

# **Quarterly Securities Report**

First Quarter of FY2021

(From April 1, 2021 To June 30, 2021)

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

## **Nissan Motor Co., Ltd.**

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<b>【Document Submitted】</b>	Quarterly Securities Report (“Shihanki-Houkokusho”)
<b>【Article of the Applicable Law Requiring Submission of This Document】</b>	Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act
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<b>【Accounting Period】</b>	First Quarter of the 123rd Fiscal Year (From April 1, 2021 To June 30, 2021)
<b>【Company Name】</b>	Nissan Jidosha Kabushiki-Kaisha
<b>【Company Name (in English)】</b>	Nissan Motor Co., Ltd.
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# Part I Information on the Company

## 1. Overview of the Company

### 1. Key financial data and trends

Fiscal year		122nd Prior first quarter	123rd Current first quarter	122nd
Accounting period		(From April 1, 2020 To June 30, 2020)	(From April 1, 2021 To June 30, 2021)	(From April 1, 2020 To March 31, 2021)
Net sales	Millions of yen	1,174,194	2,008,247	7,862,572
Ordinary income (loss)	Millions of yen	(232,280)	90,287	(221,230)
Net income (loss) attributable to owners of parent	Millions of yen	(285,589)	114,531	(448,697)
Comprehensive income	Millions of yen	(311,275)	163,303	(41,928)
Net assets	Millions of yen	4,054,703	4,488,577	4,339,826
Total assets	Millions of yen	15,830,833	15,888,380	16,452,068
Basic earnings (loss) per share	Yen	(73.00)	29.26	(114.67)
Diluted earnings per share	Yen	—	29.26	—
Net assets as a percentage of total assets	%	23.4	25.7	24.0
Cash flows from operating activities	Millions of yen	20,539	211,732	1,322,789
Cash flows from investing activities	Millions of yen	(206,085)	(79,222)	(369,121)
Cash flows from financing activities	Millions of yen	10,176	(293,116)	(639,692)
Cash and cash equivalents at end of the period	Millions of yen	1,460,734	1,903,448	2,034,026

Notes: 1. Non-consolidated financial data is not presented as Nissan Motor Co., Ltd. (the “Company”) prepares quarterly consolidated financial statements.

2. Diluted earnings per share for the first quarter of the 122nd fiscal year and the 122nd fiscal year is not presented because a net loss per share was recorded although potential dilutive stock existed.

3. “Accounting Standard for Revenue Recognition” (Accounting Standards Board of Japan (ASBJ) Statement No. 29, March 31, 2020) and other standards have been applied from the beginning of the three months ended June 30, 2021. Key financial data, etc. concerning the three months ended June 30, 2021 is presented as figures after the adoption of these accounting standards, etc.

### 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 three months ended June 30, 2021. No changes were made to major subsidiaries and affiliates.

## 2. Business Overview

### 1. Business and other risks

During the three months ended June 30, 2021, 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.

### 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 June 30, 2021, the end of the current first quarter.

“Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and related guidelines have been adopted from the beginning of the current first quarter. For details, please refer to “4. Financial Information [Notes to Quarterly Consolidated Financial Statements] (Changes in accounting policies)”.

#### (1) Financial position and operating results

The global industry volume totaled 20.77 million units for the three months ended June 30, 2021, an increase of 66.3% from the corresponding period of the last year (the “last year”). Global sales of the Group for the three months ended June 30, 2021 increased by 62.9% year on year to 1,048 thousand units and net sales of the Group for the three months ended June 30, 2021, totaled ¥2,008.2 billion, which represents an increase of ¥834.0 billion (71.0%) relative to net sales for the last year. An operating income of ¥75.7 billion was recorded, improved by ¥229.6 billion from the last year.

Net non-operating income of ¥14.6 billion was recorded for the three months ended June 30, 2021, improved by ¥93.0 billion from the last year. As a result, an ordinary income of ¥90.3 billion was recorded, improved by ¥322.6 billion compared with the last year. Net special income of ¥80.2 billion was recorded, improved by ¥152.5 billion from the last year. An income before income taxes of ¥170.5 billion was recorded, improved by ¥475.1 billion from the last year. Finally, a net income attributable to owners of parent for the three months ended June 30, 2021 of ¥114.5 billion was recorded, an improvement of ¥400.1 billion from the last year.

#### (2) Cash flows

Cash and cash equivalents at June 30, 2021 decreased by ¥130.6 billion (6.4%) from the end of the prior fiscal year to ¥1,903.4 billion. This reflected ¥211.7 billion in net cash provided by operating activities, ¥79.2 billion in net cash used in investing activities and ¥293.1 billion in net cash used in financing activities, as well as an increase of ¥25.2 billion in the effects of foreign exchange rate movements on cash and cash equivalents and an increase of ¥4.8 billion due to change in the scope of consolidation.

#### (3) Production and sales

##### Actual production

Location of manufacturers	Number of vehicles produced (units)		Change (units)	Change (%)
	Prior first quarter	Current first quarter		
Japan	59,611	104,059	44,448	74.6
The United States of America	26,235	103,456	77,221	294.3
Mexico	36,430	123,646	87,216	239.4
The United Kingdom	7,008	28,264	21,256	303.3
Spain	224	7,944	7,720	3,446.4
Russia	2,519	9,543	7,024	278.8
Thailand	6,232	27,008	20,776	333.4
Philippines	639	—	(639)	—
India	3,642	38,933	35,291	969.0
South Africa	—	5,020	5,020	—
Brazil	23	11,118	11,095	48,239.1
Argentina	389	5,253	4,864	1,250.4
Egypt	1,905	4,755	2,850	149.6
Total	144,857	468,999	324,142	223.8

Note: The figures represent the production figures for the 3-month period from April 1 to June 30, 2021.

Actual sales

Sales to	Number of vehicles sold (on a consolidated basis: units)		Change (units)	Change (%)
	Prior first quarter	Current first quarter		
Japan	76,925	95,023	18,098	23.5
North America	126,747	243,301	116,554	92.0
(The United States of America included therein)	101,326	190,127	88,801	87.6
Europe	30,257	63,049	32,792	108.4
Asia	18,972	53,658	34,686	182.8
Other overseas countries	28,753	95,148	66,395	230.9
Total	281,654	550,179	268,525	95.3

Note: The figures in China and Taiwan, which are included in “Asia” represent the sales figures for the 3-month period from January 1 to March 31, 2021. Those sold in Japan, North America, Europe, Other overseas countries and Asia (excluding China and Taiwan) represent vehicles sold for the 3-month period from April 1 to June 30, 2021.

(4) Results of segments

(Business segments)

a. Automobiles

The Group’s worldwide automobile sales (on a retail basis) for the three months ended June 30, 2021, increased by 404 thousand units (62.9%) from the last year to 1,048 thousand units. The number of vehicles sold in Japan increased by 6.8% to 90 thousand units. Vehicles sold in China increased by 70.6% to 352 thousand units. Those sold in North America including Mexico and Canada increased by 70.3% to 378 thousand units, those sold in Europe increased by 68.5% to 91 thousand units and those sold in other overseas countries increased by 77.7% to 136 thousand units.

