

NISSAN

MOTOR CORPORATION

FY2023 FIRST-QUARTER FINANCIAL RESULTS

July 26th, 2023

Q1 Highlights

Delivering continued performance

Net Revenue

+ 37%

year on year

Operating profit

+ 98%

year on year

Net income

+ 124%

year on year





1 FY2023 Q1 Financial Results

2 FY2023 Outlook

3 China Status Update

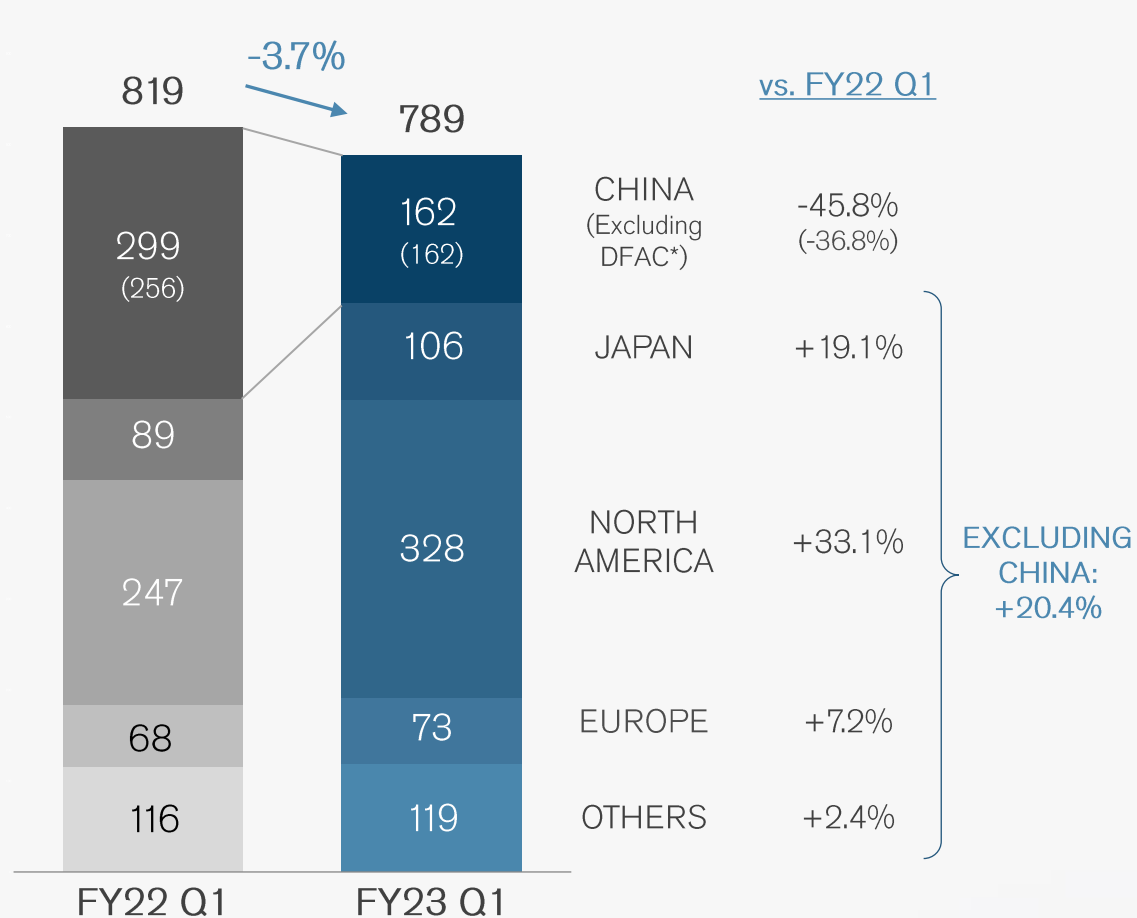
1 FY2023 Q1 Financial Results



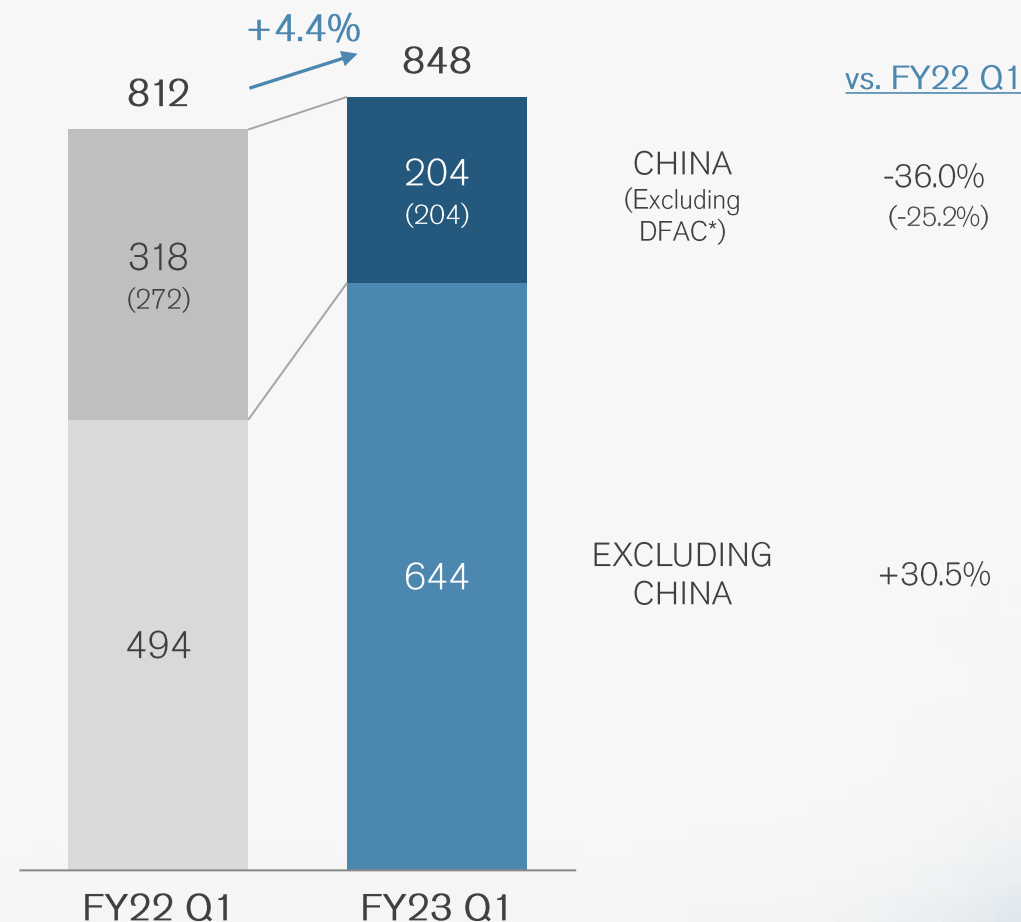
FY23 Q1 Volume Results

(Thousand units)

