

RE:NISSAN

## FY2025 First Half Financial Results

6 NOVEMBER 2025



**(CEO Ivan Espinosa)**

Hello everyone,

Thank you all for your continued support. It was a pleasure to meet and host many of you at JMS.

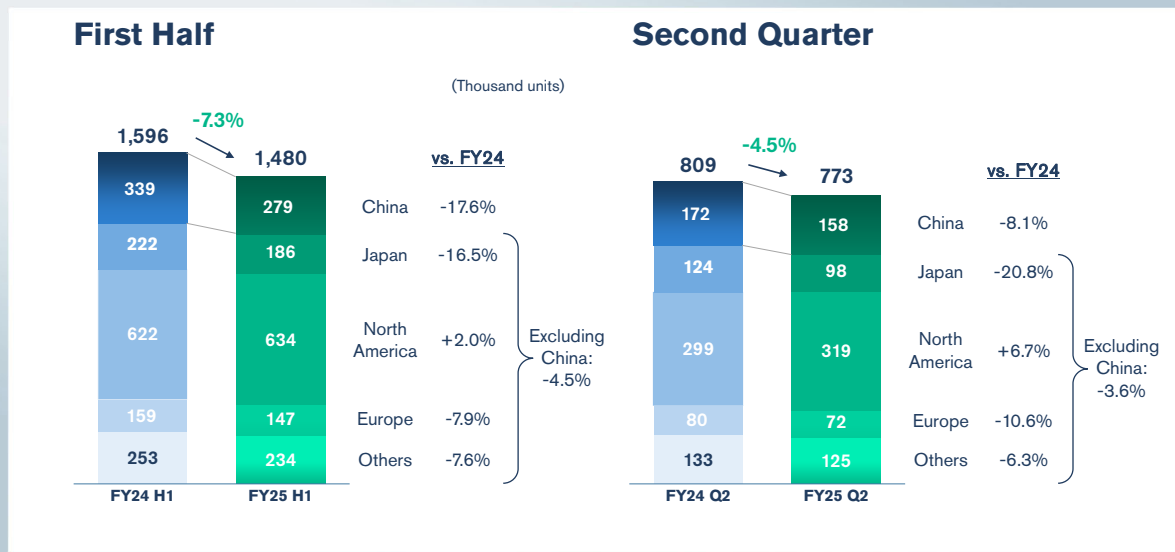
Before we begin, I want to emphasize that Re:Nissan is on track, and I am grateful to all who have shown patience and trust during these decisive actions.

Despite ongoing challenges and volatility, we remain focused on recovery.

## **■ FY2025 First Half Financial Results**



## ■ Retail Sales Volume



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### (CFO Jeremie Papin)

Building on the disciplined approach, our cost-control measures are showing encouraging signs amid a challenging external environment.

Now, let's take a closer look at our retail sales results.

Total unit sales reached about 1.5 million in the first half, down by 7.3 percent year-on-year.

Second-quarter sales, excluding China, were down by 3.6%, an improvement over the first quarter.

We are already seeing clear acceleration in Q2, with North America delivering stronger results and China posting year-on-year growth since June, first time in 15 months.

North America saw acceleration with 2% growth overall and 6.7% in Q2; US sales were flat, Mexico up 8%, maintaining market leadership.

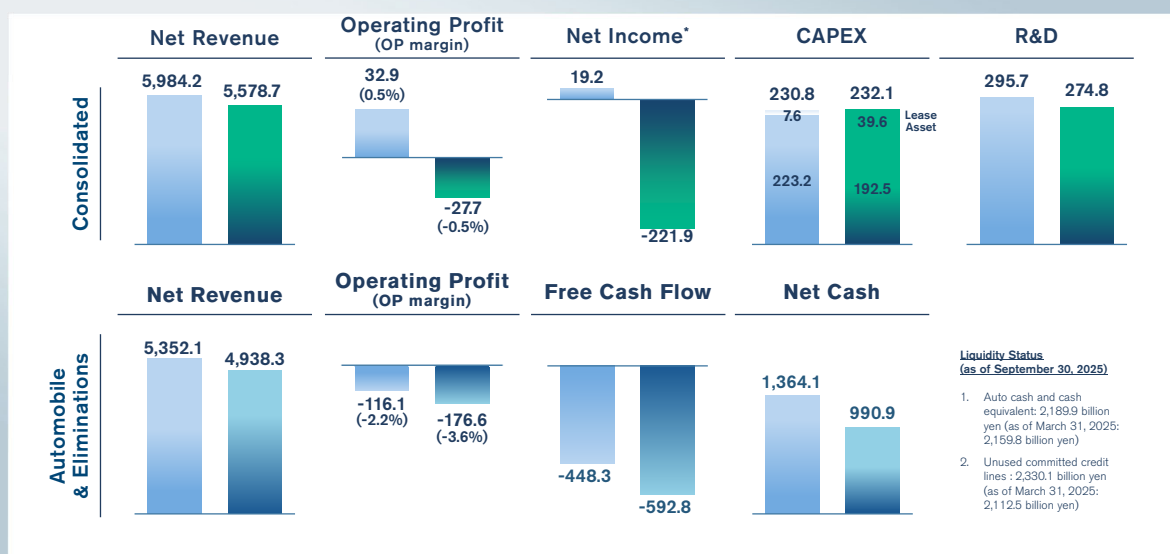
China sales declined by 17.6% in H1 but have grown year-on-year for five months led by N7 demand.