Net sales in the automobile business (including intersegment sales) for the three months ended June 30, 2021 increased by ¥819.4 billion (86.8%) from the last year to ¥1,764.0 billion. An operating loss of ¥28.1 billion was recorded, an improvement of ¥193.9 billion from the last year. Major profit-improving factors were an increase in the number of vehicles sold and the favorable effect of a reduction in costs.

b. Sales finance

Net sales in the sales finance business (including intersegment sales) for the three months ended June 30, 2021 increased by ¥7.2 billion (2.7%) from the last year to ¥271.1 billion. Operating income increased by ¥34.7 billion (55.0%) from the last year to ¥97.7 billion. A major profit-increasing factor was an increase in profit of sales finance companies in the United States of America.

(Geographic segment)

a. Japan

In the Japan market, the total industry volume (“TIV”) increased by 23.8% year on year to 1.04 million units. The Group’s sales increased by 6.8% from the last year to 90 thousand units. The Group’s market share decreased to 8.6%, down 1.4 percentage points year on year.

As a result, net sales in Japan (including intersegment sales) for the three months ended June 30, 2021 increased by ¥279.8 billion (59.1%) from the last year to ¥752.9 billion. The Group recorded an operating loss of ¥50.2 billion, improving by ¥73.1 billion from the last year. A major profit-improving factor was an increase in the number of vehicles sold (including exports).

b. North America

In North America market, including Mexico and Canada, TIV increased by 51.7% to 5.15 million units. The Group’s sales in North America increased by 70.3% to 378 thousand units.

As a result, net sales in North America (including intersegment sales) for the three months ended June 30, 2021 increased by ¥495.5 billion (86.4%) to ¥1,069.2 billion. The Group recorded an operating income of ¥109.8 billion, improving by ¥135.6 billion from the last year. Major profit-improving factors were an increase in the number of vehicles sold and reductions in fixed costs and incentives.

In the United States of America market, TIV increased by 50.2% to 4.41 million units. The Group sold 298 thousand units, up 68.1% from the last year. The Group’s market share increased by 0.8 percentage points to 6.8%.

- c. Europe  
In the Europe market, TIV increased by 71.0% to 4.60 million units. The Group sold 79 thousand units in the Europe market, excluding Russia, up 79.9% from the last year. The Group's market share decreased by 0.1 percentage points to 1.9%. In addition, the Group's sales in Russia increased by 19.6% to 12 thousand units. As a result, net sales in Europe (including intersegment sales) for the three months ended June 30, 2021 were ¥243.9 billion, an increase of ¥136.8 billion (127.6%) from the last year. Operating loss of ¥19.0 billion was recorded, deteriorating by ¥1.6 billion from the last year. There was an increase in certain cost and impact due to foreign exchange and other factors.
- d. Asia  
Sales volume in the Asia market, excluding China, increased by 46.8% to 34 thousand units. Net sales in Asia (including intersegment sales) for the three months ended June 30, 2021 increased by ¥115.5 billion (56.7%) from the last year to ¥319.4 billion. Operating income for the three months ended June 30, 2021 was ¥20.6 billion, an increase of ¥12.8 billion (165.1%) from the last year.  
In the China market, TIV increased by 75.2% to 5.88 million units. The Group's sales in China increased by 70.6% from the last year to 352 thousand units, accounting for a market share of 6.0%, down 0.2 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 increased by 91.1% to 102 thousand units.  
As a result, net sales in other markets consisting of the aforementioned regions (including intersegment sales) for the three months ended June 30, 2021 increased by ¥141.9 billion (221.7%) from the last year to ¥205.9 billion. An operating income of ¥11.0 billion was recorded, improving by ¥15.7 billion 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 ¥191.2 billion to ¥211.7 billion in the three months ended June 30, 2021 from ¥20.5 billion provided in the last year. This was mainly attributable to an increase in revenue resulting from sales volume increase. Net cash from operating activities in sales finance business decreased from the last year.

###### (Cash flows from investing activities)

Net cash used in investing activities decreased by ¥126.9 billion to ¥79.2 billion in the three months ended June 30, 2021 from ¥206.1 billion used in the last year. This was mainly attributable to an increase in proceeds from sales of investment securities.

###### (Cash flows from financing activities)

Net cash used by financing activities was ¥293.1 billion in the three months ended June 30, 2021, an increase in cash outflows of ¥303.3 billion compared with ¥10.2 billion provided in the last year. This was mainly due to a decrease in proceeds from long-term borrowings.

As the cash and cash equivalents in the automobile business at June 30, 2021 exceeded interest-bearing debt, the Group had a net cash position of ¥744.8 billion, and the free cash flows in the automobile business for the current first quarter were negative ¥174.4 billion.

Information by segments is as follows:

Prior first quarter (From April 1, 2020 To June 30, 2020)

	(Millions of yen)		
	Automobile & Eliminations	Sales financing	Consolidated total
Cash flows from operating activities	(711,198)	731,737	20,539
Cash flows from investing activities	(104,489)	(101,596)	(206,085)
Cash flows from financing activities	599,560	(589,384)	10,176

Current first quarter (From April 1, 2021 To June 30, 2021)

	(Millions of yen)		
	Automobile & Eliminations	Sales financing	Consolidated total
Cash flows from operating activities	(242,095)	453,827	211,732
Cash flows from investing activities	67,702	(146,924)	(79,222)
Cash flows from financing activities	(48,086)	(245,030)	(293,116)

Comparison to prior first quarter

	(Millions of yen)		
	Automobile & Eliminations	Sales financing	Consolidated total
Cash flows from operating activities	469,103	(277,910)	191,193
Cash flows from investing activities	172,191	(45,328)	126,863
Cash flows from financing activities	(647,646)	344,354	(303,292)

#### b. Financial policies

The Group had ¥1,699.4 billion of cash and cash equivalents in the automobile business and the Group had approximately ¥2,000.0 billion of committed lines available for drawing as of June 30, 2021. In addition to securing funding in the normal course of its business, the Company and its subsidiaries secured additional funds to meet cash needs due to the impact of COVID-19 in an aggregate amount of ¥ 2,385.1 billion with multiple financial institutions after April 2020 including issuing EUR and USD denominated bonds, and as of the filing date of this Securities Report, ¥449.4 billion has been repaid. 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. As part of this effort, by the early 2030s every all-new Nissan vehicle offering in key markets will be electrified. The Group will pursue further innovations in electrification and manufacturing technology to make progress on the company’s carbon neutrality goal. Also in Japan, under the “Electrify Japan = Blue Switch” action, the Group is making efforts to solve local issues and realize a sustainable society by using electric vehicles as mobile storage batteries in collaboration with local governments and companies across the country.

