

# **Quarterly Securities Report**

Third Quarter of FY2022

(From October 1, 2022 To December 31, 2022)

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

**Nissan Motor Co., Ltd.**

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<b>【Document Submitted】</b>	Quarterly Securities Report (“Shihanki-Houkokusho”)
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<b>【Company Name (in English)】</b>	Nissan Motor Co., Ltd.
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# Part I Information on the Company

## 1. Overview of the Company

### 1. Key financial data and trends

Fiscal year		123rd Nine months ended December 31, 2021	124th Nine months ended December 31, 2022	123rd
Accounting period		(From April 1, 2021 To December 31, 2021)	(From April 1, 2022 To December 31, 2022)	(From April 1, 2021 To March 31, 2022)
Net sales	(Millions of yen)	6,154,031	7,499,691	8,424,585
[Current third quarter]		[2,207,034]	[2,837,441]	
Ordinary income	(Millions of yen)	256,032	380,406	306,117
Net income attributable to owners of parent	(Millions of yen)	201,335	115,040	215,533
[Current third quarter]		[32,689]	[50,565]	
Comprehensive income	(Millions of yen)	361,066	555,675	689,621
Net assets	(Millions of yen)	4,692,160	5,567,243	5,029,584
Total assets	(Millions of yen)	15,759,703	16,954,742	16,371,481
Basic earnings per share	(Yen)	51.44	29.38	55.07
[Current third quarter]		[8.35]	[12.91]	
Diluted earnings per share	(Yen)	51.44	29.38	55.07
Net assets as a percentage of total assets	(%)	27.1	29.9	28.0
Cash flows from operating activities	(Millions of yen)	610,241	763,538	847,187
Cash flows from investing activities	(Millions of yen)	(222,480)	(198,103)	(146,835)
Cash flows from financing activities	(Millions of yen)	(700,299)	(821,670)	(1,092,645)
Cash and cash equivalents at end of the period	(Millions of yen)	1,789,063	1,680,687	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 nine months ended December 31, 2022. No changes were made to major subsidiaries and affiliates.

## 2. Business Overview

### 1. Business and other risks

During the nine months ended December 31, 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., which is one of the core suppliers for the Group, 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 December 31, 2022, the end of the current third quarter.

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

The global industry volume totaled 59.0 million units for the nine months ended December 31, 2022, an increase of 2.0% from the corresponding period of the last year (the “last year”). Global sales of the Group (on a retail basis) for the nine months ended December 31, 2022 decreased by 17.0% year on year to 2,411 thousand units and net sales of the Group for the nine months ended December 31, 2022, totaled ¥7,499.7 billion, which represents an increase of ¥1,345.7 billion (21.9%) relative to net sales for the last year. Operating income of ¥289.7 billion was recorded, increasing by ¥98.4 billion (51.4%) from the last year.

Net non-operating income of ¥90.7 billion was recorded for the nine months ended December 31, 2022, increasing by ¥26.0 billion from the last year. As a result, ordinary income of ¥380.4 billion was recorded, increasing by ¥124.4 billion (48.6%) compared with the last year. Net special losses of ¥112.4 billion were recorded, deteriorating by ¥183.7 billion from the last year. Income before income taxes of ¥268.0 billion was recorded, decreasing by ¥59.3 billion (18.1%) from the last year. Finally, net income attributable to owners of parent for the nine months ended December 31, 2022 of ¥115.0 billion was recorded, a decrease of ¥86.3 billion (42.9%) from the last year.

#### (2) Cash flows

Cash and cash equivalents at December 31, 2022 decreased by ¥112.0 billion (6.2%) from the end of the prior fiscal year to ¥1,680.7 billion. This reflected ¥763.5 billion in net cash provided by operating activities, ¥198.1 billion in net cash used in investing activities and ¥821.7 billion in net cash used in financing activities, as well as an increase of ¥143.9 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 (%)
	Nine months ended December 31, 2021	Nine months ended December 31, 2022		
Japan	316,039	429,517	113,478	35.9
The United States of America	315,067	397,946	82,879	26.3
Mexico	354,372	268,026	(86,346)	(24.4)
The United Kingdom	123,114	179,745	56,631	46.0
Spain	18,673	—	(18,673)	—
Russia	34,614	—	(34,614)	—
Thailand	86,243	52,551	(33,692)	(39.1)
India	136,597	164,207	27,610	20.2
South Africa	16,136	19,735	3,599	22.3
Brazil	34,250	38,873	4,623	13.5
Argentina	18,693	19,793	1,100	5.9
Egypt	14,313	13,732	(581)	(4.1)
Total	1,468,111	1,584,125	116,014	7.9

Note: The figures represent the production figures for the nine month period from April 1 to December 31, 2022.

## Actual sales (on a retail basis)

Sales to	Number of vehicles sold (on a retail basis: units)		Change (units)	Change (%)
	Nine months ended December 31, 2021	Nine months ended December 31, 2022		
Japan	289,225	310,254	21,029	7.3
North America	913,932	707,344	(206,588)	(22.6)
(The United States of America included therein)	692,086	528,268	(163,818)	(23.7)
Europe	262,006	208,681	(53,325)	(20.4)
Asia	1,126,649	931,410	(195,239)	(17.3)
(China included therein)	1,019,742	837,864	(181,878)	(17.8)
Other overseas countries	314,331	253,319	(61,012)	(19.4)
Total	2,906,143	2,411,008	(495,135)	(17.0)

Notes: 1. The figures in China and Taiwan, which are included in “Asia” represent the sales figures for the nine month period from January 1 to September 30, 2022. Those sold in Japan, North America, Europe, Other overseas countries and Asia (excluding China and Taiwan) represent vehicles sold for the nine month period from April 1 to December 31, 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 (%)
	Nine months ended December 31, 2021	Nine months ended December 31, 2022		
Japan	297,195	326,619	29,424	9.9
North America	704,896	728,478	23,582	3.3
(The United States of America included therein)	536,280	552,177	15,897	3.0
Europe	218,508	213,728	(4,780)	(2.2)
Asia	166,435	148,629	(17,806)	(10.7)
(China included therein)	855	43	(812)	(95.0)
Other overseas countries	303,012	287,870	(15,142)	(5.0)
Total	1,690,046	1,705,324	15,278	0.9

Note: The figures in China and Taiwan, which are included in “Asia” represent the sales figures for the nine month period from January 1 to September 30, 2022. Those sold in Japan, North America, Europe, Other overseas countries and Asia (excluding China and Taiwan) represent vehicles sold for the nine month period from April 1 to December 31, 2022.

## (4) Results of segments

## (Business segments)

## a. Automobiles

The Group’s worldwide automobile sales (on a retail basis) for the nine months ended December 31, 2022, decreased by 495 thousand units (17.0%) from the last year to 2,411 thousand units. This was mainly due to the effect of dealer inventory reductions which resulted in increase of retail volume in the previous year, in addition to supply chain disruptions and the semiconductor supply shortage. The number of vehicles sold in Japan increased by 7.3% to 310 thousand units. Vehicles sold in China decreased by 17.8% to 838 thousand units. Those sold in North America including Mexico and Canada decreased by 22.6% to 707 thousand units, those sold in Europe decreased by 20.4% to 209 thousand units and those sold in other overseas countries decreased by 17.7% to 347 thousand units.

Net sales in the automobile business (including intersegment sales) for the nine months ended December 31, 2022 increased by ¥1,351.6 billion (24.9%) from the last year to ¥6,786.7 billion. Operating income of ¥22.2 billion was recorded, an improvement of ¥154.0 billion from the last year, and for nine months ended December 31, 2022, Operating income for Automobiles segment (including Elimination) of ¥43.9 billion was also recorded. 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 an increase in raw material prices.

For three months ended December 31, 2022, Operating income for Automobiles segment (including Elimination) of ¥58.7 billion was recorded.

b. Sales finance

Net sales in the sales finance business (including intersegment sales) for the nine months ended December 31, 2022 decreased by ¥11.4 billion (1.4%) from the last year to ¥777.1 billion mainly due to reduced size of portfolio partially offset by favorable exchange rate fluctuations. Operating income decreased by ¥57.6 billion (19.0%) from the last year to ¥245.8 billion mainly due to a decrease in the release of credit loss provisions in the United States of America and reduced size of portfolio by sales finance companies globally.