Retail Sales



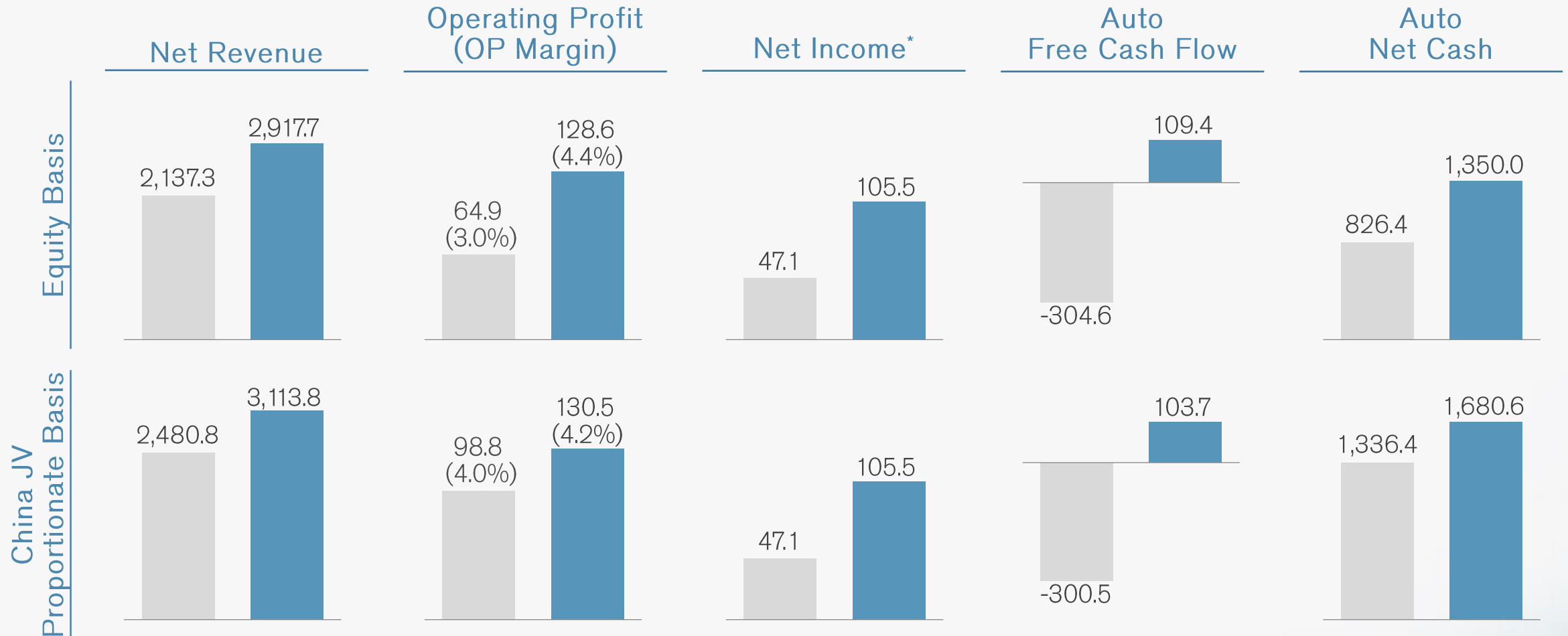
Production



*DFAC (Dongfeng Automobile Co., Ltd.) has been deconsolidated from October 2022 (FY22 Q4)

FY23 Q1 Financial Performance

■ FY22 Q1
■ FY23 Q1
(Billion Yen)



Liquidity Status (as of June 30, 2023)

1. Auto cash and cash equivalent: 1,772.5 billion yen on equity basis, 2,145.9 billion yen on China JV proportionate basis
2. Unused committed credit lines : 1,932.5 billion yen

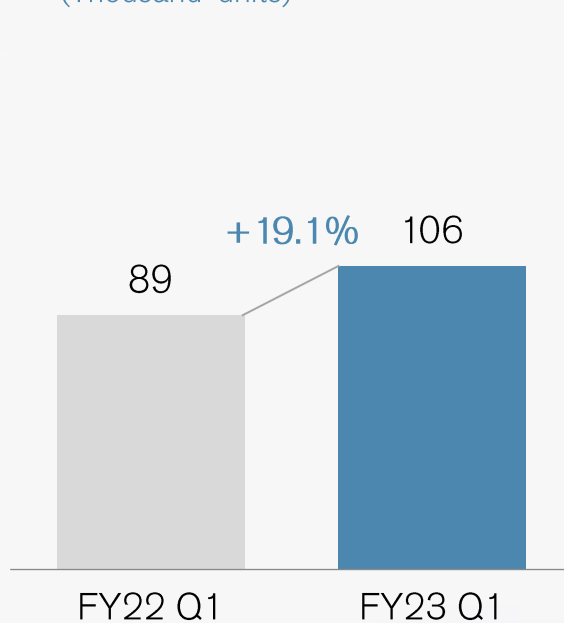
*Net income attributable to owners of the parent

JAPAN

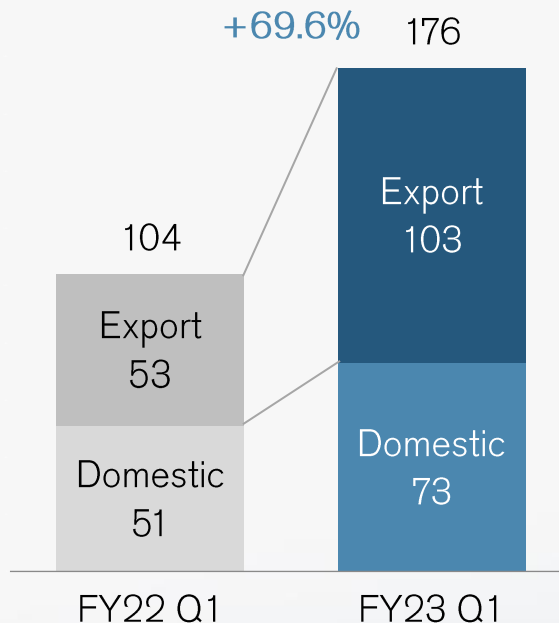
- Sales of Serena increased 130%
- Electrification ratio improved 12 points to 54%
- Net revenue per unit increased by 20% from the prior year

Retail Sales

(Thousand units)



Production Volume



Top Selling Models



Serena



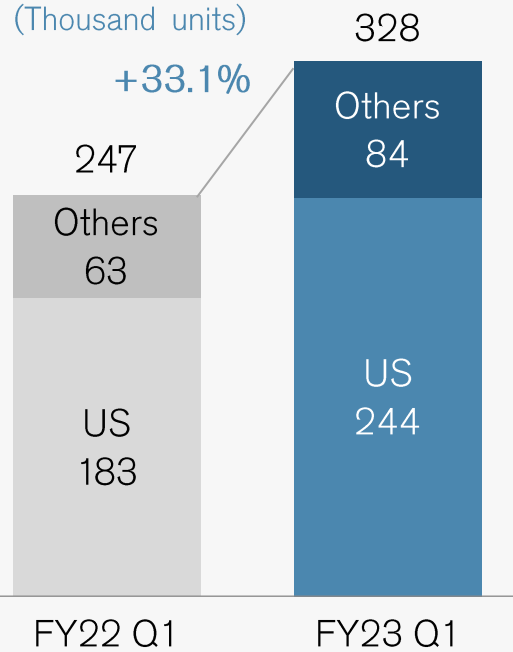
Note/Note Aura

NORTH AMERICA

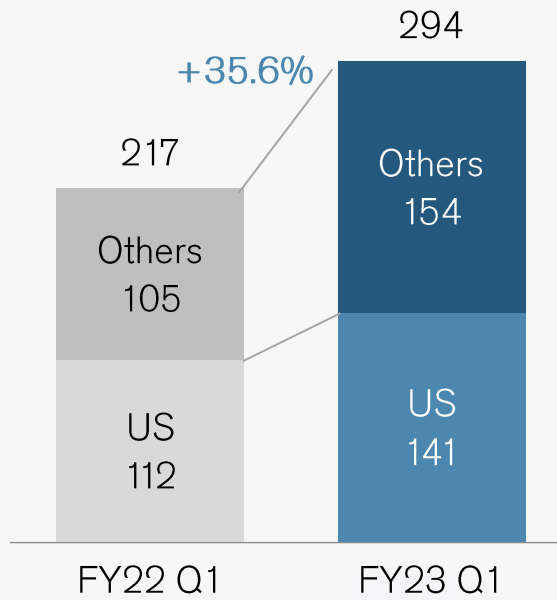
- Significant increase in sales and production volume
- Net revenue per unit in the US increased by 6% from the prior year

