

Quarterly Securities Report

First Quarter of FY2020

(From April 1, 2020 To June 30, 2020)

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

Nissan Motor Co., Ltd.

Table of Contents

	Page
Cover	1
Part I Information on the Company	2
1. Overview of the Company	2
1. Key financial data and trends	2
2. Description of business	2
2. Business Overview	3
1. Business and other risks	3
2. Management’s analysis of financial position, operating results and cash flows	3
3. Important business contracts	9
3. Corporate Information	10
1. Information on the Company’s shares	10
2. Members of the Board of Directors and Statutory Auditors	11
4. Financial Information	12
1. Quarterly Consolidated Financial Statements	13
2. Other	31
Part II Information on Guarantors for the Company	32
Independent Auditor’s Quarterly Review Report	
Confirmation Note	

【Cover】	
【Document Submitted】	Quarterly Securities Report (“Shihanki-Houkokusho”)
【Article of the Applicable Law Requiring Submission of This Document】	Article 24-4-7, Paragraph 1 of the Financial Instruments and Exchange Act
【Filed to】	Director, Kanto Local Finance Bureau
【Date of Submission】	July 30, 2020
【Accounting Period】	First Quarter of the 122nd Fiscal Year (From April 1, 2020 To June 30, 2020)
【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
【Location of Head Office】	2, Takaracho, Kanagawa-ku, Yokohama-shi, Kanagawa
【Phone No.】	(045) 523-5523 (switchboard)
【Contact for Communications】	Shigeko Taie, Senior Manager, Consolidation Accounting Group, Budget and Accounting Department
【Nearest Contact】	1-1, Takashima 1-chome, Nishi-ku, Yokohama-shi, Kanagawa
【Phone No.】	(045) 523-5523 (switchboard)
【Contact for Communications】	Shigeko Taie, Senior Manager, Consolidation Accounting Group, Budget and Accounting Department
【Place Where Available for Public Inspection】	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		121st Prior First Quarter	122nd Current First Quarter	121st
Accounting period		(From April 1, 2019 To June 30, 2019)	(From April 1, 2020 To June 30, 2020)	(From April 1, 2019 To March 31, 2020)
Net sales	Millions of yen	2,372,422	1,174,194	9,878,866
Ordinary income (loss)	Millions of yen	35,328	(232,280)	44,049
Net income (loss) attributable to owners of parent	Millions of yen	6,377	(285,589)	(671,216)
Comprehensive income	Millions of yen	(46,527)	(311,275)	(1,084,147)
Net assets	Millions of yen	5,489,500	4,054,703	4,424,773
Total assets	Millions of yen	18,175,498	15,830,833	16,976,709
Basic earnings (loss) per share	Yen	1.63	(73.00)	(171.54)
Diluted earnings per share	Yen	1.63	—	—
Net assets as a percentage of total assets	%	28.2	23.4	23.9
Cash flows from operating activities	Millions of yen	275,780	20,539	1,185,854
Cash flows from investing activities	Millions of yen	(139,330)	(206,085)	(708,687)
Cash flows from financing activities	Millions of yen	(266,815)	10,176	(155,494)
Cash and cash equivalents at end of the period	Millions of yen	1,231,350	1,460,734	1,642,981

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 earnings per share for the first quarter of the 122nd fiscal year and the 121st fiscal year is not presented because a net loss per share was recorded although potential dilutive stock existed.

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 first quarter ended June 30, 2020. No changes were made to major subsidiaries and affiliates.

2. Business Overview

1. Business and other risks

During the first quarter ended June 30, 2020, there were no unusual fluctuations with regard to financial position, operating results and cash flows or important changes in the “Business and other risks,” which are described in the Securities Report of the prior fiscal year.

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

Any future forecasts included in the following descriptions are based on the best estimates or judgment of the Group as of June 30, 2020, the end of the current first quarter.

(1) Financial position and operating results

Due to the impact of COVID-19 globally, the global industry volume totaled 12.49 million units for the three months ended June 30, 2020 (the “current first quarter”), a decrease of 44.5% from the corresponding period of the last year (the “prior first quarter”). Global sales of the Group for the current first quarter also decreased by 47.7% year on year to 643 thousand units. In addition, due to suspended production at many plants globally and low utilization rates due to declining sales at the plants that resumed operations, the Group has faced the challenging business climate. As a result, net sales of the Group for the current first quarter, totaled ¥1,174.2 billion, which represents a decrease of ¥1,198.2 billion (50.5%) relative to net sales for the prior first quarter. Operating loss of ¥153.9 billion was recorded for the current first quarter, a deterioration of ¥155.5 billion from the prior first quarter.

Net non-operating loss of ¥78.4 billion was recorded for the current first quarter, deteriorating by ¥112.1 billion from the prior first quarter. As a result, ordinary loss amounted to ¥232.3 billion, deteriorating by ¥267.6 billion compared with the prior first quarter. Net special losses of ¥72.3 billion were recorded for the current first quarter, deteriorating by ¥63.9 billion from the prior first quarter. Loss before income taxes of ¥304.6 billion was recorded for the current first quarter, deteriorating by ¥331.5 billion from the prior first quarter. Finally, net loss attributable to owners of parent for the first quarter ended June 30, 2020 of ¥285.6 billion was recorded, a deterioration of ¥292.0 billion from the prior first quarter.

(2) Cash flows

Cash and cash equivalents at June 30, 2020 decreased by ¥182.3 billion (11.1%) from the end of the prior fiscal year to ¥1,460.7 billion. This reflected ¥20.5 billion in net cash provided by operating activities, ¥206.1 billion in net cash used in investing activities and ¥10.2 billion in net cash provided in financing activities, as well as a decrease of ¥6.9 billion in the effects of foreign exchange rate movements on cash and cash equivalents.

(3) Production and sales

Actual production

Location of manufacturers	Number of vehicles produced (units)		Change (units)	Change (%)
	Prior First Quarter	Current First Quarter		
Japan	181,305	59,611	(121,694)	(67.1)
The United States of America	189,061	26,235	(162,826)	(86.1)
Mexico	156,513	36,430	(120,083)	(76.7)
The United Kingdom	83,016	7,008	(76,008)	(91.6)
Spain	18,852	224	(18,628)	(98.8)
Russia	14,165	2,519	(11,646)	(82.2)
Thailand	37,868	6,232	(31,636)	(83.5)
Indonesia	888	—	(888)	—
Philippines	1,237	639	(598)	(48.3)
India	37,710	3,642	(34,068)	(90.3)
South Africa	9,592	—	(9,592)	—
Brazil	26,736	23	(26,713)	(99.9)
Argentina	2,178	389	(1,789)	(82.1)
Egypt	3,350	1,905	(1,445)	(43.1)
Total	762,471	144,857	(617,614)	(81.0)

Note: The figures represent the production figures for the 3-month period from April 1 to June 30, 2020.

