646	64,475	215,533
[Current second quarter]		[54,115]	[17,363]	
Comprehensive income	(Millions of yen)	240,995	588,484	689,621
Net assets	(Millions of yen)	4,566,770	5,593,734	5,029,584
Total assets	(Millions of yen)	15,583,288	17,598,301	16,371,481
Basic earnings per share	(Yen)	43.09	16.47	55.07
[Current second quarter]		[13.83]	[4.44]	
Diluted earnings per share	(Yen)	43.09	16.47	55.07
Net assets as a percentage of total assets	(%)	26.7	29.0	28.0
Cash flows from operating activities	(Millions of yen)	315,190	514,118	847,187
Cash flows from investing activities	(Millions of yen)	(309,812)	(61,806)	(146,835)
Cash flows from financing activities	(Millions of yen)	(544,374)	(809,606)	(1,092,645)
Cash and cash equivalents at end of the period	(Millions of yen)	1,532,795	1,625,512	1,792,692

Note: Non-consolidated financial data is not presented as Nissan Motor Co., Ltd. (the “Company”) prepares quarterly consolidated financial statements.

2. Description of business

There have been no significant changes in the business in which the Company and its subsidiaries and affiliates (collectively, the “Group”) operate during the six months ended September 30, 2022. No changes were made to major subsidiaries and affiliates.

2. Business Overview

1. Business and other risks

During the six months ended September 30, 2022, there were no unusual fluctuations with regard to financial position, operating results and cash flows or important changes in the “Business and other risks,” which are described in the Securities Report of the prior fiscal year.

In the Securities Report for the prior fiscal year, we mentioned the risk related to Marelli Holdings Co., Ltd., who is one of the core suppliers for the Group, which are described in “(6) Counterparty credit and other related risks” under “3. Risks related to the financial market” and in “(3) Dependency on specific suppliers” under “5. Continuation of business.” Its rehabilitation plan was agreed to by its creditors representing more than 90% of debt at the creditors’ meeting held on July 19, 2022, and approval by the Tokyo District Court was confirmed on August 9, 2022.

2. Management’s analysis of financial position, operating results and cash flows

Any future forecasts included in the following descriptions are based on the best estimates or judgment of the Group as of September 30, 2022, the end of the current second quarter.

(1) Financial position and operating results

The global industry volume totaled 37.82 million units for the six months ended September 30, 2022, a decrease of 4.0% from the corresponding period of the last year (the “last year”). Global sales of the Group (on a retail basis) for the six months ended September 30, 2022 decreased by 21.6% year on year to 1,569 thousand units and net sales of the Group for the six months ended September 30, 2022, totaled ¥4,662.3 billion, which represents an increase of ¥715.3 billion (18.1%) relative to net sales for the last year. Operating income of ¥156.6 billion was recorded, increasing by ¥17.5 billion (12.6%) from the last year.

Net non-operating income of ¥40.3 billion was recorded for the six months ended September 30, 2022, decreasing by ¥5.1 billion from the last year. As a result, ordinary income of ¥196.9 billion was recorded, increasing by ¥12.4 billion (6.7%) compared with the last year. Net special losses of ¥23.6 billion were recorded, deteriorating by ¥100.5 billion from the last year. Income before income taxes of ¥173.3 billion was recorded, decreasing by ¥88.1 (33.7%) billion from the last year. Finally, net income attributable to owners of parent for the six months ended September 30, 2022 of ¥64.5 billion was recorded, a decrease of ¥104.1 billion (61.8%) from the last year.

(2) Cash flows

Cash and cash equivalents at September 30, 2022 decreased by ¥167.2 billion (9.3%) from the end of the prior fiscal year to ¥1,625.5 billion. This reflected ¥514.1 billion in net cash provided by operating activities, ¥61.8 billion in net cash used in investing activities and ¥809.6 billion in net cash used in financing activities, as well as an increase of ¥189.7 billion in the effects of foreign exchange rate movements on cash and cash equivalents and a ¥0.4 billion increase attributable to a change in the scope of consolidation.

(3) Production and sales

Actual production

Location of manufacturers	Number of vehicles produced (units)		Change (units)	Change (%)
	Six months ended September 30, 2021	Six months ended September 30, 2022		
Japan	216,262	255,576	39,314	18.2
The United States of America	185,034	261,326	76,292	41.2
Mexico	235,755	178,964	(56,791)	(24.1)
The United Kingdom	73,400	111,414	38,014	51.8
Spain	12,105	—	(12,105)	—
Russia	20,100	—	(20,100)	—
Thailand	57,173	34,214	(22,959)	(40.2)
India	92,630	109,631	17,001	18.4
South Africa	11,338	14,108	2,770	24.4
Brazil	21,962	27,862	5,900	26.9
Argentina	12,089	13,270	1,181	9.8
Egypt	9,607	9,813	206	2.1
Total	947,455	1,016,178	68,723	7.3

Note: The figures represent the production figures for the six month period from April 1 to September 30, 2022.

Actual sales (on a retail basis)

Sales to	Number of vehicles sold (on a retail basis: units)		Change (units)	Change (%)
	Six months ended September 30, 2021	Six months ended September 30, 2022		
Japan	195,563	205,875	10,312	5.3
North America	652,321	451,101	(201,220)	(30.8)
(The United States of America included therein)	497,103	337,256	(159,847)	(32.2)
Europe	172,112	132,166	(39,946)	(23.2)
Asia	772,468	608,179	(164,289)	(21.3)
(China included therein)	706,350	546,020	(160,330)	(22.7)
Other overseas countries	209,448	172,040	(37,408)	(17.9)
Total	2,001,912	1,569,361	(432,551)	(21.6)

Notes: 1. The figures in China and Taiwan, which are included in “Asia” represent the sales figures for the six month period from January 1 to June 30, 2022. Those sold in Japan, North America, Europe, Other overseas countries and Asia (excluding China and Taiwan) represent vehicles sold for the six month period from April 1 to September 30, 2022.

2. The figures in China include Chinese joint venture, Dongfeng Motor Co., Ltd.

Actual sales (on a consolidated basis)

Sales to	Number of vehicles sold (on a consolidated basis: units)		Change (units)	Change (%)
	Six months ended September 30, 2021	Six months ended September 30, 2022		
Japan	195,185	210,126	14,941	7.7
North America	443,346	445,841	2,495	0.6
(The United States of America included therein)	334,911	337,099	2,188	0.7
Europe	135,516	129,088	(6,428)	(4.7)
Asia	115,168	104,213	(10,955)	(9.5)
(China included therein)	612	—	(612)	—
Other overseas countries	200,007	189,812	(10,195)	(5.1)
Total	1,089,222	1,079,080	(10,142)	(0.9)

Note: The figures in China and Taiwan, which are included in “Asia” represent the sales figures for the six month period from January 1 to June 30, 2022. Those sold in Japan, North America, Europe, Other overseas countries and Asia (excluding China and Taiwan) represent vehicles sold for the six month period from April 1 to September 30, 2022.

(4) Results of segments

(Business segments)

a. Automobiles

The Group’s worldwide automobile sales (on a retail basis) for the six months ended September 30, 2022, decreased by 433 thousand units (21.6%) from the last year to 1,569 thousand units. This was mainly due to a supply chain disruption arising from the Shanghai lockdown and the semiconductor supply shortage. The number of vehicles sold in Japan increased by 5.3% to 206 thousand units. Vehicles sold in China decreased by 22.7% to 546 thousand units. Those sold in North America including Mexico and Canada decreased by 30.8% to 451 thousand units, those sold in Europe decreased by 23.2% to 132 thousand units and those sold in other overseas countries decreased by 15.0% to 234 thousand units.

Net sales in the automobile business (including intersegment sales) for the six months ended September 30, 2022 increased by ¥716.8 billion (20.7%) from the last year to ¥4,179.4 billion. Operating loss of ¥28.4 billion was recorded, an improvement of ¥61.8 billion from the last year. This was mainly due to revenue enhancement as a part of improvements in the quality of sales, the effect of improvements in costs and expenses and favorable foreign exchange rate fluctuations despite a decrease in number of vehicles sold and an increase in raw material prices.

For three months ended September 30, 2022, Operating income for Automobiles segment (including Elimination) of ¥7.2 billion was recorded.

b. Sales finance

Net sales in the sales finance business (including intersegment sales) for the six months ended September 30, 2022 decreased by ¥12.5 billion (2.3%) from the last year to ¥519.4 billion mainly due to reduced size of portfolio partially offset by favorable exchange rate fluctuations. Operating income decreased by ¥44.3 billion (20.6%) from the last year to ¥171.4 billion mainly due to a decrease in the release of credit loss provisions by sales finance companies in the United States of America.

(Geographic segment)

a. Japan

In the Japan market, the total industry volume (“TIV”) decreased by 6.2% year on year to 1.92 million units. The Group’s sales (on a retail basis) increased by 5.3% from the last year to 206 thousand units. The Group’s market share increased to 10.7%, up 1.2 percentage points year on year.

As a result, net sales in Japan (including intersegment sales) for the six months ended September 30, 2022 increased by ¥184.7 billion (12.1%) from the last year to ¥1,715.2 billion. The Group recorded operating loss of ¥95.6 billion, deteriorating by ¥3.2 billion from the last year mainly due to an increase in costs and expenses including raw material prices partially offset by favorable foreign exchange rate fluctuations.

b. North America

In the North America market, including Mexico and Canada, TIV decreased by 11.3% to 8.2 million units. The Group’s sales (on a retail basis) in North America decreased by 30.8% to 451 thousand units.

Meanwhile, net sales in North America (including intersegment sales) for the six months ended September 30, 2022 increased by ¥529.4 billion (26.3%) to ¥2,538.8 billion. The Group recorded operating income of ¥174.9 billion, decreasing by ¥11.9 billion (6.4%) from the last year mainly due to an increase in costs and expenses including raw material prices and a decrease in profit of the sales finance business partially offset by an increase in net revenue per unit through strict control of sales incentives as well as favorable foreign exchange rate fluctuations.

In the United States of America market, TIV decreased by 12.4% to 6.86 million units. The Group sold (on a retail basis) 337 thousand units, down 32.2% from the last year. The Group’s market share decreased by 1.5 percentage points to 4.9%.

c. Europe

In the Europe market, TIV decreased by 17.8% to 6.82 million units. The Group sold (on a retail basis) 132 thousand units in the Europe market, down 23.2% from the last year. The Group’s market share was 1.9%, down 0.2 percentage points from last year.

