



## Financial Results for the Nine Months Ended December 31, 2020 (Japanese Accounting Standards) (Consolidated)

February 9, 2021

Company name : Nissan Motor Co., Ltd. <Tokyo Stock Exchange in Japan>  
 Code no : 7201 (URL <https://www.nissan-global.com/EN/IR/>)  
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 The additional materials of the Financial Results for the Third Quarter : Yes  
 The briefing session of the Financial Results for the Third Quarter : Yes

(Amounts less than one million yen are rounded)

### 1. Consolidated Financial Results for the Nine Months Ended December 31, 2020 (April 1, 2020 through December 31, 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	%
Nine Months Ended								
December 31, 2020	5,317,447	(29.2)	(131,631)	—	(216,310)	—	(367,721)	—
December 31, 2019	7,507,286	(12.5)	54,343	(82.7)	141,432	(70.0)	39,273	(87.6)

Note : Comprehensive income : (331,315) million yen for the nine months ended December 31, 2020 , —%  
 (85,025) million yen for the nine months ended December 31, 2019 , —%

	Basic earnings per share	Diluted earnings per share
Nine Months Ended	yen	yen
December 31, 2020	(93.98)	—
December 31, 2019	10.04	10.04

#### <2> Consolidated financial position

	Total assets	Net assets	Net assets as a percentage of total assets
	Millions of yen	Millions of yen	%
FY2020 3rd quarter	16,033,283	4,034,076	22.9
FY2019	16,976,709	4,424,773	23.9

Reference: Net assets excluding share subscription rights and non-controlling interests: 3,673,783 million yen as of December 31, 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	—	0.00	—		
FY2020 forecast				0.00	0.00

Note : Changes in dividends forecast for FY2020 from the latest disclosure : None

### 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	7,700,000	(22.1)	(205,000)	—	(530,000)	—	(135.45)

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

※ 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 10 "(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 : Applicable

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

<3>-4 Restatement : None

Note: See attached page 10 "(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 3rd quarter	4,220,715,112 shares	FY2019	4,220,715,112 shares
FY2020 3rd quarter	307,571,696 shares	FY2019	308,801,374 shares
FY2020 3rd quarter	3,912,729,003 shares	FY2019 3rd quarter	3,913,049,221 shares

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

<4>-3 The average number of shares issued during the six months ended September 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 "2. Other Information" on page 17.

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## 1. Quarterly Consolidated Financial Statements

### (1) Quarterly Consolidated Balance Sheet

(in millions of yen)

	Prior Fiscal Year (As of March 31, 2020)	Current Third Quarter (As of December 31, 2020)
<b>Assets</b>		
Current assets		
Cash on hand and in banks	1,382,471	1,933,833
Trade notes and accounts receivable	356,156	369,558
Sales finance receivables	6,739,336	5,973,226
Securities	260,510	223,993
Merchandise and finished goods	881,940	737,502
Work in process	67,865	87,940
Raw materials and supplies	390,618	394,634
Other	739,307	595,947
Allowance for doubtful accounts	(142,264)	(180,238)
Total current assets	10,675,939	10,136,395
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	582,716	576,995
Machinery, equipment and vehicles, net	2,936,316	2,599,772
Land	589,064	587,989
Construction in progress	227,165	209,580
Other, net	183,589	248,356
Total property, plant and equipment	4,518,850	4,222,692
Intangible fixed assets	114,932	109,186
Investments and other assets		
Investment securities	1,177,184	1,065,867
Other	493,689	495,293
Allowance for doubtful accounts	(3,885)	(3,686)
Total investments and other assets	1,666,988	1,557,474
Total fixed assets	6,300,770	5,889,352
Deferred assets		
Bond issuance costs	—	7,536
Total deferred assets	—	7,536
Total assets	16,976,709	16,033,283

(in millions of yen)

