



Financial Results for the Three Months Ended June 30, 2020 (Japanese Accounting Standards) (Consolidated)

July 28, 2020

Company name : Nissan Motor Co., Ltd. <Tokyo Stock Exchange in Japan>
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 The additional materials of the Financial Results for the First Quarter : Yes
 The briefing session of the Financial Results for the First Quarter : Yes

(Amounts less than one million yen are rounded)

1. Consolidated Financial Results for the Three Months Ended June 30, 2020 (April 1, 2020 through June 30, 2020)

<1> Consolidated operating results

(Percent indications show percentage of changes from corresponding figures for the previous period.)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three Months Ended								
June 30, 2020	1,174,194	(50.5)	(153,926)	—	(232,280)	—	(285,589)	—
June 30, 2019	2,372,422	(12.7)	1,609	(98.5)	35,328	(77.8)	6,377	(94.5)

Note : Comprehensive income : (311,275) million yen for the three months ended June 30, 2020 , —%

(46,527) million yen for the three months ended June 30, 2019 , —%

	Basic earnings per share	Diluted earnings per share
Three Months Ended	yen	yen
June 30, 2020	(73.00)	—
June 30, 2019	1.63	1.63

<2> Consolidated financial position

	Total assets	Net assets	Net assets as a percentage of total assets
	Millions of yen	Millions of yen	%
FY2020 1st quarter	15,830,833	4,054,703	23.4
FY2019	16,976,709	4,424,773	23.9

Reference: Net assets excluding share subscription rights and non-controlling interests: 3,706,587 million yen as of June 30, 2020,
4,064,289 million yen as of March 31, 2020

2. Dividends

	Annual cash dividends per share				
	at 1st quarter end	at 2nd quarter end	at 3rd quarter end	at fiscal year end	Total
	yen	yen	yen	yen	yen
FY2019	—	10.00	—	0.00	10.00
FY2020	—	—	—	—	—
FY2020 forecast	—	0.00	—	0.00	0.00

Note : Changes in dividends forecast for FY2020 from the latest disclosure : Yes

3. Forecast of consolidated operating results for FY2020 (April 1, 2020 through March 31, 2021)

(Percent indications show percentage of changes from corresponding figures for the previous period.)

	Net sales		Operating income		Net income attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	yen
FY2020 1st half	—	—	—	—	—	—	—
FY2020	7,800,000	(21.0)	(470,000)	—	(670,000)	—	(171.23)

Note : Changes in forecast of consolidated operating results for FY2020 from the latest disclosure : Yes

Forecast of consolidated operating results for FY2020 1st half is not prepared.

※ Notes

<1> Significant changes in scope of consolidated subsidiaries : None

<2> Adoption of specific accounting policies for quarterly consolidated financial statements : Applicable

Note: See attached page 9 "(4) Notes to Quarterly Consolidated Financial Statements - (Adoption of specific accounting policies for quarterly consolidated financial statements) "

<3> Changes in accounting policies, accounting estimation change and restatement

<3>-1 Changes in accounting policies due to the revision of the accounting standards. : Applicable

<3>-2 Changes in accounting policies except for those in <3>-1 : None

<3>-3 Changes due to accounting estimation change : None

<3>-4 Restatement : None

Note: See attached page 9 "(4) Notes to Quarterly Consolidated Financial Statements - (Changes in accounting policies) "

<4> Number of shares issued

<4>-1 Number of shares issued at the end of the period (including treasury stocks)

FY2020 1st quarter	4,220,715,112 shares	FY2019	4,220,715,112 shares
FY2020 1st quarter	307,635,605 shares	FY2019	308,801,374 shares
FY2020 1st quarter	3,912,205,119 shares	FY2019 1st quarter	3,912,953,966 shares

<4>-2 Number of treasury stocks at the end of the period

<4>-3 The average number of shares issued during the three months ended June 30

※ This Quarterly Financial Results report is out of scope of review by certified public accountants or an audit firm

※ Explanation regarding the appropriate use of forecast of operating results

The financial forecast of operating results is based on judgements and estimates that have been made using currently available information.

By nature, such financial forecast is subject to uncertainty and risk. Therefore, the final results might be significantly different from the

aforementioned forecast due to changes in economic environments related to our business, market trends, exchange rate, etc.

For other remarks, please refer to "Other Information" on page 14.

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1. Qualitative Information • Consolidated Financial Statements

FY2020 Consolidated Financial Forecast

Given the impact from the COVID-19, for fiscal year 2020, Nissan anticipates total industry volume will decrease by 16.0% to 72.04 million units. In that period, we expect to decrease with retail volume by 16.3% to 4.13 million units.

Under the foreign exchange rate assumption of ¥105.7 to the dollar and ¥119.6 to the euro, we anticipate net revenues decreasing by 21.0% to ¥7.8 trillion for the year ending March 31, 2021. Operating loss is forecast to reach ¥470.0 billion and net loss attributable to owners of parent is expected to reach ¥670.0 billion.

