

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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【Cover】

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| 【Document Submitted】 | Quarterly Securities Report (“Shihanki-Houkokusho”) |
| 【Article of the Applicable Law Requiring Submission of This Document】 | Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act |
| 【Filed to】 | Director, Kanto Local Finance Bureau |
| 【Date of Submission】 | November 11, 2022 |
| 【Accounting Period】 | Second Quarter of the 124th Fiscal Year (From July 1, 2022 To September 30, 2022) |
| 【Company Name】 | Nissan Jidosha Kabushiki-Kaisha |
| 【Company Name (in English)】 | 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 | 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 [Current second quarter] (Millions of yen) | 3,946,997 [1,938,750] | 4,662,250 [2,524,939] | 8,424,585 |
| Ordinary income (Millions of yen) | 184,527 | 196,933 | 306,117 |
| Net income attributable to owners of parent [Current second quarter] (Millions of yen) | 168,646 [54,115] | 64,475 [17,363] | 215,533 |
| 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 [Current second quarter] (Yen) | 43.09 [13.83] | 16.47 [4.44] | 55.07 |
| 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)

(Millions of yen)

| | 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)

(Millions of yen)

| | 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

(Millions of yen)

| | 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 1kWh 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 | 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 ShimNihon 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 | <u>10,316,009</u> | <u>11,193,881</u> |
| 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 | <u>4,365,953</u> | <u>4,463,902</u> |
| 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 | <u>1,563,935</u> | <u>1,799,356</u> |
| Total fixed assets | <u>6,049,075</u> | <u>6,398,736</u> |
| Deferred assets | | |
| Bond issuance costs | 6,397 | 5,684 |
| Total deferred assets | <u>6,397</u> | <u>5,684</u> |
| Total assets | <u>16,371,481</u> | <u>17,598,301</u> |

| | (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 | <u>6,143,208</u> | <u>6,580,736</u> |
| 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 | <u>5,198,689</u> | <u>5,423,831</u> |
| Total liabilities | <u>11,341,897</u> | <u>12,004,567</u> |
| 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 | <u>5,127,704</u> | <u>5,173,974</u> |
| 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 | <u>(547,103)</u> | <u>(65,357)</u> |
| Non-controlling interests | <u>448,983</u> | <u>485,117</u> |
| Total net assets | <u>5,029,584</u> | <u>5,593,734</u> |
| Total liabilities and net assets | <u>16,371,481</u> | <u>17,598,301</u> |

(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

| | 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) | (Millions of yen) |
|---|---|---|-------------------|
| 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 | <u>240,995</u> | <u>588,484</u> | |
| (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

| | Prior second quarter <small>(From July 1, 2021 To September 30, 2021)</small> | Current second quarter <small>(From July 1, 2022 To September 30, 2022)</small> |
|--|--|--|
| 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

| | Prior second quarter (From July 1, 2021 To September 30, 2021) | Current second quarter (From July 1, 2022 To September 30, 2022) | (Millions of yen) |
|---|--|--|-------------------|
| 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.

| | Prior fiscal year (As of March 31, 2022) | Current second quarter (As of September 30, 2022) | (Millions of yen) |
|---|---|--|-------------------|
| 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.

| | 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) | (Millions of yen) |
|---|--|--|-------------------|
| 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 | | | |
| 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)

| | Reportable segments | | | Elimination of inter-segment transactions | (Millions of yen) 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)

| | Reportable segments | | | Elimination of inter-segment transactions | (Millions of yen) 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 | | | |
| 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:
- 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.
 - 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
Designated and Engagement Partner
Certified Public Accountant
Designated and Engagement Partner
Certified Public Accountant
Designated and Engagement Partner
Certified Public Accountant

Koki Ito
Masanori Enomoto
Takayuki Ando
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.