	Prior Fiscal Year (As of March 31, 2020)	Current Third Quarter (As of December 31, 2020)
<b>Liabilities</b>		
Current liabilities		
Trade notes and accounts payable	1,357,047	1,360,184
Short-term borrowings	1,339,949	829,332
Current portion of long-term borrowings	1,826,904	1,736,001
Commercial papers	726,017	114,994
Current portion of bonds	765,532	614,026
Lease obligations	35,572	44,149
Accrued expenses	1,031,284	935,086
Accrued warranty costs	104,297	96,592
Other	878,644	753,786
Total current liabilities	8,065,246	6,484,150
Long-term liabilities		
Bonds	1,042,954	1,861,318
Long-term borrowings	2,098,558	2,386,709
Lease obligations	72,494	76,375
Accrued warranty costs	108,751	94,952
Net defined benefit liability	454,068	457,719
Other	709,865	637,984
Total long-term liabilities	4,486,690	5,515,057
Total liabilities	12,551,936	11,999,207
Net assets		
Shareholders' equity		
Common stock	605,814	605,814
Capital surplus	818,056	817,072
Retained earnings	4,125,043	3,711,147
Treasury stock	(139,262)	(139,295)
Total shareholders' equity	5,409,651	4,994,738
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	(16,420)	36,381
Unrealized gain and loss from hedging instruments	(20,352)	(17,151)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(35,632)	(36,277)
Translation adjustments	(1,046,160)	(1,061,361)
Remeasurements of defined benefit plans	( 226,798)	(242,547)
Total accumulated other comprehensive income	(1,345,362)	(1,320,955)
Non-controlling interests	360,484	360,293
Total net assets	4,424,773	4,034,076
Total liabilities and net assets	16,976,709	16,033,283

**(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income**

The Nine-Month Period Ended December 31  
Quarterly consolidated statement of income

	(in millions of yen)	
	Nine Months Ended December 31, 2019 (From April 1, 2019 To December 31, 2019)	Nine Months Ended December 31, 2020 (From April 1, 2020 To December 31, 2020)
Net sales	7,507,286	5,317,447
Cost of sales	6,395,531	4,628,207
Gross profit	1,111,755	689,240
Selling, general and administrative expenses		
Advertising expenses	210,163	159,383
Provision for warranty costs	90,853	66,463
Other selling expenses	147,273	82,317
Salaries and wages	288,680	269,183
Retirement benefit expenses	16,043	12,556
Provision for doubtful accounts	63,799	27,613
Other	240,601	203,356
Total selling, general and administrative expenses	1,057,412	820,871
Operating income (loss)	54,343	(131,631)
Non-operating income		
Interest income	16,511	9,670
Dividends income	7,277	1,932
Equity in earnings of affiliates	83,790	—
Exchange gain	25,800	45,027
Miscellaneous income	7,950	15,064
Total non-operating income	141,328	71,693
Non-operating expenses		
Interest expense	8,419	22,575
Equity in losses of affiliates	—	71,633
Derivative loss	26,412	41,699
Miscellaneous expenses	19,408	20,465
Total non-operating expenses	54,239	156,372
Ordinary income (loss)	141,432	(216,310)
Special gains		
Gain on sales of fixed assets	8,668	13,250
Subsidy income and others	—	6,924
Other	4,716	220
Total special gains	13,384	20,394
Special losses		
Loss on sales of fixed assets	5,398	882
Loss on disposal of fixed assets	9,340	5,870
Special addition to retirement benefits	8,089	57,622
Loss on shutdowns and others due to COVID-19	—	42,348
Other	17,519	22,546
Total special losses	40,346	129,268
Income (loss) before income taxes	114,470	(325,184)
Income taxes	62,950	32,123
Net income (loss)	51,520	(357,307)
Net income attributable to non-controlling interests	12,247	10,414
Net income (loss) attributable to owners of parent	39,273	(367,721)

Quarterly consolidated statement of comprehensive income

	(in millions of yen)	
	Nine Months Ended December 31, 2019  (From April 1, 2019 To December 31, 2019)	Nine Months Ended December 31, 2020  (From April 1, 2020 To December 31, 2020)
Net income(loss)	51,520	(357,307)
Other comprehensive income		
Unrealized holding gain and loss on securities	(4,678)	52,741
Unrealized gain and loss from hedging instruments	(10,988)	3,224
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(2,616)	(897)
Translation adjustments	(57,325)	15,593
Remeasurements of defined benefit plans	(5,008)	(17,100)
The amount for equity method company portion	(55,930)	(27,569)
Total other comprehensive income	(136,545)	25,992
Comprehensive income	(85,025)	(331,315)
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	(89,065)	(343,314)
Comprehensive income attributable to non-controlling interests	4,040	11,999