Meanwhile, net sales in Europe (including intersegment sales) for the six months ended September 30, 2022 were ¥555.7 billion, an increase of ¥40.6 billion (7.9%) from the last year. Operating loss of ¥6.2 billion was recorded, improving by ¥18.1 billion from the last year mainly due to an increase in net revenue per unit as a result of increase in sales of all-new “Qashqai” as well as strict control of sales incentives and pricing.

d. Asia

Sales volume (on a retail basis) in the Asia market, excluding China, decreased by 6.0% to 62 thousand units. Net sales in Asia (including intersegment sales) for the six months ended September 30, 2022 increased by ¥43.4 billion (6.9%) from the last year to ¥670.3 billion. Operating income for the six months ended September 30, 2022 was ¥46.8 billion, an increase of ¥7.6 billion (19.3%) from the last year mainly due to favorable foreign exchange rate fluctuations as well as strict control of sales incentives.

In the China market, TIV decreased by 0.9% to 11.59 million units. The Group’s sales (on a retail basis) in China decreased by 22.7% from the last year to 546 thousand units mainly driven by “Sylphy” and “X-Trail” partially due to the semiconductor supply shortage, accounting for a market share of 4.7%, down 1.3 percentage points year on year. The operating results of Chinese joint venture, Dongfeng Motor Co., Ltd., are reflected as equity in earnings or losses of affiliates in non-operating income or expenses.

e. Other overseas countries

In other markets, consisting of Oceania, Middle East, South Africa, and Central and South America excluding Mexico, etc., the Group’s sales volume (on a retail basis) decreased by 17.9% to 172 thousand units.

Meanwhile, net sales in other markets consisting of the aforementioned regions (including intersegment sales) for the six months ended September 30, 2022 increased by ¥123.6 billion (29.6%) from the last year to ¥540.8 billion. Operating income of ¥41.2 billion was recorded, increasing by ¥17.7 billion (75.2%) from the last year.

(5) Analysis of sources of capital and liquidity

a. Cash flows

(Cash flows from operating activities)

Net cash provided by operating activities increased by ¥198.9 billion to ¥514.1 billion in the six months ended September 30, 2022 from ¥315.2 billion provided in the last year. This was mainly due to an improvement in working capital.

(Cash flows from investing activities)

Net cash used in investing activities decreased by ¥248.0 billion to ¥61.8 billion in the six months ended September 30, 2022 from ¥309.8 billion used in the last year. This was mainly due to a decrease in purchase of leased vehicles and a decrease in restricted cash related to asset-backed securities in the sales finance business despite a decrease in proceeds from sales of Daimler AG shares.

(Cash flows from financing activities)

Net cash used in financing activities was ¥809.6 billion in the six months ended September 30, 2022, an increase in cash outflows of ¥265.2 billion compared with ¥544.4 billion used in the last year. This was mainly due to more debts repayment than new funding.

Free cash flows in the automobile business for the six months ended September 30, 2022 were negative ¥98.0 billion, while free cash flows in the automobile business for the three months period ended September 30, 2022 were positive ¥206.6 billion. As the cash and cash equivalents in the automobile business at September 30, 2022 exceeded interest-bearing debt, the Group had a net cash position of ¥1,042.7 billion.

Information by segments is as follows:

Six month period ended September 30,2021 (From April 1, 2021 To September 30, 2021)

	Automobile & Eliminations	Sales financing	Consolidated total
Cash flows from operating activities	(340,228)	655,418	315,190
Cash flows from investing activities	(8,813)	(300,999)	(309,812)
Subtotal: Free Cash flows	(349,041)	354,419	5,378
Cash flows from financing activities	(185,802)	(358,572)	(544,374)

Six month period ended September 30,2022 (From April 1, 2022 To September 30, 2022)

	Automobile & Eliminations	Sales financing	Consolidated total
Cash flows from operating activities	42,697	471,421	514,118
Cash flows from investing activities	(140,660)	78,854	(61,806)
Subtotal: Free Cash flows	(97,963)	550,275	452,312
Cash flows from financing activities	(241,514)	(568,092)	(809,606)

Year-on-Year Comparison

	Automobile & Eliminations	Sales financing	Consolidated total
Cash flows from operating activities	382,925	(183,997)	198,928
Cash flows from investing activities	(131,847)	379,853	248,006
Subtotal: Free Cash flows	251,078	195,856	446,934
Cash flows from financing activities	(55,712)	(209,520)	(265,232)

b. Financial policies

Financial activities within the Group are managed centrally by the Finance and Accounting Department of the Company. The Group is engaged in activities to improve cash efficiency through the implementation of a global cash management system.

The Group has developed a basic financial strategy under which the Group raises funds from appropriate sources and maintains an appropriate level of liquidity and a sound financial position so that the Group can make investments in research and development activities, capital expenditures and its finance business on a timely basis.

The Group had ¥1,541.6 billion of cash and cash equivalents in the automobile business and the Group had approximately ¥2.0 trillion of committed lines available for drawing as of September 30, 2022. It is necessary to pay careful attention to the liquidity of the Group in view of the global semiconductor shortage and the recent cash usage in the automotive business. However, as the Group has entered into loan commitment agreements with major international banks in addition to the cash and cash equivalents as above, the Group believes that a level of liquidity sufficient to meet the Group's funding requirements is being maintained.

(6) Management policy and business strategies

The Group defined its corporate purpose as “Driving Innovation to Enrich People’s Lives”. This stated clearly the Company’s raison d’être, the question of why we exist and the role we play for the society, based on “Enriching People’s Lives” that has been a Nissan’s corporate vision for years, keeping the founder’s spirit of “Do what others don’t dare to do”. Meanwhile, the Group will strengthen its relationships with suppliers and dealers and work with them to bolster our business model.

As it develops as a company through its full range of global activities, Nissan seeks to not only create economic value but also contribute solutions to society as a leading global automaker. Nissan is committed to all stakeholders—including customers, shareholders, employees and the communities where it does business—and to delivering valuable and sustainable mobility for all. Furthermore, we pursue the realization of a zero-emission, zero-fatality society by actively contributing to the sustainable development of society. To be specific, the Group has set the goal to achieve carbon neutrality across the Company’s operations and the life cycle of its products by 2050.

To achieve this goal, the Company announced on November 29, 2021, a long-term vision, Nissan Ambition 2030. In this vision, Nissan set the slogan as “Empowering Mobility and Beyond” and aimed to deliver two value propositions of “Empowering journeys” and “Empowering Society”. To do so, we will drive innovation in the following fields.

<Accelerating electrified mobility with diverse choices and experiences>

Electrification is placed at the core of the Company’s long-term strategy. Based on customer demands for a diverse range of exciting vehicles, the Company will introduce 23 new electrified models, including 15 new EVs by fiscal year 2030, aiming for an electrification mix of more than 50% globally across the Nissan and INFINITI brands. In order to achieve this objective, the Company aims to achieve an electrification mix of more than 40% globally by fiscal year 2026 through an investment of approximately 2 trillion yen and the introduction of 20 new EV and e-POWER equipped models.

< Increasing accessibility and innovation in mobility >

The Company will continue to evolve its lithium-ion battery technologies and introduce cobalt-free technology to bring down the cost per kWh by 65% by fiscal year 2028. The Company aims to launch EV with its proprietary all-solid-state batteries (ASSB) by fiscal year 2028 and set up a pilot plant in Yokohama as early as fiscal year 2024. With the introduction of breakthrough ASSB, we will be able to expand its EV offerings across segments and offer more dynamic performance.

In addition, the Company seeks to establish a global battery supply system to meet growing customer vehicle demand and support the growing number of EVs in use. Furthermore, by delivering advanced driving assistance and intelligence technologies, the Company aims for a world of zero deaths in traffic incidents and evolve diversified means of transportation. For this, the Company aims to expand ProPILOT technology to over 2.5 million Nissan and INFINITI vehicles by fiscal year 2026. Also, the Company aims to complete development of next generation LiDAR systems by the mid-2020s and to be introduced on every new model by fiscal year 2030.

<Global ecosystem for mobility and beyond>

In addition to technology upgrade, the Company will localize manufacturing and sourcing to make EVs more competitive. The Company will expand the “EV36Zero”, an EV Hub creating a world-first EV manufacturing ecosystem, which was launched in the UK to core markets including Japan, China and the U.S. EV36Zero is a fully integrated manufacturing and service ecosystem connecting mobility and energy management with the aim of realizing carbon neutrality. Along with 4R Energy, the Company’s refurbishing infrastructure will support a circular economy in energy management, and the Company aims to fully commercialize its vehicle-to-everything and home battery systems in the mid-2020s.

Deeper collaboration with Alliance partners is also one of the essential factors to achieve our long-term vision. On January 27, 2022, the Company, Renault and MITSUBISHI MOTORS CORPORATION (hereinafter the “member companies”) announced “Alliance 2030”. This includes the common projects and roadmaps to strengthen our competitiveness and profitability by leveraging each of its strengths and complementing each other through our collaboration scheme. In this plan, the Alliance announced key initiatives such as investment of more than 23 billion Euros in the next five years, enhanced usage of common platforms, and reinforcement on common battery strategy for securing a global 220 GWh production capacity. By implementing this roadmap, the alliance will offer benefits to the three-member companies and their customers. After announcing its new cooperation business model on May 27, 2020, to support member-company competitiveness and profitability, the Alliance is now based on solid foundations, benefits from an efficient operational governance organization and from intensified as well as flexible cooperation. Continuing the Leader-Follower scheme defined, select technology is developed by one leading team with the support of the followers, thereby allowing each member of the Alliance to access all the key technologies.

The Group announced on May 28, 2020, a four-year plan, Nissan NEXT, to achieve sustainable growth, financial stability and profitability by the end of fiscal-year 2023. Nissan aims to achieve a 5% operating profit margin and a sustainable global market share of 6% by the end of fiscal year 2023, including proportionate contributions from its 50% equity joint venture in China. Our transformation plan aims to ensure steady growth instead of excessive sales expansion. We are now concentrating on our core competencies and enhancing the quality of our business, while maintaining financial discipline and focusing on net revenue per unit to achieve profitability. This coincides with the restoration of a culture defined by “Nissan-ness” for a new era.

Nissan will recover by the end of fiscal year 2023 and generate healthy free cash flows in the automobile segment. In fiscal year 2021, Nissan achieved positive net income attributable to owners of parent and free cash flows in the automobile business in the second half of the year. Nissan must deliver value for customers around the world. To do this, we must make breakthroughs in the products, technologies and markets where we are competitive. This is Nissan's DNA. In this new era, Nissan remains people-focused, to deliver technologies for all people and to continue addressing challenges as only Nissan can.

(7) FY2022 business environment and major Key Performance Indicators

The global economy for the six months ended September 30, 2022, continued to be affected by the global uncertainties caused by the COVID pandemic and the fall-out from geopolitical issue surrounding Russia and Ukraine. In addition, there were significant changes such as rising interest rates, raw material price hikes, inflationary effects and rapid exchange rate fluctuations.

The Company faced the supply chain disruption arising from Shanghai lock down, continuous semiconductor shortages and raw material price hikes. On the other hand, it also benefited from the positive effects of yen depreciation. Given this environment, Nissan NEXT is progressing as planned with ongoing effort to introduce new products, improve the quality of sales, and strengthen its business foundation.