Actual sales

Sales to	Number of vehicles sold (on a consolidated basis: units)		Change (units)	Change (%)
	Prior First Quarter	Current First Quarter		
Japan	123,765	76,925	(46,840)	(37.8)
North America	368,922	126,747	(242,175)	(65.6)
(The United States of America included therein)	288,862	101,326	(187,536)	(64.9)
Europe	127,465	30,257	(97,208)	(76.3)
Asia	75,289	18,972	(56,317)	(74.8)
Other overseas countries	100,081	28,753	(71,328)	(71.3)
Total	795,522	281,654	(513,868)	(64.6)

Note: The figures in China and Taiwan, which are included in “Asia,” represent the sales figures for the 3-month period from January 1 to March 31, 2020. Those sold in Japan, North America, Europe, Other overseas countries and Asia (excluding China and Taiwan) represent vehicles sold for the 3-month period from April 1 to June 30, 2020.

(4) Results of segments

(Business segments)

a. Automobiles

The Group’s worldwide automobile sales (on a retail basis) for the current first quarter ended June 30, 2020, decreased by 588 thousand units (47.7%) from the prior first quarter to 643 thousand units. This was mainly due to the impact of COVID-19 globally. The number of vehicles sold in Japan decreased by 33.7% to 84 thousand units. Vehicles sold in China decreased by 39.9% to 207 thousand units. Those sold in North America including Mexico and Canada decreased by 50.8% to 222 thousand units, those sold in Europe decreased by 60.1% to 54 thousand units and those sold in other overseas countries decreased by 55.9% to 77 thousand units.

Net sales in the automobile business (including intersegment sales) for the current first quarter decreased by ¥1,180.4 billion (55.5%) from the prior first quarter to ¥944.6 billion. Operating loss of ¥222.0 billion was recorded for the first quarter ended June 30, 2020, a deterioration of ¥164.5 billion from the prior first quarter. A major profit-deteriorating factor was a decrease in the number of vehicles sold despite the favorable effect of a reduction in costs.

b. Sales finance

Net sales in the sales finance business (including intersegment sales) for current first quarter ended June 30, 2020, decreased by ¥34.6 billion (11.6%) to ¥263.9 billion. Operating income increased by ¥6.6 billion (11.9%) from the prior first quarter to ¥63.0 billion. A major profit-increasing factor was an increase in profit of sales finance companies in the United States of America and China.

(Geographic segment)

a. Japan

Due to the impact of COVID-19, in Japan market, the total industry volume (“TIV”) decreased by 31.8% year on year to 840 thousand units. The Group’s sales decreased by 33.7% from the prior first quarter to 84 thousand units. The Group’s market share decreased to 10.0%, down 0.3 percentage point year on year.

As a result, net sales in Japan (including intersegment sales) for the current first quarter decreased by ¥484.6 billion (50.6%) from the prior first quarter to ¥473.1 billion. The Group recorded an operating loss of ¥123.3 billion, which deteriorated by ¥141.4 billion from the prior first quarter. A major profit-deteriorating factor was a decrease in the number of vehicles sold (including exports).

b. North America

In North America market, including Mexico and Canada, TIV decreased by 36.0% to 3.39 million units. The Group’s sales in North America decreased by 50.8% to 222 thousand units.

As a result, net sales in North America (including intersegment sales) for the current first quarter decreased by ¥705.9 billion (55.2%) to ¥573.7 billion. The Group recorded an operating loss of ¥25.8 billion, which deteriorated by ¥26.5 billion from the prior first quarter. A major profit-deteriorating factor was a decrease in the number of vehicles sold.

In the United States of America market, TIV decreased dramatically by 33.7% to 2.94 million units due to the decrease of fleet market caused by the impact of COVID-19. The Group sold 177 thousand units, down 49.5% from the prior first quarter. The Group's market share decreased by 1.9 percentage point to 6.0%.

c. Europe

In Europe market, TIV decreased dramatically by 50.8% to 2.69 million units due to the impact of COVID-19. The Group sold 44 thousand units in Europe, excluding Russia, down 62.7% from the prior first quarter. The Group's market share decreased by 0.4 percentage point to 2.0%. In addition, the Group's sales in Russia market decreased by 43.0% to 10 thousand units.

As a result, net sales in Europe (including intersegment sales) for the current first quarter were ¥107.1 billion, a decrease of ¥241.7 billion (69.3%) from the prior first quarter. Operating loss of ¥17.4 billion was recorded for the current first quarter, deteriorating by ¥6.0 billion from the prior first quarter. A major deteriorating factor was a decrease in the number of vehicles sold.

d. Asia

Sales volume in Asia market, excluding China, decreased by 59.1% to 23 thousand units. Net sales in Asia (including intersegment sales) for the current first quarter decreased by ¥128.4 billion (38.7%) from the prior first quarter to ¥203.9 billion. Operating income for the current first quarter was ¥7.8 billion, a decrease of ¥2.8 billion (26.9%) from the prior first quarter.

In China market, TIV decreased dramatically by 43.9% to 3.36 million units due to the impact of COVID-19. The Group's sales in China decreased by 39.9% from the prior first quarter to 207 thousand units, accounting for a market share of 6.2%, up 0.5 percentage point year on year. The operating results of Chinese joint venture, Dongfeng Motor Co., Ltd., is reflected as an 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, the Group's sales volume decreased by 54.3% to 54 thousand units.

As a result, net sales in other markets consisting of the aforementioned regions (including intersegment sales) for the current first quarter decreased by ¥105.0 billion (62.1%) from the prior first quarter to ¥64.0 billion. An operating loss of ¥4.7 billion was recorded for the current first quarter, improving by ¥0.4 billion from the prior first quarter.

(5) Analysis of sources of capital and liquidity

a. Cash flows

(Cash flows from operating activities)

Net cash provided by operating activities decreased by ¥255.3 billion to ¥20.5 billion in the current first quarter from ¥275.8 billion provided in the prior first quarter. This was mainly attributable to a decrease in revenue resulting from sales volume decline due to the impact of COVID-19, and low utilization rates of plants in the automobile business, while net cash from operating activities in sales finance business increased.

