

# **Quarterly Securities Report**

Second Quarter of FY2014

(From July 1, 2014 To September 30, 2014)

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

**Nissan Motor Co., Ltd.**

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<b>【Document Submitted】</b>	Quarterly Securities Report (“Shihanki-Houkokusho”)
<b>【Article of the Applicable Law Requiring Submission of This Document】</b>	Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Law
<b>【Filed to】</b>	Director, Kanto Local Finance Bureau
<b>【Date of Submission】</b>	November 6, 2014
<b>【Accounting Period】</b>	Second Quarter of 116th Fiscal Year (From July 1, 2014 To September 30, 2014)
<b>【Company Name】</b>	Nissan Jidosha Kabushiki-Kaisha
<b>【Company Name (in English)】</b>	Nissan Motor Co., Ltd.
<b>【Position and Name of Representative】</b>	Carlos Ghosn, President
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<b>【Place Where Available for Public Inspection】</b>	Tokyo Stock Exchange, Inc. 2-1, Nihonbashi Kabutocho, Chuo-ku, Tokyo

# Part I Information on the Company

## 1. Overview of the Company

### 1. Key financial data and trends

Fiscal year		115th Six months ended September 30, 2013	116th Six months ended September 30, 2014	115th
Accounting period		(From April 1, 2013 To September 30, 2013)	(From April 1, 2014 To September 30, 2014)	(From April 1, 2013 To March 31, 2014)
Net sales (Current Second Quarter)	(Millions of yen)	4,756,206 (2,523,268)	5,144,629 (2,678,994)	10,482,520
Ordinary income	(Millions of yen)	231,278	328,207	527,189
Net income (Current Second Quarter)	(Millions of yen)	189,823 (107,808)	237,003 (124,869)	389,034
Comprehensive income	(Millions of yen)	372,130	278,604	796,533
Net assets	(Millions of yen)	4,352,555	4,872,800	4,671,528
Total assets	(Millions of yen)	13,264,894	15,285,418	14,703,403
Basic net income per share (Current Second Quarter)	(Yen)	45.29 (25.72)	56.54 (29.79)	92.82
Diluted net income per share	(Yen)	45.29	—	92.82
Net assets as a percentage of total assets	(%)	30.5	29.5	29.5
Cash flows from operating activities	(Millions of yen)	210,783	237,295	728,123
Cash flows from investing activities	(Millions of yen)	(489,934)	(427,866)	(1,080,416)
Cash flows from financing activities	(Millions of yen)	192,327	96,504	396,925
Cash and cash equivalents at end of the period	(Millions of yen)	667,147	728,140	832,716

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

2. Net sales are presented exclusive of consumption tax.

3. Diluted net income per share for the six months ended September 30, 2014 of 116th fiscal year is not presented because the Company had no securities with dilutive effects.

### 2. Description of business

There have been no significant changes in the business in which the Company and its subsidiaries and affiliates (collectively, the “Group”) operate during the six months ended September 30, 2014. No changes were made to major subsidiaries and affiliates.

## 2. Business Overview

### 1. Business and other risks

During the six months ended September 30, 2014, there were no unusual fluctuations with regard to financial position, operating results and cash flows or important changes in the “Business and other risks”, which are described in the securities report of the prior fiscal year.

### 2. Important business contracts

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

### 3. Analysis of financial position, operating results and cash flows

Any future forecasts included in the following descriptions are based on the best estimates or judgment of the Group as of September 30, 2014, the end of the current second quarter.

#### (1) Operating results

For the six months ended September 30, 2014, the Group’s net sales amounted to ¥5,144.6 billion, an increase of ¥388.4 billion (8.2%) from the corresponding period of the last year (the “last year”). Operating income increased by ¥40.0 billion (18.0%) to ¥261.9 billion on a consolidated basis.

Net non-operating income of ¥66.3 billion was recorded for the six months ended September 30, 2014, increasing by ¥56.9 billion from the last year. This result was primarily attributable to the favorable effects of foreign exchange rates movement and an increase of equity in earnings of affiliates. As a result, ordinary income increased by ¥96.9 billion (41.9%) from the last year to ¥328.2 billion. Net special losses of ¥3.9 billion were recorded for the six months ended September 30, 2014, deteriorating by ¥1.9 billion from the last year. Income before income taxes and minority interests for the six months ended September 30, 2014 amounted to ¥324.3 billion, a profit increase of ¥95.0 billion (41.4%) from the last year.

As a result, net income of ¥237.0 billion was recorded for the six months ended September 30, 2014, an increase of ¥47.2 billion (24.9%) from the last year.

The operating results by reportable segments are summarized as follows:

#### ① Automobiles

Net sales in the automobile segment (including inter-segment sales) for the six months ended September 30, 2014 were ¥4,826.2 billion, an increase of ¥359.3 billion (8.0%) from the last year. Operating income increased by ¥32.1 billion (24.9%) to ¥161.1 billion from the last year. This was attributable to profit-increasing factors such as purchasing cost reductions and sales volume increase, despite the profit- declining factors such as increases in selling expenses and manufacturing costs.

#### ② Sales financing

Net sales in the sales financing segment (including inter-segment sales) for the six months ended September 30, 2014 were ¥376.7 billion, an increase of ¥43.9 billion (13.2%) from the last year. Operating income increased by ¥8.8 billion (10.6%) from the last year to ¥91.2 billion.

Operating results by geographic segment are summarized as follows:

#### a. Japan

- Net sales (including inter-segment sales) for the six months ended September 30, 2014 were ¥2,120.1 billion, a decline of ¥190.8 billion (8.3%) from the last year.
- Operating income decreased by ¥63.2 billion (36.3%) from the last year to ¥111.0 billion. Major profit-declining factor was sales volume decrease including export volume.

- b. North America
  - Net sales (including inter-segment sales) for the six months ended September 30, 2014 were ¥2,497.9 billion, an increase of ¥194.0 billion (8.4%) from the last year.
  - Operating income increased by ¥49.7 billion (58.9%) from the last year to ¥134.2 billion. Major profit-increasing factors were purchasing cost reductions and sales volume increase.
- c. Europe
  - Net sales (including inter-segment sales) for the six months ended September 30, 2014 were ¥887.7 billion, an increase of ¥76.0 billion (9.4%) from the last year.
  - Operating loss of ¥4.8 billion was recorded for the six months ended September 30, 2014, improving by ¥11.8 billion from the last year. Major profit-improving factors were sales volume increase and a decrease in selling expenses.
- d. Asia
  - Net sales (including inter-segment sales) for the six months ended September 30, 2014 were ¥792.6 billion, an increase of ¥85.4 billion (12.1%) from the last year.
  - Operating income decreased by ¥0.2 billion (0.7%) from the last year to ¥20.9 billion.
- e. Other overseas countries
  - Net sales (including inter-segment sales) for the six months ended September 30, 2014 were ¥520.7 billion, an increase of ¥86.8 billion (20.0%) from the last year.
  - Operating loss of ¥20.1 billion was recorded, a decline of ¥1.4 billion from the last year.