Retail Sales

(Thousand units)



Production Volume



Top Selling Models



Rogue



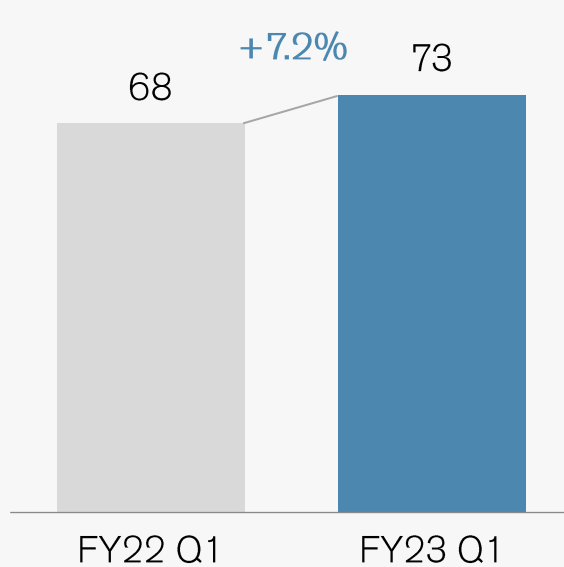
Sentra

EUROPE

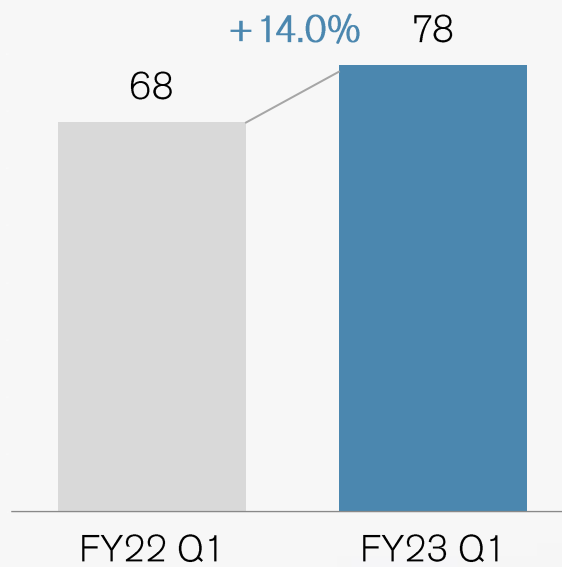
- Electrification ratio improved 27 points to 35%
- Net revenue per unit increased by 24% from the prior year

Retail Sales

(Thousand units)



Production Volume



Top Selling Models



Qashqai



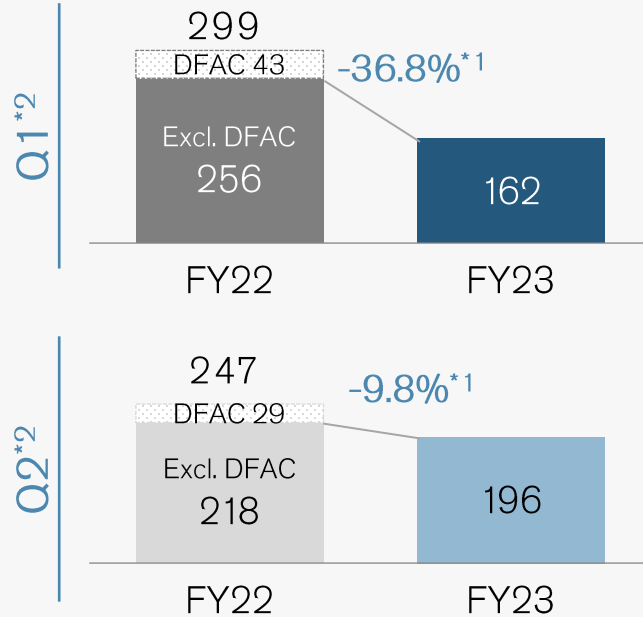
Juke

CHINA

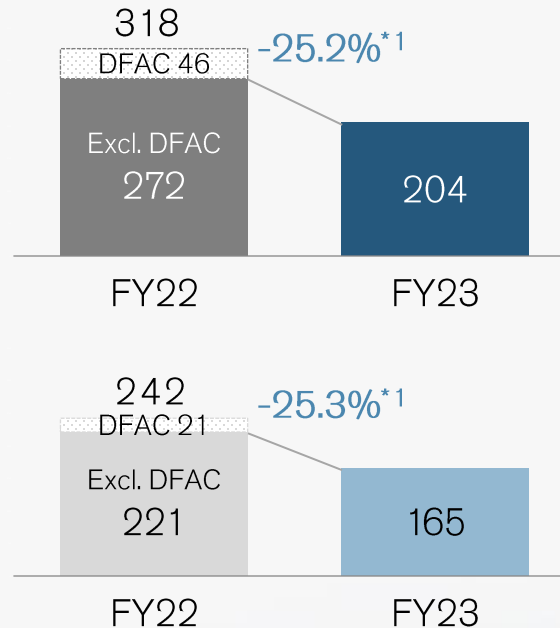
- Volume significantly impacted by pandemic and market dynamics
- Sylphy - top-selling model in ICE segment
- Net revenue per unit decreased by 11% from the prior year

Retail Sales

(Thousand units)



Production Volume



Top Selling Models



Sylphy

*1: Excluding DFAC, which was deconsolidated from October 2022

*2: Jan-Mar for Q1, Apr-Jun for Q2

FY23 Q1 Financial Performance (Equity Basis)

(Billion Yen)	FY22 Q1	FY23 Q1	Variance
Net Revenue	2,137.3	2,917.7	+780.4
Operating Profit	64.9	128.6	+63.7
OP Margin	3.0%	4.4%	+1.4 points
Non-operating* ¹	39.1	38.0	
Ordinary Profit	104.0	166.6	+62.6
Extraordinary	1.6	-37.4	
Profit Before Tax	105.6	129.2	+23.6
Taxes	-53.2	-18.3	
Minority Interest* ²	-5.3	-5.4	
Net Income* ³	47.1	105.5	+58.4
FX Rate (USD/JPY)	130	137	
(EUR/JPY)	138	150	

*1: Includes profit in companies under equity method of 33.6 billion yen in FY22 Q1 and 33.4 billion yen in FY23 Q1