(Cash flows from investing activities)

Net cash used in investing activities increased by ¥66.8 billion to ¥206.1 billion in the current first quarter from ¥139.3 billion used in the prior first quarter. This was mainly attributable to an increase in restricted cash related to asset backed securities and a decrease in net payment (net difference between the payment for purchase and the proceeds from sales) of leased vehicles in the sales finance business. The Group kept investing in the automobile business including new product and the development on new technology such as advanced driver assistance.

(Cash flows from financing activities)

Net cash provided in financing activities was ¥10.2 billion in the current first quarter, an increase in cash inflows of ¥277.0 billion compared with ¥266.8 billion used in the prior fiscal year. This was mainly attributable to an aggressive fundraising taking into consideration of the impact of COVID-19.

As the cash and cash equivalents in the automobile business at the end of the current fiscal year exceeded interest-bearing debt, the Group had net cash of ¥235.2 billion in the cash position, and the free cash flows in the automobile business for the current first quarter were negative ¥815.7 billion.

Information by segments is as follows
 Prior First Quarter (From April 1, 2019 To June 30, 2019)

	(Millions of yen)		
	Automobile & Eliminations	Sales financing	Consolidated total
Cash flows from operating activities	(252,271)	528,051	275,780
Cash flows from investing activities	(133,164)	(6,166)	(139,330)
Cash flows from financing activities	267,534	(534,349)	(266,815)

Current First Quarter (From April 1, 2020 To June 30, 2020)

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

Comparison to Prior First Quarter

	(Millions of yen)		
	Automobile & Eliminations	Sales financing	Consolidated total
Cash flows from operating activities	(458,927)	203,686	(255,241)
Cash flows from investing activities	28,675	(95,430)	(66,755)
Cash flows from financing activities	332,026	(55,035)	276,991

b. Financial policies

It is necessary to pay careful attention to the liquidity of the Group in view of the recent cash usage in the automobile business, credit rating downgrade and impact from COVID-19. 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. The Group had ¥1,267.0 billion of cash and cash equivalents in the automobile business. In addition to securing funding in normal course, the Company and its subsidiaries secured additional funds to meet cash needs due to the impact of COVID-19 in an aggregate amount of ¥895.0 billion with multiple financial institutions after April 2020. The Group had approximately ¥1,900 billion of committed lines available for drawing as of June 30, 2020.

(6) Management policy and business strategies

Guided by the vision of Enriching people's lives, the Group aims to provide unique and innovative products and services that deliver superior measurable values to all stakeholders under the Alliance.

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.

The Group announced on May 28, 2020, a four-year plan, NISSAN NEXT, to achieve sustainable growth, financial stability and profitability by the end of fiscal-year 2023.

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

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

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

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

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

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

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

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

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

Nissan will recover by the end of FY2023 and generate healthy free cash flows in the automobile segment. Nissan must deliver value for customers around the world. To do this, we must make breakthroughs in the products, technologies and markets where we are competitive. This is Nissan’s DNA. In this new era, Nissan remains people-focused, to deliver technologies for all people and to continue addressing challenges as only Nissan can.

(7) FY2020 business environment and major Key Performance Indicators

As to the global economy for the current first quarter, it has fallen into an economic downturn due to the widespread of COVID-19 globally and has deeply impacted financial activities. Total industry volume was halved and consequently the Group saw a significant decline in sales. In addition, the Group suspended production at many plants globally and the plants that resumed operations also suffered from low utilization rates due to declining sales. As a result, the company’s performance has been impacted by this challenging business climate.

The Group revisited the four categories of the prior fiscal year’s target and decided to use the six categories for the current fiscal year, which are marginal profit, free cash flows in the automobile business, fixed cost, market share, quality and employee engagement. These six categories were selected because they are the drivers contributing to the four-year plan, NISSAN NEXT, which was announced on May 28, 2020.

(8) Operating and financial issues to be addressed

Operating and financial issues to be addressed by the Group occurring during the first quarter ended June 30, 2020, are as follows.

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

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

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

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

- purchase of residences for exclusive personal use in Beirut and Rio de Janeiro using roughly 27 million U.S. dollars in investment funds from Zi-A Capital, a Nissan subsidiary established under the guise of investing in promising technology start-ups, and further misuse of other company funds to purchase or rent additional residences for personal use;
- payment of sums totaling more than 750,000 U.S. dollars to Ghosn's sister on the basis of a fictitious consulting contract, starting in 2003 and extending for over 10 years with no evidence of any services having been rendered;
- personal use of the corporate jets by Ghosn and members of his family;
- improper use of expenses toward family vacations and gifts of a personal nature;
- instruction of donations totaling more than 2 million U.S. dollars of company funds to universities in Ghosn's ancestral home country of Lebanon with no legitimate business purpose;
- transfer to Nissan in 2008 of foreign exchange swap contracts bearing unrealized losses of roughly 1.85 billion yen, based on a deceptive explanation to the Company's board regarding the nature of the transaction (in 2009, the swap contracts were secretly transferred back to a company related to Ghosn after being flagged as improper by Japan's financial authorities);
- improper payments totaling roughly 7.8 million Euros to Ghosn from 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 the joint venture, despite the fact that no contract had been approved by the joint venture'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 filed a provisional disposition order in the British Virgin Islands against Ghosn and related parties for a luxury yacht and has filed a lawsuit based on the order seeking damages, etc. Also, on February 12, 2020, the Company has filed a lawsuit against Carlos Ghosn in Japan, seeking recovery of damages. Going forward, the Company will continue to take necessary measures based on the findings of the Company's internal investigation, including legal action to claim damages, in order to account for the responsibility of the former chairman and others.

The Company has received a written notice of commencement of trial procedures dated December 13, 2019, from the Commissioner of the FSA. In response to this written notice, on December 23, 2019, the Company has submitted a written answer not disputing the alleged facts and the amount of the administrative monetary penalty. After that, the Company has received the administrative monetary penalty payment order, dated February 27, 2020, of 2,424,895,000 yen from the Commissioner of the FSA. In accordance with the administrative monetary penalty payment order and payment notice, the Company has made the penalty payment of 1,406,250,000 yen, which became due.

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

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

(9) Significant accounting policies and estimates

There was a significant change made to allowance for doubtful accounts of the “Significant accounting policies and estimated” of “Analysis of financial position, operating results and cash flows by management,” which is described in the Securities Report of the prior fiscal year. From the beginning of the current first quarter, the allowance is measured as the present value of credit losses expected over the entire life of the asset at foreign subsidiaries and affiliates that apply US GAAP.