## (2) Cash flows

Cash and cash equivalents at September 30, 2014, decreased by ¥104.6 billion (12.6%) from the end of the prior fiscal year to ¥728.1 billion. This reflected ¥237.3 billion in net cash provided by operating activities, ¥427.9 billion in net cash used in investing activities, and ¥96.5 billion in net cash provided by financing activities, as well as a decrease of ¥12.1 billion in the effects of exchange rate changes on cash and cash equivalents and a ¥1.6 billion increase attributable to a change in the scope of consolidation.

(Cash flows from operating activities)

Net cash provided by operating activities increased by ¥26.5 billion to ¥237.3 billion for the six months ended September 30, 2014 from ¥210.8 billion provided in the last year. This was mainly attributable to an increase in income before income taxes and minority interests.

(Cash flows from investing activities)

Net cash used in investing activities decreased by ¥62.0 billion to ¥427.9 billion for the six months ended September 30, 2014 from ¥489.9 billion used in the last year. This was mainly attributable to decreases in payments for the purchase of fixed assets and the purchase of investment securities and an increase in proceeds from sales of leased vehicles.

(Cash flows from financing activities)

Net cash provided by financing activities was ¥96.5 billion for the six months ended September 30, 2014, a decrease in cash inflows of ¥95.8 billion compared with ¥192.3 billion provided in the last year. This was mainly due to a decrease in proceeds from long-term borrowing and issuance of bonds.

## (3) Treatment of operating and financial issues

No significant changes have been occurred or new issues have been identified with regard to the treatment of operating and financial issues by the Group during the six months ended September 30, 2014.

## (4) 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 ¥241.4 billion for the six months ended September 30, 2014.

(5) Factors that may affect operating results, as well as the current status of and outlook on business strategies

The Group's worldwide automobile sales (on a retail basis) for the six months ended September 30, 2014 increased by 5.8% from the last year to 2,581 thousand units.

The overall demand for vehicles decreased by 2.8% in the domestic market, and the number of vehicles sold in Japan decreased by 7.6%, resulting in 291 thousand units, accounting for a market share of 11.8%, a decrease of 0.6 percentage point from the last year.

The overall demand for vehicles in China increased by 9.0%. The number of vehicles sold in China resulted in 620 thousand units, increased by 14.6%, taking into account the impact of the transfer of the medium and heavy commercial vehicle-related business of Dongfeng Motor Co., Ltd. in calculating the units sold during the last year. A market share increased 0.3 percentage point from the last year to 5.6%.

The overall demand for vehicles in the United States of America increased by 7.3%, and the number of vehicles sold in the United States of America increased by 13.7% to 708 thousand units, accounting for a market share of 8.2%, an increase of 0.5 percentage point from the last year. Meanwhile, the number of vehicles sold in North America, including Mexico and Canada, increased by 14.1% to 913 thousand units.

The overall demand for vehicles in Europe increased by 1.0%, and the number of vehicles sold in Europe increased by 8.4% to 334 thousand units, accounting for a market share of 3.9%, an increase of 0.3 percentage point from the last year.

The number of vehicles sold in other countries including ASEAN, Oceania, Africa, Central and South America and Middle East decreased by 0.2% to 423 thousand units.

Over the coming quarters, Nissan will launch a product offensive – led by “X-Trail”, “Qashqai” and new models of Datsun – which we expect to generate further sales at enhanced prices and margins. This will be accompanied by an extremely disciplined approach to cost control. Based on our latest exchange rate assumptions, these actions give us confidence that we can achieve our full year guidance.

(6) Analysis of sources of capital and liquidity

Cash and cash equivalents at September 30, 2014, decreased by ¥104.6 billion (12.6%) from the end of the prior fiscal year to ¥728.1 billion. This reflected ¥237.3 billion in net cash provided by operating activities, ¥427.9 billion in net cash used in investing activities, and ¥96.5 billion in net cash provided by financing activities, as well as a decrease of ¥12.1 billion in the effects of exchange rate changes on cash and cash equivalents and a ¥1.6 billion increase attributable to a change in the scope of consolidation.

It is necessary to pay careful attention to the liquidity of funds in view of the drastic environmental changes in the financial markets and other relevant concerns. However, as the Group has entered into loan commitment agreements with major international banks in addition to the cash and cash equivalents held, the Group believes that a level of liquidity is sufficient to meet the Group's funding requirements.

## (7) Production and sales

## Actual production

Location of manufacturers	Number of vehicles produced (Units)		Change (Units)	Change (%)
	Six months ended September 30, 2013	Six months ended September 30, 2014		
Japan	500,519	413,469	(87,050)	(17.4)
The United States of America	391,321	463,991	72,670	18.6
Mexico	344,030	404,338	60,308	17.5
The United Kingdom	242,656	225,507	(17,149)	(7.1)
Spain	66,145	68,890	2,745	4.1
Russia	—	15,480	15,480	—
Thailand	78,602	43,044	(35,558)	(45.2)
Indonesia	27,906	25,923	(1,983)	(7.1)
India	105,525	111,651	6,126	5.8
South Africa	23,952	20,617	(3,335)	(13.9)
Brazil	17,130	21,709	4,579	26.7
Egypt	5,687	8,376	2,689	47.3
Total	1,803,473	1,822,995	19,522	1.1

Note: The figures represent the production volume for the 6-month period from April 1 to September 30, 2014.

## Actual sales

Sales to	Number of vehicles sold (on a consolidated basis: Units)		Change (Units)	Change (%)
	Six months ended September 30, 2013	Six months ended September 30, 2014		
Japan	304,315	274,117	(30,198)	(9.9)
North America	808,361	878,666	70,305	8.7
(The United States of America included therein)	628,973	672,393	43,420	6.9
Europe	317,749	346,201	28,452	9.0
Asia	149,256	150,001	745	0.5
Other overseas countries	279,808	282,057	2,249	0.8
Total	1,859,489	1,931,042	71,553	3.8

Note: The figures in China and Taiwan, which are included in “Asia” represent the sales figures for the 6-month period from January 1 to June 30, 2014. Those sold in Japan, North America, Europe, Other overseas countries and Asia (excluding China and Taiwan) represent vehicles sold for the 6-month period from April 1 to September 30, 2014.



### 3. Corporate Information

#### 1. Information on the Company's shares

(1) Number of shares and other

① Number of shares

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

② Number of shares issued

Type	Number of shares issued		Stock exchanges on which the Company is listed	Description
	As of September 30, 2014	As of November 6, 2014 (filing date of this quarterly securities report)		
Common stock	4,520,715,112	4,520,715,112	First Section of the Tokyo Stock Exchange	The number of shares constituting a unit is 100
Total	4,520,715,112	4,520,715,112	—	—

Note: The number of shares issued as of the filing date of this quarterly securities report does not include those issued upon the exercise of the share subscription rights during the period from November 1, 2014, through the filing date of this quarterly securities report.

(2) Status of the share subscription rights

There were no issued items during the current second quarter.