Japan dropped by 16.5% in H1 but our showroom traffic has been recovering from a low point reached in July due to marketing and dealer program initiatives.

Europe and other markets had temporary declines from model year changeovers and competition.

## FY25 First Half Financial Performance

FY24 H1 FY25 H1 (Billion Yen)



\* Net income attributable to owners of the parent

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First half consolidated net revenue was about 5.6 trillion, with an operating loss of 28 billion, better than expected.

Net loss was 222 billion, largely due to lower equity-method income, impairments of assets and restructuring costs.

Automobile business revenue was about 4.9 trillion, driven by foreign exchange effects and lower wholesale volumes impacted by tariffs.

R&D spending was controlled at 275 billion through disciplined resource allocation, project deferrals thanks to a shortened development schedule and optimized hourly engineering. Our operating loss widened to 177 billion.

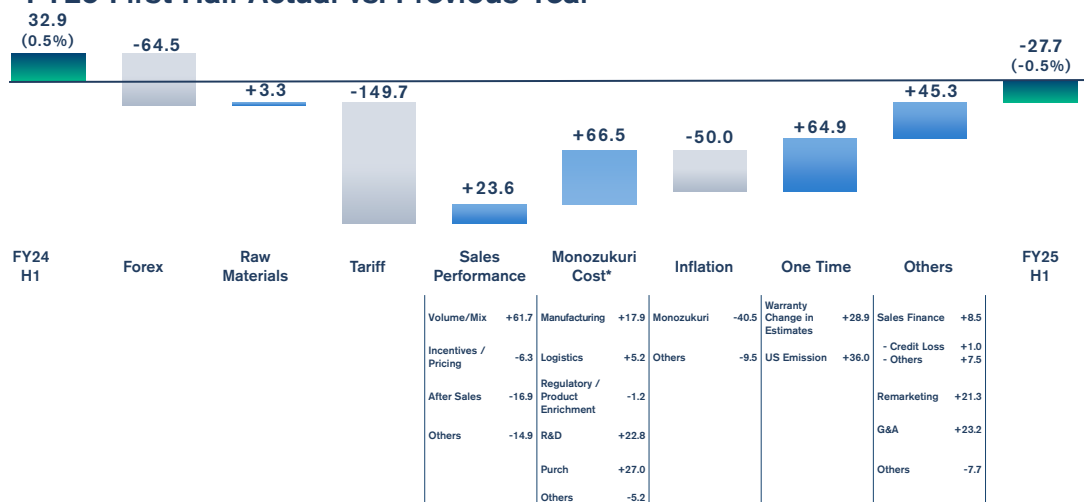
Automotive free cash flow was negative 593 billion but Q2 performed better than expected at negative 202 billion.

At the end of the period, net cash stood close to 1 trillion. Importantly, we maintain solid liquidity at 2.2 trillion in automotive cash and cash equivalents, and unused committed credit lines of 2.3 trillion.

## Operating Profit Variance Analysis

(Billion Yen)

### FY25 First Half Actual vs. Previous Year



\*Monozukuri Cost: Impairment included in "Monozukuri others", moved to "Others" from Q2

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This slide shows the year-on-year operating profit variance factors.

Foreign exchange had a negative impact of about 65 billion, driven by weaker US and Canadian dollars, as well as the Argentinian peso and Turkish lira.

Raw material costs were slightly positive at 3 billion, while tariffs had a negative impact of 150 billion.

Sales performance contributed 24 billion with negative volume but offset by a favorable mix, delivering a 62 billion improvement from volume and mix combined.

However, competitive pressures continue.