(8) Operating and financial issues to be addressed

Operating and financial issues to be addressed by the Group occurring during the fiscal year ended September 30, 2022, are as follows.

The former Representative Directors of the Company were indicted on suspicion of violating the Financial Instruments and Exchange Act (FIEA) (charged with submitting false Securities Reports) and a former Representative Director and Chairman was additionally indicted on suspicion of violating the Companies Act (charged with aggravated breach of trust). In conjunction with these indictments, the Company itself was indicted on suspicion of violating the FIEA. The Company took this situation very seriously and formed a Special Committee for Improving Governance (SCIG) consisting of several independent third parties and independent Outside Directors of the Company. On March 27, 2019, Nissan's board of directors received a report from the SCIG that summarizes the committee's proposals for governance improvements and recommends a framework for the best governance as a foundation for Nissan business operations in the future. The Company has made the transition to a three statutory committee format.

On September 9, 2019, the board of directors of the Company received a report from the Audit Committee on the internal investigation into misconduct led by the Company's former chairman and others. As stated in the timely disclosure released on September 9, 2019 "Nissan board receives report on misconduct led by former chairman and others", the report confirmed specific instances of misconduct. Among these instances, Ghosn's personal use of the company's assets and improper payments of financial "incentives" to Nissan distributors instructed by Ghosn are as follows. Since September 9, 2019, there have been no changes made to the following contents at the time of submission of this Securities Report. In the future, if significant progress occurs in the following contents, we will disclose in accordance with relevant laws and regulations.

A) Ghosn's personal use of the company's assets

The report confirms that Ghosn used the company's assets for personal benefit, including:

- purchase of residences for exclusive personal use in Beirut and Rio de Janeiro using roughly 27 million U.S. dollars in investment funds from Zi-A Capital, a Nissan subsidiary established under the guise of investing in promising technology start-ups, and further misuse of other company funds to purchase or rent additional residences for personal use;
- payment of sums totaling more than 750,000 U.S. dollars to Ghosn's sister on the basis of a fictitious consulting contract, starting in 2003 and extending for over 10 years with no evidence of any services having been rendered;
- personal use of the corporate jets by Ghosn and members of his family;
- improper use of expenses toward family vacations and gifts of a personal nature;
- instruction of donations totaling more than 2 million U.S. dollars of company funds to universities in Ghosn's ancestral home country of Lebanon with no legitimate business purpose;
- transfer to Nissan in 2008 of foreign exchange swap contracts bearing unrealized losses of roughly 1.85 billion yen, based on a deceptive explanation to the Company's board regarding the nature of the transaction (in 2009, the swap contracts were secretly transferred back to a company related to Ghosn after being flagged as improper by Japan's financial authorities);
- improper payments totaling roughly 7.8 million Euros to Ghosn from Nissan-Mitsubishi B.V. ("NMBV"), which is a joint venture established by Nissan and MITSUBISHI MOTORS CORPORATION, paid from April 2018 onward under the pretext of a salary and an employment contract with NMBV, despite the fact that no contract had been approved by the NMBV's board of directors.

B) Improper payments of financial “incentives” to Nissan distributors instructed by Ghosn

Ghosn instructed a Nissan subsidiary to make payments totaling 14.7 million U.S. dollars to a distributor managed by an acquaintance outside Japan who had previously offered him personal financial support (a fact Ghosn withheld from Nissan’s board of directors and the relevant departments within the company). Payments were made under the pretext of covering expenses for special business projects and were approved through Nissan’s CEO Reserve, an emergency budget over which only Ghosn and a selected few direct subordinates had approval authority.

Ghosn also instructed a Nissan subsidiary to make payments totaling 32 million U.S. dollars to a distributor outside Japan, an employee of which transferred tens of millions of dollars to Ghosn and a company related to Ghosn (a fact Ghosn withheld from Nissan’s board of directors and the relevant departments within the company). Payments were made under the pretext of granting financial incentives to the distributor in question and were approved through the CEO Reserve.

The Company has received a written notice of commencement of trial procedures dated December 13, 2019, from the Commissioner of the FSA. In response to this written notice, on December 23, 2019, the Company has submitted a written answer not disputing the alleged facts and the amount of the administrative monetary penalty. After that, the Company has received the administrative monetary penalty payment order, dated February 27, 2020, of 2,424,895,000 yen from the Commissioner of the FSA.

On March 3, 2022, the Company received from the Tokyo District Court a guilty judgment regarding the violation of the FIEA (submission of annual securities reports containing false statements) and was ordered a penalty of 200,000,000 yen. The Company treats the judgment with utmost seriousness, and after careful consideration of the principal penalty and the findings in the judgment, the Company has decided not to appeal. Since the Company and the prosecutors did not appeal against the guilty judgment on the Company within the period determined by the Criminal Procedure Act, the judgement has been finalized.

On April 26, 2022, pursuant to the provisions of Article 185-8-6 of the FIEA, the FSA modified the penalty by deducting 200,000,000 yen, which is equal to the criminal penalty in the judgment, thereby making the total amount of the administrative penalty 2,224,895,000 yen. This administrative monetary penalty has been paid in full.

Also, in an unfair dismissal lawsuit filed in the Amsterdam District Court by Ghosn against NMBV and a subsidiary of Nissan, NMBV brought a counterclaim against Ghosn for repayment of the sums Ghosn appropriated unlawfully from NMBV. While the Amsterdam District Court dismissed Ghosn’s claims and ordered Ghosn to return roughly 5 million Euros in its decision rendered on May 20, 2021, Ghosn submitted the statement of appeal to the Amsterdam Court of Appeal on August 20, 2021. As a result of a cross-appeal and defense subsequently submitted by NMBV, the Amsterdam Court of Appeal rendered a decision on August 23, 2022, dismissing the vast majority of Ghosn’s claims and ordering Ghosn to return roughly 4.2 million Euros. The deadline for an appeal to the Supreme Court of the Netherlands is November 23, 2022.

One of the residences purchased for personal use as a result of misuse of company funds by Ghosn has been sold.

The Company has filed a provisional disposition order in the British Virgin Islands against Ghosn and related parties for a luxury yacht and has filed a lawsuit seeking damages, etc. based on the order. Also in Japan, the Company has filed lawsuits against Carlos Ghosn on February 12, 2020, and Greg Kelly, the former Representative Director of the Company, on January 19, 2022, seeking recovery of damages. Going forward, the Company will continue to take necessary measures based on the findings of the Company’s internal investigation, including legal measures to recover damages, in order to account for the responsibility of the former chairman and others.

In December 2019, new management has been established, whose members have been selected by the Nomination Committee. As demonstrated by the establishment of new management, strengthening of the supervisory function of internal audit, and so on, the Company is working on various countermeasures to prevent recurrence.

The Company continues its efforts to improve its governance, including ongoing implementation of the improvement measures stated in the Improvement Measures Status Report submitted to Tokyo Stock Exchange on January 16, 2020, as well as reviewing necessary improvements from time to time going forward. The Company also continues to reform its corporate culture, renew corporate ethics, disclose corporate information appropriately and enhance compliance-focused management.

(9) Research-and-development activities

The Group has been active in conducting research-and-development activities in the environment, safety and various other fields toward the realization of a sustainable, motorized society in the future.

The research-and-development costs of the Group amounted to ¥232.1 billion for the six months ended September 30, 2022.

3. Important business contracts

No important business contracts were determined or entered into during the current second quarter.

1. Corporate Information

1. Information on the Company's shares

(1) Number of shares and other

1) Number of shares

Type	Number of shares authorized to be issued
Common stock	6,000,000,000
Total	6,000,000,000

2) Number of shares issued

Type	Number of shares issued		Stock exchanges on which the Company is listed	Description
	As of September 30, 2022	As of November 11, 2022 (filing date of this Quarterly Securities Report)		
Common stock	4,220,715,112	4,220,715,112	Prime Market of the Tokyo Stock Exchange	The number of shares constituting a standard unit is 100
Total	4,220,715,112	4,220,715,112	—	—

(2) Status of the share subscription rights

1) Stock option plans
Not applicable

2) Other share subscription rights
Not applicable

(3) Exercise status of bonds with share subscription rights containing a clause for exercise price adjustment

Not applicable

(4) Changes in the number of shares issued and the amount of common stock and other

Period	Changes in the number of shares issued (Thousands)	Balance of the number of shares issued (Thousands)	Changes in common stock (Millions of yen)	Balance of common stock (Millions of yen)	Changes in legal capital surplus (Millions of yen)	Balance of legal capital surplus (Millions of yen)
From July 1, 2022 To September 30, 2022	—	4,220,715	—	605,813	—	804,470

(5) Principal shareholders

(As of September 30, 2022)

Name	Address	Number of shares held (Thousands)	Number of shares (excluding treasury stock) held as a percentage of total shares issued (%)
Renault S.A. (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	13-15 QUAI ALPHONSE LE GALLO 92100 BOULOGNE BILLANCOURT, FRANCE (Shinagawa Intercity A Bldg., 2-15-1 Konan, Minato-ku, Tokyo)	1,831,837	43.7
The Master Trust Bank of Japan, Ltd. (Trust account)	2-11-3 Hamamatsu-cho, Minato-ku, Tokyo	379,249	9.0
THE CHASE MANHATTAN BANK, N.A., LONDON (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.) (Note)	WOOLGATE HOUSE, COLEMAN STREET, LONDON EC2P 2HD, ENGLAND (Shinagawa Intercity A Bldg., 2-15-1 Konan, Minato-ku, Tokyo)	126,385	3.0
Custody Bank of Japan, Ltd. (Trust account)	1-8-12 Harumi, Chuo-ku, Tokyo	98,256	2.3
GIC Private Limited – C (Standing agent: MUFG Bank, Ltd.)	168 ROBINSON ROAD #37-01 CAPITAL TOWER SINGAPORE 068912 (Transaction Services Division, 2-7-1 Marunouchi, Chiyoda-ku, Tokyo)	42,492	1.0
STATE STREET BANK WEST CLIENT - TREATY 505234 (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	1776 HERITAGE DRIVE, NORTH QUINCY, MA 02171, U.S.A. (Shinagawa Intercity A Bldg., 2-15-1 Konan, Minato-ku, Tokyo)	40,671	1.0
Nippon Life Insurance Company (Standing agent: The Master Trust Bank of Japan, Ltd.)	1-6-6 Marunouchi, Chiyoda-ku, Tokyo Nippon Life securities management portion (2-11-3 Hamamatsu-cho, Minato-ku, Tokyo)	37,820	0.9
Moxley and Co LLC (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	270 PARK AVENUE., NEW YORK, NY 10017, U.S.A. (Shinagawa Intercity A Bldg., 2-15-1 Konan, Minato-ku, Tokyo)	27,870	0.7
JP Morgan Chase Bank 385781 (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (Shinagawa Intercity A Bldg., 2-15-1 Konan, Minato-ku, Tokyo)	25,968	0.6
SSBTC CLIENT OMNIBUS ACCOUNT (Standing agent: Custody Operations Division, Tokyo Branch, The Hongkong and Shanghai Banking Corporation Limited)	ONE LINCOLN STREET, BOSTON MA USA 02111 (3-11-1 Nihonbashi, Chuo-ku, Tokyo)	24,309	0.6
Total	—	2,634,857	62.8

Notes: 1. In addition to the above, the Company holds 25,111 thousand shares of treasury stock.