This is the change in accounting policy which has been adopted from the beginning of the current first quarter, and please refer to the section “Change in accounting policies” in 4. “Financial Information.”

(10) 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 ¥116.8 billion for the three months ended June 30, 2020.

(11) Major equipment and facilities

The details of the capital investment plan of the Group for the current fiscal year, which were not determined as of the filing date of the Securities Report of the prior fiscal year, have been formulated as follows.

During fiscal year 2020 (From April 2020 to March 2021), the Group plans to invest ¥440.0 billion in capital expenditures, which will be financed out of its own funds.

3. Important business contracts

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

3. Corporate Information

1. Information on the Company's shares

(1) Number of shares and other

1) Number of shares

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

2) Number of shares issued

Type	Number of shares issued		Stock exchanges on which the Company is listed	Description
	As of June 30, 2020	As of July 30, 2020 (filing date of this Quarterly Securities Report)		
Common stock	4,220,715,112	4,220,715,112	First Section of the Tokyo Stock Exchange	The number of shares constituting a standard unit is 100
Total	4,220,715,112	4,220,715,112	—	—

(2) Status of the share subscription rights

1) Stock option plans
Not applicable

2) Other share subscription rights
Not applicable

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

Not applicable

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

Period	Changes in the number of shares issued (Thousands)	Balance of the number of shares issued (Thousands)	Changes in common stock (Millions of yen)	Balance of common stock (Millions of yen)	Changes in legal capital surplus (Millions of yen)	Balance of legal capital surplus (Millions of yen)
From April 1, 2020 To June 30, 2020	—	4,220,715	—	605,813	—	804,470

(5) Principal shareholders

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

(6) Status of voting rights

The “Status of voting rights” as of the end of the current first quarter is presented as of March 31, 2020, the most recent record date, because the number of beneficiary shareholders as of June 30, 2020 could not be ascertained.

1) Shares issued

(As of March 31, 2020)

Classification	Number of shares (Shares)	Number of voting rights (Units)	Description
Shares with full voting rights (Treasury stock, etc.)	(Treasury stock) Common stock 28,434,500	—	—
	(Crossholding stock) Common stock 199,200	—	—
Shares with full voting rights (Others)	Common stock 4,191,329,100	41,913,291	—
Stocks of less than a standard unit	Common stock 752,312	—	—
Total shares issued	4,220,715,112	—	—
Total voting rights held by all shareholders	—	41,913,291	—

Note: “Stocks of less than a standard unit” include 89 shares of treasury stock and 30 crossholding shares.

Crossholding stocks of less than a standard unit (As of March 31, 2020)

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

2) Treasury stock, etc.

(As of March 31, 2020)

Shareholders	Addresses of shareholders	Number of shares held under own name	Number of shares held under the names of others	Total	% of interest
		Shares	Shares	Shares	%
Treasury stock: Nissan Motor Co., Ltd.	2 Takara-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	28,434,500	—	28,434,500	0.67
Crossholding stock: Kochi Nissan Prince Motor Sales Co., Ltd.	2-21 Asahi-cho, Kochi-shi, Kochi	105,600	—	105,600	0.00
Kai Nissan Motor Co., Ltd.	706 Kamiimai-cho, Kofu-shi, Yamanashi	37,800	50,900	88,700	0.00
Kagawa Nissan Motor Co., Ltd.	1-1-8 Hanazono-cho, Takamatsu-shi, Kagawa	4,800	100	4,900	0.00
Total		28,582,700	51,000	28,633,700	0.68

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

(Fractional numbers under 100 have been omitted.)

2. Members of the Board of Directors and Executive Officers

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

2. Quarterly review report

The quarterly consolidated financial statements for the current first quarter (from April 1, 2020 to June 30, 2020) 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, 2020)	Current First Quarter (As of June 30, 2020)
Assets		
Current assets		
Cash on hand and in banks	1,382,471	1,334,759
Trade notes and accounts receivable	356,156	303,517
Sales finance receivables	6,739,336	6,235,338
Securities	260,510	125,975
Merchandise and finished goods	881,940	711,551
Work in process	67,865	78,415
Raw materials and supplies	390,618	412,356
Other	739,307	760,924
Allowance for doubtful accounts	(142,264)	(205,598)
Total current assets	10,675,939	9,757,237
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	582,716	580,212
Machinery, equipment and vehicles, net ※1	2,936,316	※1 2,801,301
Land	589,064	589,447
Construction in progress	227,165	208,600
Other, net	183,589	203,288
Total property, plant and equipment	4,518,850	4,382,848
Intangible fixed assets	114,932	110,029
Investments and other assets		
Investment securities	1,177,184	1,076,526
Other	493,689	508,104
Allowance for doubtful accounts	(3,885)	(3,911)
Total investments and other assets	1,666,988	1,580,719
Total fixed assets	6,300,770	6,073,596
Total assets	16,976,709	15,830,833

(Millions of yen)

	Prior Fiscal Year (As of March 31, 2020)	Current First Quarter (As of June 30, 2020)
Liabilities		
Current liabilities		
Trade notes and accounts payable	1,357,047	781,490
Short-term borrowings	1,339,949	1,243,626
Current portion of long-term borrowings	1,826,904	1,779,092
Commercial papers	726,017	468,079
Current portion of bonds	765,532	642,961
Lease obligations	35,572	41,368
Accrued expenses	1,031,284	987,316
Accrued warranty costs	104,297	98,575
Other	878,644	813,197
Total current liabilities	8,065,246	6,855,704
Long-term liabilities		
Bonds	1,042,954	1,032,941
Long-term borrowings	2,098,558	2,649,154
Lease obligations	72,494	76,885
Accrued warranty costs	108,751	98,001
Net defined benefit liability	454,068	451,481
Other	709,865	611,964
Total long-term liabilities	4,486,690	4,920,426
Total liabilities	12,551,936	11,776,130
Net assets		
Shareholders' equity		
Common stock	605,814	605,814
Capital surplus	818,056	818,059
Retained earnings	4,125,043	3,792,600
Treasury stock	(139,262)	(139,746)
Total shareholders' equity	5,409,651	5,076,727
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	(16,420)	(2,858)
Unrealized gain and loss from hedging instruments	(20,352)	(21,197)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(35,632)	(34,822)
Translation adjustments	(1,046,160)	(1,089,302)
Remeasurements of defined benefit plans	(226,798)	(221,961)
Total accumulated other comprehensive income	(1,345,362)	(1,370,140)
Non-controlling interests	360,484	348,116
Total net assets	4,424,773	4,054,703
Total liabilities and net assets	16,976,709	15,830,833