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.

Over the years, the Company expanded its business scale (production capacity) centered on emerging markets with the assumption that demand will increase. The Company adopted a stretched growth strategy that placed the highest

priority on sales volume. While this strategy resulted in temporary success, it postponed necessary investments in products and technologies. As a result, the Company was forced to rely on excessive incentives for sales, thus resulting in a damaged brand. Promoting a sales expansion strategy without properly allocating management resources led to the current poor business performance.

In order for the Company to recover, it is necessary to fundamentally revise the way in which its conventional businesses proceed and many strict efforts is required. At the same time, it means that all employees must work together to devote themselves to creating a brand that fits Nissan's name. By the end of fiscal year 2023, the Company's major mission is to rebuild its business foundation to compete in the next decade and move the Company to a new stage.

The Company needs to be reformed to achieve this goal. The Company devised a powerful strategy to bring out its true strengths of potential, diversity and manufacturing. The Company will concentrate its efforts on building a solid financial foundation and globally competitive products. The Company will bring out its true value through major changes to recover a sustainable business. To that end, the Company is focusing on two priority areas.

The first is optimization. The Company is executing a solid plan aimed at structural reforms in the business, cost reduction and efficiency improvement. The Company is focusing on expanding profits, improving profitability and extending its strengths, regardless of scale and market share, to become leaner. As a concrete measure, the Company is optimizing its production capacity and organize its global product lineup. Both of these involve tough decisions but they are important activities that enable significant reductions in fixed costs.

The second is priority and focus. The Company is refocusing its efforts on core competencies in priority markets, main products and priority technologies while leveraging the power of the Alliance. Through creation of products that change the perspective of customers, the Company will establish a business foundation that allows it to challenge the competition more strongly than ever.

By implementing the plan, 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.

The road to recovery is not easy but the Company will put forth its entire power to overcome it. Although the automobile industry has reached a major turning point, the Company aims to become a company of great value, which is needed by society, by fulfilling its role while maximizing its strengths toward the realization of a future mobility society.

The Company, Renault and MITSUBISHI MOTORS CORPORATION (hereinafter the "member companies"), the members of one of the world's leading automotive alliances, announced on May 27, 2020, several initiatives as part of a new cooperation business model to enhance the competitiveness and profitability of the member companies. The member companies plan to build on existing Alliance benefits in areas such as joint purchasing by leveraging their respective leadership positions and geographic strengths to support their partners' business development. This new business model will enable members companies to bring out the most of their expertise and competitiveness to reinforce the Alliance as a whole in a radically changing global automotive environment.

Nissan will recover by the end of FY2023 and generate healthy free cash flows in the automobile segment. 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) FY2021 business environment and major Key Performance Indicators

As to the automobile industry for the three months ended June 30, 2021, it rebounded from an economic downturn due to the spread of COVID-19 globally and both total industry volumes and the Group sales increased from last year. Although the company expects business risks, such as increases in raw material prices, are still significant and uncertainties exist across our operating environment, the company continues to improve quality of sales.

Given this environment, the NISSAN NEXT, the four-year plan to achieve sustainable growth, financial stability and profitability by the end of fiscal-year 2023 is in progress as planned.

The company revised its forecast for FY2021 as net sales to ¥9.75 trillion, operating income to ¥150 billion, and net income attributable to shareholders of the parent company to ¥60 billion. The sales volume forecast of 4,400 thousand units remains unchanged.

(8) Operating and financial issues to be addressed

Operating and financial issues to be addressed by the Group occurring during the three months ended June 30, 2021, are as follows.

The former Representative Directors of the Company were indicted on suspicion of violating the Financial Instruments and Exchange Act (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 Financial Instruments and Exchange Act. 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.

In an unfair dismissal lawsuit filed in the Amsterdam District Court by Ghosn against NMBV and another Nissan subsidiary, NMBV brought a counterclaim against Ghosn for repayment of the sums Ghosn appropriated unlawfully from NMBV. On May 20, 2021, the Amsterdam District Court dismissed Ghosn's claims and ordered Ghosn to return roughly 5 million Euros.

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 filed a provisional disposition order in the British Virgin Islands against Ghosn and related parties for a luxury yacht and has filed a lawsuit based on the order seeking damages, etc. Also, on February 12, 2020, the Company has filed a lawsuit against Carlos Ghosn in Japan, 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 action to claim damages, in order to account for the responsibility of the former chairman and others.

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. In accordance with the administrative monetary penalty payment order and payment notice, the Company has made the penalty payment of 1,406,250,000 yen, which became due.

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 ¥115.1 billion for the three months ended June 30, 2021.

### 3. Important business contracts

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

### 3. 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 June 30, 2021	As of July 30, 2021 (filing date of this Quarterly Securities Report)		
Common stock	4,220,715,112	4,220,715,112	First Section 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 April 1, 2021 To June 30, 2021	—	4,220,715	—	605,813	—	804,470

##### (5) Principal shareholders

There is nothing to mention as this quarter is the first quarterly accounting period.

(6) Status of voting rights

The “Status of voting rights” as of the end of the current first quarter is presented as of March 31, 2021, the most recent record date, because the number of beneficiary shareholders as of June 30, 2021 could not be ascertained.

1) Shares issued

(As of March 31, 2021)

Classification	Number of shares (Shares)	Number of voting rights (Units)	Description
Shares with full voting rights (Treasury stock, etc.)	(Treasury stock) Common stock 28,437,300	—	—
	(Crossholding stock) Common stock 200,500	—	—
Shares with full voting rights (Others)	Common stock 4,191,261,800	41,912,618	—
Stocks of less than a standard unit	Common stock 815,512	—	—
Total shares issued	4,220,715,112	—	—
Total voting rights held by all shareholders	—	41,912,618	—

Note: “Stocks of less than a standard unit” include 53 shares of treasury stock and 30 crossholding shares.

Crossholding stocks of less than a standard unit (As of March 31, 2021)

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

2) Treasury stock, etc.

(As of March 31, 2021)

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	Shares	%
Treasury stock: Nissan Motor Co., Ltd.	2 Takara-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	28,437,300	—	28,437,300	0.67
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	52,200	90,000	0.00
Kagawa Nissan Motor Co., Ltd.	1-1-8 Hanazono-cho, Takamatsu-shi, Kagawa	4,800	100	4,900	0.00
Total		28,585,500	52,300	28,637,800	0.68

Note: The shares included in “Number of shares held under the names of others” represents 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

There were no changes in Members of the Board of Directors and Executive Officers since the filing date of the securities report of the prior fiscal year.

Changes in Members of the Board of Directors and Executive Officers after June 30, 2021 scheduled to take place are as follows.

### Executive Officers

#### Executive Officer who retired

Position	Name	Date of retirement
Executive Officer, Chief Quality Officer / Vice-Chief Performance Officer	Christian Vandenhende	August 1, 2021

#### **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 5-2, Paragraph 2 of the Regulations for Quarterly Consolidated Financial Statements, the quarterly consolidated statement of cash flows are prepared.