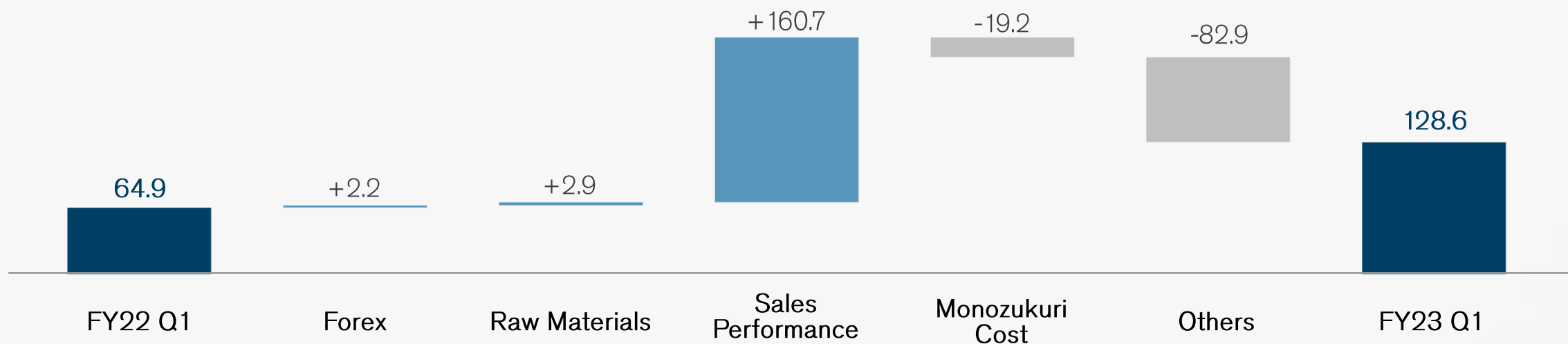
*2: Net income attributable to non-controlling interests

*3: Net income attributable to owners of the parent

FY23 Q1 Financial Performance (Equity Basis)

Operating Profit Variance Analysis FY23 Q1 vs. Previous Year

(Billion Yen)



Breakdown

Volume/Mix	+115.8	Manufacturing	+11.2	Sales Finance	-13.4
Selling Exp/ Pricing	+41.6	Inflation	-9.6	- Asset decline	-1.8
After Sales	+3.0	Regulatory / Product Enrichment	-9.4	- Others	-11.6
Others	+0.3	Logistics	-7.5	Remarketing	-7.5
		Others	-3.9	Other Inflation	-5.4
				Others	-56.6

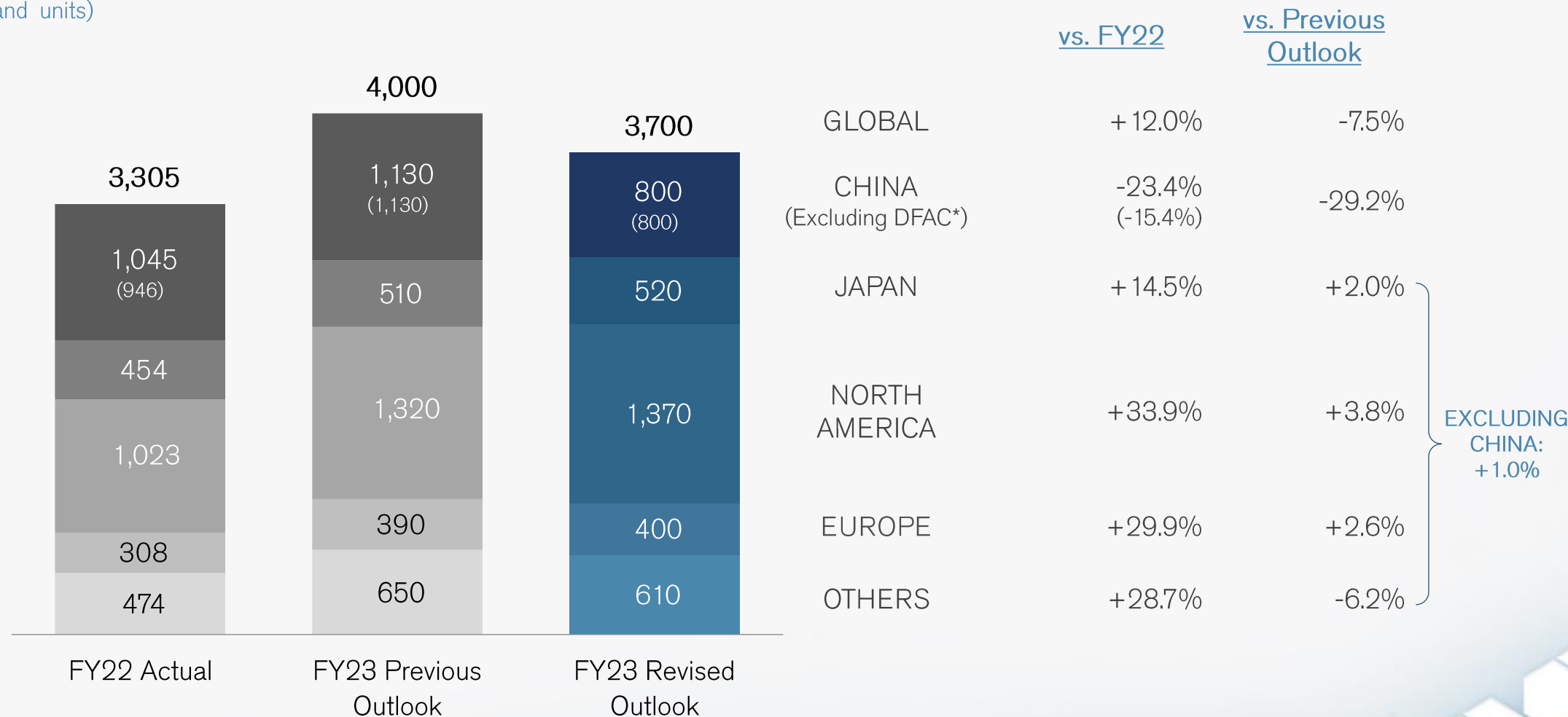
2 FY2023 Outlook



FY23 Volume Outlook

Retail Sales

(Thousand units)



*DFAC (Dongfeng Automobile Co., Ltd.) has been deconsolidated from October 2022 (FY22 Q4)

FY23 Outlook (Equity Basis)

(Billion Yen)	FY22 Actual	FY23 Previous Outlook	FY23 Revised Outlook	Variance vs FY22	Variance vs Previous Outlook
Net Revenue	10,596.7	12,400.0	12,600.0	+2,003.3	+200.0
Operating Profit	377.1	520.0	550.0	+172.9	+30.0
OP Margin	3.6%	4.2%	4.4%	+0.8 points	+0.2 points
Net Income ^{*1}	221.9	315.0	340.0	+118.1	+25.0
FX Rate ^{*2} (USD/JPY)	136	130	132	-4	+2
(EUR/JPY)	141	135	139	-2	+4

*1: Net income attributable to owners of the parent

*2: FY23 FX assumption rate for Q2-Q4 is 130 yen for USD/JPY and 135 yen for EUR/JPY (no change from the previous outlook)