2. Daimspain, S.L. and Daimspain DAG, S.L. substantially hold 126,313 thousand shares of the Company, with an individual distribution of Daimspain, S.L. holding 100,505 thousand shares and Daimspain DAG, S.L. holding 25,808 thousand shares, although these shares are in custody of THE CHASE MANHATTAN BANK, N.A. LONDON on the shareholders' register. In addition, Daimspain DT, S.L. substantially holds 13,829 thousand shares of the Company in the custody of THE CHASE MANHATTAN BANK, N.A. LONDON SPECIAL ACCOUNT NO. 1, and the total of these accounts are 140,142 thousand shares.

(6) Status of voting rights

1) Shares issued

(As of September 30, 2022)

Classification	Number of shares (Shares)	Number of voting rights (Units)	Description
Shares with full voting rights (Treasury stock, etc.)	(Treasury stock) Common stock 25,110,700	—	—
	(Crossholding stock) Common stock 202,600	—	—
Shares with full voting rights (Others)	Common stock 4,194,540,700	41,945,407	—
Stocks of less than a standard unit	Common stock 861,112	—	—
Total shares issued	4,220,715,112	—	—
Total voting rights held by all shareholders	—	41,945,407	—

Note: “Stocks of less than a standard unit” include 57 shares of treasury stock and 30 crossholding shares.

Crossholding stocks of less than a standard unit (As of September 30, 2022)

Shareholder	Number of shares
Kai Nissan Motor Co., Ltd.	30

2) Treasury stock, etc.

(As of September 30, 2022)

Shareholders	Addresses of shareholders	Number of shares held under own name	Number of shares held under the names of others	Total	% of interest
		Shares	Shares		
Treasury stock: Nissan Motor Co., Ltd.	2 Takara-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	25,110,700	—	25,110,700	0.59
Crossholding stock: Kochi Nissan Prince Motor Sales Co., Ltd.	2-21 Asahi-cho, Kochi-shi, Kochi	105,600	—	105,600	0.00
Kai Nissan Motor Co., Ltd.	706 Kamiimai-cho, Kofu-shi, Yamanashi	37,800	54,300	92,100	0.00
Kagawa Nissan Motor Co., Ltd.	1-1-8 Hanazono-cho, Takamatsu-shi, Kagawa	4,800	100	4,900	0.00
Total		25,258,900	54,400	25,313,300	0.60

Note: The shares included in “Number of shares held under the names of others” represent those held by Nissan’s crossholding share association (address: 1-1-1 Takashima, Nishi-ku, Yokohama-shi, Kanagawa).
(Fractional numbers under 100 have been omitted.)

2. Members of the Board of Directors and Executive Officers

Not applicable

4. Financial Information

1. Basis of preparation of the quarterly consolidated financial statements

The quarterly consolidated financial statements of the Company are prepared in accordance with the Ministry of Finance Ordinance No. 64, 2007 “Regulations Concerning the Terminology, Forms and Preparation Methods of Quarterly Consolidated Financial Statements” (“Regulations for Quarterly Consolidated Financial Statements”).

Pursuant to Article 64, Paragraph 3 and Article 83-2, Paragraph 3 of the Regulations for Quarterly Consolidated Financial Statements, the quarterly consolidated statement of income and the quarterly consolidated statement of comprehensive income are prepared.

2. Quarterly review report

The quarterly consolidated financial statements for the current second quarter (from July 1, 2022 to September 30, 2022) and for the six months ended September 30, 2022 (from April 1, 2022 to September 30, 2022) were reviewed by Ernst & Young ShinNihon LLC, pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

1. Quarterly Consolidated Financial Statements

(1) Quarterly consolidated balance sheet

(Millions of yen)

	Prior fiscal year (As of March 31, 2022)	Current second quarter (As of September 30, 2022)
Assets		
Current assets		
Cash on hand and in banks	1,432,047	1,413,849
Trade notes and accounts receivable, and contract assets	402,489	349,846
Sales finance receivables	6,274,750	6,767,912
Securities	360,645	211,663
Merchandise and finished goods	645,620	948,173
Work in process	83,939	100,410
Raw materials and supplies	634,922	787,495
Other	620,368	765,019
Allowance for doubtful accounts	(138,771)	(150,486)
Total current assets	10,316,009	11,193,881
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	599,682	615,332
Machinery, equipment and vehicles, net	※1 2,650,597	※1 2,749,575
Land	585,217	590,336
Construction in progress	140,056	99,004
Other, net	390,401	409,655
Total property, plant and equipment	4,365,953	4,463,902
Intangible fixed assets	119,187	135,478
Investments and other assets		
Investment securities	1,054,886	1,223,148
Other	516,008	583,622
Allowance for doubtful accounts	(6,959)	(7,414)
Total investments and other assets	1,563,935	1,799,356
Total fixed assets	6,049,075	6,398,736
Deferred assets		
Bond issuance costs	6,397	5,684
Total deferred assets	6,397	5,684
Total assets	16,371,481	17,598,301

(Millions of yen)

	Prior fiscal year (As of March 31, 2022)	Current second quarter (As of September 30, 2022)
Liabilities		
Current liabilities		
Trade notes and accounts payable	1,395,642	1,692,002
Short-term borrowings	1,050,036	1,180,538
Current portion of long-term borrowings	1,251,998	1,093,359
Commercial papers	185,705	151,685
Current portion of bonds	471,460	523,277
Lease obligations	48,395	51,709
Accrued expenses	841,386	903,178
Accrued warranty costs	98,367	104,263
Other	800,219	880,725
Total current liabilities	6,143,208	6,580,736
Long-term liabilities		
Bonds	2,263,336	2,179,714
Long-term borrowings	1,775,221	1,959,866
Lease obligations	86,173	92,418
Accrued warranty costs	112,804	120,682
Net defined benefit liability	191,073	212,028
Other	770,082	859,123
Total long-term liabilities	5,198,689	5,423,831
Total liabilities	11,341,897	12,004,567
Net assets		
Shareholders' equity		
Common stock	605,814	605,814
Capital surplus	816,472	816,469
Retained earnings	3,843,479	3,887,594
Treasury stock	(138,061)	(135,903)
Total shareholders' equity	5,127,704	5,173,974
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	3,428	2,673
Unrealized gain and loss from hedging instruments	17,230	(72,947)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(38,109)	(47,225)
Translation adjustments	(512,770)	72,690
Remeasurements of defined benefit plans	(16,882)	(20,548)
Total accumulated other comprehensive income	(547,103)	(65,357)
Non-controlling interests	448,983	485,117
Total net assets	5,029,584	5,593,734
Total liabilities and net assets	16,371,481	17,598,301

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income
Six month period ended September 30
Quarterly consolidated statement of income

	(Millions of yen)	
	Six months ended September 30, 2021 (From April 1, 2021 To September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 To September 30, 2022)
Net sales	3,946,997	4,662,250
Cost of sales	3,288,255	3,891,668
Gross profit	658,742	770,582
Selling, general and administrative expenses		
Advertising expenses	112,830	119,312
Provision for warranty costs	44,696	53,981
Other selling expenses	21,688	42,769
Salaries and wages	194,557	211,759
Retirement benefit expenses	3,881	5,969
Provision for doubtful accounts	(34,743)	(6,180)
Other	176,702	186,364
Total selling, general and administrative expenses	519,611	613,974
Operating income	139,131	156,608
Non-operating income		
Interest income	7,139	13,700
Dividends income	2,950	52
Equity in earnings of affiliates	63,101	57,378
Derivative gain	5,939	86,773
Miscellaneous income	11,153	12,467
Total non-operating income	90,282	170,370
Non-operating expenses		
Interest expense	27,528	30,347
Exchange loss	3,966	88,084
Miscellaneous expenses	13,392	11,614
Total non-operating expenses	44,886	130,045
Ordinary income	184,527	196,933
Special gains		
Gain on sales of fixed assets	8,425	5,720
Other	83,295	2,079
Total special gains	91,720	7,799
Special losses		
Loss on sales of fixed assets	2,862	650
Loss on disposal of fixed assets	3,414	4,475
Impairment loss	1,468	4,269
Compensation for suppliers and others	—	12,615
Loss on valuation of inventories	—	9,152
Other	7,120	269
Total special losses	14,864	31,430
Income before income taxes	261,383	173,302
Income taxes	79,349	98,012
Net income	182,034	75,290
Net income attributable to non-controlling interests	13,388	10,815
Net income attributable to owners of parent	168,646	64,475

Quarterly consolidated statement of comprehensive income

	(Millions of yen)	
	Six months ended September 30, 2021 (From April 1, 2021 To September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 To September 30, 2022)
Net income	182,034	75,290
Other comprehensive income		
Unrealized holding gain and loss on securities	(59,919)	96
Unrealized gain and loss from hedging instruments	5,071	(91,519)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(234)	2,318
Translation adjustments	70,493	466,084
Remeasurements of defined benefit plans	(2,327)	(11,994)
The amount related to equity method companies	45,877	148,209
Total other comprehensive income	58,961	513,194
Comprehensive income	240,995	588,484
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	217,322	546,089
Comprehensive income attributable to non-controlling interests	23,673	42,395

Three month period ended September 30
Quarterly consolidated statement of income

(Millions of yen)

	Prior second quarter (From July 1, 2021 To September 30, 2021)	Current second quarter (From July 1, 2022 To September 30, 2022)
Net sales	1,938,750	2,524,939
Cost of sales	1,611,995	2,094,720
Gross profit	326,755	430,219
Selling, general and administrative expenses		
Advertising expenses	56,628	61,978
Provision for warranty costs	19,552	28,873
Other selling expenses	15,427	24,748
Salaries and wages	98,896	107,734
Retirement benefit expenses	2,136	2,955
Provision for doubtful accounts	(25,106)	(3,116)
Other	95,773	115,344
Total selling, general and administrative expenses	263,306	338,516
Operating income	63,449	91,703
Non-operating income		
Interest income	4,070	7,079
Dividends income	21	23
Equity in earnings of affiliates	44,817	23,808
Derivative gain	8,100	26,826
Miscellaneous income	5,789	10,401
Total non-operating income	62,797	68,137
Non-operating expenses		
Interest expense	13,440	15,366
Exchange loss	9,752	46,321
Miscellaneous expenses	8,814	5,266
Total non-operating expenses	32,006	66,953
Ordinary income	94,240	92,887
Special gains		
Gain on sales of fixed assets	3,416	3,748
Other	86	771
Total special gains	3,502	4,519
Special losses		
Loss on sales of fixed assets	1,368	503
Loss on disposal of fixed assets	2,271	3,080
Impairment loss	1,048	4,168
Compensation for suppliers and others	—	12,615
Loss on valuation of inventories	—	9,152
Other	2,211	196
Total special losses	6,898	29,714
Income before income taxes	90,844	67,692
Income taxes	30,514	44,781
Net income	60,330	22,911
Net income attributable to non-controlling interests	6,215	5,548
Net income attributable to owners of parent	54,115	17,363