2. Quarterly review report

The quarterly consolidated financial statements for the current first quarter (from April 1, 2021 to June 30, 2021) 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, 2021)	Current first quarter (As of June 30, 2021)
<b>Assets</b>		
Current assets		
Cash on hand and in banks	1,871,794	1,734,021
Trade notes and accounts receivable	518,451	—
Trade notes and accounts receivable, and contract assets	—	301,865
Sales finance receivables	6,213,797	6,015,360
Securities	162,232	170,963
Merchandise and finished goods	647,583	614,915
Work in process	66,171	86,476
Raw materials and supplies	425,817	509,664
Other	624,347	693,989
Allowance for doubtful accounts	(180,533)	(165,709)
<b>Total current assets</b>	<b>10,349,659</b>	<b>9,961,544</b>
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	590,016	600,865
Machinery, equipment and vehicles, net	※1 2,704,640	※1 2,668,655
Land	589,613	586,727
Construction in progress	228,101	150,411
Other, net	266,184	319,414
<b>Total property, plant and equipment</b>	<b>4,378,554</b>	<b>4,326,072</b>
Intangible fixed assets	121,221	115,816
Investments and other assets		
Investment securities	1,129,007	1,018,357
Other	470,167	463,392
Allowance for doubtful accounts	(3,764)	(3,709)
<b>Total investments and other assets</b>	<b>1,595,410</b>	<b>1,478,040</b>
<b>Total fixed assets</b>	<b>6,095,185</b>	<b>5,919,928</b>
Deferred assets		
Bond issuance costs	7,224	6,908
<b>Total deferred assets</b>	<b>7,224</b>	<b>6,908</b>
<b>Total assets</b>	<b>16,452,068</b>	<b>15,888,380</b>

(Millions of yen)

	Prior fiscal year (As of March 31, 2021)	Current first quarter (As of June 30, 2021)
<b>Liabilities</b>		
Current liabilities		
Trade notes and accounts payable	1,501,972	1,151,585
Short-term borrowings	1,016,504	724,372
Current portion of long-term borrowings	1,721,797	1,952,587
Commercial papers	6,749	107,481
Current portion of bonds	514,893	548,790
Lease obligations	43,542	39,833
Accrued expenses	1,034,305	957,104
Accrued warranty costs	101,624	99,736
Other	784,996	762,741
Total current liabilities	6,726,382	6,344,229
Long-term liabilities		
Bonds	2,046,620	2,035,035
Long-term borrowings	2,173,677	1,871,082
Lease obligations	75,450	69,681
Accrued warranty costs	102,303	101,677
Net defined benefit liability	257,521	254,065
Other	730,289	724,034
Total long-term liabilities	5,385,860	5,055,574
Total liabilities	12,112,242	11,399,803
Net assets		
Shareholders' equity		
Common stock	605,814	605,814
Capital surplus	817,071	817,071
Retained earnings	3,629,938	3,741,880
Treasury stock	(139,259)	(138,896)
Total shareholders' equity	4,913,564	5,025,869
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	61,902	2,170
Unrealized gain and loss from hedging instruments	(10,639)	(6,488)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(36,498)	(36,308)
Translation adjustments	(906,200)	(815,771)
Remeasurements of defined benefit plans	(77,536)	(79,346)
Total accumulated other comprehensive income	(968,971)	(935,743)
Non-controlling interests	395,233	398,451
Total net assets	4,339,826	4,488,577
Total liabilities and net assets	16,452,068	15,888,380

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income  
Three month period ended June 30  
Quarterly consolidated statement of income

(Millions of yen)

	Prior first quarter (From April 1, 2020 To June 30, 2020)	Current first quarter (From April 1, 2021 To June 30, 2021)
Net sales	1,174,194	2,008,247
Cost of sales	1,075,574	1,676,260
Gross profit	98,620	331,987
Selling, general and administrative expenses		
Advertising expenses	31,104	56,202
Provision for warranty costs	14,094	25,144
Other selling expenses	40,113	6,261
Salaries and wages	90,681	95,661
Retirement benefit expenses	4,107	1,745
Provision for doubtful accounts	16,011	(9,637)
Other	56,436	80,929
Total selling, general and administrative expenses	252,546	256,305
Operating income (loss)	(153,926)	75,682
Non-operating income		
Interest income	3,884	3,069
Dividends income	117	2,929
Equity in earnings of affiliates	—	18,283
Exchange gain	24,921	5,788
Miscellaneous income	8,373	5,366
Total non-operating income	37,295	35,435
Non-operating expenses		
Interest expense	2,970	14,087
Equity in losses of affiliates	84,655	—
Derivative loss	19,580	2,162
Miscellaneous expenses	8,444	4,581
Total non-operating expenses	115,649	20,830
Ordinary income (loss)	(232,280)	90,287
Special gains		
Gain on sales of fixed assets	2,545	5,009
Gain on sales of investment securities	—	76,094
Other	6,171	7,115
Total special gains	8,716	88,218
Special losses		
Loss on sales of fixed assets	368	1,494
Loss on disposal of fixed assets	870	1,144
Loss on sales of investment securities	—	1,822
Special addition to retirement benefits	40,085	2,565
Other	39,712	941
Total special losses	81,035	7,966
Income (loss) before income taxes	(304,599)	170,539
Income taxes	(20,303)	48,835
Net income (loss)	(284,296)	121,704
Net income attributable to non-controlling interests	1,293	7,173
Net income (loss) attributable to owners of parent	(285,589)	114,531

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Prior first quarter (From April 1, 2020 To June 30, 2020)	Current first quarter (From April 1, 2021 To June 30, 2021)
Net income (loss)	(284,296)	121,704
Other comprehensive income		
Unrealized holding gain and loss on securities	19,016	(60,181)
Unrealized gain and loss from hedging instruments	(821)	3,906
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	690	196
Translation adjustments	(8,871)	66,524
Remeasurements of defined benefit plans	4,495	(1,420)
The amount for equity method company portion	(41,488)	32,574
Total other comprehensive income	(26,979)	41,599
Comprehensive income	(311,275)	163,303
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	(310,367)	147,759
Comprehensive income attributable to non-controlling interests	(908)	15,544

## (3) Quarterly consolidated statement of cash flows

(Millions of yen)