3 China Status Update

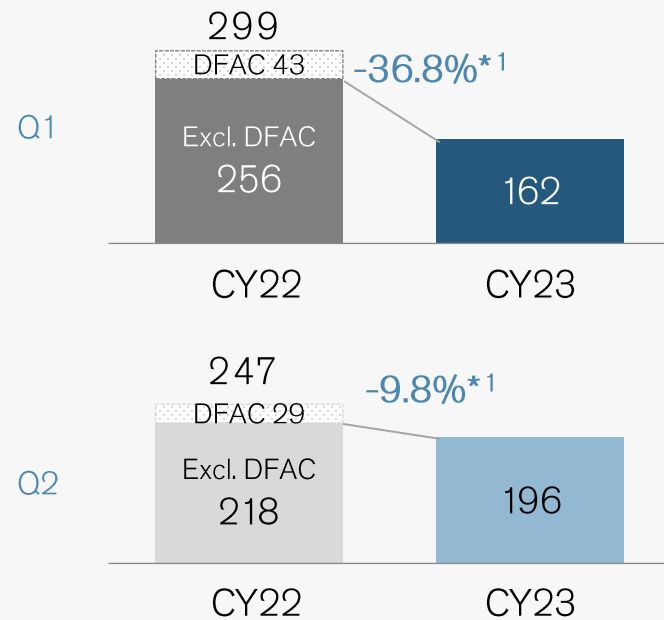


China Status Update

Local NEV rapidly replacing JV Non-NEV market

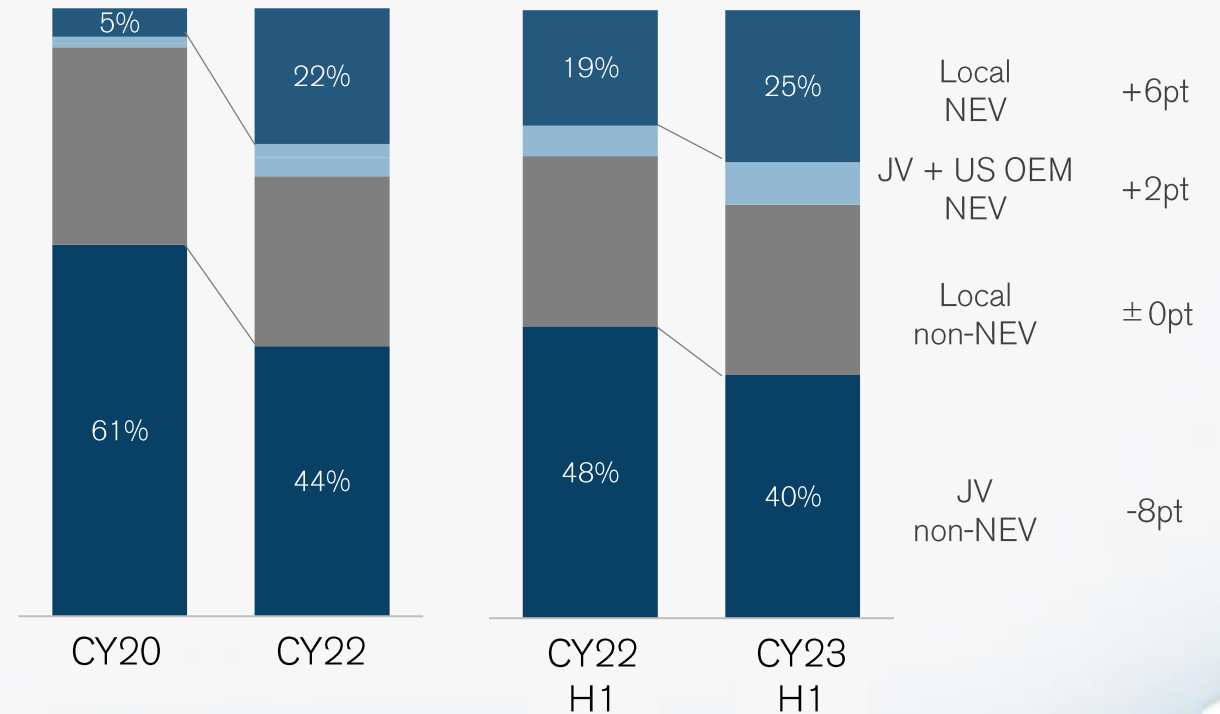
Retail Sales

(Thousand units)



TIV Trend*2

CY22 H1 vs CY23 H1



*1: Excluding DFAC, which was deconsolidated from October 2022

*2: Source: CAAM

NEV : New Energy Vehicle

China Status Update

Performance recovery with introduction of new models

New Energy Vehicle



Zero Emission

Nissan
Ariya 500
(July)



PHEV

Venucia
V-Online DD-i
(July)

C-segment SUV



e-POWER

Nissan
X-TRAIL e-POWER
(May)



All-New
Nissan Qashqai
(August)

China Status Update

Leveraging local existing assets

20-years JV experience



Spec

Design-to-market
Time-to-market

Speed

Cost

Full Value Chain

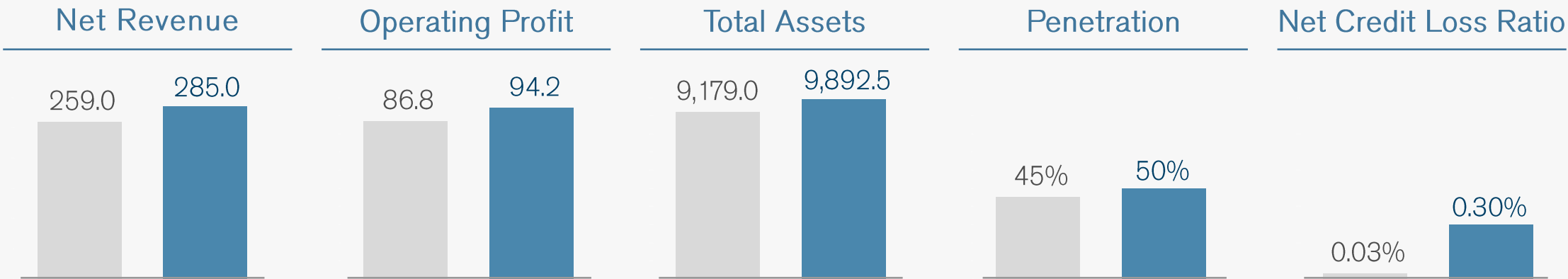




Appendix

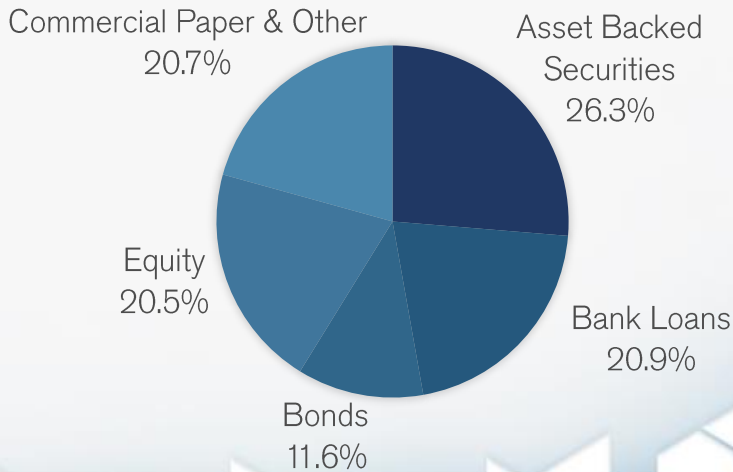
Sales Financing

■ FY22 Q1
■ FY23 Q1
(Billion Yen)