(Geographic segment)

a. Japan

In the Japan market, the total industry volume (“TIV”) for the nine months ended December 31, 2022 decreased by 0.5% year on year to 3.01 million units. The Group’s sales (on a retail basis) increased by 7.3% from the last year to 310 thousand units. The Group’s market share increased to 10.3%, up 0.7 percentage points year on year.

As a result, net sales in Japan (including intersegment sales) for the nine months ended December 31, 2022 increased by ¥560.6 billion (24.6%) from the last year to ¥2,839.7 billion. The Group recorded operating loss of ¥89.4 billion, improving by ¥79.6 billion from the last year mainly due to an increase in number of vehicles sold and favorable foreign exchange rate fluctuations partially offset by an increase in costs and expenses including raw material prices.

b. North America

In the North America market, including Mexico and Canada, TIV for the nine months ended December 31, 2022 decreased by 5.8% to 12.41 million units. The Group’s sales (on a retail basis) in North America decreased by 22.6% to 707 thousand units.

Meanwhile, net sales in North America (including intersegment sales) for the nine months ended December 31, 2022 increased by ¥1,019.2 billion (32.1%) to ¥4,195.8 billion. The Group recorded operating income of ¥253.7 billion, decreasing by ¥18.2 billion (6.7%) from the last year mainly due to an increase in costs and expenses including raw material prices, inflationary effects 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 and pricing as well as favorable foreign exchange rate fluctuations.

In the United States of America market, TIV for the nine months ended December 31, 2022 decreased by 6.6% to 10.41 million units. The Group sold (on a retail basis) 528 thousand units, down 23.7% from the last year. The Group’s market share decreased by 1.1 percentage points to 5.1%. This was mainly due to production constraints for “Versa” and “Nissan Kicks” as a result of the semiconductor supply shortage.

c. Europe

In the Europe market, TIV for the nine months ended December 31, 2022 decreased by 11.5% to 10.55 million units. The Group sold (on a retail basis) 209 thousand units in the Europe market, down 20.4% from the last year. The Group’s market share was 2.0%, down 0.2 percentage points from last year.

Meanwhile, net sales in Europe (including intersegment sales) for the nine months ended December 31, 2022 were ¥958.7 billion, an increase of ¥136.4 billion (16.6%) from the last year. Operating loss of ¥2.1 billion was recorded, improving by ¥20.1 billion from the last year mainly due to an increase in net revenue per unit as a result of pricing, strict control of sales incentives as well as an increase in sales of the all-new “Qashqai”.

d. Asia

Sales volume (on a retail basis) for the nine months ended December 31, 2022 in the Asia market, excluding China, decreased by 12.5% to 94 thousand units. Net sales in Asia (including intersegment sales) for the nine months ended December 31, 2022 increased by ¥85.6 billion (8.9%) from the last year to ¥1,053.3 billion. Operating income for the nine months ended December 31, 2022 was ¥74.4 billion, an increase of ¥12.7 billion (20.6%) 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 for the nine months ended December 31, 2022 increased by 9.5% to 18.82 million units. The Group’s sales (on a retail basis) in China decreased by 17.8% from the last year to 838 thousand units mainly due to the semiconductor supply shortage, accounting for a market share of 4.5%, down 1.4 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) for the nine months ended December 31, 2022 decreased by 19.4% to 253 thousand units.

Meanwhile, net sales in other markets consisting of the aforementioned regions (including intersegment sales) for the nine months ended December 31, 2022 increased by ¥180.8 billion (28.3%) from the last year to ¥818.8 billion. Operating income of ¥59.3 billion was recorded, increasing by ¥21.7 billion (57.8%) from the last year mainly due to an increase in net revenue per unit as a result of pricing.

(5) Analysis of sources of capital and liquidity

a. Cash flows

(Cash flows from operating activities)

Net cash provided by operating activities increased by ¥153.3 billion to ¥763.5 billion in the nine months ended December 31, 2022 from ¥610.2 billion provided in the last year. This was mainly due to an improvement in profit and working capital and an increase in proceeds from dividends income from affiliates accounted for by equity method.

(Cash flows from investing activities)

Net cash used in investing activities decreased by ¥24.4 billion to ¥198.1 billion in the nine months ended December 31, 2022 from ¥222.5 billion used in the last year. This was mainly due to a decrease in the purchase of leased vehicles, a decrease in restricted cash related to asset-backed securities in the sales finance business despite having proceeds from sales of Daimler AG shares in the previous year and deconsolidation of cash impact resulting from the sales of Nissan Manufacturing RUS, Limited Liability Company shares.

(Cash flows from financing activities)

Net cash used in financing activities was ¥821.7 billion in the nine months ended December 31, 2022, an increase in cash outflows of ¥121.4 billion compared with ¥700.3 billion used in the last year. This was mainly due to more debt repayments than new fundings.

Free cash flows in the automobile business for the three months ended December 31, 2022 were positive ¥119.0 billion. Free cash flows in the automobile business for the nine months ended December 31, 2022 has improved from the last year by ¥371.3 billion to positive ¥21.0 billion. The Group's net cash for the automobile business at December 31, 2022 has improved from the end of the prior fiscal year by ¥365.9 billion to ¥1,093.9 billion.

Information by segment is as follows:

Nine month period ended December 31, 2021 (From April 1, 2021 To December 31, 2021)

	Automobile & Eliminations	Sales financing	Consolidated total
Cash flows from operating activities	(277,260)	887,501	610,241
Cash flows from investing activities	(72,992)	(149,488)	(222,480)
Subtotal: Free Cash flows	(350,252)	738,013	387,761
Cash flows from financing activities	28,466	(728,765)	(700,299)

Nine month period ended December 31, 2022 (From April 1, 2022 To December 31, 2022)

	Automobile & Eliminations	Sales financing	Consolidated total
Cash flows from operating activities	228,793	534,745	763,538
Cash flows from investing activities	(207,771)	9,668	(198,103)
Subtotal: Free Cash flows	21,022	544,413	565,435
Cash flows from financing activities	(268,538)	(553,132)	(821,670)

Year-on-Year Comparison

	Automobile & Eliminations	Sales financing	Consolidated total
Cash flows from operating activities	506,053	(352,756)	153,297
Cash flows from investing activities	(134,779)	159,156	24,377
Subtotal: Free Cash flows	371,274	(193,600)	177,674
Cash flows from financing activities	(297,004)	175,633	(121,371)

b. Financial policies

Financial activities within the Group are managed centrally by the Finance and Accounting Division 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 ¥1,589.3 billion of cash and cash equivalents in the automobile business and the Group had approximately ¥1.7 trillion of unused committed credit lines as of December 31, 2022. It is necessary to pay careful attention to the liquidity of the Group in view of the global semiconductor shortage and the recent cash usage in the automotive business. However, as the Group has entered into loan commitment agreements with major international banks in addition to the cash and cash equivalents as above, the Group believes that a level of liquidity sufficient to meet the Group's funding requirements is being maintained.



## (6) Management policy and business strategies

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

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

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

### <Accelerating electrified mobility with diverse choices and experiences>

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

### <Increasing accessibility and innovation in mobility>

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

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

### <Global ecosystem for mobility and beyond>

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

Deeper collaboration with Alliance members is also one of the essential factors to achieve our long-term vision. On January 27, 2022, the Company, Renault Group and MITSUBISHI MOTORS CORPORATION 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 Alliance members and their customers. Following approval by the Boards of Directors of the Company and Renault Group, Alliance members announced new initiatives to take their partnership to the next level on February 6, 2023. Details are as stated in the “4. Financial Information [Notes to Quarterly Consolidated Financial Statements] (Significant subsequent events)”.

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. Nissan NEXT is progressing as planned with ongoing efforts to introduce new products, improve the quality of sales, and strengthen the Company's business foundation.

(7) FY2022 business environment and major Key Performance Indicators

The global economy for the six months ended December 31, 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 supply chain disruptions, continuous semiconductor shortages and raw material price hikes. On the other hand, it also benefited from the positive effects of yen depreciation.

The Company revised down its FY2022 forecast of the sales volume, which was previously announced on November 9, 2022, from 3,700 thousand units to 3,400 thousand units. This is primarily due to the continuous supply chain disruptions and semiconductor shortages. The Company expects to offset the negative impact of the sales volume decline with a positive impact from the decline in costs and expenses as well as improvements in the quality of sales. As a result, the Group's net sales, operating income and net income attributable to owners of parent remain unchanged.