Monozukuri cost improved by 67 billion as the Re:Nissan recovery plan delivered cost savings, alongside lower R&D spending and purchasing efficiencies.

Inflation absorbed 50 billion, moderating the overall benefit.

One-time items added 65 billion, mainly due to lower Q1 warranty costs and reduced U.S. emissions expenses.

Other items, including sales finance and remarketing expenses, added 45 billion. We achieved a positive impact on G&A costs through Re:Nissan initiatives.

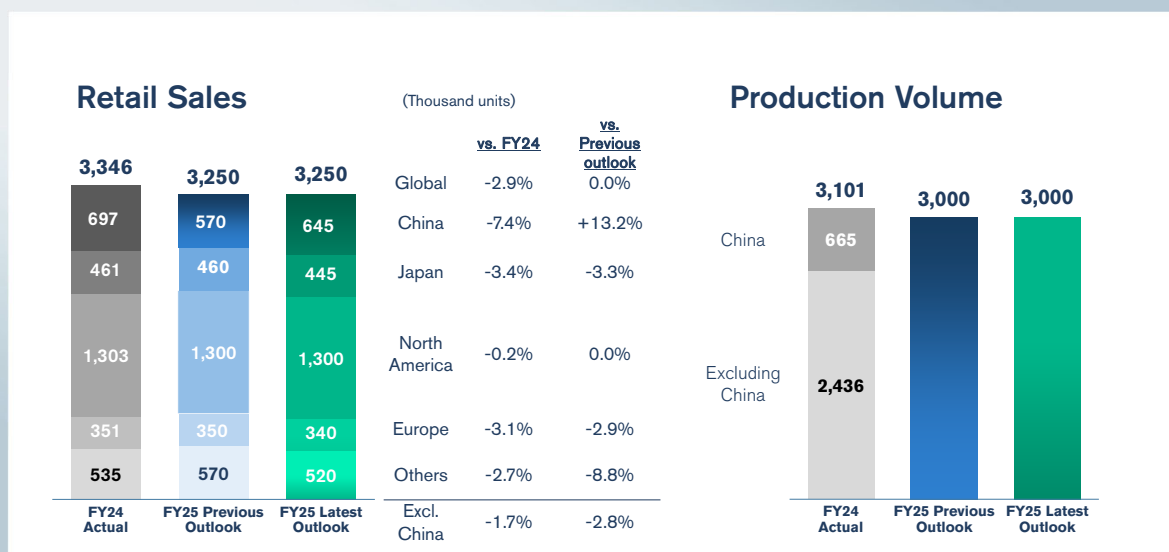
Taken together, these factors resulted in an operating loss of 28 billion for the first half.

## ■ FY2025 Outlook



I will now move to the outlook for the remainder of the fiscal year.

## ■ FY25 Volume Outlook



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For the second half, we anticipate a strong rebound in volumes, driven by new products and marketing initiatives.

In China, demand for N7 is encouraging, and sales are expected to exceed previous outlook by 13 percent. North America is expected to sustain momentum, while we intensify efforts in Japan, Europe, and other markets. Although the first six months showed a year-on-year decline, we are confident the next half will deliver growth. Market remains challenging but industry volumes stable.

Our full-year sales forecast remains unchanged at about 3.25 million units, representing a 2.9 percent decline year-on-year.

While we adjust our outlook to reflect positive developments in China, we are reducing consolidated retail sales to account for lower performance in the first half. Production is projected at around 3 million units as we maintain disciplined inventory and supply risk management. Recent launches and model enhancements will strengthen lineup and attract customers. Operational improvements, including a third shift at Nissan Shatai Kyushu, will boost output.

## ■ FY25 Outlook

(Billion Yen)

	<b>FY24 Actual</b>	<b>FY25 Outlook (Including Tariff Impact)</b>	<b>Variance vs FY24</b>
<b>Net Revenue</b>	<b>12,633.2</b>	<b>11,700.0</b>	<b>-933.2</b>
<b>Operating Profit</b>	<b>69.8</b>	<b>-275.0</b>	<b>-344.8</b>
<b>OP Margin</b>	<b>0.6%</b>	<b>-2.4%</b>	<b>-3.0pts</b>
<b>Net Income*</b>	<b>-670.9</b>	<b>TBD</b>	<b>-</b>
<b>FX Rate (USD/JPY)</b>	<b>153</b>	<b>146</b>	<b>-7</b>
<b>(EUR/JPY)</b>	<b>164</b>	<b>168</b>	<b>+4</b>

\* Net income attributable to owners of the parent

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Net revenue is expected to be about 11.7 trillion for the current fiscal year.