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

Not applicable

(4) Right plans

Not applicable

(5) 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 additional paid-in capital (Millions of yen)	Balance of additional paid-in capital (Millions of yen)
From July 1, 2014 To September 30, 2014	—	4,520,715	—	605,813	—	804,470

## (6) Principal shareholders

(As of September 30, 2014)

Name	Address	Number of shares held (Thousands)	Number of shares held as a percentage of total shares issued (%)
Renault S.A. (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	13-15 QUAI ALPHONSE LE GALLO 92100 BOULOGNE BILLANCOURT FRANCE (4-16-13, Tsukishima, Chuo-ku, Tokyo)	1,962,037	43.40
THE CHASE MANHATTAN BANK, N.A. LONDON SPECIAL ACCOUNT NO. 1 (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.) (Note)	WOOLGATE HOUSE, COLEMAN STREET LONDON EC2P 2HD, ENGLAND (4-16-13, Tsukishima, Chuo-ku, Tokyo)	145,614	3.22
Japan Trustee Services Bank Ltd. (Trust account)	1-8-11, Harumi, Chuo-ku, Tokyo	129,170	2.86
The Master Trust Bank of Japan Ltd. (Trust account)	2-11-3, Hamamatsu-cho, Minato-ku, Tokyo	109,380	2.42
STATE STREET BANK AND TRUST COMPANY (Standing agent: The Hong Kong and Shanghai Banking Corporation Limited, Tokyo Branch)	ONE LINCOLN STREET, BOSTON MA USA 02111 (3-11-1, Nihonbashi, Chuo-ku, Tokyo)	76,098	1.68
Nippon Life Insurance Company	1-6-6, Marunouchi, Chiyoda-ku, Tokyo	56,529	1.25
JP Morgan Chase Bank 385632 (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (4-16-13, Tsukishima, Chuo-ku, Tokyo)	53,709	1.19
JP Morgan Chase Bank 380055 (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	270 PARK AVENUE, NEW YORK, NY 10017, UNITED STATES OF AMERICA (4-16-13, Tsukishima, Chuo-ku, Tokyo)	44,289	0.98
Moxley and Co. LLC (Standing agent: Sumitomo Mitsui Banking Corporation)	270 PARK AVENUE, NEW YORK, N.Y. 10017-2070 U.S.A. (1-2-3, Otemachi, Chiyoda-ku, Tokyo)	43,123	0.95
STATE STREET BANK AND TRUST COMPANY 505225 (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	P.O. BOX 351 BOSTON MASSACHUSETTS 02101 U.S.A. (4-16-13, Tsukishima, Chuo-ku, Tokyo)	41,732	0.92
Total	—	2,661,681	58.88

Note: Daimspain, S.L., which is Daimler AG's wholly owned subsidiary, substantially holds 140,120 thousand shares of the Company although those shares are in custody of THE CHASE MANHATTAN BANK, N.A. LONDON SPECIAL ACCOUNT NO. 1 on the shareholders' register.

## (7) Status of voting rights

## ① Shares issued

(As of September 30, 2014)

Classification	Number of shares (Shares)	Number of voting rights (Units)	Description
Shares with full voting rights (Treasury stock, etc.)	(Treasury stock) Common stock 30,806,000	—	—
	(Crossholding stock) Common stock 267,500	—	—
Shares with full voting rights (Others)	Common stock 4,489,018,800	44,890,188	—
Shares under one unit	Common stock 622,812	—	—
Total shares issued	4,520,715,112	—	—
Total voting rights held by all shareholders	—	44,890,188	—

Note: “Shares under one unit” include 25 shares of treasury stock and 30 crossholding shares.

## Crossholding shares under one unit

(As of September 30, 2014)

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

## ② Treasury stock, etc.

(As of September 30, 2014)

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	30,806,000	—	30,806,000	0.68
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	38,400	76,200	0.00
Nissan Prince Kagawa Sales Co., Ltd.	1037 Ikuno-cho, Zentsuji-shi, Kagawa	35,200	—	35,200	0.00
Kagawa Nissan Motor Co., Ltd.	1-1-8 Hanazono-cho, Takamatsu-shi, Kagawa	4,800	100	4,900	0.00
NDC Sales Co., Ltd.	2-39-1, Mimomi, Narashino-shi, Chiba	45,600	—	45,600	0.00
Total		31,035,000	38,500	31,073,500	0.69

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

**2. Members of the Board of Directors and Statutory Auditors**

Not applicable

#### **4. Financial Information**

1. Basis of preparation of the quarterly consolidated financial statements

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

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

2. Quarterly review report

The quarterly consolidated financial statements for the current second quarter (from July 1, 2014 to September 30, 2014) and for the six months ended September 30, 2014 (from April 1, 2014 to September 30, 2014) were reviewed by Ernst & Young ShinNihon LLC, pursuant to Article 193-2, Paragraph 1 of the Financial Instruments and Exchange Law.

# 1. Quarterly Consolidated Financial Statements

## (1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	Prior Fiscal Year (As of March 31, 2014)	Current Second Quarter (As of September 30, 2014)
<b>Assets</b>		
Current assets		
Cash on hand and in banks	822,863	663,047
Trade notes and accounts receivable	785,954	583,492
Sales finance receivables	5,033,558	5,541,517
Securities	13,470	65,209
Merchandise and finished goods	769,676	911,354
Work in process	94,386	102,235
Raw materials and supplies	287,789	326,612
Other	860,538	871,138
Allowance for doubtful accounts	(58,956)	(59,243)
Total current assets	8,609,278	9,005,361
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	615,127	664,452
Machinery, equipment and vehicles, net	※1 2,658,776	※1 2,905,381
Land	642,932	649,455
Construction in progress	337,635	216,728
Other, net	503,568	542,825
Total property, plant and equipment	4,758,038	4,978,841
Intangible fixed assets	92,334	96,681
Investments and other assets		
Investment securities	930,293	877,287
Other	316,013	329,664
Allowance for doubtful accounts	(2,553)	(2,416)
Total investments and other assets	1,243,753	1,204,535
Total fixed assets	6,094,125	6,280,057
Total assets	14,703,403	15,285,418

(Millions of yen)

	Prior Fiscal Year (As of March 31, 2014)	Current Second Quarter (As of September 30, 2014)
<b>Liabilities</b>		
Current liabilities		
Trade notes and accounts payable	1,511,910	1,383,818
Short-term borrowings	706,576	704,073
Current portion of long-term borrowings	910,546	1,111,920
Commercial papers	151,175	354,857
Current portion of bonds	226,590	217,363
Lease obligations	32,838	27,721
Accrued expenses	693,438	706,856
Accrued warranty costs	93,151	94,982
Other	861,025	839,752
Total current liabilities	5,187,249	5,441,342
Long-term liabilities		
Bonds	918,783	1,020,035
Long-term borrowings	2,682,381	2,596,420
Lease obligations	23,580	18,361
Accrued warranty costs	105,884	116,157
Net defined benefit liability	216,583	277,130
Other	897,415	943,173
Total long-term liabilities	4,844,626	4,971,276
Total liabilities	10,031,875	10,412,618
Net assets		
Shareholders' equity		
Common stock	605,814	605,814
Capital surplus	804,485	804,487
Retained earnings	3,526,646	3,660,641
Treasury stock	(149,315)	(149,022)
Total shareholders' equity	4,787,630	4,921,920
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	81,630	70,432
Unrealized gain and loss from hedging instruments	(7,015)	(3,112)
Translation adjustments	(469,202)	(434,111)
Remeasurements of defined benefit plans	(40,444)	(38,910)
Other	(13,945)	(13,945)
Total accumulated other comprehensive income	(448,976)	(419,646)
Share subscription rights	2,401	2,399
Minority interests	330,473	368,127
Total net assets	4,671,528	4,872,800
Total liabilities and net assets	14,703,403	15,285,418