The Three-Month Period Ended December 31  
Quarterly consolidated statement of income

	(in millions of yen)	
	Prior Third Quarter	Current Third Quarter
	(From October 1, 2019 To December 31, 2019)	(From October 1, 2020 To December 31, 2020)
Net sales	2,504,211	2,224,760
Cost of sales	2,160,648	1,897,190
Gross profit	343,563	327,570
Selling, general and administrative expenses		
Advertising expenses	67,109	69,317
Provision for warranty costs	31,309	32,839
Other selling expenses	54,558	22,888
Salaries and wages	96,764	91,695
Retirement benefit expenses	5,523	4,269
Provision for doubtful accounts	19,296	10,373
Other	46,269	69,061
Total selling, general and administrative expenses	320,828	300,442
Operating income	22,735	27,128
Non-operating income		
Interest income	4,551	3,228
Equity in earnings of affiliates	—	6,407
Exchange gain	31,811	21,253
Miscellaneous income	3,687	3,436
Total non-operating income	40,049	34,324
Non-operating expenses		
Interest expense	2,726	14,014
Equity in losses of affiliates	478	—
Derivative loss	25,839	22,420
Miscellaneous expenses	7,951	9,490
Total non-operating expenses	36,994	45,924
Ordinary income	25,790	15,528
Special gains		
Gain on sales of fixed assets	1,850	2,483
Other	1,529	101
Total special gains	3,379	2,584
Special losses		
Loss on sales of fixed assets	2,161	439
Loss on disposal of fixed assets	3,199	3,233
Impairment loss	4,554	3,717
Special addition to retirement benefits	—	3,637
Loss on sales of shares of subsidiaries and affiliates	—	3,837
Other	9,504	7,501
Total special losses	19,418	22,364
Income (loss) before income taxes	9,751	(4,252)
Income taxes	31,731	28,160
Net loss	(21,980)	(32,412)
Net income attributable to non-controlling interests	4,112	5,350
Net loss attributable to owners of parent	(26,092)	(37,762)



Quarterly consolidated statement of comprehensive income

	(in millions of yen)	
	Prior Third Quarter	Current Third Quarter
	(From October 1, 2019 To December 31, 2019)	(From October 1, 2020 To December 31, 2020)
Net loss	(21,980)	(32,412)
Other comprehensive income		
Unrealized holding gain and loss on securities	7,817	18,879
Unrealized gain and loss from hedging instruments	393	2,451
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	2,792	(875)
Translation adjustments	55,197	45,971
Remeasurements of defined benefit plans	(17,541)	(5,406)
The amount for equity method company portion	(28,029)	12,202
Total other comprehensive income	20,629	73,222
Comprehensive income	(1,351)	40,810
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	(3,922)	31,047
Comprehensive income attributable to non-controlling interests	2,571	9,763

### (3) Quarterly Consolidated Statement of Cash Flows

	(in millions of yen)	
	Nine Months Ended December 31, 2019 (From April 1, 2019 To December 31, 2019)	Nine Months Ended December 31, 2020 (From April 1, 2020 To December 31, 2020)
<b>Cash flows from operating activities</b>		
Income (loss) before income taxes	114,470	(325,184)
Depreciation and amortization (for fixed assets excluding leased vehicles)	288,138	189,584
Depreciation and amortization (for long term prepaid expenses)	30,378	35,680
Depreciation and amortization (for leased vehicles)	333,665	306,074
Increase (decrease) in allowance for doubtful accounts	(4,250)	(26,408)
Interest and dividends income	(23,788)	(11,602)
Interest expense	153,222	134,039
Equity in losses (earnings) of affiliates	(83,790)	71,633
Loss (gain) on sales of fixed assets	(3,270)	(12,368)
Loss on disposal of fixed assets	9,340	5,870
Decrease (increase) in trade notes and accounts receivable	106,087	(15,646)
Decrease (increase) in sales finance receivables	575,691	731,178
Decrease (increase) in inventories	(164,811)	144,785
Increase (decrease) in trade notes and accounts payable	(328,161)	(135,711)
Retirement benefit expenses	22,902	23,759
Payments related to net defined benefit assets and liabilities	(23,159)	(21,476)
Other	(47,133)	(42,585)
<b>Subtotal</b>	<b>955,531</b>	<b>1,051,622</b>
Interest and dividends received	22,588	14,892
Proceeds from dividends income from affiliates accounted for by equity method	105,065	47,346
Interest paid	(148,794)	(119,921)
Income taxes paid	(124,107)	(30,911)
<b>Net cash provided by (used in) operating activities</b>	<b>810,283</b>	<b>963,028</b>
<b>Cash flows from investing activities</b>		
Net decrease (increase) in short-term investments	492	(20)
Purchase of fixed assets	(359,792)	(274,929)
Proceeds from sales of fixed assets	39,617	36,866
Purchase of leased vehicles	(867,286)	(585,938)
Proceeds from sales of leased vehicles	559,570	535,635
Payments of long-term loans receivable	(302)	(76)
Collection of long-term loans receivable	564	726
Purchase of investment securities	(11,265)	(134)
Proceeds from sales of investment securities	196	1,615
Proceeds from sales of subsidiaries' shares resulting in changes in the scope of consolidation	1,746	8,988
Net decrease (increase) in restricted cash	114,242	57,441
Other	(716)	(470)
<b>Net cash provided by (used in) investing activities</b>	<b>(522,934)</b>	<b>(220,296)</b>