As outlined in our revised outlook last month, we anticipate a full-year operating loss of about 275 billion, a break even before the impact of tariffs.

Our operating profit outlook includes 25 billion for assumed supply risk, which we will revisit as conditions improve.

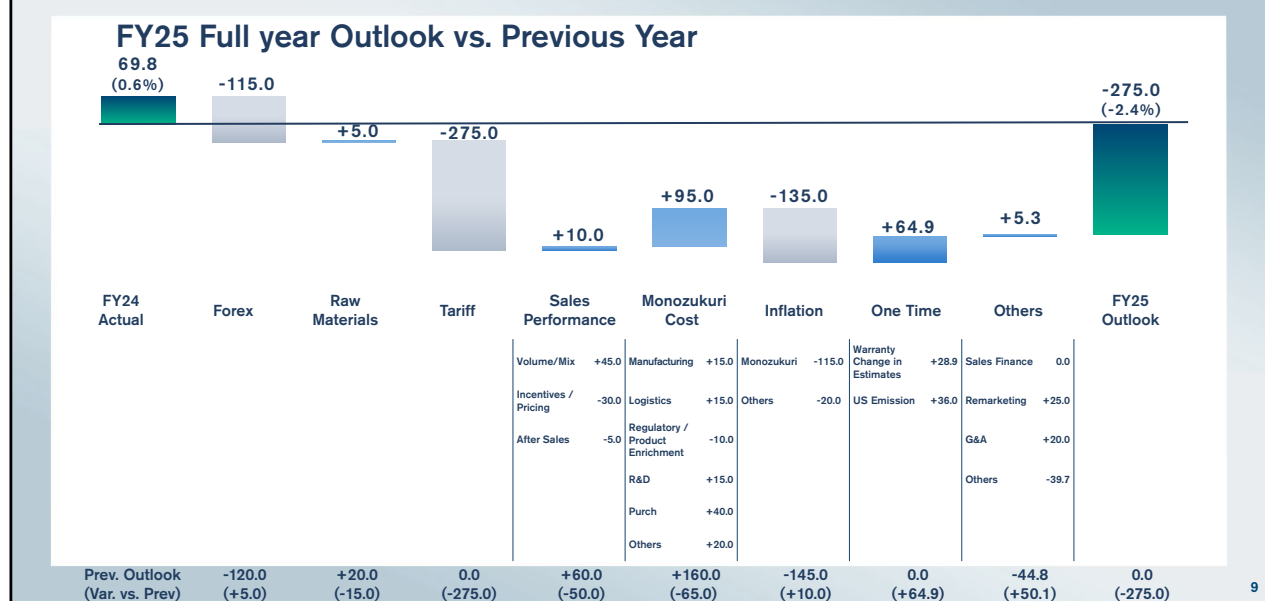
As we are still evaluating the impact of Re:Nissan, we are not providing a Net Income outlook today.

This forecast is based on an exchange rate assumption of 146 yen per dollar.



## Operating Profit Variance Analysis

(Billion Yen)



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Let me outline the factors behind our operating profit forecast.

Compared to last year's 70 billion operating profit, we expect significant headwinds from tariffs and currency movements.

On the positive side, we anticipate benefits from an improved mix and continued support for U.S.-built models.

Year-on-year, we expect cost improvements as Re:Nissan initiatives take hold, even amid inflationary pressures.

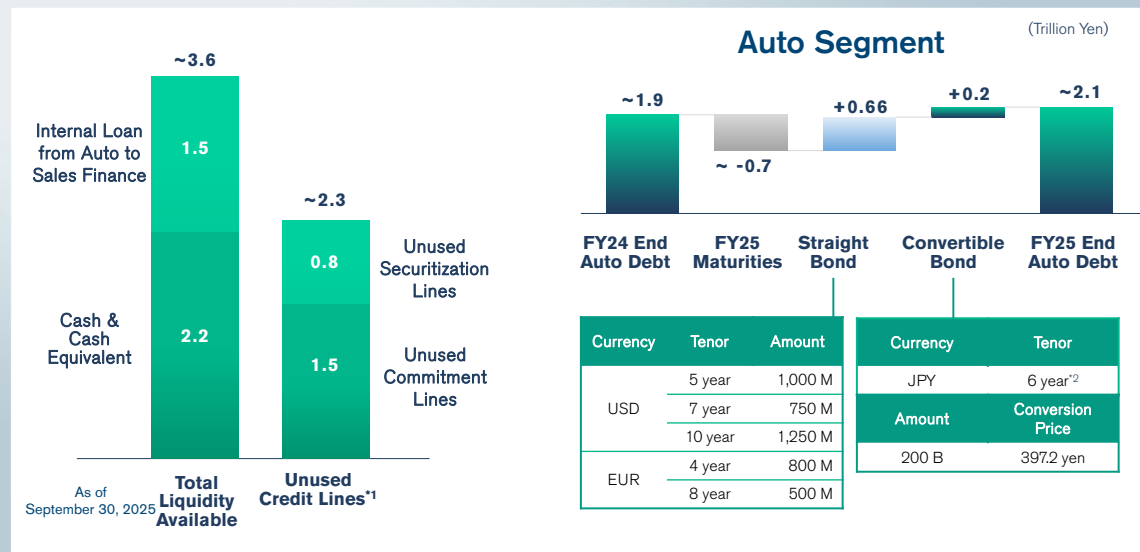
Tariff-related car flow adjustments will add costs in the second half, limiting manufacturing efficiency gains.