	Prior first quarter (From April 1, 2020 To June 30, 2020)	Current first quarter (From April 1, 2021 To June 30, 2021)
<b>Cash flows from operating activities</b>		
Income (loss) before income taxes	(304,599)	170,539
Depreciation and amortization (for fixed assets excluding leased vehicles)	60,495	69,677
Depreciation and amortization (for long term prepaid expenses)	13,325	9,488
Depreciation and amortization (for leased vehicles)	120,685	92,065
Increase (decrease) in allowance for doubtful accounts	(1,112)	(16,739)
Interest and dividends income	(4,001)	(5,998)
Interest expense	43,089	45,972
Equity in losses (earnings) of affiliates	84,655	(18,283)
Loss (gain) on sales of fixed assets	(2,177)	(3,515)
Loss on disposal of fixed assets	870	1,144
Loss (gain) on sales of investment securities	—	(74,272)
Decrease (increase) in trade notes and accounts receivable	45,841	—
Decrease (increase) in trade notes and accounts receivable, and contract assets	—	216,537
Decrease (increase) in sales finance receivables	521,271	242,001
Decrease (increase) in inventories	147,018	16,322
Increase (decrease) in trade notes and accounts payable	(636,065)	(443,031)
Retirement benefit expenses	7,324	(2,895)
Payments related to net defined benefit assets and liabilities	(4,078)	(6,289)
Other	(7,834)	(29,482)
Subtotal	84,707	263,241
Interest and dividends received	5,083	3,771
Proceeds from dividends income from affiliates accounted for by equity method	1,131	412
Interest paid	(40,718)	(34,277)
Income taxes paid	(29,664)	(21,415)
Net cash provided by (used in) operating activities	20,539	211,732
<b>Cash flows from investing activities</b>		
Net decrease (increase) in short-term investments	—	317
Purchase of fixed assets	(108,196)	(89,366)
Proceeds from sales of fixed assets	4,516	13,266
Purchase of leased vehicles	(146,901)	(257,972)
Proceeds from sales of leased vehicles	137,823	204,334
Payments of long-term loans receivable	(8)	(14)
Collection of long-term loans receivable	76	49
Purchase of investment securities	—	(6,504)
Proceeds from sales of investment securities	623	149,987
Proceeds from sales of subsidiaries resulting in change in scope of consolidation	—	154
Net decrease (increase) in restricted cash	(94,121)	(94,040)
Other	103	567
Net cash provided by (used in) investing activities	(206,085)	(79,222)

(Millions of yen)

	Prior first quarter (From April 1, 2020 To June 30, 2020)	Current first quarter (From April 1, 2021 To June 30, 2021)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(347,267)	(207,917)
Proceeds from long-term borrowings	896,849	293,229
Proceeds from issuance of bonds	22,912	31,705
Repayments of long-term borrowings	(404,864)	(372,539)
Redemption of bonds	(148,284)	(25,000)
Proceeds from non-controlling shareholders	2,877	—
Repayments of lease obligations	(11,575)	(12,131)
Cash dividends paid to non-controlling interests	(472)	(463)
Net cash provided by (used in) financing activities	10,176	(293,116)
Effects of exchange rate changes on cash and cash equivalents	(6,877)	25,229
Increase (decrease) in cash and cash equivalents	(182,247)	(135,377)
Cash and cash equivalents at beginning of the period	1,642,981	2,034,026
Increase due to inclusion in consolidation	—	4,799
Cash and cash equivalents at end of the period	※1 1,460,734	※1 1,903,448

## [Notes to Quarterly Consolidated Financial Statements]

(Changes in accounting policies)

Current first quarter (From April 1, 2021 To June 30, 2021)
<p>(1) Accounting Standards Board of Japan (ASBJ) Statement No. 29 “<i>Accounting Standard for Revenue Recognition</i>” “<i>Accounting Standard for Revenue Recognition</i>” (ASBJ Statement No. 29, March 31, 2020. Hereinafter “Revenue Recognition Standard”) and related guidelines have been adopted from the beginning of the current first quarter. In line with this adoption, revenue is recognized upon the transfer of controls for promised goods or services to customers in an amount that reflects the consideration to which they expect to be entitled in exchange for those goods or services.</p> <p>The main effects of the adoption of the Revenue Recognition Standard are as follows: the timing of revenue recognition for retail sales of vehicles at domestic sales subsidiaries was changed from the time of registration to the time of delivery to customers, and the transactions in which domestic subsidiaries act as agents, revenue was previously recognized at the total amount of consideration received from the customer, but has changed to recognizing revenue at the net amount received from the customer less the amount paid to the supplier.</p> <p>In adopting the Revenue Recognition Standard, in accordance with the transitional treatment set forth in the proviso of Article 84 of the Revenue Recognition Standard, the cumulative effect of retrospective application of the standards prior to the beginning of the current first quarter was added to or subtracted from retained earnings at the beginning of the current first quarter.</p> <p>As a result, net sales increased by ¥12,399 million, cost of sales increased by ¥6,694 million and income before income taxes for the current first quarter increased by ¥5,671 million. In addition, the balance of retained earnings at the beginning of the current first quarter decreased by ¥8,828 million.</p> <p>As a result of the adoption of the Revenue Recognition Standard, "Trade notes and accounts receivable" which was presented in "Current assets" of the consolidated balance sheet for the previous fiscal year, is included in "Trade notes and accounts receivable, and contract assets" from the first quarter of the current fiscal year. In accordance with the transitional treatment set forth in Article 89-2 of the Revenue Recognition Standard, consolidated financial statements for past periods have not been reclassified using the new presentation method. Also, the information about breakdown of revenue from contracts with customers for the first quarter of the prior fiscal year has not been presented in accordance with the transitional treatment set forth in Article 28-15 of “<i>Accounting Standard for Quarterly Financial Reporting</i>” (ASBJ Statement No. 12, March 31, 2020).</p>
<p>(2) Accounting Standards Board of Japan (ASBJ) Statement No. 30 “<i>Accounting Standard for Fair Value Measurement</i>” “<i>Accounting Standard for Fair Value Measurement</i>” (ASBJ Statement No. 30, July 4, 2019) and other standards have been adopted from the beginning of the current first quarter, and in accordance with the transitional treatment set forth in Article 19 of “<i>Accounting Standard for Fair Value Measurement</i>” and Article 44-2 of “<i>Accounting Standard for Financial Instruments</i>” (ASBJ Statement No. 10, July 4, 2019), the Company will continue to apply new accounting policies prescribed by “<i>Accounting Standard for Fair Value Measurement</i>” and other standards into the future. The effects of this adoption on the quarterly consolidated financial statements are immaterial.</p>

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

Current first quarter (From April 1, 2021 To June 30, 2021)
<p>(Calculation of tax expense)</p> <p>Income taxes are determined based on the amount of income before income taxes for the current first quarter ended June 30, 2021 multiplied by the effective tax rate, after adoption of tax-effect accounting, estimated for the entire fiscal year ending March 31, 2022.</p> <p>Deferred income taxes are included in income taxes.</p>

(Additional information)

Current first quarter (From April 1, 2021 To June 30, 2021)
<p>(Adoption of tax effect accounting for the transition from the consolidated taxation system to the group tax sharing system)</p> <p>The Company and some of its domestic subsidiaries have adopted “<i>Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System</i>” (PITF No. 39, March 31, 2020) and deferred tax assets and liabilities are based on tax law provisions in place prior to the revision prescribing transition from the consolidated taxation system to the group tax sharing system (Act No. 8 of 2020).</p>