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income
The Three-Month Period Ended June 30
Quarterly consolidated statement of income

	(Millions of yen)	
	Prior First Quarter (From April 1, 2019 To June 30, 2019)	Current First Quarter (From April 1, 2020 To June 30, 2020)
Net sales	2,372,422	1,174,194
Cost of sales	2,035,401	1,075,574
Gross profit	337,021	98,620
Selling, general and administrative expenses		
Advertising expenses	72,531	31,104
Provision for warranty costs	27,619	14,094
Other selling expenses	41,980	40,113
Salaries and wages	91,026	90,681
Retirement benefit expenses	5,841	4,107
Provision for doubtful accounts	25,128	16,011
Other	71,287	56,436
Total selling, general and administrative expenses	335,412	252,546
Operating income (loss)	1,609	(153,926)
Non-operating income		
Interest income	5,794	3,884
Dividends income	6,710	117
Equity in earnings of affiliates	33,124	—
Exchange gain	—	24,921
Miscellaneous income	2,440	8,373
Total non-operating income	48,068	37,295
Non-operating expenses		
Interest expense	2,835	2,970
Equity in losses of affiliates	—	84,655
Derivative loss	2,350	19,580
Exchange loss	428	—
Miscellaneous expenses	8,736	8,444
Total non-operating expenses	14,349	115,649
Ordinary income (loss)	35,328	(232,280)
Special gains		
Gain on sales of fixed assets	3,207	2,545
Subsidy income and others	—	6,153
Other	178	18
Total special gains	3,385	8,716
Special losses		
Loss on sales of fixed assets	45	368
Loss on disposal of fixed assets	4,000	870
Special addition to retirement benefits	5,387	40,085
Loss on shutdowns and others due to COVID-19	—	39,335
Other	2,406	377
Total special losses	11,838	81,035
Income (loss) before income taxes	26,875	(304,599)
Income taxes	16,635	(20,303)
Net income (loss)	10,240	(284,296)
Net income attributable to non-controlling interests	3,863	1,293
Net income (loss) attributable to owners of parent	6,377	(285,589)

Quarterly consolidated statement of comprehensive income

	(Millions of yen)	
	Prior First Quarter (From April 1, 2019 To June 30, 2019)	Current First Quarter (From April 1, 2020 To June 30, 2020)
Net income(loss)	10,240	(284,296)
Other comprehensive income		
Unrealized holding gain and loss on securities	(5,432)	19,016
Unrealized gain and loss from hedging instruments	(7,466)	(821)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	5,718	690
Translation adjustments	(60,729)	(8,871)
Remeasurements of defined benefit plans	7,623	4,495
The amount for equity method company portion	3,519	(41,488)
Total other comprehensive income	(56,767)	(26,979)
Comprehensive income	(46,527)	(311,275)
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	(49,889)	(310,367)
Comprehensive income attributable to non-controlling interests	3,362	(908)

(3) Quarterly consolidated statement of cash flows

	(Millions of yen)	
	Prior First Quarter (From April 1, 2019 To June 30, 2019)	Current First Quarter (From April 1, 2020 To June 30, 2020)
Cash flows from operating activities		
Income (loss) before income taxes	26,875	(304,599)
Depreciation and amortization (for fixed assets excluding leased vehicles)	101,133	60,495
Depreciation and amortization (for long term prepaid expenses)	10,281	13,325
Depreciation and amortization (for leased vehicles)	114,594	120,685
Increase (decrease) in allowance for doubtful accounts	(37)	(1,112)
Interest and dividends income	(12,504)	(4,001)
Interest expense	53,603	43,089
Equity in losses (earnings) of affiliates	(33,124)	84,655
Loss (gain) on sales of fixed assets	(3,162)	(2,177)
Loss on disposal of fixed assets	4,000	870
Decrease (increase) in trade notes and accounts receivable	90,049	45,841
Decrease (increase) in sales finance receivables	311,425	521,271
Decrease (increase) in inventories	(139,634)	147,018
Increase (decrease) in trade notes and accounts payable	(197,046)	(636,065)
Retirement benefit expenses	8,748	7,324
Payments related to net defined benefit assets and liabilities	(6,903)	(4,078)
Other	9,595	(7,834)
Subtotal	337,893	84,707
Interest and dividends received	13,592	5,083
Proceeds from dividends income from affiliates accounted for by equity method	24,713	1,131
Interest paid	(50,988)	(40,718)
Income taxes paid	(49,430)	(29,664)
Net cash provided by (used in) operating activities	275,780	20,539
Cash flows from investing activities		
Net decrease (increase) in short-term investments	130	—
Purchase of fixed assets	(135,862)	(108,196)
Proceeds from sales of fixed assets	10,628	4,516
Purchase of leased vehicles	(311,900)	(146,901)
Proceeds from sales of leased vehicles	193,811	137,823
Payments of long-term loans receivable	(158)	(8)
Collection of long-term loans receivable	355	76
Purchase of investment securities	(7,960)	—
Proceeds from sales of investment securities	—	623
Net decrease (increase) in restricted cash	111,052	(94,121)
Other	574	103
Net cash provided by (used in) investing activities	(139,330)	(206,085)

(Millions of yen)

	Prior First Quarter (From April 1, 2019 To June 30, 2019)	Current First Quarter (From April 1, 2020 To June 30, 2020)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	85,177	(347,267)
Proceeds from long-term borrowings	419,481	896,849
Proceeds from issuance of bonds	33,074	22,912
Repayments of long-term borrowings	(591,670)	(404,864)
Redemption of bonds	(102,535)	(148,284)
Proceeds from non-controlling shareholders	8,551	2,877
Purchase of treasury stock	(1)	—
Repayments of lease obligations	(7,442)	(11,575)
Cash dividends paid	(111,520)	—
Cash dividends paid to non-controlling interests	(4,941)	(472)
Proceeds from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	5,011	—
Net cash provided by (used in) financing activities	(266,815)	10,176
Effects of exchange rate changes on cash and cash equivalents	(3,394)	(6,877)
Increase (decrease) in cash and cash equivalents	(133,759)	(182,247)
Cash and cash equivalents at beginning of the period	1,359,058	1,642,981
Increase due to inclusion in consolidation	6,051	—
Cash and cash equivalents at end of the period	※1 1,231,350	※1 1,460,734