We also expect savings in logistics, R&D, and purchasing.

One-time positives include lower warranty provisions and lighter emissions penalties.

Overall, we forecast an operating loss of 275 billion for the year.

## Funding and Liquidity Status



<sup>\*1</sup> Unused securitization lines are related to Sales Finance. Unused commitment lines split into Auto Business ~600B and Sales Finance ~900B  
<sup>\*2</sup> Includes put option after 4 years

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We remain disciplined in our balance sheet management and retain sufficient liquidity. Total liquidity is about 3.6 trillion, with 2.2 trillion in cash and cash equivalents, and 2.3 trillion in unused credit lines. Year-end automotive debt is forecast at about 2.1 trillion, in line with our planning, following successful refinancing of 700 billion in debt maturities.

## ■ Key Takeaways



### Sales Performance

- Resilient amid volatility and competition - Q2 decline narrows, signs of stability.
- North America - robust growth with strong Q2 momentum
- China YoY growth since June - acceleration driven by N7 .
- Temporary softness expected to reverse with upcoming launches and dealer programs.

### Financial Performance

- 3.6 trillion yen total liquidity with 2.2 trillion yen gross cash strengthened in July
- >80 billion yen Fix cost savings achieved in H1 by Re:Nissan recovery initiatives.

### Outlook

- Expected stronger H2 with Re:Nissan product-led growth
- -275 billion yen OP, break-even without tariff confirmed
- Target Net Cash 1trillion yen at year-end and H2 Auto FCF to be positive
- Balancing optimism with prudent risk management under Re:Nissan.

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## (CEO Ivan Espinosa)

I'll briefly recap H1 performance and outlook.

First on sales performance:

Despite volatility and competition, we stayed resilient. Q2 declines narrowed, signaling stability. North America showed strong Q2 growth; retail non-EV share has risen for 3 straight quarters and continued in October.

China turned positive since June while Japan and Europe experienced softness; but we expect recovery with upcoming launches and dealer programs.

Second, on financial performance:

We possess 3.6 trillion yen of total liquidity.

Over 80 billion yen in fixed cost savings were achieved in H1 through Re:Nissan recovery initiatives. While tariffs and currency headwinds pressured profitability, disciplined cost management and structural efficiencies continue to deliver benefits.

Finally, the outlook: We anticipate a stronger second half, driven by Re:Nissan product-led growth and momentum from Q2.

We remain on track for operating profit breakeven, excluding tariff impact.

We target 1 trillion yen net cash at year-end and expect positive Auto free cash flow in H2.

We will balance optimism with prudent risk management as we navigate challenges.

In short, we are prepared for second half growth, leveraging new launches, operational improvements, and disciplined execution.

## ■ Re:Nissan Update



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Building on this momentum, let's turn to the strategic update.

While navigating a challenging environment, Nissan is advancing steadily through Re:Nissan, redefining our strategy, accelerating innovation, and reinforcing the foundations for sustainable growth.