	(in millions of yen)	
	Nine Months Ended December 31, 2019  (From April 1, 2019 To December 31, 2019)	Nine Months Ended December 31, 2020  (From April 1, 2020 To December 31, 2020)
<b>Cash flows from financing activities</b>		
Net increase (decrease) in short-term borrowings	241,839	(1,111,178)
Proceeds from long-term borrowings	1,223,806	1,738,957
Proceeds from issuance of bonds	129,693	1,174,475
Repayments of long-term borrowings	(1,345,893)	(1,493,344)
Redemption of bonds	(282,870)	(482,461)
Proceeds from non-controlling shareholders	8,551	2,877
Purchase of treasury stock	(2)	(0)
Repayments of lease obligations	(27,503)	(36,359)
Cash dividends paid	(150,652)	—
Cash dividends paid to non-controlling interests	(16,901)	(14,894)
Payments from changes in ownership interests in subsidiaries that do not result in change in scope of consolidation	—	(964)
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	(214,921)	(222,891)
Effects of exchange rate changes on cash and cash equivalents	(19,185)	(5,141)
Increase (decrease) in cash and cash equivalents	53,243	514,700
Cash and cash equivalents at beginning of the period	1,359,058	1,642,981
Increase due to inclusion in consolidation	6,204	117
Cash and cash equivalents at end of the period	1,418,505	2,157,798

#### **(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 third quarter ended December 31, 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)**

###### 1) Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) No. 326, "*Financial Instruments—Credit Losses*"

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 first quarter of the fiscal year ending March 31, 2021.

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 nine months ended December 31, 2020.

As a result, for the effects of this revision based on the requirement of the standard as transition disclosures, the balance at the beginning of the nine months ended December 31, 2020 of allowance for doubtful accounts increased by ¥62,965 million (decrease of current assets), deferred tax liabilities (included in long-term liabilities) and retained earnings decreased by ¥16,121 million and ¥46,844 million, respectively.

###### 2) Accounting treatment of bond issuance costs

The Group issued bonds in the second quarter of the fiscal year ending March 31, 2021 with the purpose of securing medium- to long-term funding in order to flexibly respond to COVID-19 and other changes in the internal and external environment.

As a result, from the second quarter of the fiscal year ending March 31, 2021, bond issuance costs associated with the bonds issued by the Company and its domestic subsidiaries, which had been previously fully charged to expenses when incurred, are amortized using the effective interest method over the term of redemption. This is because bond issuance costs are financing costs in nature like bond interest, and that the effective interest method of amortization applied in international accounting standards will more appropriately reflect the Group's current financing activities in the Consolidated Financial Statements.

Due to this change, ordinary loss and loss before income taxes for the nine months ended December 31, 2020 each decreased by ¥7,536 million, ordinary profit decreased by ¥336 million and loss before income and taxes increased by ¥336 million for the current third quarter ended December 31, 2020. This change in the accounting policy is not applied retrospectively as there is no material effect on the Consolidated Financial Statements for past periods.