(8) Operating and financial issues to be addressed

Operating and financial issues to be addressed by the Group occurring during the nine months ended December 31, 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 judgment 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 decision has become final as a result of the expiration of the deadline for an appeal.

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 ¥372.6 billion for the nine months ended December 31, 2022.

## (10) Major equipment and facilities

During fiscal year 2022 (From April 2022 to March 2023), the Group revised the capital investment plan from the one described in the Securities Report of the prior fiscal year to invest ¥380.0 billion in capital expenditures, which will be funded with its own capital.

## 3. Important business contracts

No important business contracts were determined or entered into during the current third 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 December 31, 2022	As of February 13, 2023 (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 October 1, 2022 To December 31, 2022	—	4,220,715	—	605,813	—	804,470

#### (5) Principal shareholders

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

(6) Status of voting rights

The “Status of voting rights” as of the end of the current third quarter is presented as of September 30, 2022, the most recent record date, because the number of beneficiary shareholders as of December 31, 2022 could not be ascertained.

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 4 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.

Pursuant to Article 5-2, Paragraph 3 of the Regulations for Quarterly Consolidated Financial Statements, the quarterly consolidated statement of cash flows is prepared.

2. Quarterly review report

The quarterly consolidated financial statements for the current third quarter (from October 1, 2022 to December 31, 2022) and for the nine months ended December 31, 2022 (from April 1, 2022 to December 31, 2022) were reviewed by Ernst & Young ShinNihon LLC, pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Act.

## 1. Quarterly Consolidated Financial Statements

### (1) Quarterly consolidated balance sheet

(Millions of yen)

	Prior fiscal year (As of March 31, 2022)	Current third quarter (As of December 31, 2022)
<b>Assets</b>		
Current assets		
Cash on hand and in banks	1,432,047	1,431,265
Trade notes and accounts receivable, and contract assets	402,489	287,009
Sales finance receivables	6,274,750	6,538,321
Securities	360,645	249,431
Merchandise and finished goods	645,620	947,573
Work in process	83,939	109,060
Raw materials and supplies	634,922	724,623
Other	620,368	729,017
Allowance for doubtful accounts	(138,771)	(141,886)
Total current assets	10,316,009	10,874,413
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	599,682	605,972
Machinery, equipment and vehicles, net	※1 2,650,597	※1 2,544,998
Land	585,217	580,588
Construction in progress	140,056	111,336
Other, net	390,401	383,671
Total property, plant and equipment	4,365,953	4,226,565
Intangible fixed assets	119,187	144,365
Investments and other assets		
Investment securities	1,054,886	1,172,827
Other	516,008	538,363
Allowance for doubtful accounts	(6,959)	(7,113)
Total investments and other assets	1,563,935	1,704,077
Total fixed assets	6,049,075	6,075,007
Deferred assets		
Bond issuance costs	6,397	5,322
Total deferred assets	6,397	5,322
Total assets	16,371,481	16,954,742

(Millions of yen)

	Prior fiscal year (As of March 31, 2022)	Current third quarter (As of December 31, 2022)
<b>Liabilities</b>		
Current liabilities		
Trade notes and accounts payable	1,395,642	1,626,128
Short-term borrowings	1,050,036	1,247,471
Current portion of long-term borrowings	1,251,998	897,119
Commercial papers	185,705	125,000
Current portion of bonds	471,460	507,749
Lease obligations	48,395	49,581
Accrued expenses	841,386	913,617
Accrued warranty costs	98,367	95,085
Other	800,219	836,667
Total current liabilities	6,143,208	6,298,417
Long-term liabilities		
Bonds	2,263,336	2,017,337
Long-term borrowings	1,775,221	1,940,450
Lease obligations	86,173	85,960
Accrued warranty costs	112,804	114,754
Net defined benefit liability	191,073	196,988
Other	770,082	733,593
Total long-term liabilities	5,198,689	5,089,082
Total liabilities	11,341,897	11,387,499
Net assets		
Shareholders' equity		
Common stock	605,814	605,814
Capital surplus	816,472	811,222
Retained earnings	3,843,479	3,938,152
Treasury stock	(138,061)	(135,929)
Total shareholders' equity	5,127,704	5,219,259
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	3,428	2,966
Unrealized gain and loss from hedging instruments	17,230	(6,463)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(38,109)	(50,733)
Translation adjustments	(512,770)	(80,967)
Remeasurements of defined benefit plans	(16,882)	(12,357)
Total accumulated other comprehensive income	(547,103)	(147,554)
Share subscription rights	—	236
Non-controlling interests	448,983	495,302
Total net assets	5,029,584	5,567,243
Total liabilities and net assets	16,371,481	16,954,742



(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income  
 Nine month period ended December 31  
 Quarterly consolidated statement of income

	(Millions of yen)	
	Nine months ended December 31, 2021 (From April 1, 2021 To December 31, 2021)	Nine months ended December 31, 2022 (From April 1, 2022 To December 31, 2022)
Net sales	6,154,031	7,499,691
Cost of sales	5,150,946	6,255,982
Gross profit	1,003,085	1,243,709
Selling, general and administrative expenses		
Advertising expenses	178,044	195,299
Provision for warranty costs	67,075	84,962
Other selling expenses	36,026	67,398
Salaries and wages	291,792	321,025
Retirement benefit expenses	6,077	8,756
Provision for doubtful accounts	(42,906)	(2,736)
Other	275,690	279,304
Total selling, general and administrative expenses	811,798	954,008
Operating income	191,287	289,701
Non-operating income		
Interest income	11,701	24,917
Dividends income	2,971	76
Equity in earnings of affiliates	90,855	119,464
Derivative gain	11,277	55,099
Miscellaneous income	14,281	16,701
Total non-operating income	131,085	216,257
Non-operating expenses		
Interest expense	41,396	47,052
Exchange loss	4,014	58,840
Miscellaneous expenses	20,930	19,660
Total non-operating expenses	66,340	125,552
Ordinary income	256,032	380,406
Special gains		
Gain on sales of fixed assets	13,390	10,587
Other	83,374	4,856
Total special gains	96,764	15,443
Special losses		
Loss on sales of fixed assets	3,453	4,072
Loss on disposal of fixed assets	6,597	6,579
Impairment loss	3,159	5,794
Loss on sales of shares of subsidiaries and affiliates	2,107	45,620
Loss on transfer of receivables	—	40,806
Other	10,182	24,954
Total special losses	25,498	127,825
Income before income taxes	327,298	268,024
Income taxes	107,946	136,439
Net income	219,352	131,585
Net income attributable to non-controlling interests	18,017	16,545
Net income attributable to owners of parent	201,335	115,040

Quarterly consolidated statement of comprehensive income

	(Millions of yen)	
	Nine months ended December 31, 2021  (From April 1, 2021 To December 31, 2021)	Nine months ended December 31, 2022  (From April 1, 2022 To December 31, 2022)
Net income	219,352	131,585
Other comprehensive income		
Unrealized holding gain and loss on securities	(59,611)	456
Unrealized gain and loss from hedging instruments	9,314	(31,003)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(680)	(2,009)
Translation adjustments	134,876	310,356
Remeasurements of defined benefit plans	7,364	(4,790)
The amount related to equity method companies	50,451	151,080
Total other comprehensive income	141,714	424,090
Comprehensive income	361,066	555,675
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	328,351	514,457
Comprehensive income attributable to non-controlling interests	32,715	41,218

Three month period ended December 31  
Quarterly consolidated statement of income

(Millions of yen)

	Prior third quarter (From October 1, 2021 To December 31, 2021)	Current third quarter (From October 1, 2022 To December 31, 2022)
Net sales	2,207,034	2,837,441
Cost of sales	1,862,691	2,364,315
Gross profit	344,343	473,126
Selling, general and administrative expenses		
Advertising expenses	65,214	75,987
Provision for warranty costs	22,379	30,981
Other selling expenses	14,338	24,629
Salaries and wages	97,235	109,267
Retirement benefit expenses	2,197	2,787
Provision for doubtful accounts	(8,163)	3,444
Other	98,987	92,938
Total selling, general and administrative expenses	292,187	340,033
Operating income	52,156	133,093
Non-operating income		
Interest income	4,562	11,217
Dividends income	21	24
Equity in earnings of affiliates	27,755	62,086
Derivative gain	5,338	—
Exchange gain	—	29,244
Miscellaneous income	3,127	4,235
Total non-operating income	40,803	106,806
Non-operating expenses		
Interest expense	13,867	16,703
Derivative loss	—	31,674
Exchange loss	50	—
Miscellaneous expenses	7,537	8,049
Total non-operating expenses	21,454	56,426
Ordinary income	71,505	183,473
Special gains		
Gain on sales of fixed assets	4,965	4,867
Gain on sales of businesses	—	1,555
Other	79	1,222
Total special gains	5,044	7,644
Special losses		
Loss on sales of fixed assets	591	3,423
Loss on disposal of fixed assets	3,182	2,104
Impairment loss	1,691	1,525
Loss on sales of shares of subsidiaries and affiliates	—	45,620
Loss on transfer of receivables	—	40,806
Other	5,170	2,917
Total special losses	10,634	96,395
Income before income taxes	65,915	94,722
Income taxes	28,597	38,427
Net income	37,318	56,295
Net income attributable to non-controlling interests	4,629	5,730
Net income attributable to owners of parent	32,689	50,565