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Prior second quarter (From July 1, 2021 To September 30, 2021)	Current second quarter (From July 1, 2022 To September 30, 2022)
Net income	60,330	22,911
Other comprehensive income		
Unrealized holding gain and loss on securities	262	(243)
Unrealized gain and loss from hedging instruments	1,165	(19,592)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(430)	(1,175)
Translation adjustments	3,969	162,413
Remeasurements of defined benefit plans	(907)	(8,869)
The amount related to equity method companies	13,303	72,562
Total other comprehensive income	17,362	205,096
Comprehensive income	77,692	228,007
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	69,563	209,087
Comprehensive income attributable to non-controlling interests	8,129	18,920

(3) Quarterly consolidated statement of cash flows

	(Millions of yen)	
	Six months ended September 30, 2021 (From April 1, 2021 To September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 To September 30, 2022)
Cash flows from operating activities		
Income before income taxes	261,383	173,302
Depreciation and amortization (for fixed assets excluding leased vehicles)	143,053	163,529
Depreciation and amortization (for long term prepaid expenses)	19,932	20,635
Depreciation and amortization (for leased vehicles)	181,123	167,198
Increase (decrease) in allowance for doubtful accounts	(41,000)	(5,708)
Interest and dividends income	(10,089)	(13,752)
Interest expense	89,475	93,509
Equity in losses (earnings) of affiliates	(63,101)	(57,378)
Loss (gain) on sales of fixed assets	(5,563)	(5,070)
Loss on disposal of fixed assets	3,414	4,475
Decrease (increase) in trade notes and accounts receivable, and contract assets	203,852	80,228
Decrease (increase) in sales finance receivables	398,978	279,530
Decrease (increase) in inventories	(76,774)	(311,609)
Increase (decrease) in trade notes and accounts payable	(546,850)	193,211
Retirement benefit expenses	(5,822)	(10,618)
Payments related to net defined benefit assets and liabilities	(12,440)	(11,936)
Other	(124,746)	(131,859)
Subtotal	414,825	627,687
Interest and dividends received	9,974	11,219
Proceeds from dividends income from affiliates accounted for by equity method	37,777	41,487
Interest paid	(92,307)	(93,674)
Income taxes paid	(55,079)	(72,601)
Net cash provided by (used in) operating activities	315,190	514,118
Cash flows from investing activities		
Net decrease (increase) in short-term investments	2,098	946
Purchase of fixed assets	(172,584)	(157,424)
Proceeds from sales of fixed assets	17,498	12,028
Purchase of leased vehicles	(456,250)	(304,087)
Proceeds from sales of leased vehicles	373,545	369,421
Payments of long-term loans receivable	(39)	(35)
Collection of long-term loans receivable	96	1,877
Purchase of investment securities	(6,504)	(1,836)
Proceeds from sales of investment securities	150,491	—
Purchase of subsidiaries' shares resulting in changes in the scope of consolidation	—	(1,660)
Proceeds from sales of subsidiaries' shares resulting in changes in the scope of consolidation	154	—
Net decrease (increase) in restricted cash	(220,522)	9,284
Proceeds from transfer of business	—	1,201
Other	2,205	8,479
Net cash provided by (used in) investing activities	(309,812)	(61,806)

(Millions of yen)

	Six months ended September 30, 2021 (From April 1, 2021 To September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 To September 30, 2022)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(94,077)	(82,312)
Proceeds from long-term borrowings	505,401	554,651
Proceeds from issuance of bonds	337,901	—
Repayments of long-term borrowings	(1,001,294)	(851,148)
Redemption of bonds	(255,171)	(376,684)
Proceeds from non-controlling shareholders	—	1,650
Purchase of treasury stock	(1)	(1)
Repayments of lease obligations	(23,335)	(28,169)
Cash dividends paid	—	(19,573)
Cash dividends paid to non-controlling interests	(13,798)	(8,016)
Payments from changes in ownership interests in subsidiaries that do not result in change in the scope of consolidation	—	(4)
Net cash provided by (used in) financing activities	(544,374)	(809,606)
Effects of exchange rate changes on cash and cash equivalents	32,411	189,687
Increase (decrease) in cash and cash equivalents	(506,585)	(167,607)
Cash and cash equivalents at the beginning of the period	2,034,026	1,792,692
Increase due to inclusion in consolidation	5,354	427
Cash and cash equivalents at the end of the period	※1 1,532,795	※1 1,625,512

[Notes to Quarterly Consolidated Financial Statements]

(Specific accounting policies adopted in preparing quarterly consolidated financial statements)

Six months ended September 30, 2022
(From April 1, 2022 To September 30, 2022)

(Calculation of tax expense)

Income taxes are determined based on the amount of income before income taxes for the current second quarter ended September 30, 2022 multiplied by the effective tax rate, after adoption of tax-effect accounting, estimated for the entire fiscal year ending March 31, 2023.

Deferred income taxes are included in income taxes.

(Additional information)

Six months ended September 30, 2022
(From April 1, 2022 To September 30, 2022)

(Adoption of the group tax sharing system)

The Company and some of its domestic subsidiaries have transitioned from the consolidated taxation system to the group tax sharing system from the first quarter ended June 30, 2022. Accordingly, corporate, local corporate income taxes, and tax-effect accounting are accounted for and disclosed in accordance with “*Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System*” (PITF No. 42, August 12, 2021. Hereinafter “PITF 42”). In addition, based on Article 32 (1) of PITF 42, the effects of the change in accounting policies due to the adoption of PITF 42 are deemed negligible.

(Exit from Russian market)

The Company has decided to transfer all shares of Nissan Manufacturing RUS, Limited Liability Company (“NMGR”) to the Central Research and Development Automobile Engine Institute (“NAMI”) and exit from the Russian market on October 11, 2022.

The Company has recorded related expenses of ¥24.1 billion under “Special losses”, such as “Loss on valuation of inventories” and “Compensation for suppliers and others” in the current second quarter.

(For quarterly consolidated balance sheets)

1 ※1 “Machinery, equipment and vehicles, net” includes the following assets leased to others under lease agreements.

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2022)	Current second quarter (As of September 30, 2022)
Assets leased to others under lease agreements (lessor)	2,049,047	2,109,193

2 Guarantees and others

Prior fiscal year (As of March 31, 2022)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	(*1) 15,720	Guarantees for employees' housing loans and others
1 foreign rental car company	(*2) 773	Guarantees for loans and others
Total	16,493	

(*1) Allowance for doubtful accounts is provided for these loans mainly based on past experience.

(*2) The guarantee balance of ¥773 million is the guarantees made by a foreign subsidiary to a financial institution that financed vehicles sold to a foreign rental car company. If the foreign rental car company defaults on its obligations, the foreign subsidiary needs to compensate the financial institution for the contractual repurchase price and take possession of the vehicles. The amount stated does not consider monetary amounts the foreign subsidiary could potentially recover from subsequently selling the repossessed vehicles.

(2) Commitments to provide guarantees

Guarantees	Balance of commitments to provide guarantees (Millions of yen)	Description of liabilities guaranteed
Hibikinada Development Co., Ltd.	6	Commitments to provide guarantees for loans

Current second quarter (As of September 30, 2022)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	(*1) 13,931	Guarantees for employees' housing loans and others
1 foreign rental car company	(*2) 707	Guarantees for loans and others
Total	14,638	

(*1) Allowance for doubtful accounts is provided for these loans mainly based on past experience.

(*2) The guarantee balance of ¥707 million is the guarantees made by a foreign subsidiary to a financial institution that financed vehicles sold to a foreign rental car company. If the foreign rental car company defaults on its obligations, the foreign subsidiary needs to compensate the financial institution for the contractual repurchase price and take possession of the vehicles. The amount stated does not consider monetary amounts the foreign subsidiary could potentially recover from subsequently selling the repossessed vehicles.

(2) Commitments to provide guarantees

Guarantees	Balance of commitments to provide guarantees (Millions of yen)	Description of liabilities guaranteed
Hibikinada Development Co., Ltd.	2	Commitments to provide guarantees for loans

3 Contingent Liabilities

- Lawsuits related to Takata's airbag inflators

Mainly in the United States ("U.S.") and Canada various putative class action lawsuits, civil lawsuits and lawsuits by states related to Takata's airbag inflator have been filed against the Company, consolidated subsidiaries and other Original Equipment Manufacturers. The lawsuits allege that the subject airbag inflators did not function properly, and seek, among others, damages for economic losses, incurred costs, decline in the value of vehicles, and, in certain cases, personal injury as well as punitive damages. Most of the class action lawsuits in the U.S. were consolidated into a multi-district litigation, and the court granted final approval to the proposed settlement in February 2018. This settlement payment has been paid in full.

On the other hand, for other ongoing lawsuits, management has not recognized a provision for loss contingencies because as of the date of this report it is not possible to reasonably estimate the amount, if any, of any potential future losses because there are some uncertainties, such as these lawsuits are still in progress.

- Lawsuits related to misstatements in Annual Securities Reports ("Yukashoken-Houkokusho")

As a consequence of misstatements in Annual Securities Reports for each fiscal year in the past, there are some ongoing domestic and foreign lawsuits.

The consolidated financial results may be affected by the progress of legal proceedings.

(For quarterly consolidated statements of cash flows)

※1 Cash and cash equivalents as of the end of the quarter are reconciled to the accounts reported in the quarterly consolidated balance sheets as follows.

	(Millions of yen)	
	Six months ended September 30, 2021 (From April 1, 2021 To September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 To September 30, 2022)
Cash on hand and in banks	1,360,031	1,413,849
Time deposits with maturities of more than three months	—	—
Cash equivalents included in securities (*)	172,764	211,663
Cash and cash equivalents	1,532,795	1,625,512

*These represent short-term, highly liquid investments readily convertible into cash held by foreign subsidiaries.

(For net assets)

Six month period ended September 30, 2021 (From April 1, 2021 To September 30, 2021)

1. Dividends paid

Not applicable.

2. Dividends for which the record date fell in the period from April 1 to September 30, 2021, and the effective date of which was after September 30, 2021

Not applicable.