- Profits higher year over year mainly due to positive FX impact and one-time profits
- Assets increased year over year mainly due to positive FX impact
- Higher penetration mainly due to recovery of North America companies
- Higher Net Credit Losses due to China lockdown in FY22 and normalization of used car market; Q1 Net Credit Losses still below long-term average
- Diversified funding sources, strong liquidity and equity position

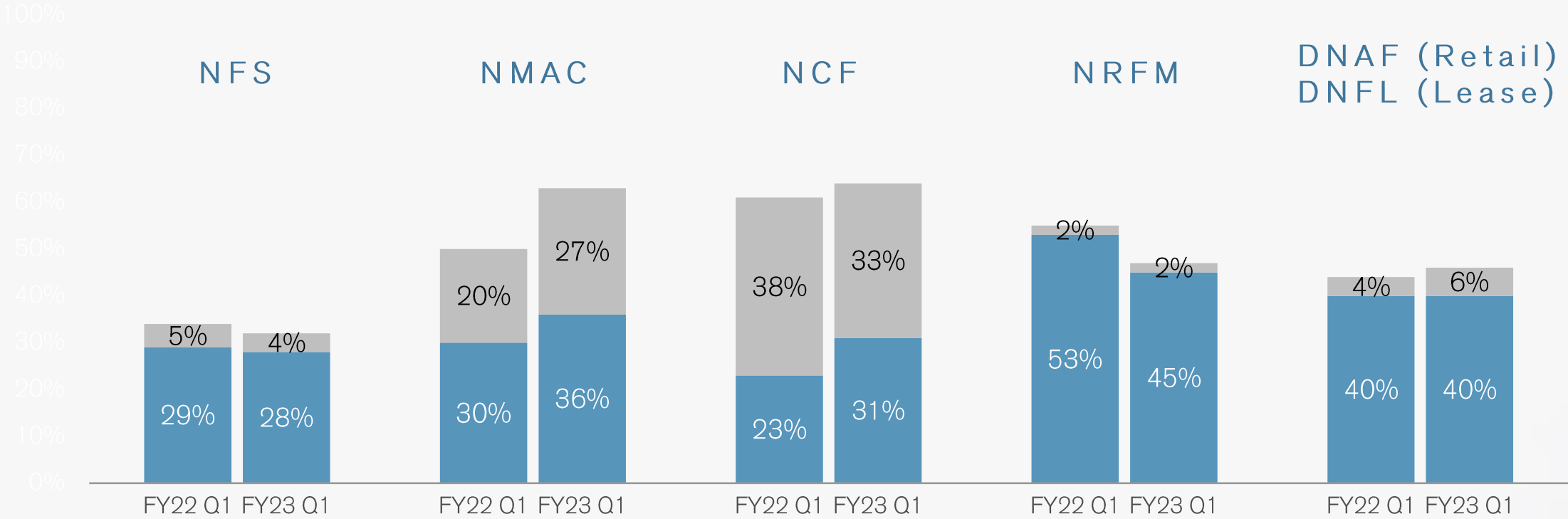
Funding Sources as of Jun 2023
Total Funding Amount: 9,016 Billion Yen



Sales Financing

Penetration

■ Lease
■ Retail



NFS: Nissan Financial Services, sales finance company in Japan
NMAC: Nissan Motor Acceptance Company LLC, sales finance company in US
NCF: Sales Financing division of Nissan Canada Inc.

NRFM: NR Finance Mexico, sales finance company in Mexico
DNAF: Dongfeng Nissan Auto finance company in China
DNFL: Dongfeng Nissan Financial Leasing in China

Sales Financing

Net Credit Loss Ratio

	NFS			NMAC			NCF			DNAF/DNFL [*]		
	<u>Lease</u>	<u>Retail</u>	<u>Total</u>	<u>Lease</u>	<u>Retail</u>	<u>Total</u>	<u>Lease</u>	<u>Retail</u>	<u>Total</u>	<u>Lease</u>	<u>Retail</u>	<u>Total</u>
FY22 Q1	0.01%	0.07%	0.06%	-0.84%	0.18%	-0.23%	-0.03%	0.06%	0.02%	1.40%	0.18%	0.31%
FY23 Q1	0.01%	0.06%	0.05%	-0.16%	0.39%	0.18%	-0.01%	0.04%	0.02%	1.10%	0.68%	0.73%
Variance	0.00pt	-0.01pt	-0.01pt	+0.68pt	+0.21pt	+0.41pt	+0.02pt	-0.02pt	0.00pt	-0.30pt	+0.50pt	+0.42pt

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NCF: Sales Finance division of Nissan Canada Inc.

DNAF: Dongfeng Nissan Auto finance company in China

DNFL: Dongfeng Nissan Financial Leasing in China

*Credit losses at DNFL are not stable as yet as DNFL business is still in early stage and higher risk profile of DNFL customers

Sales Financing

Operating Profit & Asset

	NFS (Billion JPY)		NMAC (Million USD)		NCF (Million CAD)		NRFM (Million MXN)		DNAF/DNFL (Million CNY)	
	<u>Asset</u>	<u>OP</u>	<u>Asset</u>	<u>OP</u>	<u>Asset</u>	<u>OP</u>	<u>Asset</u>	<u>OP</u>	<u>Asset</u>	<u>OP</u>
FY22 Q1	1,303.2	9.0	37,589	345	7,394	67	78,412	1,124	67,732	742
FY23 Q1	1,370.2	8.6	39,482	376	6,693	55	89,942	1,263	53,998	666
Variance	+67.0	-0.4	+1,893	+31	-701	-12	+11,530	+139	-13,734	-76

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NCF: Sales Finance division of Nissan Canada Inc.