(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income  
The Six-Month Period Ended September 30  
Quarterly Consolidated Statement of Income

	(Millions of yen)	
	Six Months Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)	Six Months Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)
Net sales	4,756,206	5,144,629
Cost of sales	3,923,150	4,227,404
Gross profit	833,056	917,225
Selling, general and administrative expenses		
Advertising expenses	129,781	145,846
Provision for warranty costs	50,384	59,568
Other selling expenses	87,051	88,154
Salaries and wages	170,819	187,078
Provision for doubtful accounts	14,674	19,763
Other	158,430	154,872
Total selling, general and administrative expenses	611,139	655,281
Operating income	221,917	261,944
Non-operating income		
Interest income	6,649	11,587
Dividends income	5,731	5,790
Equity in earnings of affiliates	32,873	56,085
Derivative income	8,853	—
Exchange gain	—	20,207
Miscellaneous income	5,030	7,689
Total non-operating income	59,136	101,358
Non-operating expenses		
Interest expense	13,910	14,715
Derivative loss	—	11,244
Exchange loss	27,139	—
Amortization of net retirement benefit obligation at transition	4,520	4,591
Miscellaneous expenses	4,206	4,545
Total non-operating expenses	49,775	35,095
Ordinary income	231,278	328,207
Special gains		
Gain on sales of fixed assets	2,077	1,606
Gain on transfer of business	—	687
Other	949	753
Total special gains	3,026	3,046
Special losses		
Loss on disposal of fixed assets	3,070	3,083
Other	1,909	3,880
Total special losses	4,979	6,963
Income before income taxes and minority interests	229,325	324,290
Income taxes	30,338	76,738
Income before minority interests	198,987	247,552
Income attributable to minority interests	9,164	10,549
Net income	189,823	237,003

Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six Months Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)	Six Months Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)
Income before minority interests	198,987	247,552
Other comprehensive income		
Unrealized holding gain and loss on securities	33,143	(12,350)
Unrealized gain and loss from hedging instruments	(315)	4,224
Translation adjustments	75,719	70,397
Remeasurements of defined benefit plans	—	1,475
The amount for equity method company portion	64,596	(32,694)
Total of other comprehensive income	173,143	31,052
Comprehensive income	372,130	278,604
(Breakdown of comprehensive income)		
Parent company portion of comprehensive income	362,075	265,906
Minority interest portion of comprehensive income	10,055	12,698



The Three-Month Period Ended September 30  
Quarterly Consolidated Statement of Income

(Millions of yen)

	Prior Second Quarter (From July 1, 2013 To September 30, 2013)	Current Second Quarter (From July 1, 2014 To September 30, 2014)
Net sales	2,523,268	2,678,994
Cost of sales	2,079,560	2,193,628
Gross profit	443,708	485,366
Selling, general and administrative expenses		
Advertising expenses	75,885	77,028
Provision for warranty costs	24,847	29,211
Other selling expenses	50,418	50,721
Salaries and wages	83,296	93,677
Provision for doubtful accounts	8,199	12,588
Other	87,244	82,803
Total selling, general and administrative expenses	329,889	346,028
Operating income	113,819	139,338
Non-operating income		
Interest income	3,425	5,832
Dividends income	500	182
Equity in earnings of affiliates	15,657	28,805
Derivative income	1,696	—
Exchange gain	—	19,677
Miscellaneous income	2,428	4,369
Total non-operating income	23,706	58,865
Non-operating expenses		
Interest expense	6,990	6,871
Derivative loss	—	7,576
Exchange loss	10,123	—
Amortization of net retirement benefit obligation at transition	2,276	2,296
Miscellaneous expenses	1,622	2,026
Total non-operating expenses	21,011	18,769
Ordinary income	116,514	179,434
Special gains		
Gain on sales of fixed assets	681	337
Other	442	596
Total special gains	1,123	933
Special losses		
Loss on sales of fixed assets	226	747
Loss on disposal of fixed assets	2,149	1,421
Other	931	1,197
Total special losses	3,306	3,365
Income before income taxes and minority interests	114,331	177,002
Income taxes	2,499	45,903
Income before minority interests	111,832	131,099
Income attributable to minority interests	4,024	6,230
Net income	107,808	124,869

Quarterly Consolidated Statement of Comprehensive Income

(Millions of yen)

	Prior Second Quarter (From July 1, 2013 To September 30, 2013)	Current Second Quarter (From July 1, 2014 To September 30, 2014)
Income before minority interests	111,832	131,099
Other comprehensive income		
Unrealized holding gain and loss on securities	23,901	(8,715)
Unrealized gain and loss from hedging instruments	(163)	5,658
Translation adjustments	(2,462)	112,010
Remeasurements of defined benefit plans	—	1,482
The amount for equity method company portion	31,189	(10,439)
Total of other comprehensive income	52,465	99,996
Comprehensive income	164,297	231,095
(Breakdown of comprehensive income)		
Parent company portion of comprehensive income	161,738	218,987
Minority interest portion of comprehensive income	2,559	12,108

## (3) Quarterly Consolidated Statement of Cash Flows

	(Millions of yen)	
	Six Months Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)	Six Months Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)
<b>Cash flows from operating activities</b>		
Income before income taxes and minority interests	229,325	324,290
Depreciation and amortization (for fixed assets excluding leased vehicles)	169,992	191,416
Depreciation and amortization (for long term prepaid expenses)	12,505	13,168
Depreciation and amortization (for leased vehicles)	138,402	159,507
Increase (decrease) in allowance for doubtful receivables	4,958	3,531
Interest and dividend income	(12,380)	(17,377)
Interest expense	48,090	53,973
Equity in losses (earnings) of affiliates	(32,873)	(56,085)
Loss (gain) on sales of fixed assets	(1,678)	(680)
Loss on disposal of fixed assets	3,070	3,083
Decrease (increase) in trade notes and accounts receivable	23,953	224,958
Decrease (increase) in sales finance receivables	(196,049)	(297,047)
Decrease (increase) in inventories	(170,757)	(145,028)
Increase (decrease) in trade notes and accounts payable	77,396	(162,143)
Amortization of net retirement benefit obligation at transition	4,520	4,591
Retirement benefit expenses	16,807	11,219
Retirement benefit payments made against related accrual	(16,839)	—
Payments made against net defined benefit liability	—	(14,397)
Other	(68,603)	9,425
<b>Subtotal</b>	<b>229,839</b>	<b>306,404</b>
Interest and dividends received	12,444	17,765
Proceeds from dividends income from affiliates accounted for by equity method	61,331	83,727
Interest paid	(48,706)	(56,495)
Income taxes paid	(44,125)	(114,106)
<b>Net cash provided by operating activities</b>	<b>210,783</b>	<b>237,295</b>
<b>Cash flows from investing activities</b>		
Net decrease (increase) in short-term investments	114	3,393
Purchase of fixed assets	(263,199)	(242,474)
Proceeds from sales of fixed assets	34,584	31,148
Purchase of leased vehicles	(491,565)	(498,664)
Proceeds from sales of leased vehicles	234,899	255,712
Payments of long-term loans receivable	(453)	(367)
Collection of long-term loans receivable	99	126
Purchase of investment securities	(32,035)	(15,488)
Proceeds from sales of investment securities	9	2,891
Net decrease (increase) in restricted cash	31,923	39,176
Other	(4,310)	(3,319)
<b>Net cash used in investing activities</b>	<b>(489,934)</b>	<b>(427,866)</b>