Quarterly consolidated statement of comprehensive income

(Millions of yen)

	Prior third quarter (From October 1, 2021 To December 31, 2021)	Current third quarter (From October 1, 2022 To December 31, 2022)
Net income	37,318	56,295
Other comprehensive income		
Unrealized holding gain and loss on securities	308	360
Unrealized gain and loss from hedging instruments	4,243	60,516
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(446)	(4,327)
Translation adjustments	64,383	(155,728)
Remeasurements of defined benefit plans	9,691	7,204
The amount related to equity method companies	4,574	2,871
Total other comprehensive income	82,753	(89,104)
Comprehensive income	120,071	(32,809)
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	111,029	(31,632)
Comprehensive income attributable to non-controlling interests	9,042	(1,177)

## (3) Quarterly consolidated statement of cash flows

	(Millions of yen)	
	Nine months ended December 31, 2021 (From April 1, 2021 To December 31, 2021)	Nine months ended December 31, 2022 (From April 1, 2022 To December 31, 2022)
<b>Cash flows from operating activities</b>		
Income before income taxes	327,298	268,024
Depreciation and amortization (for fixed assets excluding leased vehicles)	217,499	250,873
Depreciation and amortization (for long term prepaid expenses)	30,194	31,190
Depreciation and amortization (for leased vehicles)	264,860	245,979
Increase (decrease) in allowance for doubtful accounts	(49,940)	8,349
Interest and dividends income	(14,672)	(24,993)
Interest expense	131,801	149,341
Equity in losses (earnings) of affiliates	(90,855)	(119,464)
Loss (gain) on sales of fixed assets	(9,937)	(6,515)
Loss on disposal of fixed assets	6,597	6,579
Loss (gain) on sales of shares of subsidiaries and affiliates	1,537	45,569
Decrease (increase) in trade notes and accounts receivable, and contract assets	232,225	130,965
Decrease (increase) in sales finance receivables	461,083	162,814
Decrease (increase) in inventories	2,401	(328,119)
Increase (decrease) in trade notes and accounts payable	(580,911)	201,290
Retirement benefit expenses	(8,615)	(15,642)
Payments related to net defined benefit assets and liabilities	(18,660)	(18,638)
Other	(149,191)	(105,237)
Subtotal	752,714	882,365
Interest and dividends received	14,340	21,114
Proceeds from dividends income from affiliates accounted for by equity method	39,482	113,901
Interest paid	(118,571)	(132,060)
Income taxes paid	(77,724)	(121,782)
Net cash provided by (used in) operating activities	610,241	763,538
<b>Cash flows from investing activities</b>		
Net decrease (increase) in short-term investments	2,337	1,299
Purchase of fixed assets	(237,538)	(217,753)
Proceeds from sales of fixed assets	27,764	26,236
Purchase of leased vehicles	(634,900)	(528,050)
Proceeds from sales of leased vehicles	551,556	531,816
Payments of long-term loans receivable	(4,745)	(1,490)
Collection of long-term loans receivable	390	2,517
Purchase of investment securities	(6,504)	(1,849)
Proceeds from sales of investment securities	150,491	283
Purchase of shares of subsidiaries resulting in changes in the scope of consolidation	—	(9,730)
Proceeds from (Payments for) sales of subsidiaries' shares resulting in changes in the scope of consolidation	154	(30,842)
Net decrease (increase) in restricted cash	(73,948)	(1,868)
Proceeds from sales of businesses	—	4,428
Other	2,463	26,900
Net cash provided by (used in) investing activities	(222,480)	(198,103)

(Millions of yen)

	Nine months ended December 31, 2021 (From April 1, 2021 To December 31, 2021)	Nine months ended December 31, 2022 (From April 1, 2022 To December 31, 2022)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	68,722	22,706
Proceeds from long-term borrowings	756,505	816,284
Proceeds from issuance of bonds	478,425	—
Repayments of long-term borrowings	(1,611,623)	(1,181,175)
Redemption of bonds	(347,219)	(404,988)
Proceeds from non-controlling shareholders	5,311	1,650
Purchase of treasury stock	(1)	(1)
Purchase of treasury shares of subsidiaries	—	(5,529)
Repayments of lease obligations	(36,180)	(42,583)
Cash dividends paid	—	(19,573)
Cash dividends paid to non-controlling interests	(14,239)	(8,457)
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	(700,299)	(821,670)
Effects of exchange rate changes on cash and cash equivalents	61,864	143,803
Increase (decrease) in cash and cash equivalents	(250,674)	(112,432)
Cash and cash equivalents at the beginning of the period	2,034,026	1,792,692
Increase due to inclusion in consolidation	5,711	427
Cash and cash equivalents at the end of the period	※1 1,789,063	※1 1,680,687

## [Notes to Quarterly Consolidated Financial Statements]

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

Nine months ended December 31, 2022  
(From April 1, 2022 To December 31, 2022)

(Calculation of tax expense)

Income taxes are determined based on the amount of income before income taxes for the current third quarter ended December 31, 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)

Nine months ended December 31, 2022  
(From April 1, 2022 To December 31, 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 to the Central Research and Development Automobile Engine Institute and exit from the Russian market in October 2022, its transfer has completed in November 2022.

The Company has recorded expenses of ¥110.5 billion related to its transfer under “Special losses”, such as “Loss on sales of shares of subsidiaries and affiliates”, “Loss on transfer of receivables”, and “Other” in the nine months ended December 31, 2022.

(For quarterly consolidated balance sheets)

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

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2022)	Current third quarter (As of December 31, 2022)
Assets leased to others under lease agreements (lessor)	2,049,047	1,921,821

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 third quarter (As of December 31, 2022)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	(*1) 13,080	Guarantees for employees' housing loans and others
1 foreign rental car company	(*2) 671	Guarantees for loans and others
Total	13,751	

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

(\*2) The guarantee balance of ¥671 million is the guarantees made by a foreign subsidiary to a financial institution that financed vehicles sold to a foreign rental car company. If the foreign rental car company defaults on its obligations, the foreign subsidiary needs to compensate the financial institution for the contractual repurchase price and take possession of the vehicles. The amount stated does not consider monetary amounts the foreign subsidiary could potentially recover from subsequently selling the repossessed vehicles.

(2) Commitments to provide guarantees

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



### 3 Contingent Liabilities

- Lawsuits related to Takata's airbag inflators

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

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

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

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

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

(For quarterly consolidated statements of cash flows)

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

	(Millions of yen)	
	Nine months ended December 31, 2021 (From April 1, 2021 To December 31, 2021)	Nine months ended December 31, 2022 (From April 1, 2022 To December 31, 2022)
Cash on hand and in banks	1,508,781	1,431,265
Time deposits with maturities of more than three months	—	—
Cash equivalents included in securities (*)	280,282	249,422
Cash and cash equivalents	1,789,063	1,680,687

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

(For net assets)

Nine month period ended December 31, 2021 (From April 1, 2021 To December 31, 2021)

1. Dividends paid

Not applicable.

2. Dividends for which the record date fell in the period from April 1 to December 31, 2021, and the effective date was after December 31, 2021

Not applicable.

Nine month period ended December 31, 2022 (From April 1, 2022 To December 31, 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 December 31, 2022, and the effective date was after December 31, 2022

Not applicable.