(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, 2021)	Current first quarter (As of June 30, 2021)
Assets leased to others under lease agreements (lessor)	2,163,875	2,116,015

2 Guarantees and others

Prior fiscal year (As of March 31, 2021)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	(*1) 19,154	Guarantees for employees' housing loans and others
1 foreign rental car company	(*2) 624	Guarantees for loans and others
Total	19,778	

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

(\*2) The guarantee balance of ¥624 million is the guarantees made by a foreign subsidiary to a financial institution who 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.	15	Commitments to provide guarantees for loans

Current first quarter (As of June 30, 2021)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	(*1) 18,401	Guarantees for employees' housing loans and others
1 foreign rental car company	(*2) 676	Guarantees for loans and others
	19,077	

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

(\*2) The guarantee balance of ¥676 million is the guarantees made by a foreign subsidiary to a financial institution who 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.	15	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 transferred to the U.S. District Court for the Southern District of Florida and consolidated into a multi-district litigation (“MDL”). The Company and Nissan North America, Inc. (“NNA”) have agreed to a proposed settlement that would resolve the US class actions that are pending against them in the MDL, through a number of customer-focused programs. In September 2017, the court in the MDL granted preliminary approval to the proposed settlement. The total payment amount for the settlement will be \$87.9 million to be paid over four years. In February 2018, the court in MDL granted final approval to the proposed settlement. Although there are some ongoing lawsuits other than above, 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)	
	Prior first quarter (From April 1, 2020 To June 30, 2020)	Current first quarter (From April 1, 2021 To June 30, 2021)
Cash on hand and in banks	1,334,759	1,734,021
Time deposits with maturities of more than three months	—	(1,536)
Cash equivalents included in securities (*)	125,975	170,963
Cash and cash equivalents	1,460,734	1,903,448

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

(For net assets)

Prior first quarter (From April 1, 2020 To June 30, 2020)

1. Dividends paid

Not applicable.

2. Dividends which the record date fell in the period from April 1 to June 30, 2020, and the effective date of which was after June 30, 2020

Not applicable.

Current first quarter (From April 1, 2021 To June 30, 2021)

1. Dividends paid

Not applicable.

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

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 decision about resource allocation and to assess their performance.

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

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

In principle, the accounting method for the reportable segments is the same as 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-lengths transaction.

3. Changes to reportable segments and others

(1) Accounting Standards Board of Japan (ASBJ) Statement No. 29 “Accounting Standard for Revenue Recognition”

As stated in “Changes in accounting policies”, “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020. Hereinafter “Revenue Recognition Standard”) and related guidelines have been adopted from the beginning of the current first quarter.

As a result, the retained earnings in the summarized quarterly consolidated balance sheets by business segments at the beginning of the current first quarter decreased by ¥8,155 million in Automobile & Eliminations, and ¥673 million in Sales financing, respectively. Net sales increased by ¥12,473 million, cost of sales increased by ¥6,791 million, and income before income taxes for the current first quarter increased by ¥5,648 million in Automobile & Eliminations on the summarized consolidated income statement by business segments. There is no material effect on the summarized consolidated income statement for the Sales finance from this change.

As a result of the adoption of the Revenue Recognition Standard, "Trade notes and accounts receivable" which was presented in "Current assets" of the summarized consolidated balance sheet for the previous fiscal year, is included in "Trade notes and accounts receivable, and contract assets" from the first quarter of the current fiscal year. In accordance with the transitional treatment set forth in Article 89-2 of the Revenue Recognition Standard, consolidated financial statements for past periods have not been reclassified.

(2) Accounting Standards Board of Japan (ASBJ) Statement No. 30 “Accounting Standard for Fair Value Measurement”

As stated in “Changes in accounting policies”, “Accounting Standard for Fair Value Measurement” (ASBJ Statement No. 30, July 4, 2019) and other standards have been adopted from the beginning of the current first quarter, and in accordance with the transitional treatment set forth in Article 19 of “Accounting Standard for Fair Value Measurement” and Article 44-2 of “Accounting Standard for Financial Instruments” (ASBJ Statement No. 10, July 4, 2019), the Company will continue to apply new accounting policies prescribed by “Accounting Standard for Fair Value Measurement” and other standards into the future. The effects of this adoption on the quarterly consolidated financial statements are immaterial.

4. Net sales and profits or losses by reportable segments

Prior first quarter (From April 1, 2020 To June 30, 2020)

	Reportable segments			Elimination of inter-segment transactions	Prior first quarter
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	919,758	254,436	1,174,194	—	1,174,194
Inter-segment sales or transfers	24,838	9,435	34,273	(34,273)	—
Total	944,596	263,871	1,208,467	(34,273)	1,174,194
Segment profits (losses)	(222,025)	63,045	(158,980)	5,054	(153,926)

Note 1: Quarterly consolidated financial statements by business segments

- The Sales financing segment consists of NISSAN FINANCIAL SERVICES CO., LTD. (Japan), Nissan Motor Acceptance Corporation (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 segments

(Millions of yen)

Accounts	Prior first quarter (As of June 30, 2020)		
	Automobile & Eliminations	Sales financing	Consolidated total
<b>Assets</b>			
I. Current assets			
Cash on hand and in banks	1,178,878	155,881	1,334,759
Trade notes and accounts receivable	302,434	1,083	303,517
Sales finance receivables	(89,378)	6,324,716	6,235,338
Inventories	1,132,193	70,129	1,202,322
Other current assets	436,525	244,776	681,301
Total current assets	2,960,652	6,796,585	9,757,237
II. Fixed assets			
Property, plant and equipment, net	2,086,856	2,295,992	4,382,848
Investment securities	1,073,412	3,114	1,076,526
Other fixed assets	475,298	138,924	614,222
Total fixed assets	3,635,566	2,438,030	6,073,596
Total assets	6,596,218	9,234,615	15,830,833
<b>Liabilities</b>			
I. Current liabilities			
Trade notes and accounts payable	751,885	29,605	781,490
Short-term borrowings	713,828	3,419,930	4,133,758
Lease obligations	40,904	464	41,368
Other current liabilities	1,396,004	503,084	1,899,088
Total current liabilities	2,902,621	3,953,083	6,855,704
II. Long-term liabilities			
Bonds	83,047	949,894	1,032,941
Long-term borrowings	118,107	2,531,047	2,649,154
Lease obligations	75,999	886	76,885
Other long-term liabilities	687,451	473,995	1,161,446
Total long-term liabilities	964,604	3,955,822	4,920,426
Total liabilities	3,867,225	7,908,905	11,776,130
<b>Net assets</b>			
I. Shareholders' equity			
Common stock	380,713	225,101	605,814
Capital surplus	645,303	172,756	818,059
Retained earnings	2,826,742	965,858	3,792,600
Treasury stock	(139,746)	—	(139,746)
Total shareholders' equity	3,713,012	1,363,715	5,076,727
II. Accumulated other comprehensive income			
Translation adjustments	(955,266)	(134,036)	(1,089,302)
Others	(254,740)	(26,098)	(280,838)
Total accumulated other comprehensive income	(1,210,006)	(160,134)	(1,370,140)
III. Non-controlling interests	225,987	122,129	348,116
Total net assets	2,728,993	1,325,710	4,054,703
Total liabilities and net assets	6,596,218	9,234,615	15,830,833

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 ¥362,708 million.