	(Millions of yen)	
	Six Months Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)	Six Months Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	(65,966)	384,129
Proceeds from long-term borrowings	855,809	290,164
Proceeds from issuance of bonds	268,724	164,739
Repayments of long-term borrowings	(663,463)	(545,594)
Redemption of bonds	(130,033)	(104,597)
Proceeds from minority shareholders	9,598	2,706
Purchase of treasury stock	(5)	(4)
Proceeds from sales of treasury stock	127	10
Repayments of lease obligations	(19,915)	(18,775)
Cash dividends paid	(52,392)	(62,877)
Cash dividends paid to minority shareholders	(10,157)	(13,397)
Net cash provided by financing activities	192,327	96,504
Effects of exchange rate changes on cash and cash equivalents	40,737	(12,113)
Decrease in cash and cash equivalents	(46,087)	(106,180)
Cash and cash equivalents at beginning of the period	711,901	832,716
Increase due to inclusion in consolidation	1,333	1,604
Cash and cash equivalents at end of the period	※1 667,147	※1 728,140

## [Notes to Quarterly Consolidated Financial Statements]

(Changes in accounting policies)

Six Months Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)
<p>(ASBJ Statement No. 26 <i>Accounting Standard for Retirement Benefits</i> and ASBJ Guidance No. 25 <i>Guidance on Accounting Standard for Retirement Benefits</i>)</p> <p>The Company, domestic subsidiaries and affiliates have applied ASBJ Statement No. 26 <i>Accounting Standard for Retirement Benefits</i> (released on May 17, 2012, hereinafter the “Standard”) and ASBJ Guidance No. 25 <i>Guidance on Accounting Standard for Retirement Benefits</i> (released on May 17, 2012, hereinafter the “Guidance”) effective from the first quarter of the fiscal year ending March 31, 2015, in accordance with the provisions stated in Paragraph 35 of the Standard and Paragraph 67 of the Guidance. As a result, the methods for calculating retirement benefit obligations and service costs have been revised in the following respects: The method for attributing projected benefits to periods has been changed from the straight-line basis to the benefit formula basis, and the method for determining the discount rate has been changed to use a single weighted-average discount rate that reflects the periods until the expected payment of retirement benefits and the amount of projected benefits every such period.</p> <p>According to the transitional treatment provided in Paragraph 37 of the Standard, the effect of changing the method for calculating retirement benefit obligations and service costs was recognized by adjusting retained earnings at the beginning of the current six months of the fiscal year ending March 31, 2015.</p> <p>As a result, net defined benefit liability increased ¥61,659 million and retained earnings decreased ¥40,132 million at the beginning of the current six months of the fiscal year ending March 31, 2015. The effect of this change on consolidated operating income, ordinary income and income before income taxes and minority interests for the six months and the three months ended September 30, 2014, is immaterial.</p>

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

Six Months Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)
<p>(Calculation of tax expense)</p> <p>Income taxes are determined at the amount of income before income taxes and minority interests for the current second quarter ended September 30, 2014 multiplied by the effective tax rate, after adoption of tax-effect accounting, estimated for the whole fiscal year ending March 31, 2015 respectively.</p> <p>Deferred income taxes are included in the income taxes.</p>

(For quarterly consolidated balance sheet)

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, 2014)	Current Second Quarter (As of September 30, 2014)
Assets leased to others under lease agreements	1,877,356	2,071,665

2 Guarantees and others

Prior Fiscal Year (As of March 31, 2014)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	※66,673	Guarantees for employees' housing loans and others
9 foreign dealers	427	Guarantees for loans and others
Total	67,100	

※ Allowance for doubtful accounts is provided for these loans mainly based on past experience.

(2) Commitments to provide guarantees

Guarantees	Balance of commitments to provide guarantees (Millions of yen)	Description of liabilities guaranteed
Hibikinada Development Co., Ltd.	134	Commitments to provide guarantees for loans

Current Second Quarter (As of September 30, 2014)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	※61,356	Guarantees for employees' housing loans and others

※ Allowance for doubtful accounts is provided for these loans mainly based on past experience.

(2) Commitments to provide guarantees

Guarantees	Balance of commitments to provide guarantees (Millions of yen)	Description of liabilities guaranteed
Hibikinada Development Co., Ltd.	122	Commitments to provide guarantees for loans

(For consolidated statement 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 sheet as follows.

	(Millions of yen)	
	Six Months Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)	Six Months Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)
Cash on hand and in banks	605,663	663,047
Time deposits with maturities of more than three months	—	(116)
Cash equivalents included in securities(*)	61,484	65,209
Cash and cash equivalents	667,147	728,140

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

(For net assets)

The Six-Month Period Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)

1. Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Cut-off date	Effective date	Source of dividends
Annual general meeting of the shareholders on June 25, 2013	Common stock	52,392	12.5	March 31, 2013	June 26, 2013	Retained earnings

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

2. Dividends which the cut-off date fell in the period from April 1 to September 30, 2013, and the effective date of which will be after September 30, 2013

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Cut-off date	Effective date	Source of dividends
Meeting of the Board of Directors on November 1, 2013	Common stock	62,873	15	September 30, 2013	November 26, 2013	Retained earnings

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

The Six-Month Period Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)

1. Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Cut-off date	Effective date	Source of dividends
Annual general meeting of the shareholders on June 24, 2014	Common stock	62,877	15	March 31, 2014	June 25, 2014	Retained earnings

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

2. Dividends which the cut-off date fell in the period from April 1 to September 30, 2014, and the effective date of which will be after September 30, 2014

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Cut-off date	Effective date	Source of dividends
Meeting of the Board of Directors on November 4, 2014	Common stock	69,177	16.5	September 30, 2014	November 26, 2014	Retained earnings

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

(Segments of an enterprise and related information)

Segment information

1. General information about reportable segments

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

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

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

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

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

3. Matters regarding changes in reportable segments

As stated in "Changes in accounting policies", the methods for calculating retirement benefit obligations and service costs have been changed from the beginning of the first quarter of the fiscal year ending March 31, 2015. Accordingly, retirement benefit obligations and service costs of the reportable segments have been changed.