(For business combinations)

Business combination through acquisition

(1) Outline of business combination

1) Name of the acquired company and description of its business

Name of acquired company: Vehicle Energy Japan Inc. and its two subsidiaries

Business description: Development, manufacturing and sale of automotive lithium-ion batteries, modules and battery management systems

2) Main reasons for the business combination

The Company, in its long-term vision, Nissan Ambition 2030, aims to create significant value beyond mobility by placing electrification at the core of its business strategy and expanding the possibilities of journeys and society. Vehicle Energy Japan will play a crucial role in the ongoing electrification strategy under Nissan's long-term vision. The investment will contribute to the development of next-generation batteries with a competitive edge in terms of both performance and cost, and allow Nissan to secure a stable battery supplier for the future.

3) Date of business combination

November 30, 2022

4) Legal form of business combination

Acquisition of shares for cash consideration

5) Name of the post-combination company

There is no change in the name.

6) Percentage of voting rights acquired

76.2%

7) Main basis for determining the acquired company

The acquired company was determined as the Company acquired the shares for cash consideration.

(2) Scope of the acquired company's results included in the quarterly consolidated statements of income for the nine months ended December 31, 2022

From December 1, 2022 to December 31, 2022

(3) Acquisition cost of the acquired company and breakdown by type of consideration

Consideration for acquisition: Cash	¥10,805 million
-------------------------------------	-----------------

Acquisition cost:	¥10,805 million
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(4) Amount of goodwill incurred, reason for incurrence, amortization method and amortization period

1) Amount of goodwill incurred

¥9,254 million

The amount of goodwill is tentatively calculated since the allocation of acquisition cost has not been completed as of December 31, 2022.

2) Reason for incurrence

The above goodwill is mainly the result of the future excess earning power expected from business development related to automotive batteries.

Vehicle Energy Japan will play a crucial role in the ongoing electrification strategy under Nissan's long-term vision. The investment will contribute to the development of next-generation batteries with a competitive edge in terms of both performance and cost, and allow Nissan to secure a stable battery supplier for the future.

3) Amortization method and amortization period

Equal amortization over 20 years

(5) Breakdown of intangible fixed assets other than goodwill, allocated amount, amortization method and amortization period

1) Intangible fixed assets, allocated amount

Technology-related assets: ¥2,680 million

The amount of technology-related assets is tentatively calculated since the allocation of acquisition costs has not been completed as of December 31, 2022.

2) Amortization method and amortization period

Equal amortization over 11 years

The amortization period of technology-related assets is tentative since the allocation of acquisition costs has not been completed as of December 31, 2022.

(6) Amount of assets acquired and liabilities assumed on the date of business combination and their breakdown

Current assets	¥28,812 million
Fixed assets	¥37,500 million
Total assets	¥66,312 million
Current liabilities	¥51,309 million
Long-term liabilities	¥11,476 million
Total liabilities	¥62,785 million

Business divestiture

(1) Outline of the business divestiture

1) Name of the company to which the divested business is transferred

Central Research and Development Automobile Engine Institute (“NAMI”)

2) Description of the divested business

Consolidated subsidiary: Nissan Manufacturing RUS, Limited Liability Company

Business description: Manufacturing and sale of automobiles and parts in Russia

3) Main reason for the business divestiture

The Company and Nissan Manufacturing RUS, Limited Liability Company (“NMGR”) 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 were 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.

4) Date of the business divestiture

November 23, 2022

5) Other matters relating to the outline of the transaction including the legal form thereof

The transaction is a share transfer with the consideration received being limited to properties such as cash and cash equivalents. (The transfer value of NMGR shares to NAMI is 1 Euro.)

The terms of the sale would allow the Company the option to buy back the entity and its operations within the next 6 years.

(2) Outline of the accounting treatment applied

1) Amount of gain or loss for transfer

Loss on sales of shares of subsidiaries and affiliates: ¥45,346 million

2) Accounting treatment

The difference between the transfer price of the share transfer and the book value of the subsidiaries transferred on a consolidated basis is recognized as a loss on sales of shares of subsidiaries and affiliates.

(3) Reportable segment which included the divested business

Automobile

(4) Approximate amount of profit and loss related to the divested business reported in the quarterly consolidated statements of income for the nine months ended December 31, 2022

	Cumulative period
Net sales	¥10,116 million
Operating income	¥446 million

(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

Nine month period ended December 31, 2021 (From April 1, 2021 To December 31, 2021)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Nine months ended December 31, 2021
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	5,390,115	763,916	6,154,031	—	6,154,031
Inter-segment sales or transfers	45,003	24,535	69,538	(69,538)	—
Total	5,435,118	788,451	6,223,569	(69,538)	6,154,031
Segment profits (losses)	(131,830)	303,445	171,615	19,672	191,287

Prior third quarter (From October 1, 2021 To December 31, 2021)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Prior third quarter
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	1,958,622	248,412	2,207,034	—	2,207,034
Inter-segment sales or transfers	13,853	8,134	21,987	(21,987)	—
Total	1,972,475	256,546	2,229,021	(21,987)	2,207,034
Segment profits (losses)	(41,618)	87,743	46,125	6,031	52,156

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 third quarter (As of December 31, 2021)		
	Automobile & Eliminations	Sales financing	Consolidated total
<b>Assets</b>			
I. Current assets			
Cash on hand and in banks	1,358,984	149,797	1,508,781
Trade notes and accounts receivable, and contract assets	293,371	4,032	297,403
Sales finance receivables	(84,803)	6,020,027	5,935,224
Inventories	1,269,007	14,820	1,283,827
Other current assets	656,240	187,387	843,627
Total current assets	3,492,799	6,376,063	9,868,862
II. Fixed assets			
Property, plant and equipment, net	2,212,076	2,041,243	4,253,319
Investment securities	1,037,721	5,028	1,042,749
Other fixed assets	441,599	146,429	588,028
Total fixed assets	3,691,396	2,192,700	5,884,096
III. Deferred assets			
Bond issuance costs	6,266	479	6,745
Total deferred assets	6,266	479	6,745
Total assets	7,190,461	8,569,242	15,759,703
<b>Liabilities</b>			
I. Current liabilities			
Trade notes and accounts payable	1,130,682	29,454	1,160,136
Short-term borrowings	(443,263)	3,553,189	3,109,926
Lease obligations	39,135	720	39,855
Other current liabilities	1,311,382	376,802	1,688,184
Total current liabilities	2,037,936	3,960,165	5,998,101
II. Long-term liabilities			
Bonds	1,275,687	988,041	2,263,728
Long-term borrowings	44,857	1,617,590	1,662,447
Lease obligations	74,869	886	75,755
Other long-term liabilities	583,364	484,148	1,067,512
Total long-term liabilities	1,978,777	3,090,665	5,069,442
Total liabilities	4,016,713	7,050,830	11,067,543
<b>Net assets</b>			
I. Shareholders' equity			
Common stock	381,926	223,888	605,814
Capital surplus	637,081	179,391	816,472
Retained earnings	2,865,699	963,464	3,829,163
Treasury stock	(138,060)	—	(138,060)
Total shareholders' equity	3,746,646	1,366,743	5,113,389
II. Accumulated other comprehensive income			
Translation adjustments	(726,403)	(13,713)	(740,116)
Others	(97,473)	(4,319)	(101,792)
Total accumulated other comprehensive income	(823,876)	(18,032)	(841,908)
III. Non-controlling interests	250,978	169,701	420,679
Total net assets	3,173,748	1,518,412	4,692,160
Total liabilities and net assets	7,190,461	8,569,242	15,759,703

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 ¥799,926 million.