##### **(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 third quarter segment information】**

**[Net sales and profits or losses by reportable segments]**

The Nine-month Period Ended December 31, 2019 (From April 1, 2019 To December 31, 2019)

	Reportable segments			Elimination of inter-segment transactions	(in millions of yen)
	Automobile	Sales financing	Total		Nine Months Ended December 31, 2019
Net sales					
Sales to third parties	6,672,221	835,065	7,507,286	—	7,507,286
Inter-segment sales or transfers	119,857	38,674	158,531	(158,531)	—
Total	6,792,078	873,739	7,665,817	(158,531)	7,507,286
Segment profits (loss)	(131,048)	177,914	46,866	7,477	54,343

Prior Third Quarter (From October 1, 2019 To December 31, 2019)

	Reportable segments			Elimination of inter-segment transactions	(in millions of yen)
	Automobile	Sales financing	Total		Prior Third Quarter
Net sales					
Sales to third parties	2,229,984	274,227	2,504,211	—	2,504,211
Inter-segment sales or transfers	42,232	12,869	55,101	(55,101)	—
Total	2,272,216	287,096	2,559,312	(55,101)	2,504,211
Segment profits (loss)	(39,843)	59,896	20,053	2,682	22,735

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.

The Nine-month Period Ended December 31, 2020 (From April 1, 2020 To December 31, 2020)

(in millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Nine Months Ended December 31, 2020
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	4,575,272	742,175	5,317,447	—	5,317,447
Inter-segment sales or transfers	76,436	31,517	107,953	(107,953)	—
Total	4,651,708	773,692	5,425,400	(107,953)	5,317,447
Segment profits (loss)	(346,467)	199,574	(146,893)	15,262	(131,631)

Current Third Quarter (From October 1, 2020 To December 31, 2020)

(in millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Current Third Quarter
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	1,982,383	242,377	2,224,760	—	2,224,760
Inter-segment sales or transfers	18,723	10,244	28,967	(28,967)	—
Total	2,001,106	252,621	2,253,727	(28,967)	2,224,760
Segment profits (loss)	(42,089)	62,942	20,853	6,275	27,128

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), 12 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	
	Nine Months Ended December 31, 2019 (From April 1, 2019 To December 31, 2019)	Nine Months Ended December 31, 2020 (From April 1, 2020 To December 31, 2020)	Nine Months Ended December 31, 2019 (From April 1, 2019 To December 31, 2019)	Nine Months Ended December 31, 2020 (From April 1, 2020 To December 31, 2020)	Nine Months Ended December 31, 2019 (From April 1, 2019 To December 31, 2019)	Nine Months Ended December 31, 2020 (From April 1, 2020 To December 31, 2020)
<b>Net sales</b>	6,633,547	4,543,755	873,739	773,692	7,507,286	5,317,447
Cost of sales	5,813,106	4,128,942	582,425	499,265	6,395,531	4,628,207
<b>Gross profit</b>	820,441	414,813	291,314	274,427	1,111,755	689,240
Operating income as a percentage of net sales	(1.9%)	(7.3%)	20.4%	25.8%	0.7%	(2.5%)
<b>Operating income (loss)</b>	(123,571)	(331,205)	177,914	199,574	54,343	(131,631)
Financial income / expenses, net	15,370	(11,057)	(1)	84	15,369	(10,973)
Other non-operating income and expenses, net	69,732	(74,837)	1,988	1,131	71,720	(73,706)
<b>Ordinary income (loss)</b>	(38,469)	(417,099)	179,901	200,789	141,432	(216,310)
<b>Income (loss) before income taxes</b>	(61,187)	(528,848)	175,657	203,664	114,470	(325,184)
<b>Net income (loss) attributable to owners of parent</b>	(83,569)	(505,748)	122,842	138,027	39,273	(367,721)

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

(in millions of yen)