[Notes to Quarterly Consolidated Financial Statements]

(Changes in accounting policies)

Current First Quarter (From April 1, 2020 To June 30, 2020)
<p>At foreign subsidiaries and affiliates that apply US GAAP, Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) No. 326, “<i>Financial Instruments—Credit Losses</i>” has been adopted from the beginning of the current first quarter.</p> <p>With this adoption, the method for measurement of financial instruments was reviewed and impairment losses were recognized on financial assets using the current expected credit loss model.</p> <p>In adopting the accounting standard, in accordance with the transitional treatment, the cumulative effect of adoption of the standard was recognized on the date of the start of adoption, and was added to or subtracted from retained earnings at the beginning of the current first quarter.</p> <p>As a result, for the effects of this revision based on the requirement of the standard as transition disclosures, the balance of allowance for doubtful accounts included in current assets, deferred tax liabilities included in long-term liabilities, and retained earnings at the beginning of the current first quarter increased by ¥62,965 million, decreased by ¥16,121 million, and decreased by ¥46,844 million, respectively.</p>

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

Current First Quarter (From April 1, 2020 To June 30, 2020)
<p>(Calculation of tax expense)</p> <p>Income taxes are determined based on the amount of income before income taxes for the current first quarter ended June 30, 2020 multiplied by the effective tax rate, after adoption of tax-effect accounting, estimated for the entire fiscal year ending March 31, 2021.</p> <p>Deferred income taxes are included in income taxes.</p>

(Additional information)

Current First Quarter (From April 1, 2020 To June 30, 2020)
<p>(Adoption of tax effect accounting for the transition from the consolidated taxation system to the group tax sharing system)</p> <p>The Company and some of its domestic subsidiaries have been adopted “<i>Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System</i>” (PITF No. 39, March 31, 2020) and deferred tax assets and liabilities are based on tax law provisions in place prior to the revision prescribing transition from the consolidated taxation system to the group tax sharing system (Act No. 8 of 2020).</p> <p>(Accounting estimates of the impact of COVID-19)</p> <p>There were no significant changes in the assumption including the duration of the pandemic and accounting estimates with regard to impact of COVID-19, which are described in the Securities Report of the prior fiscal year.</p>

(For quarterly consolidated balance sheets)

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

	(Millions of yen)	
	Prior Fiscal Year (As of March 31, 2020)	Current First Quarter (As of June 30, 2020)
Assets leased to others under lease agreements (lessor)	2,452,585	2,306,645

2 Guarantees and others

Prior Fiscal Year (As of March 31, 2020)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	※23,025	Guarantees for employees' housing loans and others
13 foreign dealers	269	Guarantees for loans and others
Total	23,294	

※ 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.	26	Commitments to provide guarantees for loans

Current First Quarter (As of June 30, 2020)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	※22,139	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.	26	Commitments to provide guarantees for loans

3 Contingent Liabilities

• Lawsuits related to Takata's airbag inflators

Mainly in the United States (“U.S.”) and Canada various putative class action lawsuits, civil lawsuits and lawsuits by states related to Takata's airbag inflator have been filed against the Company, consolidated subsidiaries and other Original Equipment Manufacturers. The lawsuits allege that the subject airbag inflators did not function properly, and seek, among others, damages for economic losses, incurred costs, decline in the value of vehicles, and, in certain cases, personal injury as well as punitive damages. Most of the class action lawsuits in the U.S. were transferred to the U.S. District Court for the Southern District of Florida and consolidated into a multi-district litigation (“MDL”). The Company and Nissan North America, Inc. (“NNA”) have agreed to a proposed settlement that would resolve the US class actions that are pending against them in the MDL, through a number of customer-focused programs. In September 2017, the court in the MDL granted preliminary approval to the proposed settlement. The total payment amount for the settlement will be \$87.9 million to be paid over four years. In February 2018, the court in MDL granted final approval to the proposed settlement. Regarding the lawsuits other than the above, management has not recognized a provision for loss contingencies because as of the date of this report it is not possible to reasonably estimate the amount, if any, of any potential future losses because there are some uncertainties, such as these lawsuits are still in progress.

(For quarterly consolidated statements of cash flows)

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

	(Millions of yen)	
	Prior First Quarter (From April 1, 2019 To June 30, 2019)	Current First Quarter (From April 1, 2020 To June 30, 2020)
Cash on hand and in banks	1,112,610	1,334,759
Time deposits with maturities of more than three months	—	—
Cash equivalents included in securities (*)	118,740	125,975
Cash and cash equivalents	1,231,350	1,460,734

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

(For net assets)

Prior First Quarter (From April 1, 2019 To June 30, 2019)

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 25, 2019	Common stock	111,520	28.5	March 31, 2019	June 26, 2019	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 record date fell in the period from April 1 to June 30, 2019, and the effective date of which was after June 30, 2019

There were no applicable items during the first quarter ended June 30, 2019.

Current First Quarter (From April 1, 2020 To June 30, 2020)

1. Dividends paid

Not applicable.

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

There were no applicable items during the first quarter ended June 30, 2020.

(Segments of an enterprise and related information)

Segment information

1. General information about reportable segments

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

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

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

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

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

3. Changes to reportable segments and others

As stated in “Changes in accounting policies,” at foreign subsidiaries and affiliates that apply US GAAP, Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) No. 326, “*Financial Instruments—Credit Losses*” has been adopted from the beginning of the current first quarter.

With this adoption, the method for measurement of financial instruments was reviewed and impairment losses were recognized on financial assets using the current expected credit loss model.

In adopting the accounting standard, in accordance with the transitional treatment, the cumulative effect of adoption of the standard was recognized on the date of the start of adoption, and was added to or subtracted from retained earnings for business segments at the beginning of the current first quarter.

As a result, for the effects of this revision based on the requirement of the standard as transition disclosures, the balance of allowance for doubtful accounts included in current assets, deferred tax liabilities included in long-term liabilities, and retained earnings in the summarized quarterly consolidated balance sheet by business segments at the beginning of the current first quarter increased by ¥62,965 million, decreased by ¥16,121 million, and decreased by ¥46,844 million in Sales financing, respectively.