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

(Millions of yen)

Accounts	Nine months ended December 31, 2021 (From April 1, 2021 To December 31, 2021)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	5,365,580	788,451	6,154,031
Cost of sales	4,650,616	500,330	5,150,946
Gross profit	714,964	288,121	1,003,085
Operating income as a percentage of net sales	(2.1%)	38.5%	3.1%
Operating income (loss)	(112,158)	303,445	191,287
Financial income / expenses, net	(26,474)	(250)	(26,724)
Other non-operating income and expenses, net	84,231	7,238	91,469
Ordinary income (loss)	(54,401)	310,433	256,032
Income before income taxes	8,342	318,956	327,298
Net income (loss) attributable to owners of parent	(12,819)	214,154	201,335

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

(Millions of yen)

Accounts	Nine months ended December 31, 2021 (From April 1, 2021 To December 31, 2021)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes	8,342	318,956	327,298
Depreciation and amortization	211,752	300,801	512,553
Decrease (increase) in sales finance receivables	(23,702)	484,785	461,083
Others	(473,652)	(217,041)	(690,693)
Net cash provided by (used in) operating activities	(277,260)	887,501	610,241
II. Cash flows from investing activities			
Proceeds from sales of investment securities	150,491	—	150,491
Purchase of fixed assets	(235,025)	(2,513)	(237,538)
Proceeds from sales of fixed assets	14,781	12,983	27,764
Purchase of leased vehicles	—	(634,900)	(634,900)
Proceeds from sales of leased vehicles	—	551,556	551,556
Others	(3,239)	(76,614)	(79,853)
Net cash provided by (used in) investing activities	(72,992)	(149,488)	(222,480)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(71,570)	140,292	68,722
Net change in long-term borrowings and redemption of bonds	(204,189)	(998,148)	(1,202,337)
Proceeds from issuance of bonds	(13)	478,438	478,425
Others	304,238	(349,347)	(45,109)
Net cash provided by (used in) financing activities	28,466	(728,765)	(700,299)
IV. Effect of exchange rate changes on cash and cash equivalents	57,145	4,719	61,864
V. Increase (decrease) in cash and cash equivalents	(264,641)	13,967	(250,674)
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	5,711	—	5,711
VIII. Cash and cash equivalents at the end of the period	1,637,204	151,859	1,789,063

Notes:1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥94,279 million eliminated for a net decrease in internal loans receivable from the Sales financing segment.

2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥41,874 million eliminated for a net increase in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

Nine month period ended December 31, 2021 (From April 1, 2021 To December 31, 2021)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	1,292,467	2,926,112	709,488	598,780	627,184	6,154,031	—	6,154,031
(2) Inter-segment sales	986,623	250,521	112,852	368,861	10,790	1,729,647	(1,729,647)	—
Total	2,279,090	3,176,633	822,340	967,641	637,974	7,883,678	(1,729,647)	6,154,031
Operating income (loss)	(168,951)	271,892	(22,248)	61,731	37,602	180,026	11,261	191,287

Prior third quarter (From October 1, 2021 To December 31, 2021)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	434,069	1,075,049	273,760	205,978	218,178	2,207,034	—	2,207,034
(2) Inter-segment sales	314,556	92,208	33,423	134,734	2,617	577,538	(577,538)	—
Total	748,625	1,167,257	307,183	340,712	220,795	2,784,572	(577,538)	2,207,034
Operating income (loss)	(76,530)	85,096	2,044	22,539	14,108	47,257	4,899	52,156

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

Nine month period ended December 31, 2022 (From April 1, 2022 To December 31, 2022)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Nine months ended December 31, 2022
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	6,736,362	763,329	7,499,691	—	7,499,691
Inter-segment sales or transfers	50,348	13,754	64,102	(64,102)	—
Total	6,786,710	777,083	7,563,793	(64,102)	7,499,691
Segment profits	22,259	245,760	268,019	21,682	289,701

Current third quarter (From October 1, 2022 To December 31, 2022)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Current third quarter
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	2,584,695	252,746	2,837,441	—	2,837,441
Inter-segment sales or transfers	22,679	4,906	27,585	(27,585)	—
Total	2,607,374	257,652	2,865,026	(27,585)	2,837,441
Segment profits	50,582	74,396	124,978	8,115	133,093



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), 13 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 third quarter (As of December 31, 2022)		
	Automobile & Eliminations	Sales financing	Consolidated total
<b>Assets</b>			
I. Current assets			
Cash on hand and in banks	1,344,225	87,040	1,431,265
Trade notes and accounts receivable, and contract assets	283,203	3,806	287,009
Sales finance receivables	(110,136)	6,648,457	6,538,321
Inventories	1,766,326	14,930	1,781,256
Other current assets	718,601	117,961	836,562
Total current assets	4,002,219	6,872,194	10,874,413
II. Fixed assets			
Property, plant and equipment, net	2,290,661	1,935,904	4,226,565
Investment securities	1,170,688	2,139	1,172,827
Other fixed assets	514,633	160,982	675,615
Total fixed assets	3,975,982	2,099,025	6,075,007
III. Deferred assets			
Bond issuance costs	4,971	351	5,322
Total deferred assets	4,971	351	5,322
Total assets	7,983,172	8,971,570	16,954,742
<b>Liabilities</b>			
I. Current liabilities			
Trade notes and accounts payable	1,588,514	37,614	1,626,128
Short-term borrowings	(823,728)	3,601,067	2,777,339
Lease obligations	49,181	400	49,581
Other current liabilities	1,445,320	400,049	1,845,369
Total current liabilities	2,259,287	4,039,130	6,298,417
II. Long-term liabilities			
Bonds	1,125,755	891,582	2,017,337
Long-term borrowings	58,819	1,881,631	1,940,450
Lease obligations	85,290	670	85,960
Other long-term liabilities	530,205	515,130	1,045,335
Total long-term liabilities	1,800,069	3,289,013	5,089,082
Total liabilities	4,059,356	7,328,143	11,387,499
<b>Net assets</b>			
I. Shareholders' equity			
Common stock	380,208	225,606	605,814
Capital surplus	631,831	179,391	811,222
Retained earnings	3,133,346	804,806	3,938,152
Treasury stock	(135,929)	—	(135,929)
Total shareholders' equity	4,009,456	1,209,803	5,219,259
II. Accumulated other comprehensive income			
Translation adjustments	(273,986)	193,019	(80,967)
Others	(85,555)	18,968	(66,587)
Total accumulated other comprehensive income	(359,541)	211,987	(147,554)
III. Share subscription rights	236	—	236
IV. Non-controlling interests	273,665	221,637	495,302
Total net assets	3,923,816	1,643,427	5,567,243
Total liabilities and net assets	7,983,172	8,971,570	16,954,742

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 ¥1,329,744 million.

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

(Millions of yen)

Accounts	Nine months ended December 31, 2022 (From April 1, 2022 To December 31, 2022)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	6,722,608	777,083	7,499,691
Cost of sales	5,776,369	479,613	6,255,982
Gross profit	946,239	297,470	1,243,709
Operating income as a percentage of net sales	0.7%	31.6%	3.9%
Operating income	43,941	245,760	289,701
Financial income / expenses, net	(22,090)	31	(22,059)
Other non-operating income and expenses, net	124,755	(11,991)	112,764
Ordinary income	146,606	233,800	380,406
Income before income taxes	28,186	239,838	268,024
Net income (loss) attributable to owners of parent	(41,307)	156,347	115,040

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

(Millions of yen)

Accounts	Nine months ended December 31, 2022 (From April 1, 2022 To December 31, 2022)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes	28,186	239,838	268,024
Depreciation and amortization	261,224	266,818	528,042
Decrease (increase) in sales finance receivables	1,133	161,681	162,814
Others	(61,750)	(133,592)	(195,342)
Net cash provided by (used in) operating activities	228,793	534,745	763,538
II. Cash flows from investing activities			
Purchase of investment securities	(1,409)	(440)	(1,849)
Purchase of fixed assets	(215,305)	(2,448)	(217,753)
Proceeds from sales of fixed assets	15,605	10,631	26,236
Purchase of leased vehicles	—	(528,050)	(528,050)
Proceeds from sales of leased vehicles	—	531,816	531,816
Others	(6,662)	(1,841)	(8,503)
Net cash provided by (used in) investing activities	(207,771)	9,668	(198,103)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(534,588)	557,294	22,706
Net change in long-term borrowings and redemption of bonds	(19,874)	(750,005)	(769,879)
Others	285,924	(360,421)	(74,497)
Net cash provided by (used in) financing activities	(268,538)	(553,132)	(821,670)
IV. Effect of exchange rate changes on cash and cash equivalents	135,354	8,449	143,803
V. Increase (decrease) in cash and cash equivalents	(112,162)	(270)	(112,432)
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	1,589,255	91,432	1,680,687

Notes: 1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥467,366 million eliminated for a net increase in internal loans receivable from the Sales financing segment.

2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥63,282 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

Nine month period ended December 31, 2022 (From April 1, 2022 To December 31, 2022)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	1,367,690	3,909,210	819,222	592,583	810,986	7,499,691	—	7,499,691
(2) Inter-segment sales	1,472,049	286,595	139,465	460,745	7,778	2,366,632	(2,366,632)	—
Total	2,839,739	4,195,805	958,687	1,053,328	818,764	9,866,323	(2,366,632)	7,499,691
Operating income (loss)	(89,382)	253,687	(2,137)	74,430	59,338	295,936	(6,235)	289,701

Current third quarter (From October 1, 2022 To December 31, 2022)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	470,097	1,560,009	344,203	188,508	274,624	2,837,441	—	2,837,441
(2) Inter-segment sales	654,436	97,012	58,814	194,493	3,363	1,008,118	(1,008,118)	—
Total	1,124,533	1,657,021	403,017	383,001	277,987	3,845,559	(1,008,118)	2,837,441
Operating income	6,212	78,756	4,029	27,663	18,174	134,834	(1,741)	133,093

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

Nine month period ended December 31, 2021 (From April 1, 2021 To December 31, 2021)

There were no significant impairment losses on fixed assets in the reportable segments for the nine months ended December 31, 2021.

