



Financial Results for the Six Months Ended September 30, 2020 (Japanese Accounting Standards) (Consolidated)

November 12, 2020

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 Second Quarter : Yes
 The briefing session of the Financial Results for the Second Quarter : Yes

(Amounts less than one million yen are rounded)

1. Consolidated Financial Results for the Six Months Ended September 30, 2020 (April 1, 2020 through September 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	%
Six Months Ended September 30, 2020	3,092,687	(38.2)	(158,759)	—	(231,838)	—	(329,959)	—
September 30, 2019	5,003,075	(9.6)	31,608	(85.0)	115,642	(64.9)	65,365	(73.5)

Note : Comprehensive income : (372,125) million yen for the six months ended September 30, 2020 , —%
 (83,674) million yen for the six months ended September 30, 2019 , —%

	Basic earnings per share	Diluted earnings per share
Six Months Ended	yen	yen
September 30, 2020	(84.33)	—
September 30, 2019	16.70	16.70

<2> Consolidated financial position

	Total assets	Net assets	Net assets as a percentage of total assets
	Millions of yen	Millions of yen	%
FY2020 2nd quarter	16,461,043	3,993,302	22.1
FY2019	16,976,709	4,424,773	23.9

Reference: Net assets excluding share subscription rights and non-controlling interests: 3,642,031 million yen as of September 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	—	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	7,940,000	(19.6)	(340,000)	—	(615,000)	—	(157.18)

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 2nd quarter	4,220,715,112 shares	FY2019	4,220,715,112 shares
FY2020 2nd quarter	307,658,962 shares	FY2019	308,801,374 shares
FY2020 2nd quarter	3,912,576,424 shares	FY2019 2nd quarter	3,913,019,075 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 Second Quarter (As of September 30, 2020)
Assets		
Current assets		
Cash on hand and in banks	1,382,471	2,127,952
Trade notes and accounts receivable	356,156	381,216
Sales finance receivables	6,739,336	5,946,352
Securities	260,510	351,111
Merchandise and finished goods	881,940	661,785
Work in process	67,865	81,309
Raw materials and supplies	390,618	373,239
Other	739,307	691,416
Allowance for doubtful accounts	(142,264)	(190,418)
Total current assets	10,675,939	10,423,962
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	582,716	576,819
Machinery, equipment and vehicles, net	2,936,316	2,688,738
Land	589,064	588,301
Construction in progress	227,165	215,351
Other, net	183,589	228,212
Total property, plant and equipment	4,518,850	4,297,421
Intangible fixed assets	114,932	110,515
Investments and other assets		
Investment securities	1,177,184	1,052,262
Other	493,689	572,920
Allowance for doubtful accounts	(3,885)	(3,909)
Total investments and other assets	1,666,988	1,621,273
Total fixed assets	6,300,770	6,029,209
Deferred assets		
Bond issuance costs	—	7,872
Total deferred assets	—	7,872
Total assets	16,976,709	16,461,043

(in millions of yen)

	Prior Fiscal Year (As of March 31, 2020)	Current Second Quarter (As of September 30, 2020)
Liabilities		
Current liabilities		
Trade notes and accounts payable	1,357,047	1,131,059
Short-term borrowings	1,339,949	994,112
Current portion of long-term borrowings	1,826,904	1,785,743
Commercial papers	726,017	325,232
Current portion of bonds	765,532	615,621
Lease obligations	35,572	40,834
Accrued expenses	1,031,284	933,311
Accrued warranty costs	104,297	95,535
Other	878,644	770,907
Total current liabilities	8,065,246	6,692,354
Long-term liabilities		
Bonds	1,042,954	1,969,279
Long-term borrowings	2,098,558	2,491,936
Lease obligations	72,494	74,800
Accrued warranty costs	108,751	91,386
Net defined benefit liability	454,068	455,578
Other	709,865	692,408
Total long-term liabilities	4,486,690	5,775,387
Total liabilities	12,551,936	12,467,741
Net assets		
Shareholders' equity		
Common stock	605,814	605,814
Capital surplus	818,056	817,072
Retained earnings	4,125,043	3,748,194
Treasury stock	(139,262)	(139,285)
Total shareholders' equity	5,409,651	5,031,795
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	(16,420)	14,489
Unrealized gain and loss from hedging instruments	(20,352)	(19,722)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(35,632)	(35,448)
Translation adjustments	(1,046,160)	(1,111,186)
Remeasurements of defined benefit plans	(226,798)	(237,897)
Total accumulated other comprehensive income	(1,345,362)	(1,389,764)
Non-controlling interests	360,484	351,271
Total net assets	4,424,773	3,993,302
Total liabilities and net assets	16,976,709	16,461,043