4. Net sales and profits or losses by reportable segments

Prior First Quarter (From April 1, 2019 To June 30, 2019)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Prior First Quarter
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	2,086,744	285,678	2,372,422	—	2,372,422
Inter-segment sales or transfers	38,299	12,795	51,094	(51,094)	—
Total	2,125,043	298,473	2,423,516	(51,094)	2,372,422
Segment profits (losses)	(57,438)	56,350	(1,088)	2,697	1,609

Note 1: Quarterly consolidated financial statements by business segments

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

(1) Summarized quarterly consolidated balance sheets by business segments

(Millions of yen)

Accounts	Prior First Quarter (As of June 30, 2019)		
	Automobile & Eliminations	Sales financing	Consolidated total
Assets			
I. Current assets			
Cash on hand and in banks	1,076,186	36,424	1,112,610
Trade notes and accounts receivable	414,110	1,702	415,812
Sales finance receivables	(107,480)	7,337,496	7,230,016
Inventories	1,330,740	49,531	1,380,271
Other current assets	535,969	223,151	759,120
Total current assets	3,249,525	7,648,304	10,897,829
II. Fixed assets			
Property, plant and equipment, net	2,632,051	2,595,918	5,227,969
Investment securities	1,342,421	4,966	1,347,387
Other fixed assets	583,760	118,553	702,313
Total fixed assets	4,558,232	2,719,437	7,277,669
Total assets	7,807,757	10,367,741	18,175,498
Liabilities			
I. Current liabilities			
Trade notes and accounts payable	1,428,145	36,440	1,464,585
Short-term borrowings	(13,770)	3,632,638	3,618,868
Lease obligations	34,715	475	35,190
Other current liabilities	1,692,809	450,065	2,142,874
Total current liabilities	3,141,899	4,119,618	7,261,517
II. Long-term liabilities			
Bonds	145,000	1,403,562	1,548,562
Long-term borrowings	(51,460)	2,530,655	2,479,195
Lease obligations	78,051	1,345	79,396
Other long-term liabilities	700,113	617,215	1,317,328
Total long-term liabilities	871,704	4,552,777	5,424,481
Total liabilities	4,013,603	8,672,395	12,685,998
Net assets			
I. Shareholders' equity			
Common stock	385,958	219,856	605,814
Capital surplus	645,551	172,756	818,307
Retained earnings	3,522,050	1,320,431	4,842,481
Treasury stock	(139,347)	—	(139,347)
Total shareholders' equity	4,414,212	1,713,043	6,127,255
II. Accumulated other comprehensive income			
Translation adjustments	(726,142)	(119,768)	(845,910)
Others	(143,390)	(7,310)	(150,700)
Total accumulated other comprehensive income	(869,532)	(127,078)	(996,610)
III. Non-controlling interests			
Total net assets	3,794,154	1,695,346	5,489,500
Total liabilities and net assets	7,807,757	10,367,741	18,175,498

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 ¥648,834 million.

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

(Millions of yen)

Accounts	Prior First Quarter (From April 1, 2019 To June 30, 2019)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	2,073,949	298,473	2,372,422
Cost of sales	1,835,160	200,241	2,035,401
Gross profit	238,789	98,232	337,021
Operating income as a percentage of net sales	(2.6%)	18.9%	0.1%
Operating income (loss)	(54,741)	56,350	1,609
Financial income / expenses, net	9,680	(11)	9,669
Other non-operating income and expenses, net	24,343	(293)	24,050
Ordinary income (loss)	(20,718)	56,046	35,328
Income (loss) before income taxes	(28,619)	55,494	26,875
Net income (loss) attributable to owners of parent	(31,235)	37,612	6,377

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

(Millions of yen)

Accounts	Prior First Quarter (From April 1, 2019 To June 30, 2019)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income (loss) before income taxes	(28,619)	55,494	26,875
Depreciation and amortization	99,028	126,980	226,008
Decrease (increase) in sales finance receivables	(28,501)	339,926	311,425
Others	(294,179)	5,651	(288,528)
Net cash provided by (used in) operating activities	(252,271)	528,051	275,780
II. Cash flows from investing activities			
Purchase of investment securities	(7,960)	—	(7,960)
Purchase of fixed assets	(132,011)	(3,851)	(135,862)
Proceeds from sales of fixed assets	5,921	4,707	10,628
Purchase of leased vehicles	—	(311,900)	(311,900)
Proceeds from sales of leased vehicles	—	193,811	193,811
Others	886	111,067	111,953
Net cash provided by (used in) investing activities	(133,164)	(6,166)	(139,330)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	342,617	(257,440)	85,177
Net change in long-term borrowings and redemption of bonds	14,637	(289,361)	(274,724)
Proceeds from issuance of bonds	—	33,074	33,074
Others	(89,720)	(20,622)	(110,342)
Net cash provided by (used in) financing activities	267,534	(534,349)	(266,815)
IV. Effect of exchange rate changes on cash and cash equivalents	(3,423)	29	(3,394)
V. Increase (decrease) in cash and cash equivalents	(121,324)	(12,435)	(133,759)
VI. Cash and cash equivalents at the beginning of the period	1,309,580	49,478	1,359,058
VII. Increase due to inclusion in consolidation	6,051	—	6,051
VIII. Cash and cash equivalents at the end of the period	1,194,307	37,043	1,231,350

Notes:1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥173,565 million eliminated for net decrease in internal loans receivable from the Sales financing segment.

2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥20,001 million eliminated for net decrease in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

Prior First Quarter (From April 1, 2019 To June 30, 2019)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	517,445	1,166,702	303,858	220,197	164,220	2,372,422	—	2,372,422
(2) Inter-segment sales	440,247	112,855	44,926	112,138	4,856	715,022	(715,022)	—
Total	957,692	1,279,557	348,784	332,335	169,076	3,087,444	(715,022)	2,372,422
Operating income (loss)	18,069	688	(11,398)	10,646	(5,120)	12,885	(11,276)	1,609

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

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

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

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

Current First Quarter (From April 1, 2020 To June 30, 2020)

(Millions of yen)

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

Note 1: Quarterly consolidated financial statements by business segments

- The Sales financing segment consists of NISSAN FINANCIAL SERVICES CO., LTD. (Japan), Nissan Motor Acceptance Corporation (U.S.A.), NR FINANCE MEXICO, S.A. de C.V. (Mexico), 11 other companies and the sales finance operations of Nissan Canada, Inc. (Canada).
- The financial data on Automobile & Eliminations represents the differences between the consolidated figures and those for the Sales financing segment.

(1) Summarized quarterly consolidated balance sheets by business segments

(Millions of yen)

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

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

2. The borrowings of Automobile & Eliminations represent the amount after deducting internal loans receivable from the Sales financing segment amounting to ¥362,708 million.