	Automobile & Eliminations		Sales financing		Consolidated total	
	Nine Months Ended December 31, 2019 (From April 1, 2019 To December 31, 2019)	Nine Months Ended December 31, 2020 (From April 1, 2020 To December 31, 2020)	Nine Months Ended December 31, 2019 (From April 1, 2019 To December 31, 2019)	Nine Months Ended December 31, 2020 (From April 1, 2020 To December 31, 2020)	Nine Months Ended December 31, 2019 (From April 1, 2019 To December 31, 2019)	Nine Months Ended December 31, 2020 (From April 1, 2020 To December 31, 2020)
<b>Cash flows from operating activities</b>	(337,429)	(227,337)	1,147,712	1,190,365	810,283	963,028
<b>Cash flows from investing activities</b>	(333,487)	(238,623)	(189,447)	18,327	(522,934)	(220,296)
<b>(Free Cash flow)</b>	(670,916)	(465,960)	958,265	1,208,692	287,349	742,732
<b>Cash flows from financing activities</b>	716,776	971,233	(931,697)	(1,194,124)	(214,921)	(222,891)
Effects of exchange rate changes on cash and cash equivalents	(17,210)	(16,096)	(1,975)	10,955	(19,185)	(5,141)
Increase (decrease) in cash and cash equivalents	28,650	489,177	24,593	25,523	53,243	514,700
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	6,204	49	—	68	6,204	117
<b>Cash and cash equivalents at end of the period</b>	1,344,434	1,983,776	74,071	174,022	1,418,505	2,157,798

**[Net sales and profits or losses by region]**

The Nine-month Period Ended December 31, 2019 (From April 1, 2019 To December 31, 2019)

(in millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	1,583,137	3,649,528	964,494	678,546	631,581	7,507,286	—	7,507,286
(2) Inter-segment sales	1,452,294	332,558	154,870	365,928	28,985	2,334,635	(2,334,635)	—
Total	3,035,431	3,982,086	1,119,364	1,044,474	660,566	9,841,921	(2,334,635)	7,507,286
Operating income (loss)	9,611	58,177	(25,854)	32,659	(3,498)	71,095	(16,752)	54,343

Prior Third Quarter (From October 1, 2019 To December 31, 2019)

(in millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	476,146	1,216,909	348,150	231,447	231,559	2,504,211	—	2,504,211
(2) Inter-segment sales	542,450	104,524	52,810	125,674	12,758	838,216	(838,216)	—
Total	1,018,596	1,321,433	400,960	357,121	244,317	3,342,427	(838,216)	2,504,211
Operating income (loss)	18,259	21,639	(4,416)	10,835	496	46,813	(24,078)	22,735

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



The Nine-month Period Ended December 31, 2020 (From April 1, 2020 To December 31, 2020)

(in millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	1,291,991	2,479,065	623,799	547,724	374,868	5,317,447	—	5,317,447
(2) Inter-segment sales	878,137	203,453	121,353	258,081	7,360	1,468,384	(1,468,384)	—
<b>Total</b>	<b>2,170,128</b>	<b>2,682,518</b>	<b>745,152</b>	<b>805,805</b>	<b>382,228</b>	<b>6,785,831</b>	<b>(1,468,384)</b>	<b>5,317,447</b>
Operating income (loss)	(174,658)	33,632	(19,984)	36,049	(5,920)	(130,881)	(750)	(131,631)

Current Third Quarter (From October 1, 2020 To December 31, 2020)

(in millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	480,881	1,053,828	281,286	221,806	186,959	2,224,760	—	2,224,760
(2) Inter-segment sales	475,451	89,504	60,940	114,889	3,962	744,746	(744,746)	—
<b>Total</b>	<b>956,332</b>	<b>1,143,332</b>	<b>342,226</b>	<b>336,695</b>	<b>190,921</b>	<b>2,969,506</b>	<b>(744,746)</b>	<b>2,224,760</b>
Operating income (loss)	(4,999)	14,545	3,070	15,645	4,199	32,460	(5,332)	27,128

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)**

The Nine-month Period Ended December 31, 2019 (From April 1, 2019 To December 30, 2019)

(in millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
1,256,144	3,567,196	2,927,075	1,070,300	865,901	747,745	7,507,286

Prior Third Quarter (From October 1, 2019 To December 31, 2019)

(in millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
370,974	1,188,789	968,177	374,852	294,850	274,746	2,504,211

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, and etc.

The Nine-month Period Ended December 31, 2020 (From April 1, 2020 To December 31, 2020)

(in millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
1,062,767	2,443,072	2,012,901	699,549	689,991	422,068	5,317,447

Current Third Quarter (From October 1, 2020 To December 31, 2020)

(in millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
395,015	1,033,011	855,794	313,937	270,750	212,047	2,224,760

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, and etc.

## 2. 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.