## Re:Nissan, the Plan

RE:NISSAN

### Key drivers

- 01 Reduce cost structure
- 02 Redefine market and product strategy
- 03 Reinforce partnerships

**Positive  
auto operating  
profit & free  
cash flow**

BY FY 26\*



\*excluding tariffs

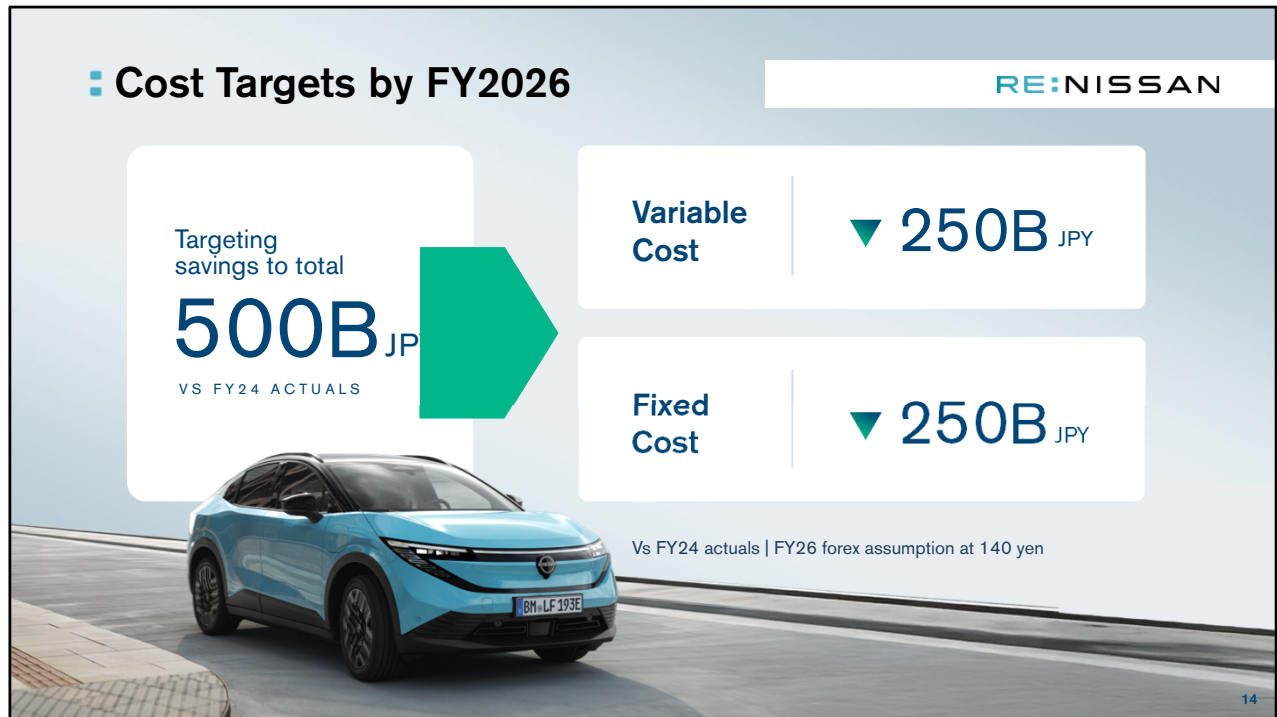
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We have been driving a transformation that goes beyond tackling current challenges to redefining our future.

It rests on three powerful drivers:

first, disciplined cost reductions to strengthen our financial base;  
second, a bold redefinition of markets and products to deliver what customers truly want;  
and third, reinforcing partnerships that unlock scale and efficiency.

And with clear target: returning to positive automotive operating profit and free cash flow by fiscal year 2026, excluding tariffs.



And we know what it takes to get there.

That's why we are targeting 500 billion yen in savings, split between variable and fixed costs, to reshape our cost structure and strengthen our competitiveness.

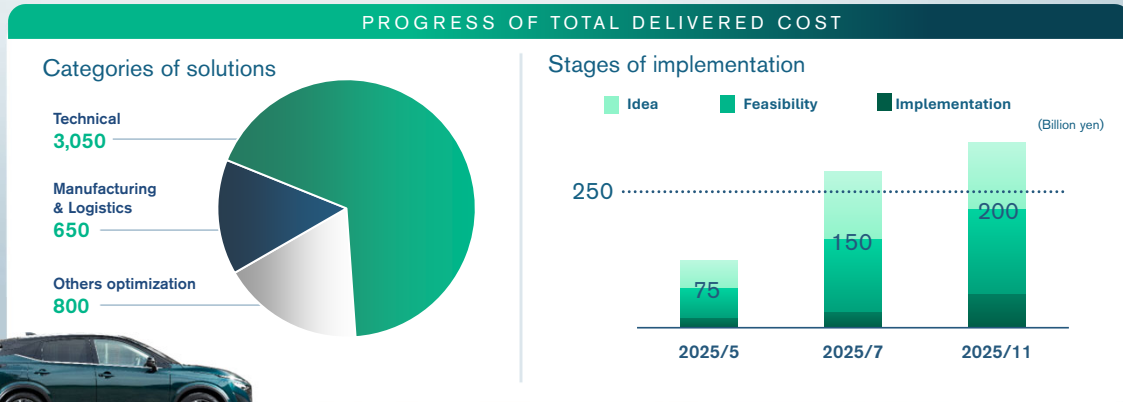
Let me take you through how we are tracking against these targets.