Six month period ended September 30, 2022 (From April 1, 2022 To September 30, 2022)

1. Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date	Source of dividends
Annual general meeting of the shareholders on June 28, 2022	Common stock	19,573	5	March 31, 2022	June 29, 2022	Retained earnings

Note: Total dividends were obtained by deducting the amount corresponding to the equity of Renault shares held by the Company.

2. Dividends for which the record date fell in the period from April 1 to September 30, 2022, and the effective date of which was after September 30, 2022

Not applicable.

(Segments of an enterprise and related information)

Segment information

1. General information about reportable segments

The reportable segments of the Group are components for which discrete financial information is available and whose operating results are regularly reviewed by the Executive Committee to make decisions about resource allocation and to assess their performance.

Businesses of the Group are segmented into Automobile and Sales financing based on the features of products and services. The Automobile business includes manufacturing and sales of vehicles and parts. The Sales financing business provides sales finance services and leasing to support the sales activities of the Automobile business.

2. Calculation method of net sales and profits or losses by reportable segment

In principle, the accounting method for the reportable segments is the same as the basis of preparation for the quarterly consolidated financial statements.

The segment profits are based on operating income. Inter-segment sales are based on the price in arms-length transactions.

3. Net sales and profits or losses by reportable segment

Six month period ended September 30, 2021 (From April 1, 2021 To September 30, 2021)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Six months ended September 30, 2021
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	3,431,494	515,503	3,946,997	—	3,946,997
Inter-segment sales or transfers	31,150	16,402	47,552	(47,552)	—
Total	3,462,644	531,905	3,994,549	(47,552)	3,946,997
Segment profits (losses)	(90,212)	215,703	125,491	13,640	139,131

Prior second quarter (From July 1, 2021 To September 30, 2021)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Prior second quarter
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	1,685,969	252,781	1,938,750	—	1,938,750
Inter-segment sales or transfers	12,616	8,049	20,665	(20,665)	—
Total	1,698,585	260,830	1,959,415	(20,665)	1,938,750
Segment profits (losses)	(62,134)	118,004	55,870	7,579	63,449

Note 1: Quarterly consolidated financial statements by business segment

- The Sales financing segment consists of NISSAN FINANCIAL SERVICES CO., LTD. (Japan), Nissan Motor Acceptance Company LLC (U.S.A.), NR FINANCE MEXICO, S.A. de C.V. (Mexico), Dongfeng Nissan Auto Finance Co., Ltd. (China), 10 other companies and the sales finance operations of Nissan Canada, Inc. (Canada).
- The financial data on Automobile & Eliminations represents the differences between the consolidated figures and those for the Sales financing segment.

(1) Summarized quarterly consolidated balance sheets by business segment

(Millions of yen)

Accounts	Prior second quarter (As of September 30, 2021)		
	Automobile & Eliminations	Sales financing	Consolidated total
Assets			
I. Current assets			
Cash on hand and in banks	1,244,400	115,631	1,360,031
Trade notes and accounts receivable, and contract assets	311,893	3,287	315,180
Sales finance receivables	(95,184)	5,970,289	5,875,105
Inventories	1,304,185	14,320	1,318,505
Other current assets	477,373	347,876	825,249
Total current assets	3,242,667	6,451,403	9,694,070
II. Fixed assets			
Property, plant and equipment, net	2,191,624	2,084,207	4,275,831
Investment securities	1,034,836	4,433	1,039,269
Other fixed assets	419,043	148,285	567,328
Total fixed assets	3,645,503	2,236,925	5,882,428
III. Deferred assets			
Bond issuance costs	6,589	201	6,790
Total deferred assets	6,589	201	6,790
Total assets	6,894,759	8,688,529	15,583,288
Liabilities			
I. Current liabilities			
Trade notes and accounts payable	1,100,577	37,149	1,137,726
Short-term borrowings	(559,585)	3,772,425	3,212,840
Lease obligations	36,412	696	37,108
Other current liabilities	1,317,497	374,325	1,691,822
Total current liabilities	1,894,901	4,184,595	6,079,496
II. Long-term liabilities			
Bonds	1,253,617	851,938	2,105,555
Long-term borrowings	48,186	1,678,712	1,726,898
Lease obligations	66,116	1,022	67,138
Other long-term liabilities	575,547	461,884	1,037,431
Total long-term liabilities	1,943,466	2,993,556	4,937,022
Total liabilities	3,838,367	7,178,151	11,016,518
Net assets			
I. Shareholders' equity			
Common stock	387,345	218,469	605,814
Capital surplus	637,495	179,391	816,886
Retained earnings	2,790,913	1,004,958	3,795,871
Treasury stock	(138,088)	—	(138,088)
Total shareholders' equity	3,677,665	1,402,818	5,080,483
II. Accumulated other comprehensive income			
Translation adjustments	(762,841)	(41,466)	(804,307)
Others	(107,222)	(8,719)	(115,941)
Total accumulated other comprehensive income	(870,063)	(50,185)	(920,248)
III. Non-controlling interests	248,790	157,745	406,535
Total net assets	3,056,392	1,510,378	4,566,770
Total liabilities and net assets	6,894,759	8,688,529	15,583,288

Notes: 1. The sales finance receivables of Automobile & Eliminations represent the amount eliminated for intercompany transactions related to wholesale finance made by the Sales financing segment.

2. The borrowings of Automobile & Eliminations represent the amount after deducting internal loans receivable from the Sales financing segment amounting to ¥893,183 million.

(2) Summarized quarterly consolidated statements of income by business segment

(Millions of yen)

Accounts	Six months ended September 30, 2021 (From April 1, 2021 To September 30, 2021)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	3,415,092	531,905	3,946,997
Cost of sales	2,950,609	337,646	3,288,255
Gross profit	464,483	194,259	658,742
Operating income as a percentage of net sales	(2.2%)	40.6%	3.5%
Operating income (loss)	(76,572)	215,703	139,131
Financial income / expenses, net	(17,436)	(3)	(17,439)
Other non-operating income and expenses, net	56,055	6,780	62,835
Ordinary income (loss)	(37,953)	222,480	184,527
Income before income taxes	34,078	227,305	261,383
Net income attributable to owners of parent	20,811	147,835	168,646

(3) Summarized quarterly consolidated statements of cash flows by business segment

(Millions of yen)

Accounts	Six months ended September 30, 2021 (From April 1, 2021 To September 30, 2021)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes	34,078	227,305	261,383
Depreciation and amortization	141,032	203,076	344,108
Decrease (increase) in sales finance receivables	(13,935)	412,913	398,978
Others	(501,403)	(187,876)	(689,279)
Net cash provided by (used in) operating activities	(340,228)	655,418	315,190
II. Cash flows from investing activities			
Purchase of investment securities	(6,504)	—	(6,504)
Proceeds from sales of investment securities	150,491	—	150,491
Purchase of fixed assets	(170,732)	(1,852)	(172,584)
Proceeds from sales of fixed assets	10,744	6,754	17,498
Purchase of leased vehicles	—	(456,250)	(456,250)
Proceeds from sales of leased vehicles	—	373,545	373,545
Others	7,188	(223,196)	(216,008)
Net cash provided by (used in) investing activities	(8,813)	(300,999)	(309,812)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(239,760)	145,683	(94,077)
Net change in long-term borrowings and redemption of bonds	(161,010)	(590,054)	(751,064)
Proceeds from issuance of bonds	(8)	337,909	337,901
Others	214,976	(252,110)	(37,134)
Net cash provided by (used in) financing activities	(185,802)	(358,572)	(544,374)
IV. Effect of exchange rate changes on cash and cash equivalents	30,401	2,010	32,411
V. Increase (decrease) in cash and cash equivalents	(504,442)	(2,143)	(506,585)
VI. Cash and cash equivalents at the beginning of the period	1,896,134	137,892	2,034,026
VII. Increase due to inclusion in consolidation	5,354	—	5,354
VIII. Cash and cash equivalents at the end of the period	1,397,046	135,749	1,532,795

Notes:1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥6,684 million eliminated for net increase in internal loans receivable from the Sales financing segment.

2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥49,301 million eliminated for net increase in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

Six month period ended September 30, 2021 (From April 1, 2021 To September 30, 2021)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	858,398	1,851,063	435,728	392,802	409,006	3,946,997	—	3,946,997
(2) Inter-segment sales	672,067	158,313	79,429	234,127	8,173	1,152,109	(1,152,109)	—
Total	1,530,465	2,009,376	515,157	626,929	417,179	5,099,106	(1,152,109)	3,946,997
Operating income (loss)	(92,421)	186,796	(24,292)	39,192	23,494	132,769	6,362	139,131

Prior second quarter (From July 1, 2021 To September 30, 2021)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	441,982	861,264	233,838	192,969	208,697	1,938,750	—	1,938,750
(2) Inter-segment sales	335,547	78,892	37,439	114,607	2,563	569,048	(569,048)	—
Total	777,529	940,156	271,277	307,576	211,260	2,507,798	(569,048)	1,938,750
Operating income (loss)	(42,215)	76,976	(5,247)	18,555	12,453	60,522	2,927	63,449

Notes: 1. Regions represent the location of the Company and its group companies.

2. Areas are segmented based on their geographical proximity and their mutual operational relationship.

3. Major countries and areas which belong to segments other than Japan are as follows:

- (1) North America : The United States of America, Canada and Mexico
- (2) Europe : France, The United Kingdom, Spain, Russia and other European countries
- (3) Asia : China, Thailand, India and other Asian countries
- (4) Other overseas countries: Oceania, Middle East, South Africa, and Central & South America excluding Mexico

Six month period ended September 30, 2022 (From April 1, 2022 To September 30, 2022)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Six months ended September 30, 2022
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	4,151,667	510,583	4,662,250	—	4,662,250
Inter-segment sales or transfers	27,669	8,847	36,516	(36,516)	—
Total	4,179,336	519,430	4,698,766	(36,516)	4,662,250
Segment profits (losses)	(28,323)	171,364	143,041	13,567	156,608

Current second quarter (From July 1, 2022 To September 30, 2022)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Current second quarter
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	2,269,007	255,932	2,524,939	—	2,524,939
Inter-segment sales or transfers	13,422	4,496	17,918	(17,918)	—
Total	2,282,429	260,428	2,542,857	(17,918)	2,524,939
Segment profits (losses)	(786)	84,547	83,761	7,942	91,703

Note 1: Quarterly consolidated financial statements by business segment

- The Sales financing segment consists of NISSAN FINANCIAL SERVICES CO., LTD. (Japan), Nissan Motor Acceptance Company LLC (U.S.A.), NR FINANCE MEXICO, S.A. de C.V. (Mexico), Dongfeng Nissan Auto Finance Co., Ltd. (China), 12 other companies and the sales finance operations of Nissan Canada, Inc. (Canada).
- The financial data on Automobile & Eliminations represents the differences between the consolidated figures and those for the Sales financing segment.