The effect of this change on segment profits for the six months and the three months ended September 30, 2014, is immaterial, whereas, on the Summarized quarterly consolidated balance sheets by business segments, retained earnings decreased ¥40,140 million in Automobile & Eliminations and increased ¥8 million in Sales financing segment respectively at the beginning of the current six months of the fiscal year ending March 31, 2015.

4. Net sales and profits or losses by reportable segments

The Six-Month Period Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Six Months Ended September 30, 2013
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	4,436,885	319,321	4,756,206	—	4,756,206
Inter-segment sales or transfers	29,990	13,476	43,466	(43,466)	—
Total	4,466,875	332,797	4,799,672	(43,466)	4,756,206
Segment profits	129,014	82,385	211,399	10,518	221,917

Prior Second Quarter (From July 1, 2013 To September 30, 2013)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Prior Second Quarter
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	2,362,762	160,506	2,523,268	—	2,523,268
Inter-segment sales or transfers	15,314	6,238	21,552	(21,552)	—
Total	2,378,076	166,744	2,544,820	(21,552)	2,523,268
Segment profits	68,693	40,092	108,785	5,034	113,819



Note 1: Quarterly consolidated financial statements by business segments

- The Sales financing segment consists of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Corporation (U.S.A.), NR Finance Mexico S.A. de C.V. SOFOM E.N.R (Mexico), other 5 companies and the sales finance operations of Nissan Canada Inc. (Canada).
- The financial data on Automobile & Eliminations represent the differences between the consolidated figures and those for the Sales financing segment.

(1) Summarized quarterly consolidated balance sheets by business segments

(Millions of yen)

Accounts	Prior Second Quarter (As of September 30, 2013)		
	Automobile & Eliminations	Sales financing	Consolidated total
<b>Assets</b>			
I Current assets			
Cash on hand and in banks	574,583	31,080	605,663
Trade notes and accounts receivable	564,781	911	565,692
Sales finance receivables	(113,361)	4,563,507	4,450,146
Inventories	1,202,895	22,057	1,224,952
Other current assets	610,576	215,177	825,753
Total current assets	2,839,474	4,832,732	7,672,206
II Fixed assets			
Property, plant and equipment, net	2,659,301	1,760,383	4,419,684
Investment securities	817,796	10,916	828,712
Other fixed assets	197,135	147,157	344,292
Total fixed assets	3,674,232	1,918,456	5,592,688
Total assets	6,513,706	6,751,188	13,264,894
<b>Liabilities</b>			
I Current liabilities			
Trade notes and accounts payable	1,226,336	34,634	1,260,970
Short-term borrowings	(786,873)	2,474,045	1,687,172
Lease obligations	31,303	64	31,367
Other current liabilities	1,105,448	240,554	1,346,002
Total current liabilities	1,576,214	2,749,297	4,325,511
II Long-term liabilities			
Bonds	280,000	582,616	862,616
Long-term borrowings	347,338	2,207,381	2,554,719
Lease obligations	22,265	28	22,293
Other long-term liabilities	519,084	628,116	1,147,200
Total long-term liabilities	1,168,687	3,418,141	4,586,828
Total liabilities	2,744,901	6,167,438	8,912,339
<b>Net assets</b>			
I Shareholders' equity			
Common stock	482,141	123,673	605,814
Capital surplus	771,105	33,380	804,485
Retained earnings	2,931,269	459,039	3,390,308
Treasury stock	(149,421)	—	(149,421)
Total shareholders' equity	4,035,094	616,092	4,651,186
II Accumulated other comprehensive income			
Translation adjustments	(601,263)	(41,730)	(642,993)
Others	40,959	(7,478)	33,481
Total accumulated other comprehensive income	(560,304)	(49,208)	(609,512)
III Share subscription rights	2,401	—	2,401
IV Minority interests	291,614	16,866	308,480
Total net assets	3,768,805	583,750	4,352,555
Total liabilities and net assets	6,513,706	6,751,188	13,264,894

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 ¥1,300,166 million.

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

(Millions of yen)

Accounts	Six Months Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	4,423,409	332,797	4,756,206
Cost of sales	3,706,806	216,344	3,923,150
Gross profit	716,603	116,453	833,056
Operating income as a percentage of net sales	3.2%	24.8%	4.7%
Operating income	139,532	82,385	221,917
Financial income / expenses, net	(1,245)	(285)	(1,530)
Other non-operating income and expenses, net	10,820	71	10,891
Ordinary income	149,107	82,171	231,278
Income before income taxes and minority interests	146,637	82,688	229,325
Net income	133,658	56,165	189,823

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

(Millions of yen)

Accounts	Six Months Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)		
	Automobile & Eliminations	Sales financing	Consolidated total
I Cash flows from operating activities			
Income before income taxes and minority interests	146,637	82,688	229,325
Depreciation and amortization	172,317	148,582	320,899
Decrease (increase) in sales finance receivables	(12,318)	(183,731)	(196,049)
Others	(126,379)	(17,013)	(143,392)
Net cash provided by operating activities	180,257	30,526	210,783
II Cash flows from investing activities			
Proceeds from sales of investment securities	9	—	9
Purchase of fixed assets	(242,174)	(21,025)	(263,199)
Proceeds from sales of fixed assets	12,175	22,409	34,584
Purchase of leased vehicles	682	(492,247)	(491,565)
Proceeds from sales of leased vehicles	100	234,799	234,899
Others	(31,786)	27,124	(4,662)
Net cash used in investing activities	(260,994)	(228,940)	(489,934)
III Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	78,357	(144,323)	(65,966)
Net changes in long-term borrowings and redemption of bonds	(116,721)	179,034	62,313
Proceeds from issuance of bonds	109,786	158,938	268,724
Others	(80,151)	7,407	(72,744)
Net cash provided by (used in) financing activities	(8,729)	201,056	192,327
IV Effects of exchange rate changes on cash and cash equivalents	39,058	1,679	40,737
V Increase (decrease) in cash and cash equivalents	(50,408)	4,321	(46,087)
VI Cash and cash equivalents at the beginning of the period	684,548	27,353	711,901
VII Increase due to inclusion in consolidation	1,333	—	1,333
VIII Cash and cash equivalents at the end of the period	635,473	31,674	667,147

Notes: 1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥92,322 million eliminated for decrease in internal loans receivable from the Sales financing segment.