## (2) Summarized quarterly consolidated statements of income by business segments

(Millions of yen)

Accounts	Prior first quarter (From April 1, 2020 To June 30, 2020)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	910,323	263,871	1,174,194
Cost of sales	904,741	170,833	1,075,574
Gross profit	5,582	93,038	98,620
Operating income as a percentage of net sales	(23.8%)	23.9%	(13.1%)
Operating income (loss)	(216,971)	63,045	(153,926)
Financial income / expenses, net	1,007	24	1,031
Other non-operating income and expenses, net	(80,462)	1,077	(79,385)
Ordinary income (loss)	(296,426)	64,146	(232,280)
Income (loss) before income taxes	(368,460)	63,861	(304,599)
Net income (loss) attributable to owners of parent	(325,747)	40,158	(285,589)

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

(Millions of yen)

Accounts	Prior first quarter (From April 1, 2020 To June 30, 2020)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income (loss) before income taxes	(368,460)	63,861	(304,599)
Depreciation and amortization	77,903	116,602	194,505
Decrease (increase) in sales finance receivables	(25,783)	547,054	521,271
Others	(394,858)	4,220	(390,638)
Net cash provided by (used in) operating activities	(711,198)	731,737	20,539
II. Cash flows from investing activities			
Proceeds from sales of investment securities	623	—	623
Purchase of fixed assets	(107,994)	(202)	(108,196)
Proceeds from sales of fixed assets	2,722	1,794	4,516
Purchase of leased vehicles	—	(146,901)	(146,901)
Proceeds from sales of leased vehicles	—	137,823	137,823
Others	160	(94,110)	(93,950)
Net cash provided by (used in) investing activities	(104,489)	(101,596)	(206,085)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	370,465	(717,732)	(347,267)
Net change in long-term borrowings and redemption of bonds	218,940	124,761	343,701
Proceeds from issuance of bonds	—	22,912	22,912
Others	10,155	(19,325)	(9,170)
Net cash provided by (used in) financing activities	599,560	(589,384)	10,176
IV. Effect of exchange rate changes on cash and cash equivalents	(11,379)	4,502	(6,877)
V. Increase (decrease) in cash and cash equivalents	(227,506)	45,259	(182,247)
VI. Cash and cash equivalents at the beginning of the period	1,494,550	148,431	1,642,981
VII. Increase due to inclusion in consolidation	—	—	—
VIII. Cash and cash equivalents at the end of the period	1,267,044	193,690	1,460,734

Notes: 1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥6,335 million eliminated for net decrease 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 ¥74,866 million eliminated for net decrease in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

Prior first quarter (From April 1, 2020 To June 30, 2020)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	339,865	539,029	93,491	139,110	62,699	1,174,194	—	1,174,194
(2) Inter-segment sales	133,262	34,638	13,644	64,752	1,305	247,601	(247,601)	—
Total	473,127	573,667	107,135	203,862	64,004	1,421,795	(247,601)	1,174,194
Operating income (loss)	(123,301)	(25,794)	(17,411)	7,786	(4,720)	(163,440)	9,514	(153,926)

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

Current first quarter (From April 1, 2021 To June 30, 2021)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Current first quarter
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	1,745,525	262,722	2,008,247	—	2,008,247
Inter-segment sales or transfers	18,534	8,353	26,887	(26,887)	—
Total	1,764,059	271,075	2,035,134	(26,887)	2,008,247
Segment profits (losses)	(28,078)	97,698	69,620	6,062	75,682

Note 1: Quarterly consolidated financial statements by business segments

- 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 segments

(Millions of yen)

Accounts	Current first quarter (As of June 30, 2021)		
	Automobile & Eliminations	Sales financing	Consolidated total
<b>Assets</b>			
I. Current assets			
Cash on hand and in banks	1,559,095	174,926	1,734,021
Trade notes and accounts receivable, and contract assets	299,638	2,227	301,865
Sales finance receivables	(87,944)	6,103,304	6,015,360
Inventories	1,195,126	15,929	1,211,055
Other current assets	486,210	213,033	699,243
Total current assets	3,452,125	6,509,419	9,961,544
II. Fixed assets			
Property, plant and equipment, net	2,200,308	2,125,764	4,326,072
Investment securities	1,014,717	3,640	1,018,357
Other fixed assets	427,376	148,123	575,499
Total fixed assets	3,642,401	2,277,527	5,919,928
III. Deferred assets			
Bond issuance costs	6,908	—	6,908
Total deferred assets	6,908	—	6,908
Total assets	7,101,434	8,786,946	15,888,380
<b>Liabilities</b>			
I. Current liabilities			
Trade notes and accounts payable	1,117,687	33,898	1,151,585
Short-term borrowings	(526,759)	3,859,989	3,333,230
Lease obligations	39,152	681	39,833
Other current liabilities	1,347,789	471,792	1,819,581
Total current liabilities	1,977,869	4,366,360	6,344,229
II. Long-term liabilities			
Bonds	1,248,079	786,956	2,035,035
Long-term borrowings	125,616	1,745,466	1,871,082
Lease obligations	68,491	1,190	69,681
Other long-term liabilities	602,322	477,454	1,079,776
Total long-term liabilities	2,044,508	3,011,066	5,055,574
Total liabilities	4,022,377	7,377,426	11,399,803
<b>Net assets</b>			
I. Shareholders' equity			
Common stock	387,345	218,469	605,814
Capital surplus	644,315	172,756	817,071
Retained earnings	2,818,803	923,077	3,741,880
Treasury stock	(138,896)	—	(138,896)
Total shareholders' equity	3,711,567	1,314,302	5,025,869
II. Accumulated other comprehensive income			
Translation adjustments	(770,699)	(45,072)	(815,771)
Others	(110,104)	(9,868)	(119,972)
Total accumulated other comprehensive income	(880,803)	(54,940)	(935,743)
III. Non-controlling interests	248,293	150,158	398,451
Total net assets	3,079,057	1,409,520	4,488,577
Total liabilities and net assets	7,101,434	8,786,946	15,888,380

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 ¥917,395 million.