(1) Summarized quarterly consolidated balance sheets by business segment

(Millions of yen)

Accounts	Current second quarter (As of September 30, 2022)		
	Automobile & Eliminations	Sales financing	Consolidated total
Assets			
I. Current assets			
Cash on hand and in banks	1,333,508	80,341	1,413,849
Trade notes and accounts receivable, and contract assets	343,546	6,300	349,846
Sales finance receivables	(115,938)	6,883,850	6,767,912
Inventories	1,823,007	13,071	1,836,078
Other current assets	721,934	104,262	826,196
Total current assets	4,106,057	7,087,824	11,193,881
II. Fixed assets			
Property, plant and equipment, net	2,340,505	2,123,397	4,463,902
Investment securities	1,219,163	3,985	1,223,148
Other fixed assets	534,483	177,203	711,686
Total fixed assets	4,094,151	2,304,585	6,398,736
III. Deferred assets			
Bond issuance costs	5,301	383	5,684
Total deferred assets	5,301	383	5,684
Total assets	8,205,509	9,392,792	17,598,301
Liabilities			
I. Current liabilities			
Trade notes and accounts payable	1,656,589	35,413	1,692,002
Short-term borrowings	(856,843)	3,805,702	2,948,859
Lease obligations	51,122	587	51,709
Other current liabilities	1,516,176	371,990	1,888,166
Total current liabilities	2,367,044	4,213,692	6,580,736
II. Long-term liabilities			
Bonds	1,205,745	973,969	2,179,714
Long-term borrowings	7,257	1,952,609	1,959,866
Lease obligations	91,691	727	92,418
Other long-term liabilities	621,078	570,755	1,191,833
Total long-term liabilities	1,925,771	3,498,060	5,423,831
Total liabilities	4,292,815	7,711,752	12,004,567
Net assets			
I. Shareholders' equity			
Common stock	380,208	225,606	605,814
Capital surplus	637,078	179,391	816,469
Retained earnings	3,133,416	754,178	3,887,594
Treasury stock	(135,903)	—	(135,903)
Total shareholders' equity	4,014,799	1,159,175	5,173,974
II. Accumulated other comprehensive income			
Translation adjustments	(209,158)	281,848	72,690
Others	(160,990)	22,943	(138,047)
Total accumulated other comprehensive income	(370,148)	304,791	(65,357)
III. Non-controlling interests	268,043	217,074	485,117
Total net assets	3,912,694	1,681,040	5,593,734
Total liabilities and net assets	8,205,509	9,392,792	17,598,301

Notes: 1. The sales finance receivables of Automobile & Eliminations represent the amount eliminated for intercompany transactions related to wholesale finance made by the Sales financing segment.

2. The borrowings of Automobile & Eliminations represent the amount after deducting internal loans receivable from the Sales financing segment amounting to ¥1,451,416 million.

(2) Summarized quarterly consolidated statements of income by business segment

(Millions of yen)

Accounts	Six months ended September 30, 2022 (From April 1, 2022 To September 30, 2022)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	4,142,820	519,430	4,662,250
Cost of sales	3,572,884	318,784	3,891,668
Gross profit	569,936	200,646	770,582
Operating income as a percentage of net sales	(0.4%)	33.0%	3.4%
Operating income (loss)	(14,756)	171,364	156,608
Financial income / expenses, net	(16,584)	(11)	(16,595)
Other non-operating income and expenses, net	68,311	(11,391)	56,920
Ordinary income	36,971	159,962	196,933
Income before income taxes	9,352	163,950	173,302
Net income (loss) attributable to owners of parent	(41,242)	105,717	64,475

(3) Summarized quarterly consolidated statements of cash flows by business segment

(Millions of yen)

Accounts	Six months ended September 30, 2022 (From April 1, 2022 To September 30, 2022)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes	9,352	163,950	173,302
Depreciation and amortization	169,433	181,929	351,362
Decrease (increase) in sales finance receivables	6,270	273,260	279,530
Others	(142,358)	(147,718)	(290,076)
Net cash provided by (used in) operating activities	42,697	471,421	514,118
II. Cash flows from investing activities			
Purchase of investment securities	(1,396)	(440)	(1,836)
Purchase of fixed assets	(156,071)	(1,353)	(157,424)
Proceeds from sales of fixed assets	6,032	5,996	12,028
Purchase of leased vehicles	—	(304,087)	(304,087)
Proceeds from sales of leased vehicles	—	369,421	369,421
Others	10,775	9,317	20,092
Net cash provided by (used in) investing activities	(140,660)	78,854	(61,806)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(527,663)	445,351	(82,312)
Net change in long-term borrowings and redemption of bonds	(19,917)	(653,264)	(673,181)
Others	306,066	(360,179)	(54,113)
Net cash provided by (used in) financing activities	(241,514)	(568,092)	(809,606)
IV. Effect of exchange rate changes on cash and cash equivalents	179,705	9,982	189,687
V. Increase (decrease) in cash and cash equivalents	(159,772)	(7,835)	(167,607)
VI. Cash and cash equivalents at the beginning of the period	1,700,990	91,702	1,792,692
VII. Increase due to inclusion in consolidation	427	—	427
VIII. Cash and cash equivalents at the end of the period	1,541,645	83,867	1,625,512

Notes:1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥487,374 million eliminated for a net increase in internal loans receivable from the Sales financing segment.

2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥32,426 million eliminated for a net decrease in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

Six month period ended September 30, 2022 (From April 1, 2022 To September 30, 2022)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	897,593	2,349,201	475,019	404,075	536,362	4,662,250	—	4,662,250
(2) Inter-segment sales	817,613	189,583	80,651	266,252	4,415	1,358,514	(1,358,514)	—
Total	1,715,206	2,538,784	555,670	670,327	540,777	6,020,764	(1,358,514)	4,662,250
Operating income (loss)	(95,594)	174,931	(6,166)	46,767	41,164	161,102	(4,494)	156,608

Current second quarter (From July 1, 2022 To September 30, 2022)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	485,552	1,284,675	252,026	218,386	284,300	2,524,939	—	2,524,939
(2) Inter-segment sales	495,384	88,649	43,080	145,699	2,555	775,367	(775,367)	—
Total	980,936	1,373,324	295,106	364,085	286,855	3,300,306	(775,367)	2,524,939
Operating income (loss)	(43,899)	98,088	(6,471)	27,473	19,593	94,784	(3,081)	91,703

Notes: 1. Regions represent the location of the Company and its group companies.

2. Areas are segmented based on their geographical proximity and their mutual operational relationship.

3. Major countries and areas which belong to segments other than Japan are as follows:

- (1) North America : The United States of America, Canada and Mexico
- (2) Europe : France, The United Kingdom, Spain, Russia and other European countries
- (3) Asia : China, Thailand, India and other Asian countries
- (4) Other overseas countries: Oceania, Middle East, South Africa, and Central & South America excluding Mexico

4. Information about the impairment loss on fixed assets by reportable segment

Six month period ended September 30, 2021 (From April 1, 2021 To September 30, 2021)

There were no significant impairment losses on fixed assets in the reportable segments for the six months ended September 30, 2021.

Six month period ended September 30, 2022 (From April 1, 2022 To September 30, 2022)

There were no significant impairment losses on fixed assets in the reportable segments for the six months ended September 30, 2022.

5. Information about goodwill by reportable segment

Six month period ended September 30, 2021 (From April 1, 2021 To September 30, 2021)

There were no significant changes in the reported amounts of goodwill in the reportable segments for the six months ended September 30, 2021.

Six month period ended September 30, 2022 (From April 1, 2022 To September 30, 2022)

There were no significant changes in the reported amounts of goodwill in the reportable segments for the six months ended September 30, 2022.

6. Information about the gain recognized on negative goodwill by reportable segment

Six month period ended September 30, 2021 (From April 1, 2021 To September 30, 2021)

There were no significant gains recognized on negative goodwill in the reportable segments for the six months ended September 30, 2021.

Six month period ended September 30, 2022 (From April 1, 2022 To September 30, 2022)

There were no significant gains recognized on negative goodwill in the reportable segments for the six months ended September 30, 2022.

7. Information about geographical areas

Net sales

Six month period ended September 30, 2021 (From April 1, 2021 To September 30, 2021)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
731,118	1,786,079	1,417,425	485,635	468,646	475,519	3,946,997

Prior second quarter (From July 1, 2021 To September 30, 2021)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
372,500	827,067	649,636	259,554	238,038	241,591	1,938,750

Notes: 1. Regions represent customers' location.

2. Areas are segmented based on their geographical proximity and their mutual operational relationship.

3. Major countries and areas which belong to segments other than Japan are as follows:

- (1) North America : The United States of America, Canada and Mexico
- (2) Europe : France, The United Kingdom, Spain, Russia and other European countries
- (3) Asia : China, Thailand, India and other Asian countries
- (4) Other overseas countries : Oceania, Middle East, South Africa, Central & South America excluding Mexico, etc.

Six month period ended September 30, 2022 (From April 1, 2022 To September 30, 2022)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
797,932	2,263,528	1,817,980	529,027	469,834	601,929	4,662,250

Current second quarter (From July 1, 2022 To September 30, 2022)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
437,058	1,239,717	1,016,574	281,754	253,106	313,304	2,524,939

Notes: 1. Regions represent customers' location.

2. Areas are segmented based on their geographical proximity and their mutual operational relationship.

3. Major countries and areas which belong to segments other than Japan are as follows:

- (1) North America : The United States of America, Canada and Mexico
- (2) Europe : France, The United Kingdom, Spain, Russia and other European countries
- (3) Asia : China, Thailand, India and other Asian countries
- (4) Other overseas countries : Oceania, Middle East, South Africa, Central & South America excluding Mexico, etc.

(Revenue recognition)

Information about breakdown of revenue from contracts with customers

Six month period ended September 30, 2021 (From April 1, 2021 To September 30, 2021)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	669,736	19,321	689,057
North America	1,389,878	47,189	1,437,067
of which U.S.A.	1,143,814	566	1,144,380
Europe	483,693	—	483,693
Asia	417,709	1,159	418,868
Other overseas countries	459,190	1,816	461,006
Revenue from contracts with customers	3,420,206	69,485	3,489,691
Revenue from the other sources	11,288	446,018	457,306
Sales to third parties	3,431,494	515,503	3,946,997

Prior second quarter (From July 1, 2021 To September 30, 2021)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	341,949	9,754	351,703
North America	633,609	21,158	654,767
of which U.S.A.	515,234	566	515,800
Europe	258,973	—	258,973
Asia	212,555	688	213,243
Other overseas countries	233,838	898	234,736
Revenue from contracts with customers	1,680,924	32,498	1,713,422
Revenue from the other sources	5,045	220,283	225,328
Sales to third parties	1,685,969	252,781	1,938,750

Note: Revenue from the other sources consists mainly of proceeds from interest, etc. based on Accounting Standards Board of Japan (ASBJ) Statement No. 10 "Accounting Standard for Financial Instruments" and lease revenue based on ASBJ Statement No. 13 "Accounting Standard for Lease Transactions." These include revenue recognized under International Financial Reporting Standards (IFRS) 9 "Financial Instruments" and IFRS 16 "Leases" as well as standards for financial instruments such as Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 310 "Receivables" and ASC 842 "Leases" that are adopted by foreign subsidiaries.