2. The net changes in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥36,871 million eliminated for increase in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

The Six-Month Period Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	1,052,851	2,149,493	703,024	421,417	429,421	4,756,206	—	4,756,206
(2) Inter-segment sales	1,258,028	154,406	108,717	285,809	4,494	1,811,454	(1,811,454)	—
Total	2,310,879	2,303,899	811,741	707,226	433,915	6,567,660	(1,811,454)	4,756,206
Operating income (loss)	174,215	84,455	(16,587)	21,080	(18,672)	244,491	(22,574)	221,917

Prior Second Quarter (From July 1, 2013 To September 30, 2013)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	574,988	1,134,397	366,201	230,451	217,231	2,523,268	—	2,523,268
(2) Inter-segment sales	688,818	85,000	57,395	164,599	2,180	997,992	(997,992)	—
Total	1,263,806	1,219,397	423,596	395,050	219,411	3,521,260	(997,992)	2,523,268
Operating income (loss)	99,424	42,678	(9,861)	13,949	(17,287)	128,903	(15,084)	113,819

Notes: 1. Regions are representing 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, Central and South America excluding Mexico, and South Africa

The Six-Month Period Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Six Months Ended September 30, 2014
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	4,782,382	362,247	5,144,629	—	5,144,629
Inter-segment sales or transfers	43,808	14,459	58,267	(58,267)	—
Total	4,826,190	376,706	5,202,896	(58,267)	5,144,629
Segment profits	161,144	91,152	252,296	9,648	261,944

Current Second Quarter (From July 1, 2014 To September 30, 2014)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Current Second Quarter
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	2,494,785	184,209	2,678,994	—	2,678,994
Inter-segment sales or transfers	25,506	7,245	32,751	(32,751)	—
Total	2,520,291	191,454	2,711,745	(32,751)	2,678,994
Segment profits	90,232	44,540	134,772	4,566	139,338

Note 1: Quarterly consolidated financial statements by business segments

- The Sales financing segment consists of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Corporation (U.S.A.), NR Finance Mexico S.A. de C.V. SOFOM E.N.R (Mexico), other 7 companies and the sales finance operations of Nissan Canada Inc. (Canada).
- The financial data on Automobile & Eliminations represent the differences between the consolidated figures and those for the Sales financing segment.

(1) Summarized quarterly consolidated balance sheets by business segments

(Millions of yen)

Accounts	Current Second Quarter (As of September 30, 2014)		
	Automobile & Eliminations	Sales financing	Consolidated total
<b>Assets</b>			
I Current assets			
Cash on hand and in banks	624,004	39,043	663,047
Trade notes and accounts receivable	583,206	286	583,492
Sales finance receivables	(104,150)	5,645,667	5,541,517
Inventories	1,315,972	24,229	1,340,201
Other current assets	618,467	258,637	877,104
Total current assets	3,037,499	5,967,862	9,005,361
II Fixed assets			
Property, plant and equipment, net	2,877,496	2,101,345	4,978,841
Investment securities	858,510	18,777	877,287
Other fixed assets	300,254	123,675	423,929
Total fixed assets	4,036,260	2,243,797	6,280,057
Total assets	7,073,759	8,211,659	15,285,418
<b>Liabilities</b>			
I Current liabilities			
Trade notes and accounts payable	1,342,417	41,401	1,383,818
Short-term borrowings	(1,017,183)	3,405,396	2,388,213
Lease obligations	27,703	18	27,721
Other current liabilities	1,355,698	285,892	1,641,590
Total current liabilities	1,708,635	3,732,707	5,441,342
II Long-term liabilities			
Bonds	350,000	670,035	1,020,035
Long-term borrowings	160,365	2,436,055	2,596,420
Lease obligations	18,352	9	18,361
Other long-term liabilities	690,296	646,164	1,336,460
Total long-term liabilities	1,219,013	3,752,263	4,971,276
Total liabilities	2,927,648	7,484,970	10,412,618
<b>Net assets</b>			
I Shareholders' equity			
Common stock	459,474	146,340	605,814
Capital surplus	771,107	33,380	804,487
Retained earnings	3,128,617	532,024	3,660,641
Treasury stock	(149,022)	—	(149,022)
Total shareholders' equity	4,210,176	711,744	4,921,920
II Accumulated other comprehensive income			
Translation adjustments	(440,405)	6,294	(434,111)
Others	19,066	(4,601)	14,465
Total accumulated other comprehensive income	(421,339)	1,693	(419,646)
III Share subscription rights	2,399	—	2,399
IV Minority interests	354,875	13,252	368,127
Total net assets	4,146,111	726,689	4,872,800
Total liabilities and net assets	7,073,759	8,211,659	15,285,418

- 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 ¥1,649,986 million.

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

(Millions of yen)

Accounts	Six Months Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	4,767,923	376,706	5,144,629
Cost of sales	3,983,737	243,667	4,227,404
Gross profit	784,186	133,039	917,225
Operating income as a percentage of net sales	3.6%	24.2%	5.1%
Operating income	170,792	91,152	261,944
Financial income / expenses, net	2,519	143	2,662
Other non-operating income and expenses, net	63,102	499	63,601
Ordinary income	236,413	91,794	328,207
Income before income taxes and minority interests	232,588	91,702	324,290
Net income	178,739	58,264	237,003

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

(Millions of yen)

Accounts	Six Months Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)		
	Automobile & Eliminations	Sales financing	Consolidated total
I Cash flows from operating activities			
Income before income taxes and minority interests	232,588	91,702	324,290
Depreciation and amortization	196,406	167,685	364,091
Decrease (increase) in sales finance receivables	76,747	(373,794)	(297,047)
Others	(119,794)	(34,245)	(154,039)
Net cash provided by (used in) operating activities	385,947	(148,652)	237,295
II Cash flows from investing activities			
Proceeds from sales of investment securities	2,891	—	2,891
Purchase of fixed assets	(219,575)	(22,899)	(242,474)
Proceeds from sales of fixed assets	10,615	20,533	31,148
Purchase of leased vehicles	(78)	(498,586)	(498,664)
Proceeds from sales of leased vehicles	55	255,657	255,712
Others	(15,992)	39,513	23,521
Net cash used in investing activities	(222,084)	(205,782)	(427,866)
III Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	151,919	232,210	384,129
Net changes in long-term borrowings and redemption of bonds	(353,657)	(6,370)	(360,027)
Proceeds from issuance of bonds	119,739	45,000	164,739
Others	(99,438)	7,101	(92,337)
Net cash provided by (used in) financing activities	(181,437)	277,941	96,504
IV Effects of exchange rate changes on cash and cash equivalents	(11,811)	(302)	(12,113)
V Decrease in cash and cash equivalents	(29,385)	(76,795)	(106,180)
VI Cash and cash equivalents at the beginning of the period	717,379	115,337	832,716
VII Increase due to inclusion in consolidation	534	1,070	1,604
VIII Cash and cash equivalents at the end of the period	688,528	39,612	728,140

Notes: 1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥118,693 million eliminated for decrease in internal loans receivable from the Sales financing segment.

2. The net changes in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥120,285 million eliminated for increase in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

The Six-Month Period Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	1,020,976	2,322,960	786,328	498,800	515,565	5,144,629	—	5,144,629
(2) Inter-segment sales	1,099,144	174,929	101,383	293,767	5,150	1,674,373	(1,674,373)	—
Total	2,120,120	2,497,889	887,711	792,567	520,715	6,819,002	(1,674,373)	5,144,629
Operating income (loss)	111,019	134,222	(4,829)	20,928	(20,074)	241,266	20,678	261,944

Current Second Quarter (From July 1, 2014 To September 30, 2014)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	532,088	1,205,798	396,169	263,966	280,973	2,678,994	—	2,678,994
(2) Inter-segment sales	569,737	95,245	47,541	156,948	2,842	872,313	(872,313)	—
Total	1,101,825	1,301,043	443,710	420,914	283,815	3,551,307	(872,313)	2,678,994
Operating income (loss)	54,167	83,250	(3,251)	10,741	(10,976)	133,931	5,407	139,338

Notes: 1. Regions are representing 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, Central and South America excluding Mexico, and South Africa

5. Information about impairment loss of fixed assets by reportable segment

The Six-Month Period Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)

There were no significant impairment losses of fixed assets in the reportable segments for the six months ended September 30, 2013.