Looking at the year-over-year change in consolidated operating income, we anticipate:

- A negative foreign exchange movement of ¥40.0 billion;
- A negative impact of ¥425.0 billion including volume and mix, parts sales and deterioration in profit of consolidated dealers;
- A decrease in profits of ¥85.0 billion from the sales finance business and residual value losses for leased vehicles;
- A positive ¥120.5 billion of net impacts of monozukuri, fixed cost and others;

2. Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheet

(in 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	2,936,316	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

(in 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

(in 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

	(in millions of yen)	
	Prior First Quarter	Current First Quarter
	(From April 1, 2019 To June 30, 2019)	(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

	(in 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)

	(in 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	1,231,350	1,460,734

(4) Notes to Quarterly Consolidated Financial Statements

(Notes to events and conditions which indicate there could be substantial doubt about going concern assumption)

None

(Note to significant changes in shareholders' equity)

None

(Adoption of specific accounting policies for quarterly consolidated financial statements)

Calculation of tax expense

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.

Deferred income taxes are included in income taxes.

(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 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 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.

(Additional information)

1) Adoption of tax effect accounting for the transition from the consolidated taxation system to the group tax sharing system

The Company and some of its domestic subsidiaries have been adopted "*Practical Solution on the Treatment of Tax Effect Accounting for the Transition from the Consolidated Taxation System to the Group Tax Sharing System*" (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).

2) Accounting estimates of the impact of COVID-19

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.

(Segment information)

【Current first quarter segment information】

[Net sales and profits or losses by reportable segments]

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

	Reportable segments			Elimination of inter-segment transactions	(in millions of yen)
	Automobile	Sales financing	Total		Three Months Ended June 30, 2019
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

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

	Reportable segments			Elimination of inter-segment transactions	(in millions of yen)
	Automobile	Sales financing	Total		Three Months Ended June 30, 2020
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)

Notes: 1. Main products of each business segment

- (1) Automobile : passenger cars, commercial vehicles, manufacturing parts for overseas production, etc.
- (2) Sales financing : credit, lease, etc.

2. 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.

[Consolidated Financial Statements by Business Segments]

- *Regarding summarized quarterly consolidated statements of income and summarized quarterly consolidated statements of cash flows for the prior fiscal year, 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).
- *Regarding summarized quarterly consolidated statements of income and summarized quarterly consolidated statements of cash flows for the current fiscal year, 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 in the Automobile & Eliminations represent the differences between the consolidated figures and those for the Sales financing segment.

1) Summarized quarterly consolidated statements of income by business segments

(in millions of yen)

	Automobile & Eliminations		Sales financing		Consolidated total	
	Prior First Quarter (From April 1, 2019 To June 30, 2019)	Current First Quarter (From April 1, 2020 To June 30, 2020)	Prior First Quarter (From April 1, 2019 To June 30, 2019)	Current First Quarter (From April 1, 2020 To June 30, 2020)	Prior First Quarter (From April 1, 2019 To June 30, 2019)	Current First Quarter (From April 1, 2020 To June 30, 2020)
Net sales	2,073,949	910,323	298,473	263,871	2,372,422	1,174,194
Cost of sales	1,835,160	904,741	200,241	170,833	2,035,401	1,075,574
Gross profit	238,789	5,582	98,232	93,038	337,021	98,620
Operating income as a percentage of net sales	(2.6%)	(23.8%)	18.9%	23.9%	0.1%	(13.1%)
Operating income (loss)	(54,741)	(216,971)	56,350	63,045	1,609	(153,926)
Financial income / expenses, net	9,680	1,007	(11)	24	9,669	1,031
Other non-operating income and expenses, net	24,343	(80,462)	(293)	1,077	24,050	(79,385)
Ordinary income (loss)	(20,718)	(296,426)	56,046	64,146	35,328	(232,280)
Income (loss) before income taxes	(28,619)	(368,460)	55,494	63,861	26,875	(304,599)
Net income (loss) attributable to owners of parent	(31,235)	(325,747)	37,612	40,158	6,377	(285,589)

2) Summarized quarterly consolidated statements of cash flows by business segments

(in millions of yen)

	Automobile & Eliminations		Sales financing		Consolidated total	
	Prior First Quarter (From April 1, 2019 To June 30, 2019)	Current First Quarter (From April 1, 2020 To June 30, 2020)	Prior First Quarter (From April 1, 2019 To June 30, 2019)	Current First Quarter (From April 1, 2020 To June 30, 2020)	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	(252,271)	(711,198)	528,051	731,737	275,780	20,539
Cash flows from investing activities	(133,164)	(104,489)	(6,166)	(101,596)	(139,330)	(206,085)
(Free Cash flow)	(385,435)	(815,687)	521,885	630,141	136,450	(185,546)
Cash flows from financing activities	267,534	599,560	(534,349)	(589,384)	(266,815)	10,176
Effects of exchange rate changes on cash and cash equivalents	(3,423)	(11,379)	29	4,502	(3,394)	(6,877)
Increase (decrease) in cash and cash equivalents	(121,324)	(227,506)	(12,435)	45,259	(133,759)	(182,247)
Cash and cash equivalents at beginning of the period	1,309,580	1,494,550	49,478	148,431	1,359,058	1,642,981
Increase due to inclusion in consolidation	6,051	—	—	—	6,051	—
Cash and cash equivalents at end of the period	1,194,307	1,267,044	37,043	193,690	1,231,350	1,460,734

[Net sales and profits or losses by region]

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

(in 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

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

(in 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

[Information about geographical area]
(Net sales)

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

(in 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

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

(in 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.

3. Other Information

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 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.