Six month period ended September 30, 2022 (From April 1, 2022 To September 30, 2022)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	738,173	18,767	756,940
North America	1,874,710	41,984	1,916,694
of which U.S.A.	1,557,118	839	1,557,957
Europe	527,364	—	527,364
Asia	416,052	928	416,980
Other overseas countries	585,202	2,043	587,245
Revenue from contracts with customers	4,141,501	63,722	4,205,223
Revenue from the other sources	10,166	446,861	457,027
Sales to third parties	4,151,667	510,583	4,662,250

Current second quarter (From July 1, 2022 To September 30, 2022)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	407,513	9,194	416,707
North America	1,044,514	19,957	1,064,471
of which U.S.A.	885,153	639	885,792
Europe	281,169	—	281,169
Asia	226,216	446	226,662
Other overseas countries	304,672	1,033	305,705
Revenue from contracts with customers	2,264,084	30,630	2,294,714
Revenue from the other sources	4,923	225,302	230,225
Sales to third parties	2,269,007	255,932	2,524,939

Note: Revenue from the other sources consists mainly of proceeds from interest, etc. based on Accounting Standards Board of Japan (ASBJ) Statement No. 10 “Accounting Standard for Financial Instruments” and lease revenue based on ASBJ Statement No. 13 “Accounting Standard for Lease Transactions.” These include revenue recognized under International Financial Reporting Standards (IFRS) 9 “Financial Instruments” and IFRS 16 “Leases” as well as standards for financial instruments such as Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 310 “Receivables” and ASC 842 “Leases” that are adopted by foreign subsidiaries.

(Amounts per share)

Basic earnings per share, diluted earnings per share and the basis for calculation thereof are as follows.

	Six months ended September 30, 2021 (From April 1, 2021 To September 30, 2021)	Six months ended September 30, 2022 (From April 1, 2022 To September 30, 2022)
(1) Basic earnings per share	¥43.09	¥16.47
(Basis for calculation)		
Net income attributable to owners of parent (Millions of yen)	168,646	64,475
Net income attributable to owners of parent relating to common stock (Millions of yen)	168,646	64,475
Average number of shares of common stock during the period (Thousands of shares)	3,913,849	3,914,670
(2) Diluted earnings per share	¥43.09	¥16.47
(Basis for calculation)		
Adjustment in net income attributable to owners of parent (Millions of yen)	—	—
Increase in shares of common stock (Thousands of shares)	—	—
Any significant changes from the prior fiscal year-end in potential securities excluded from the computation of diluted earnings per share because they do not have dilutive effects	—	—

(Significant subsequent events)

The Company and NMGR, a wholly owned subsidiary of the Company which manufactures and sells automobiles and parts in the Russian market, suspended production at its plant in Sankt-Petersburg in March 2022, due to supply chain disruptions. The Company and NMGR have been monitoring the situation closely, but there is no visibility of external environment changing. For this reason, the Company has decided to transfer all shares of NMGR to NAMI and exit from the Russian market on October 11, 2022. The sale is expected to be formalized following approvals from the relevant authorities. The terms of the sale would allow the Company the option to buy back the entity and its operations within the next six years.

The Company expects to incur an extraordinary loss of approximately ¥100 billion in total related to the transfer of NMGR shares to NAMI. The extraordinary loss includes the loss on transfer of receivables from NMGR, the loss on reversal of currency translation adjustments, and other items.

The Company has recorded relevant extraordinary loss of ¥24.1 billion to such as Loss on valuation of inventories, Compensation for suppliers and others in the current second quarter.

2. Other

Significant lawsuits, etc. relating to operations and other matters

- Lawsuits related to Takata's airbag inflators

Mainly in the United States ("U.S.") and Canada various putative class action lawsuits, civil lawsuits and lawsuits by states related to Takata's airbag inflator have been filed against the Company, consolidated subsidiaries and other Original Equipment Manufacturers. The lawsuits allege that the subject airbag inflators did not function properly, and seek, among others, damages for economic losses, incurred costs, decline in the value of vehicles, and, in certain cases, personal injury as well as punitive damages. Most of the class action lawsuits in the U.S. were consolidated into a multi-district litigation, and the court granted final approval to the proposed settlement in February 2018. This settlement payment has been paid in full. At present, there are some ongoing lawsuits other than the above.

- Lawsuits related to misstatements in Annual Securities Reports ("Yukashoken-Houkokusho")

As a consequence of misstatements in Annual Securities Reports for each fiscal year in the past, there are some ongoing domestic and foreign lawsuits.

- Litigation for damages related to vehicle distribution agreement dispute

On July 4, 2019, Al Dahana filed a lawsuit against the Company, its consolidated subsidiary, Nissan Middle East FZE and its equity-method affiliate, Nissan Gulf FZCO, in the Dubai Court of First Instance in relation to a vehicle distribution agreement dispute. On September 29, 2021, the Dubai Court of First Instance ruled that the Company and Nissan Middle East FZE must pay AED 1,159,777,806.50 plus interest. The Company, Nissan Middle East FZE, and Al Dahana had appealed against this court judgment.

On June 8, 2022, the Dubai Court of Appeal reversed the judgment of the Dubai Court of First Instance. The Company, Nissan Middle East FZE, and Al Dahana filed further appeals to the Dubai Court of Cassation, but on September 14, 2022, the Dubai Court of Cassation overturned the Dubai Court of Appeal's June judgment and remitted the case back to the Dubai Court of Appeal for a new judgement upon further review. The Company maintains that it has fully complied with its contractual obligations and will continue to challenge the claims brought by Al Dahana.

Part II Information on Guarantors for the Company

Not applicable.

(For Translation Purposes Only)

Independent Auditor's Quarterly Review Report

November 10, 2022

The Board of Directors
Nissan Motor Co., Ltd.

Ernst & Young ShinNihon LLC
Tokyo, Japan

Designated and Engagement Partner Certified Public Accountant	Koki Ito
Designated and Engagement Partner Certified Public Accountant	Masanori Enomoto
Designated and Engagement Partner Certified Public Accountant	Takayuki Ando
Designated and Engagement Partner Certified Public Accountant	Masao Yamamoto

Auditor's Conclusion

Pursuant to Article 193-2, Section 1 of the Financial Instruments and Exchange Act of Japan, we have reviewed the accompanying quarterly consolidated financial statements of Nissan Motor Co., Ltd. and its consolidated subsidiaries (the "Group"), which comprise the quarterly consolidated balance sheet as of September 30, 2022, the quarterly consolidated statements of income, comprehensive income, and cash flows for the three-month and six-month periods then ended, and the related notes included in "Financial Information".

Based on our review, nothing has come to our attention that causes us to believe that the accompanying quarterly consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group at September 30, 2022, and the consolidated results of their operations for the three-month and six-month periods then ended and their cash flows for the six-month period then ended in accordance with accounting principles for quarterly consolidated financial statements generally accepted in Japan.

Basis for Auditor's Conclusion

We conducted our review in accordance with review standards for quarterly financial statements generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Review of the Quarterly Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our review of the financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that we have obtained evidence to provide a basis for our conclusion.

Management's and the Audit Committee's Responsibilities for the Quarterly Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these quarterly consolidated financial statements in accordance with accounting principles for quarterly consolidated financial statements generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles for quarterly consolidated financial statements generally accepted in Japan, matters related to going concern.

The Audit Committee is responsible for overseeing the duties of executive officers and directors in designing and operating the Group's financial reporting process.

Auditor's Responsibilities for the Review of the Quarterly Consolidated Financial Statements

Our objective is to issue an auditor's quarterly review report that includes our conclusion from an independent standpoint.

As part of a review in accordance with review standards for quarterly financial statements generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the quarterly review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other quarterly review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- If we determine that a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, then we conclude, based on the evidence obtained, on whether anything has come to our attention that causes us to believe that the quarterly consolidated financial statements are not presented fairly in accordance with accounting principles for quarterly consolidated financial statements generally accepted in Japan. Additionally, if we conclude that a material uncertainty exists, we are required to draw attention in our auditor's quarterly review report to the related disclosures in the quarterly consolidated financial statements or, if such disclosures are inadequate, to express a qualified conclusion or adverse conclusion. Our conclusions are based on the evidence obtained up to the date of our auditor's quarterly review report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the quarterly consolidated financial statements, including the disclosures, and whether anything has come to our attention that causes us to believe that the quarterly consolidated financial statements do not represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles for quarterly consolidated financial statements generally accepted in Japan.
- Obtain evidence regarding the financial information of the entities or business activities within the Group to express a conclusion on the quarterly consolidated financial statements. We are responsible for the direction, supervision and performance of the review of the quarterly consolidated financial statements. We remain solely responsible for our conclusion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the quarterly review and significant review findings.

We also provide the Audit Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our review of the financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Interest required to be disclosed by the Certified Public Accountants Act of Japan

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

Notes:

1. The original copy of the above Independent Auditor's Quarterly Review Report is in the custody of the Company—the submitter of this Quarterly Securities Report.
2. The XBRL data is not included in the scope of Quarterly Review.

【Cover】

【Document Submitted】	Confirmation Note
【Article of the Applicable Law Requiring Submission of This Document】	Article 24-4-8, Paragraph 1 of the Financial Instruments and Exchange Act
【Filed to】	Director, Kanto Local Finance Bureau
【Date of Submission】	November 11, 2022
【Company Name】	Nissan Jidosha Kabushiki-Kaisha
【Company Name (in English)】	Nissan Motor Co., Ltd.
【Position and Name of Representative】	Makoto Uchida, Representative Executive Officer, President and Chief Executive Officer
【Position and Name of Chief Financial Officer】	Stephen Ma, Executive Officer, Chief Financial Officer
【Location of Head Office】	2, Takaracho, Kanagawa-ku, Yokohama-shi, Kanagawa
【Place Where Available for Public Inspection】	Tokyo Stock Exchange, Inc. 2-1, Nihonbashi Kabutocho, Chuo-ku, Tokyo

1. Accuracy of the Descriptions in This Quarterly Securities Report

Makoto Uchida, Representative Executive Officer, President and Chief Executive Officer of Nissan Motor Co., Ltd., and Stephen Ma, Executive Officer, Chief Financial Officer have confirmed that this Quarterly Securities Report “Shihanki-Houkokusho” for the second quarter (from July 1, 2022 to September 30, 2022) of the 124th Fiscal Term is reasonably and fairly described in accordance with the Financial Instruments and Exchange Act.

2. Special Affairs

There are no noteworthy matters that are pertinent to this Quarterly Securities Report.