NRFM: NR finance Mexico, sales finance company in Mexico

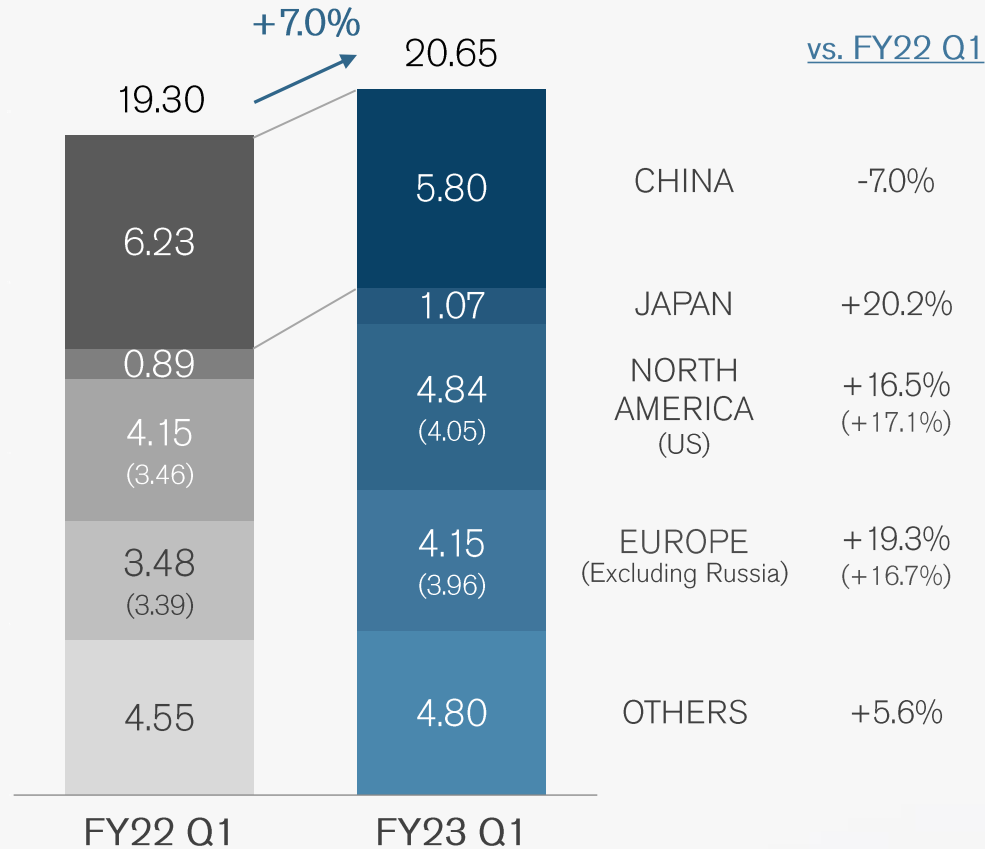
DNAF: Dongfeng Nissan Auto finance company in China

DNFL: Dongfeng Nissan Financial Leasing in China

FY23 Q1 Sales Performance

TIV

(Million units)

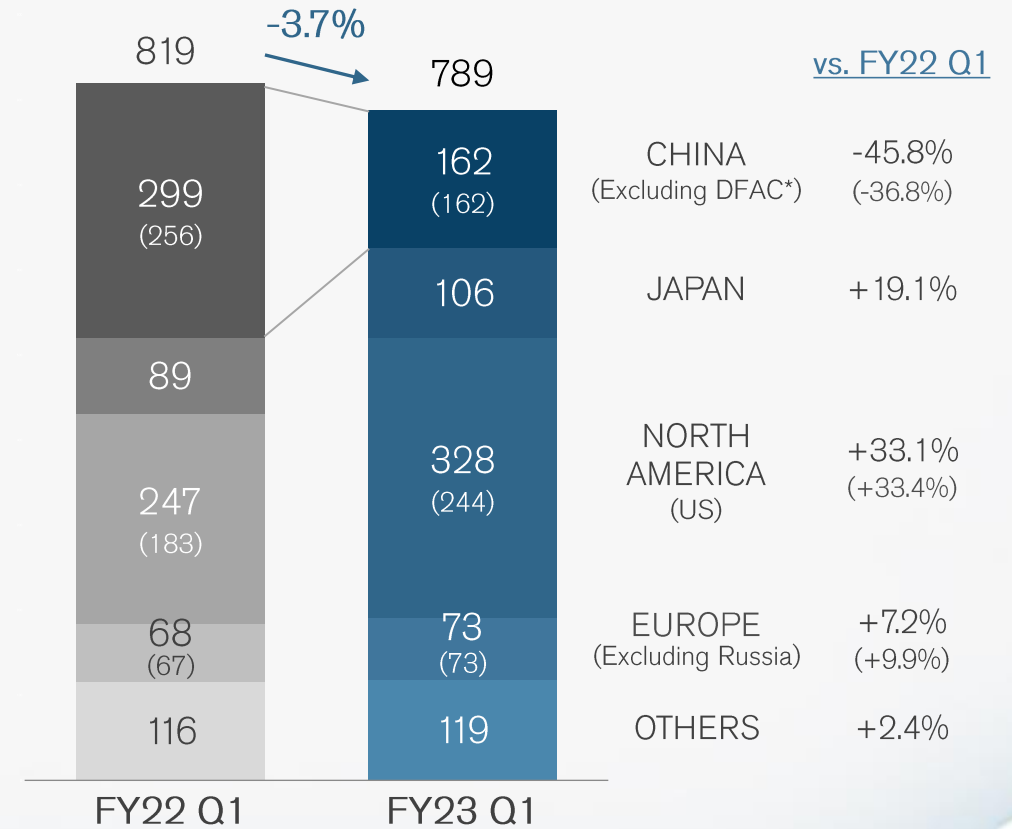


*Nissan estimation for TIV

*Includes China local brands and LCV

Retail Volume

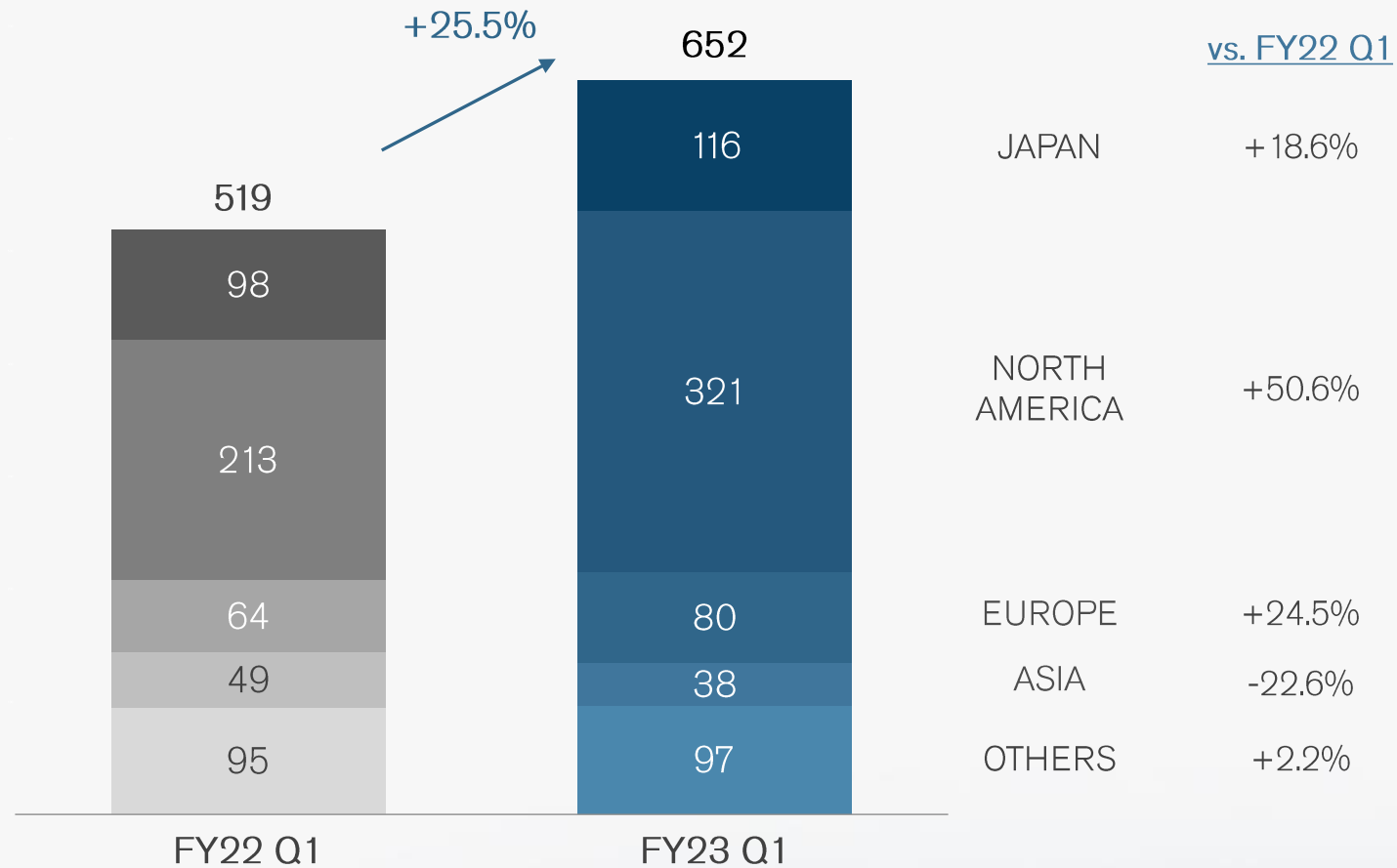
(Thousand units)