The Six-Month Period Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)

There were no significant impairment losses of fixed assets in the reportable segments for the six months ended September 30, 2014.

6. Information about goodwill by reportable segment

The Six-Month Period Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)

There were no significant changes in the reported amounts of goodwill in the reportable segments for the six months ended September 30, 2013.

The Six-Month Period Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)

There were no significant changes in the reported amounts of goodwill in the reportable segments for the six months ended September 30, 2014.

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

The Six-Month Period Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)

There were no significant gains recognized on negative goodwill in the reportable segments for the six months ended September 30, 2013.

The Six-Month Period Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)

There were no significant gains recognized on negative goodwill in the reportable segments for the six months ended September 30, 2014.



## 8. Information about geographical area

Net sales

The Six-Month Period Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
926,565	2,076,067	1,726,145	696,053	529,357	528,164	4,756,206

Prior Second Quarter (From July 1, 2013 To September 30, 2013)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
509,210	1,093,058	921,477	363,987	284,805	272,208	2,523,268

Notes: 1. Regions are representing 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, Central and South America excluding Mexico, and South Africa, etc.

The Six-Month Period Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
881,351	2,245,601	1,832,737	797,135	613,506	607,036	5,144,629

Current Second Quarter (From July 1, 2014 To September 30, 2014)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
460,658	1,158,820	947,548	402,535	322,945	334,036	2,678,994

Notes: 1. Regions are representing 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, Central and South America excluding Mexico, and South Africa, etc.

(Amounts per share)

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

	Six Months Ended September 30, 2013 (From April 1, 2013 To September 30, 2013)	Six Months Ended September 30, 2014 (From April 1, 2014 To September 30, 2014)
Basic net income per share	¥45.29	¥56.54
(Basis for calculation)		
Net income (Millions of yen)	189,823	237,003
Net income attributable to shares of common stock (Millions of yen)	189,823	237,003
Average number of shares of common stock during the period (Thousands)	4,191,379	4,191,893
Diluted net income per share	¥45.29	—
(Basis for calculation)		
Effects of dilutive securities (Millions of yen)	—	—
Increase in shares of common stock (Thousands)	187	—
Any significant changes from the prior fiscal year-end in potential securities excluded from the computation of diluted net income per share because they do not have dilutive effects	—	—

Note: Diluted net income per share for the six months ended September 30, 2014 is not presented because the Company had no securities with dilutive effects.

(Significant subsequent events)

Not applicable

## 2. Other

Interim dividends for the fiscal year ending March 31, 2015 were approved on November 4, 2014 by resolution of the meeting of the Board of Directors as follows:

According to its Articles of Incorporation, the Company plans to pay the following cash dividends to shareholders of record on September 30, 2014.

(1) Total interim dividends:	¥69,177 million
(2) Dividends per share:	¥16.5
(3) Entitlement date and commencement date of the payment	November 26, 2014

Note: Total dividends were obtained by deducting the amount corresponding to the equity of Renault shares held by the Company. Total amount of dividends before deducting the amount corresponding to the equity of Renault shares held by the Company was ¥74,083 million.

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

Not applicable

(For Translation Purposes Only)

## Independent Auditor's Quarterly Review Report

November 5, 2014

The Board of Directors  
Nissan Motor Co., Ltd.

Ernst & Young ShinNihon LLC

Designated and Engagement Partner Certified Public Accountant	Yoji Murohashi
Designated and Engagement Partner Certified Public Accountant	Takeshi Hori
Designated and Engagement Partner Certified Public Accountant	Koki Ito
Designated and Engagement Partner Certified Public Accountant	Masayuki Nakamura

Pursuant to Article 193-2, Section 1, of the Financial Instruments and Exchange Law of Japan, we have reviewed the accompanying quarterly consolidated financial statements of Nissan Motor Co., Ltd. (the "Company") and its consolidated subsidiaries, which comprise the quarterly consolidated balance sheet as of September 30, 2014, the quarterly consolidated statements of income, quarterly consolidated statements of comprehensive income for the three-month and six-month periods then ended, quarterly consolidated statement of cash flows for the six-month period then ended, and the related notes included in "Financial Information".

### Management's Responsibility for the Quarterly Consolidated Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express a conclusion independently on these quarterly consolidated financial statements based on our review. We conducted our review in accordance with the review standards for quarterly financial statements generally accepted in Japan.

A review of quarterly consolidated financial statements consists of making inquiries, primarily of management and persons responsible for financial and accounting matters, and applying 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.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### Auditor's Conclusion

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 Nissan Motor Co., Ltd. and its consolidated subsidiaries at September 30, 2014, and the consolidated results of their operations for the three-month and six-month periods then ended and their cash flows for the six-month period then ended in conformity with the accounting principles for quarterly consolidated financial statements generally accepted in Japan.

### Other Matter

We have no interest in the Company which should be disclosed in compliance with the Japanese Certified Public Accountants Law.

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### Notes:

1. The above is a digitization of the text contained in the original copy of the Quarterly Review Report of Independent Auditors, which is in the custody of the Company—the submitter of this quarterly securities report.
2. The XBRL data is not included in the range of Audit.

**【Cover】**

<b>【Document Submitted】</b>	Confirmation Note
<b>【Article of the Applicable Law Requiring Submission of This Document】</b>	Article 24-4-8, Paragraph 1, of the Financial Instruments and Exchange Law
<b>【Filed to】</b>	Director, Kanto Local Finance Bureau
<b>【Date of Submission】</b>	November 6, 2014
<b>【Company Name】</b>	Nissan Jidosha Kabushiki-Kaisha
<b>【Company Name (in English)】</b>	Nissan Motor Co., Ltd.
<b>【Position and Name of Representative】</b>	Carlos Ghosn, President
<b>【Position and Name of Chief Financial Officer】</b>	Joseph G. Peter, Chief Financial Officer
<b>【Location of Head Office】</b>	2, Takaracho, Kanagawa-ku, Yokohama-shi, Kanagawa
<b>【Place Where Available for Public Inspection】</b>	Tokyo Stock Exchange, Inc. 2-1, Nihonbashi Kabutocho, Chuo-ku, Tokyo

## **1. Accuracy of the Descriptions in This Quarterly Securities Report**

Carlos Ghosn, President of Nissan Motor Co., Ltd., and Joseph G. Peter, Chief Financial Officer have confirmed that this Quarterly Securities Report “Shihanki-Houkokusho” for the second quarter (from July 1, 2014 to September 30, 2014) of the 116th Fiscal Term is reasonably and fairly described in accordance with the Financial Instruments and Exchange Law.

## **2. Special Affairs**

There are no noteworthy matters that are pertinent to this quarterly securities report.