## Variable Cost - Actions & Decisions

RE:NISSAN

4,500 IDEAS GENERATED

~200B yen POTENTIAL IMPACT



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Over the course of this year, our variable cost reduction initiatives have gained notable momentum.

As of November 2025, we have generated 4,500 ideas, identifying a potential impact of ¥200 billion, a progressive leap from ¥75 billion in May and ¥150 billion in July.

Over two-thirds of these ideas are technical solutions, like redesigning headlamps for efficiency or optimizing seat designs to cut material costs.

Major cost reductions target high-volume models like Rogue, Kicks globally, Pathfinder in North America, and Serena in Japan. Every action upholds our commitment to quality, with no compromise on safety, reliability, or performance.

We are advancing in manufacturing and logistics, including parts diversity reduction and supplier collaboration. Encouragingly, ideas are maturing with more moving from concept to implementation. This structured approach ensures credible, sustainable savings embedded in design and operations, always with quality as the top priority.

## Fixed Cost & Others - Actions & Delivery

RE:NISSAN

### ONGOING EFFICIENCY THROUGH COST DISCIPLINE

#### Restructure Manufacturing

##### Announced 6 of 7 targeted sites

1. Argentina plant
2. RNAIPL, India plant
3. Oppama plant
4. Nissan Shatai Shonan plant
5. Civac Plant

##### 6. COMPAS\* plant, Mexico

Stop production of Nissan vehicles at the end of Nov. 2025

\*Cooperation Manufacturing Plant Aguascalientes (COMPAS)

#### Reduce & Rationalize

Cost task force to audit entire value chain

**>80B JPY** cost savings materialized in H1 (Q1:30B)

##### ACTIONS TAKEN

- Delivering a 12% reduction in engineering cost per hour, progressing toward the 20% target
- Parts complexity reduction ongoing. Next gen Rogue achieved more than **60%** parts reduction without compromising on quality.
- Sale and 20 years lease back of HQ building in Yokohama
- Restructuring of global design studios
- Relocation of Nissan Global Information Center, Japan

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We have delivered over 80B in fixed cost savings in H1, a strong start. We aim to exceed 150B by fiscal year-end and surpass 250B by FY2026.

In manufacturing, we have completed six of seven targeted site actions, with COMPAS - the sixth plant - ending production later this month.

On engineering, we are progressing toward our 20% cost-per-hour reduction target, currently at 12%.

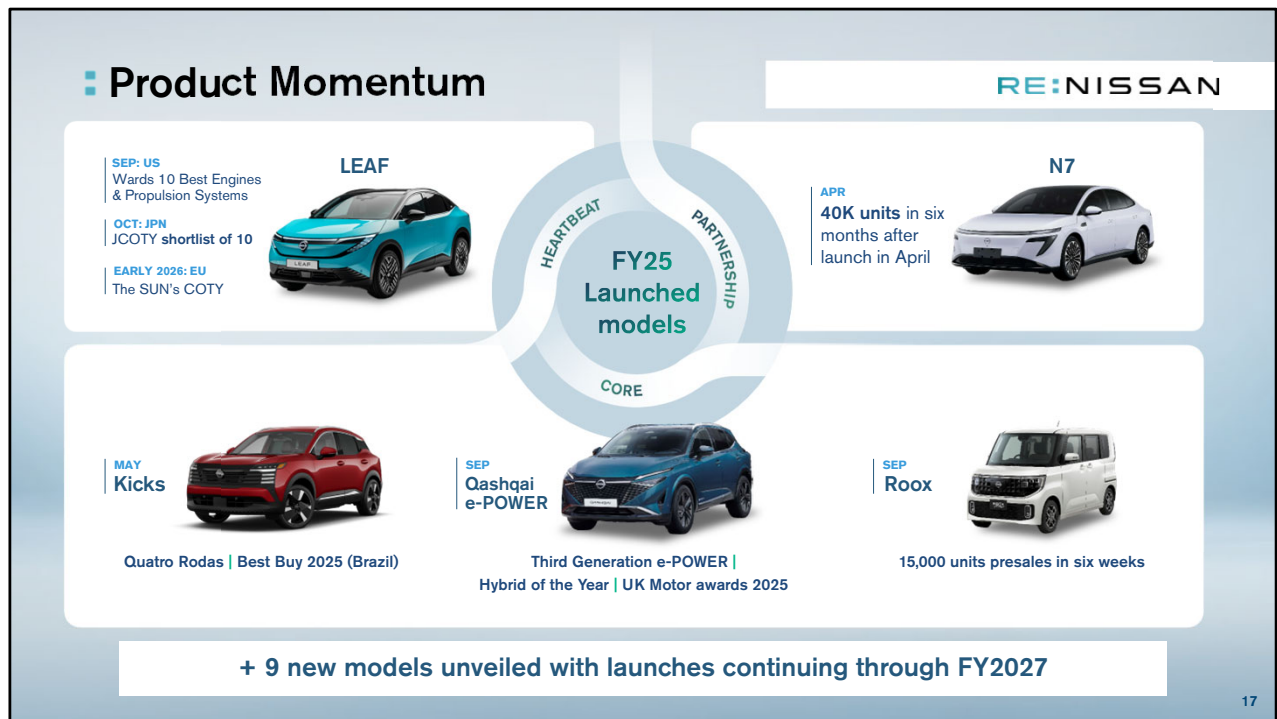
Parts complexity reduction is delivering strong results, complemented by Obeya activities, with models like the next-generation Rogue using 60% fewer parts.