*DFAC (Dongfeng Automobile Co., Ltd.) has been deconsolidated from October 2022 (FY22 Q4)

FY23 Q1 Consolidated Sales Volume (Equity Basis)

(Thousand units)



FY23 Q1 Financial Performance (Equity Basis)

Operating Profit Variance Analysis: Forex

Currency (vs JPY)	FY22 Q1 Rate	FY23 Q1 Rate	OP Impact (Billion Yen)
USD	129.7	137.5	34.3
GBP	163.1	172.1	1.7
MXN	6.5	7.8	-2.1
EGP	7.0	4.4	-2.4
THB	3.8	4.0	-2.5
TRY	8.2	6.6	-4.7
CNY	18.3	19.3	-5.0
ARS	1.1	0.6	-10.9
Others	--	--	-6.2
Total	--	--	2.2

FY23 Q1 Financial Performance (Equity Basis)

Operating Profit Variance Analysis: Sales Performance

(Billion Yen)		Volume ^{*1}	Mix	Incentives ^{*2}	Total
Volume/Mix	Japan	4.5	7.6	-2.0	10.1
	US	95.8	-1.8	-25.7	68.2
	Europe	14.3	4.8	-7.8	11.4
	MEX/CAN	15.7	7.9	-2.5	21.1
	Others	9.2	-2.1	-2.1	5.0
	Total	139.5	16.4	-40.0	115.8
		Incentives ^{*3} /Pricing	Others	Total	
Selling Expenses/ Pricing	Japan	10.5	-0.7	9.8	
	US	3.8	-6.0	-2.2	
	Europe	8.4	-2.2	6.2	
	MEX/CAN	4.0	-1.0	3.0	
	Others	27.5	-2.7	24.8	
	Total	54.2	-12.6	41.6	

*1: Includes country mix

*2: Volume/mix impact on incentives

*3: Impact of change in incentive/unit

FY23 Q1 Financial Performance (Equity Basis)

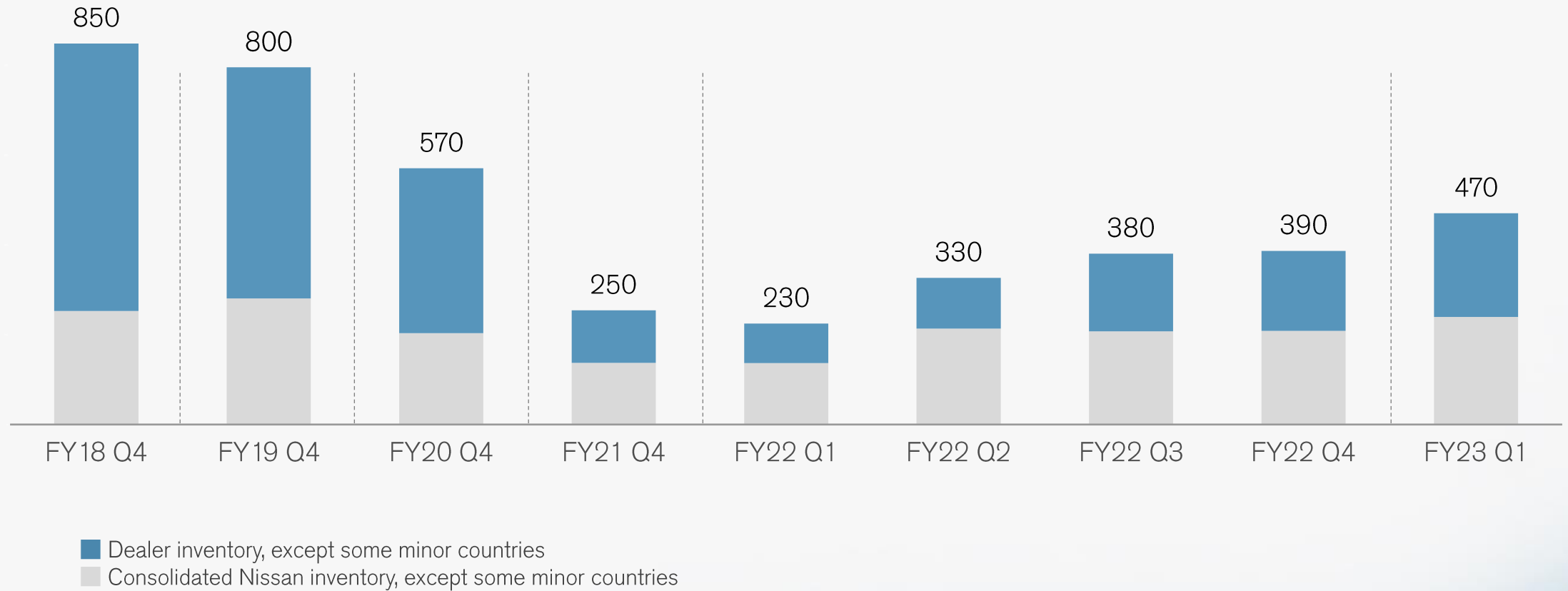
Automotive Free Cash Flow

(Billion Yen)	Q1
Net Cash Inflow From P&L Items	+133.3
AP/AR	+135.6
Inventory	-71.9
Working Capital	+63.7
Tax/Other Operating Activities	+1.2
Cash Flow From Operating Activities	+198.2
Capex* ¹	-91.7
Others	+2.9
Automotive Free Cash Flow	+109.4
	Q1
FY22 Automotive Free Cash Flow	-304.6

*1: CAPEX does not include finance lease-related investments

Inventory Status (Excluding China JV)

(Thousand units)



Net Cash by Business Segment (Equity Basis)

	As of March 31, 2023			As of June 30, 2023		
	Automobile & Eliminations	Sales Financing	Total	Automobile & Eliminations	Sales Financing	Total
(Billion Yen)						
Borrowings From Third Parties	2,144.0	4,895.1	7,039.1	2,194.6	5,193.3	7,387.9
Internal Loan to Sales Financing (Net)	-1,457.0	1,457.0	0	-1,772.1	1,772.1	0
Cash and Cash Equivalent	1,900.2	114.2	2,014.4	1,772.5	92.2	1,864.7
Net Cash	1,213.2	-6,237.9	-5,024.7	1,350.0	-6,873.2	-5,523.2

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