Nine month period ended December 31, 2022 (From April 1, 2022 To December 31, 2022)

There were no significant impairment losses on fixed assets in the reportable segments for the nine months ended December 31, 2022.

5. Information about goodwill by reportable segment

Nine month period ended December 31, 2021 (From April 1, 2021 To December 31, 2021)

There were no significant changes in the reported amounts of goodwill in the reportable segments for the nine months ended December 31, 2021.

Nine month period ended December 31, 2022 (From April 1, 2022 To December 31, 2022)

There were no significant changes in the reported amounts of goodwill in the reportable segments for the nine months ended December 31, 2022.

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

Nine month period ended December 31, 2021 (From April 1, 2021 To December 31, 2021)

There were no significant gains recognized on negative goodwill in the reportable segments for the nine months ended December 31, 2021.

Nine month period ended December 31, 2022 (From April 1, 2022 To December 31, 2022)

There were no significant gains recognized on negative goodwill in the reportable segments for the nine months ended December 31, 2022.

## 7. Information about geographical areas

### Net sales

Nine month period ended December 31, 2021 (From April 1, 2021 To December 31, 2021)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
1,103,016	2,830,210	2,267,502	782,086	713,805	724,914	6,154,031

Prior third quarter (From October 1, 2021 To December 31, 2021)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
371,898	1,044,131	850,077	296,451	245,159	249,395	2,207,034

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.

Nine month period ended December 31, 2022 (From April 1, 2022 To December 31, 2022)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
1,241,168	3,763,590	3,037,798	899,563	677,384	917,986	7,499,691

Current third quarter (From October 1, 2022 To December 31, 2022)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
443,236	1,500,062	1,219,818	370,536	207,550	316,057	2,837,441

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

Nine month period ended December 31, 2021 (From April 1, 2021 To December 31, 2021)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	1,011,673	28,475	1,040,148
North America	2,244,419	69,633	2,314,052
of which U.S.A.	1,865,101	723	1,865,824
Europe	779,444	—	779,444
Asia	637,533	1,689	639,222
Other overseas countries	700,670	2,728	703,398
Revenue from contracts with customers	5,373,739	102,525	5,476,264
Revenue from the other sources	16,376	661,391	677,767
Sales to third parties	5,390,115	763,916	6,154,031

Prior third quarter (From October 1, 2021 To December 31, 2021)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	341,937	9,154	351,091
North America	854,541	22,444	876,985
of which U.S.A.	721,287	157	721,444
Europe	295,751	—	295,751
Asia	219,824	530	220,354
Other overseas countries	241,481	911	242,392
Revenue from contracts with customers	1,953,534	33,039	1,986,573
Revenue from the other sources	5,088	215,373	220,461
Sales to third parties	1,958,622	248,412	2,207,034

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.

Nine month period ended December 31, 2022 (From April 1, 2022 To December 31, 2022)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	1,152,632	27,202	1,179,834
North America	3,182,343	60,897	3,243,240
of which U.S.A.	2,647,689	1,073	2,648,762
Europe	897,417	—	897,417
Asia	597,207	1,448	598,655
Other overseas countries	891,379	3,005	894,384
Revenue from contracts with customers	6,720,978	92,552	6,813,530
Revenue from the other sources	15,384	670,777	686,161
Sales to third parties	6,736,362	763,329	7,499,691

Current third quarter (From October 1, 2022 To December 31, 2022)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	414,459	8,435	422,894
North America	1,307,633	18,913	1,326,546
of which U.S.A.	1,090,571	234	1,090,805
Europe	370,053	—	370,053
Asia	181,155	520	181,675
Other overseas countries	306,175	964	307,139
Revenue from contracts with customers	2,579,475	28,832	2,608,307
Revenue from the other sources	5,220	223,914	229,134
Sales to third parties	2,584,695	252,746	2,837,441

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.

	Nine months ended December 31, 2021 (From April 1, 2021 To December 31, 2021)	Nine months ended December 31, 2022 (From April 1, 2022 To December 31, 2022)
(1) Basic earnings per share	¥51.44	¥29.38
(Basis for calculation)		
Net income attributable to owners of parent (Millions of yen)	201,335	115,040
Net income attributable to owners of parent relating to common stock (Millions of yen)	201,335	115,040
Average number of shares of common stock during the period (Thousands of shares)	3,913,982	3,915,112
(2) Diluted earnings per share	¥51.44	¥29.38
(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)

### 1. Issuance of bonds

On January 27 and February 6, 2023, the Company issued unsecured bonds. The terms and conditions of these bonds are summarized as follows.

①	1. Name of bond	66th unsecured bonds
	2. Principal amount	¥140,000 million
	3. Interest rate	1.015% per annum
	4. Issue price	¥100 for a par value of ¥100
	5. Maturity date	January 20, 2026
	6. Payment due date	February 6, 2023
	7. Use of proceeds	To be invested in eligible green and sustainability projects defined in the Group's Sustainable Finance Framework
②	1. Name of bond	67th unsecured bonds
	2. Principal amount	¥50,000 million
	3. Interest rate	1.015% per annum
	4. Issue price	¥100 for a par value of ¥100
	5. Maturity date	January 20, 2026
	6. Payment due date	January 27, 2023
	7. Use of proceeds	To be invested in eligible green and sustainability projects defined in the Group's Sustainable Finance Framework
③	1. Name of bond	68th unsecured bonds
	2. Principal amount	¥10,000 million
	3. Interest rate	1.454% per annum
	4. Issue price	¥100 for a par value of ¥100
	5. Maturity date	January 20, 2028
	6. Payment due date	January 27, 2023
	7. Use of proceeds	To be invested in eligible green and sustainability projects defined in the Group's Sustainable Finance Framework

### 2. New initiatives for partnership of Renault-Nissan-Mitsubishi Alliance

Following approval by the Boards of Directors of Renault Group and Nissan Motor Co., Ltd, Renault-Nissan-Mitsubishi Alliance announced new initiatives to take their partnership to the next level on February 6, 2023.

A three-dimension program to maximize value creation for all Alliance stakeholders will include:

- High-value-creation operational projects in Latin America, India and Europe;
- Enhanced strategic agility with new initiatives that partners can join;
- A rebalanced Renault Group-Nissan cross-shareholding and reinforced Alliance governance.

Renault Group and Nissan have entered into a binding framework agreement regarding the abovementioned transactions, with a view of reaching definitive agreements by the end of March 2023. The transactions contemplated in these definitive agreements would be subject to a limited number of conditions precedent, including regulatory approvals, and completion is expected to occur by the end of December 2023.

This far-reaching program paves the way for a renewal and strengthening of the 24-year partnership, creating a new agile spirit and harnessing the pioneering technologies of all three Alliance members. This next level will create more growth opportunities and help secure operating efficiencies for each Alliance company to innovate and transform in the fast-changing market for automotive products and mobility services.

#### High-value-creation operational projects

A year after defining the Alliance roadmap towards 2030, the companies announce consideration of new key projects in Latin America, India and Europe that aim to deliver win-win, large-scale and actionable benefits for the Alliance members along three dimensions: markets, vehicles, and technologies. Each company would benefit from these value-creating projects in the mid-term while realizing short-term benefits from both cost sharing and cost avoidance.

#### Latin America

The four projects to be considered in Latin America include:

- A new half-ton pick-up, developed by Renault Group and shared with Nissan in Argentina.
- The successful collaboration on the Nissan Frontier/Renault Alaskan family, a one-ton pick-up, would continue. Renault Group would produce the pick-ups in Cordoba (Argentina) for both Renault and Nissan.
- In Mexico, Nissan would produce a new model for Renault Group, making it the first Renault vehicle to be produced there in 20 years.
- Additionally, Nissan and Renault Group would commercialize two common accessible A-segment Electric Vehicles, both based on the CMF-AEV (Common Module Family) platform.