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

(Millions of yen)

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

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

(Millions of yen)

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

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

2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥74,866 million eliminated for net decrease in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

Current First Quarter (From April 1, 2020 To June 30, 2020)

(Millions of yen)

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

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

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

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

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

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

The Three-Month Period Ended June 30, 2019 (From April 1, 2019 To June 30, 2019)

There were no significant impairment losses on fixed assets in the reportable segments for the three months ended June 30, 2019.

The Three-Month Period Ended June 30, 2020 (From April 1, 2020 To June 30, 2020)

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

6. Information about goodwill by reportable segments

The Three-Month Period Ended June 30, 2019 (From April 1, 2019 To June 30, 2019)

There were no significant changes in the reported amounts of goodwill in the reportable segments for the three months ended June 30, 2019.

The Three-Month Period Ended June 30, 2020 (From April 1, 2020 To June 30, 2020)

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

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

The Three-Month Period Ended June 30, 2019 (From April 1, 2019 To June 30, 2019)

There were no significant gains recognized on negative goodwill in the reportable segments for the three months ended June 30, 2019.

The Three-Month Period Ended June 30, 2020 (From April 1, 2020 To June 30, 2020)

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

8. Information about geographical area

Net sales

Prior First Quarter (From April 1, 2019 To June 30, 2019)

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
412,888	1,137,667	957,910	344,740	284,047	193,080	2,372,422

- Notes: 1. Regions represent customers' location.
 2. Areas are segmented based on their geographical proximity and their mutual operational relationship.
 3. Major countries and areas which belong to segments other than Japan are as follows:
 (1) North America : The United States of America, Canada and Mexico
 (2) Europe : France, The United Kingdom, Spain, Russia and other European countries
 (3) Asia : China, Thailand, India and other Asian countries
 (4) Other overseas countries : Oceania, Middle East, South Africa, Central & South America excluding Mexico, etc.

Current First Quarter (From April 1, 2020 To June 30, 2020)

(Millions of yen)

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

- Notes: 1. Regions represent customers' location.
 2. Areas are segmented based on their geographical proximity and their mutual operational relationship.
 3. Major countries and areas which belong to segments other than Japan are as follows:
 (1) North America : The United States of America, Canada and Mexico
 (2) Europe : France, The United Kingdom, Spain, Russia and other European countries
 (3) Asia : China, Thailand, India and other Asian countries
 (4) Other overseas countries : Oceania, Middle East, South Africa, Central & South America excluding Mexico, etc.

(Amounts per share)

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

	Prior First Quarter (From April 1, 2019 To June 30, 2019)	Current First Quarter (From April 1, 2020 To June 30, 2020)
(1) Basic earnings (loss) per share	¥1.63	(¥73.00)
(Basis for calculation)		
Net income (loss) attributable to owners of parent (Millions of yen)	6,377	(285,589)
Net income (loss) attributable to owners of parent relating to common stock (Millions of yen)	6,377	(285,589)
Average number of shares of common stock during the period (Thousands of shares)	3,912,954	3,912,205
(2) Diluted earnings per share	¥1.63	—
(Basis for calculation)		
Adjustment in net income attributable to owners of parent (Millions of yen)	—	—
Increase in shares of common stock (Thousands of shares)	—	—
Any significant changes from the prior fiscal year- end in potential securities excluded from the computation of diluted earnings per share because they do not have dilutive effects	—	—

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

(Significant subsequent events)

Not applicable

2. Other

Significant lawsuits, etc. relating to operations and other matters

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

Part II Information on Guarantors for the Company

Not applicable

(For Translation Purposes Only)

Independent Auditor's Quarterly Review Report

July 29, 2020

The Board of Directors
Nissan Motor Co., Ltd.

Ernst & Young ShinNihon LLC

Designated and Engagement Partner Certified Public Accountant	Koki Ito
Designated and Engagement Partner Certified Public Accountant	Koji Fujima
Designated and Engagement Partner Certified Public Accountant	Masanori Enomoto
Designated and Engagement Partner Certified Public Accountant	Masao Yamamoto

Auditor's Conclusion

Pursuant to Article 193-2, Section 1 of the Financial Instruments and Exchange Act of Japan, we have reviewed the accompanying quarterly consolidated financial statements of Nissan Motor Co., Ltd. and its consolidated subsidiaries (the "Group"), which comprise the quarterly consolidated balance sheet as of June 30, 2020, the quarterly consolidated statements of income, comprehensive income, and cash flows for the three-month period then ended, and the related notes included in "Financial Information".

Based on our review, nothing has come to our attention that causes us to believe that the accompanying quarterly consolidated financial statements do not present fairly, in all material respects, the consolidated financial position of the Group at June 30, 2020, and the consolidated results of their operations and their cash flows for the three-month period then ended in accordance with the accounting principles for quarterly consolidated financial statements generally accepted in Japan.

Basis for Auditor's Conclusion

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

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

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

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

The Audit Committee is responsible for monitoring the performance of duties of executive officers and directors in implementing and maintaining the Group's financial reporting process.

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

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

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

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

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

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

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

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

Notes:

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

【Cover】

【Document Submitted】 Confirmation Note

【Article of the Applicable Law Requiring Submission of This Document】 Article 24-4-8, Paragraph 1 of the Financial Instruments and Exchange Act

【Filed to】 Director, Kanto Local Finance Bureau

【Date of Submission】 July 30, 2020

【Company Name】 Nissan Jidosha Kabushiki-Kaisha

【Company Name (in English)】 Nissan Motor Co., Ltd.

【Position and Name of Representative】 Makoto Uchida, Representative Executive Officer, President and Chief Executive Officer

【Position and Name of Chief Financial Officer】 Stephen Ma, Executive Officer, Chief Financial Officer

【Location of Head Office】 2, Takaracho, Kanagawa-ku, Yokohama-shi, Kanagawa

【Place Where Available for Public Inspection】 Tokyo Stock Exchange, Inc.
2-1, Nihonbashi Kabutocho, Chuo-ku, Tokyo

1. Accuracy of the Descriptions in This Quarterly Securities Report

Makoto Uchida, Representative Executive Officer, President and Chief Executive Officer of Nissan Motor Co., Ltd., and Stephen Ma, Executive Officer, Chief Financial Officer have confirmed that this Quarterly Securities Report “Shihanki-Houkokusho” for the first quarter (from April 1, 2020 to June 30, 2020) of the 122nd 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.