## (2) Summarized quarterly consolidated statements of income by business segments

(Millions of yen)

Accounts	Current first quarter (From April 1, 2021 To June 30, 2021)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	1,737,172	271,075	2,008,247
Cost of sales	1,501,903	174,357	1,676,260
Gross profit	235,269	96,718	331,987
Operating income as a percentage of net sales	(1.3%)	36.0%	3.8%
Operating income (loss)	(22,016)	97,698	75,682
Financial income / expenses, net	(8,081)	(8)	(8,089)
Other non-operating income and expenses, net	18,207	4,487	22,694
Ordinary income (loss)	(11,890)	102,177	90,287
Income before income taxes	64,893	105,646	170,539
Net income attributable to owners of parent	48,577	65,954	114,531

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

(Millions of yen)

Accounts	Current first quarter (From April 1, 2021 To June 30, 2021)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes	64,893	105,646	170,539
Depreciation and amortization	67,738	103,492	171,230
Decrease (increase) in sales finance receivables	(22,164)	264,165	242,001
Others	(352,562)	(19,476)	(372,038)
Net cash provided by (used in) operating activities	(242,095)	453,827	211,732
II. Cash flows from investing activities			
Proceeds from sales of investment securities	149,987	—	149,987
Purchase of fixed assets	(87,956)	(1,410)	(89,366)
Proceeds from sales of fixed assets	8,425	4,841	13,266
Purchase of leased vehicles	—	(257,972)	(257,972)
Proceeds from sales of leased vehicles	—	204,334	204,334
Others	(2,754)	(96,717)	(99,471)
Net cash provided by (used in) investing activities	67,702	(146,924)	(79,222)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(270,892)	62,975	(207,917)
Net change in long-term borrowings and redemption of bonds	(23,168)	(81,142)	(104,310)
Proceeds from issuance of bonds	(8)	31,713	31,705
Others	245,982	(258,576)	(12,594)
Net cash provided by (used in) financing activities	(48,086)	(245,030)	(293,116)
IV. Effect of exchange rate changes on cash and cash equivalents	20,951	4,278	25,229
V. Increase (decrease) in cash and cash equivalents	(201,528)	66,151	(135,377)
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	4,799	—	4,799
VIII. Cash and cash equivalents at the end of the period	1,699,405	204,043	1,903,448

Notes:1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥92,082 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 ¥11,460 million eliminated for net decrease in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

Current first quarter (From April 1, 2021 To June 30, 2021)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	416,416	989,799	201,890	199,833	200,309	2,008,247	—	2,008,247
(2) Inter-segment sales	336,520	79,421	41,990	119,520	5,610	583,061	(583,061)	—
Total	752,936	1,069,220	243,880	319,353	205,919	2,591,308	(583,061)	2,008,247
Operating income (loss)	(50,206)	109,820	(19,045)	20,637	11,041	72,247	3,435	75,682

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

5. Information about the impairment loss on fixed assets by reportable segments

Three month period ended June 30, 2020 (From April 1, 2020 To June 30, 2020)

There were no significant impairment losses on fixed assets in the reportable segments for the three months ended June 30, 2020.

Three month period ended June 30, 2021 (From April 1, 2021 To June 30, 2021)

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

6. Information about goodwill by reportable segments

Three month period ended June 30, 2020 (From April 1, 2020 To June 30, 2020)

There were no significant changes in the reported amounts of goodwill in the reportable segments for the three months ended June 30, 2020.

Three month period ended June 30, 2021 (From April 1, 2021 To June 30, 2021)

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

7. Information about the gain recognized on negative goodwill by reportable segments

Three month period ended June 30, 2020 (From April 1, 2020 To June 30, 2020)

There were no significant gains recognized on negative goodwill in the reportable segments for the three months ended June 30, 2020.

Three month period ended June 30, 2021 (From April 1, 2021 To June 30, 2021)

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

## 8. Information about geographical area

### Net sales

Prior first quarter (From April 1, 2020 To June 30, 2020)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
279,283	534,758	446,420	111,331	178,723	70,099	1,174,194

- 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.

Current first quarter (From April 1, 2021 To June 30, 2021)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
358,618	959,012	767,789	226,081	230,608	233,928	2,008,247

- 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

Current first quarter (From April 1, 2021 To June 30, 2021)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	327,787	9,567	337,354
North America	756,269	26,031	782,300
of which U.S.A.	628,580	—	628,580
Europe	224,720	—	224,720
Asia	205,154	471	205,625
Other overseas countries	225,352	918	226,270
Revenue from contracts with customers	1,739,282	36,987	1,776,269
Revenue from the other sources	6,243	225,735	231,978
Sales to third parties	1,745,525	262,722	2,008,247

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 based on standards adopted by foreign subsidiaries and affiliates, which are 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) No. 310 "Receivables" and FASB ASC No. 842 "Leases".

(Amounts per share)

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

	Prior first quarter (From April 1, 2020 To June 30, 2020)	Current first quarter (From April 1, 2021 To June 30, 2021)
(1) Basic earnings (loss) per share	(¥73.00)	¥29.26
(Basis for calculation)		
Net income (loss) attributable to owners of parent (Millions of yen)	(285,589)	114,531
Net income (loss) attributable to owners of parent relating to common stock (Millions of yen)	(285,589)	114,531
Average number of shares of common stock during the period (Thousands of shares)	3,912,205	3,913,823
(2) Diluted earnings per share	—	¥29.26
(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	—	—

Note: The information on “Diluted earnings per share” for the prior first quarter is not presented because a net loss per share was recorded although potential dilutive stock existed.

(Significant subsequent events)

Not applicable

## 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 transferred to the U.S. District Court for the Southern District of Florida and consolidated into a multi-district litigation ("MDL"). The Company and Nissan North America, Inc. ("NNA") have agreed to a proposed settlement that would resolve the US class actions that are pending against them in the MDL, through a number of customer-focused programs. In September 2017, the court in the MDL granted preliminary approval to the proposed settlement. The total payment amount for the settlement will be \$87.9 million to be paid over four years. In February 2018, the court in MDL granted final approval to the proposed settlement. At present, there are some ongoing lawsuits other than 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.

## **Part II Information on Guarantors for the Company**

Not applicable

(For Translation Purposes Only)

## Independent Auditor's Quarterly Review Report

July 29, 2021

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 June 30, 2021, the quarterly consolidated statements of income, comprehensive income, and cash flows for the three-month period 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 June 30, 2021, and the consolidated results of their operations and their cash flows for the three-month period then ended in accordance with the accounting principles for quarterly consolidated financial statements generally accepted in Japan.

### **Basis for Auditor's Conclusion**

We conducted our review in accordance with the 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 the 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 the accounting principles for quarterly consolidated financial statements generally accepted in Japan, matters related to going concern.

The Audit Committee is responsible for monitoring the performance of duties of executive officers and directors in implementing and maintaining 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 the 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 the 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 the 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.

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### Notes:

1. The above is a digitization of the text contained in the original copy of the Quarterly Review Report of Independent Auditors, which 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】** July 30, 2021

**【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 first quarter (from April 1, 2021 to June 30, 2021) of the 123rd 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.