## India

- For India and export, Renault Group and Nissan would collaborate on several new vehicle projects including new SUVs shared by both Renault Group and Nissan, and a New Nissan car derived from the Renault Triber.
- Additionally, as in Latin America, Nissan and Renault Group are also considering common A-segment electric vehicles.

## Europe

The companies are exploring the following initiatives in Europe:

- Renault Group and Mitsubishi Motors would leverage the assets of Renault Captur and Clio to develop 2 new vehicles with the next-gen ASX and Colt based on the CMF-B platform.
- Renault Group would launch FlexEVan on the LCV market, as its first Software-Defined Vehicle from 2026 and share it with Nissan in Europe.
- For their line-ups beyond 2026, Nissan and Renault Group would also explore possible collaborations on the next generation of C-segment Electric Vehicles. To ensure benchmark charging time, Nissan and Renault Group would continue sharing technologies on their European cars, including potential usage of common 800-volt architecture.
- These initiatives would build on existing commitments including plans for the future Nissan compact Electric Vehicle (B-segment), based on CMF-BEV platform, to be produced at Renault Group's ElectriCity facility in France from 2026.

Beyond the vehicle: Cooperation in Distribution, Aftersales, Charging Infrastructure and Batteries

In Europe, the scope of collaboration would go beyond the vehicles to cover lifecycle from distribution, to usage, to recycling and end-of-life.

- Distribution, Aftersales & Sales Financing: Renault Group, Nissan and Mitsubishi Motors are working on shared opportunities within the distribution network to support and increase dealer profitability and reduce their respective costs:
  - By increasing the number of shared outlets in key markets.
  - By developing common strategies on Used Car, After Sales and Sales Financing, leveraging the strong presence of Mobilize Financial Services in Europe.
- Electric vehicle (EV) charging infrastructure: Renault Group and Nissan are considering jointly deploying charging infrastructure in Europe at both Renault Group and Nissan dealerships (charging@dealer).
- Circular Economy: Renault Group and Nissan plan to select common battery recycling partners for their end-of-life batteries and production scraps.

Enhanced strategic agility with new initiatives that partners can join

In the second area of enhanced cooperation, all three Alliance companies agreed to explore their existing strategies in electrification and low-emission technologies by investing and collaborating in respective member-company projects that could provide incremental value to each individual business.

These agile strategic initiatives are designed to complement the business plans of member companies, including Nissan Ambition 2030 and Renaultion, as each business leverages commonality and investment opportunities to deliver on their respective goals for sustainable growth and targets for decarbonization.

The areas of collaboration under consideration include:

- Nissan's intention is to invest up to 15% in Ampere, Renault Group's EV & Software entity in Europe, with the aim to become a strategic investor. Through this intended investment in Ampere Nissan would enhance and accelerate new business opportunities for Nissan in Europe.
- Mitsubishi Motors would consider investing in Ampere.
- Nissan and Mitsubishi Motors would become customers of Renault Group's Horse project, an initiative to achieve further scale and market coverage for its low-emission internal combustion engine (ICE) & hybrid powertrain technologies.

These initiatives would complement ongoing areas of technology collaborations such as All Solid-State Battery (ASSB), Software-Defined Vehicle (SDV) and Advanced Driver Assistance Systems (ADAS) & autonomous driving.

A rebalanced Renault Group-Nissan cross-shareholding and reinforced Alliance governance

As each Alliance member company delivers on its business plans, it was important to put in place a cross-shareholding structure and governance terms aligned to the goals of the next-generation Alliance. Whilst previous Alliance agreements enabled the companies to execute their respective strategies over the last 24 years, a new approach is required to enable the Alliance members to best prepare for future industry opportunities.

Renault Group and Nissan, the founding-members of the Alliance, have therefore agreed to rebalancing their cross-shareholding and governance terms to ensure effectiveness and maximize value creation.

A binding framework agreement defines the principles of a new governance scheme and the rebalancing of the cross-shareholdings between Renault Group and Nissan. The two companies intend to enter into a new Alliance agreement [by March 31, 2023] and replace the current agreements governing the Alliance (i.e., the Restated Alliance Master Agreement, the Alliance Equity Participation Agreement and the Memorandum of Understanding of March 12, 2019).

This new Alliance agreement would be put in place for an initial period of 15 years.

#### Rebalanced cross-shareholdings between Renault Group and Nissan to enable future collaboration

- Nissan and Renault Group would retain a 15% cross-shareholding, with a lock-up obligation, as well as a standstill obligation.
- Renault Group would transfer 28.4% of Nissan shares into a French trust. The entrusted shares would be voted neutrally, except for:
  - the election or dismissal of the directors of Nissan nominated by Renault, (where the trustee would vote as directed by Renault);
  - the election or dismissal of directors who are nominated by the Nissan Nomination Committee, other than the Renault Group nominees (where the trustee should vote in favor of the Nissan Nomination Committee decisions and proposals).
  - shareholder proposals not supported by the Nissan board of directors (where the trustee should abstain).
- Renault Group would continue to fully benefit from the economic rights (dividends and shares' sale proceeds) from the entrusted shares until such shares are sold. The transfer to the trust would trigger no impairment in Renault Group financial statements.
- As a result of the transfer of the 28.4% of Nissan shares to the trust, Nissan would be able to exercise its voting rights attached to its shareholding in Renault Group.
- The voting rights of Renault Group and Nissan would be capped at 15% of the exercisable voting rights, with both companies able to freely exercise their voting rights within such limit.
- Renault Group would instruct the trustee to sell the entrusted Nissan shares if commercially reasonable for Renault Group, but it has no obligation to sell the shares within a specific pre-determined period of time.
- Renault Group would have full flexibility to sell the Nissan shares held in the trust, within a coordinated and orderly process with Nissan, in which Nissan would benefit from a right of first offer, to its or the benefit of a designated third party.

#### Voting rights & governance

- As a result of the new arrangements, the governance agreement entered into on February 4, 2016, between Renault Group and the French State related to its shareholding in Renault Group would be terminated. This would enable the French State to exercise freely all its voting rights in Renault Group.
- Renault Group would remain entitled to nominate two representatives at Nissan's board of directors, and Nissan would remain entitled to nominate two representatives at Renault Group's Board.
- The Alliance Operating Board would remain the coordination forum for Renault Group, Nissan and Mitsubishi Motors.

## 2. Other

Significant lawsuits, etc. relating to operations and other matters

- Lawsuits related to Takata's airbag inflators

Mainly in the United States ("U.S.") and Canada various putative class action lawsuits, civil lawsuits and lawsuits by states related to Takata's airbag inflator have been filed against the Company, consolidated subsidiaries and other Original Equipment Manufacturers. The lawsuits allege that the subject airbag inflators did not function properly, and seek, among others, damages for economic losses, incurred costs, decline in the value of vehicles, and, in certain cases, personal injury as well as punitive damages. Most of the class action lawsuits in the U.S. were transferred to the U.S. District Court for the Southern District of Florida and consolidated into a multi-district litigation ("MDL"). The Company and Nissan North America, Inc. ("NNA") have agreed to a proposed settlement that would resolve the US class actions that are pending against them in the MDL, through a number of customer-focused programs. In September 2017, the court in the MDL granted preliminary approval to the proposed settlement, and in February 2018, the court granted final approval to the proposed settlement. The settlement of \$87.9 million has been fully paid off. 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. On November 29, 2022, the Dubai Court of Appeal cancelled the judgment of the Dubai Court of First Instance. On January 25, 2023, Al Dahana filed an appeal to the Court of Cassation. On January 27, 2023, the Company and Nissan Middle East FZE also filed an appeal to the Court of Cassation. 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

February 10, 2023

The Board of Directors  
Nissan Motor Co., Ltd.

Ernst & Young ShinNihon LLC  
Tokyo, Japan

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

### Auditor's Conclusion

Pursuant to Article 193-2, Section 1 of the Financial Instruments and Exchange Act of Japan, we have reviewed the accompanying quarterly consolidated financial statements of Nissan Motor Co., Ltd. and its consolidated subsidiaries (the "Group"), which comprise the quarterly consolidated balance sheet as of December 31, 2022, the quarterly consolidated statements of income, comprehensive income, and cash flows for the three-month and nine-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 December 31, 2022, and the consolidated results of their operations for the three-month and nine-month periods then ended and their cash flows for the nine-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.

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#### 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】** February 13, 2023

**【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 third quarter (from October 1, 2022 to December 31, 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.