We are also optimizing assets to unlock value for transformation. A key step is our Global Headquarters in Yokohama. We will proceed with a sale and leaseback transaction under a 20-year agreement. This ensures Nissan's continued presence and commitment to Yokohama while ensuring no impact on employees or operations.

Part of the proceeds will fund critical investments accelerating AI-driven systems, digital modernization, and transformation initiatives while preserving our ability to invest in innovation and growth.

These steps go beyond cost—they create a leaner, more agile Nissan ready to compete and win.





We have made strong progress on cost actions, and now the momentum is shifting toward the next two drivers of Re:Nissan -- redefining our product-market strategy and reinforcing partnerships.

Our product lineup tells this story. From the award-winning LEAF to the new-generation Roox kei car, we are gaining traction.

Between now and fiscal 2027, we will introduce nine new models. As we look ahead, our product strategy rests on three pillars:

**Heartbeat models**—icons that showcase Nissan’s DNA and innovation, like the globally recognized LEAF.

**Core models**—vehicles that lead in key markets, such as the Qashqai e-POWER with class-leading fuel economy and the Kicks, recently named Best Buy 2025 in Brazil.

**Partnership models**—collaborations that strengthen our reach, including the N7 with 40,000 units sold in China and the Roox kei car with 15,000 presales in just six weeks.

### TECHNOLOGY



**AUG** | Boldly, Keikyu, Premier aid  
for Mobility service



**SEP** | Wayve for  
Next gen ProPILOT



**OCT** | Huawei's intelligent  
HarmonySpace5.0 cockpit (China)

Finally, I want to stress the importance of partnerships to our future. Many of our products, as I mentioned earlier, reflect the power of collaboration.

Now, coming to partnerships in technology -- these are critical to strengthening our presence in next-generation mobility.

In recent months, we have announced several initiatives:

A tie-up with BOLDLY, Premier Aid, and Keikyu Corporation to pilot autonomous mobility services here in Yokohama.

Collaboration with Wayve, the UK pioneer of AI Driver software, to set new standards for driver assistance in our next-generation ProPILOT technology.

And in China, our new Teana features advanced intelligent connectivity, becoming the first mainstream ICE vehicle equipped with Huawei's HarmonySpace 5.0 smart cockpit.

These partnerships are more than projects, they are strategic moves that position Nissan at the forefront of intelligent mobility.



In conclusion, our first-half results reflect the challenges we face—but they also confirm that Nissan is firmly on the path to recovery.

We have made meaningful progress, and while there is more to do, the foundation for future success is in place. Having implemented decisive cost-saving measures to secure profitability, we are now accelerating forward -- prioritizing new products, key markets, and breakthrough technologies that will define our next chapter.

The second half will bring challenges, but with focus, discipline, and the actions we are taking, I am confident we will deliver stronger results. We have the right strategy, the right products, and the right team to capture growth and create value. Together, we will navigate the road ahead and with confidence seize the opportunities and lead with innovation.

Thank you for your attention.

This presentation contains forward-looking statements, based on judgments and estimates that have been made on the basis of currently available information. By nature, such statements are subject to uncertainty and risk. Therefore, you are advised that the final results might be significantly different from the aforementioned statements due to changes in economic environments related to our business, market trends and exchange rate, etc.