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

The Six-Month Period Ended September 30
Quarterly consolidated statement of income

	(in millions of yen)	
	Six Months Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)	Six Months Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)
Net sales	5,003,075	3,092,687
Cost of sales	4,234,883	2,731,017
Gross profit	768,192	361,670
Selling, general and administrative expenses		
Advertising expenses	143,054	90,066
Provision for warranty costs	59,544	33,623
Other selling expenses	92,715	59,429
Salaries and wages	191,917	177,489
Retirement benefit expenses	10,520	8,287
Provision for doubtful accounts	44,503	17,240
Other	194,331	134,295
Total selling, general and administrative expenses	736,584	520,429
Operating income (loss)	31,608	(158,759)
Non-operating income		
Interest income	11,961	6,441
Dividends income	6,748	1,929
Equity in earnings of affiliates	84,266	—
Exchange gain	—	23,773
Miscellaneous income	4,791	11,633
Total non-operating income	107,766	43,776
Non-operating expenses		
Interest expense	5,692	8,561
Equity in losses of affiliates	—	78,041
Derivative loss	573	19,279
Exchange loss	6,013	—
Miscellaneous expenses	11,454	10,974
Total non-operating expenses	23,732	116,855
Ordinary income (loss)	115,642	(231,838)
Special gains		
Gain on sales of fixed assets	6,818	10,767
Subsidy income and others	—	6,900
Other	3,187	143
Total special gains	10,005	17,810
Special losses		
Loss on sales of fixed assets	3,237	443
Loss on disposal of fixed assets	6,141	2,637
Special addition to retirement benefits	6,129	53,985
Loss on shutdowns and others due to COVID-19	—	41,972
Other	5,421	7,867
Total special losses	20,928	106,904
Income (loss) before income taxes	104,719	(320,932)
Income taxes	31,219	3,963
Net income (loss)	73,500	(324,895)
Net income attributable to non-controlling interests	8,135	5,064
Net income (loss) attributable to owners of parent	65,365	(329,959)

Quarterly consolidated statement of comprehensive income

	(in millions of yen)	
	Six Months Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)	Six Months Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)
Net income(loss)	73,500	(324,895)
Other comprehensive income		
Unrealized holding gain and loss on securities	(12,495)	33,862
Unrealized gain and loss from hedging instruments	(11,381)	773
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(5,408)	(22)
Translation adjustments	(112,522)	(30,378)
Remeasurements of defined benefit plans	12,533	(11,694)
The amount for equity method company portion	(27,901)	(39,771)
Total other comprehensive income	(157,174)	(47,230)
Comprehensive income	(83,674)	(372,125)
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	(85,143)	(374,361)
Comprehensive income attributable to non-controlling interests	1,469	2,236

The Three-Month Period Ended September 30
Quarterly consolidated statement of income

	(in millions of yen)	
	Prior Second Quarter	Current Second Quarter
	(From July 1, 2019 To September 30, 2019)	(From July 1, 2020 To September 30, 2020)
Net sales	2,630,653	1,918,493
Cost of sales	2,199,482	1,655,443
Gross profit	431,171	263,050
Selling, general and administrative expenses		
Advertising expenses	70,523	58,962
Provision for warranty costs	31,925	19,530
Other selling expenses	50,736	19,315
Salaries and wages	100,890	86,808
Retirement benefit expenses	4,679	4,181
Provision for doubtful accounts	19,374	1,228
Other	123,045	77,859
Total selling, general and administrative expenses	401,172	267,883
Operating income (loss)	29,999	(4,833)
Non-operating income		
Interest income	6,167	2,557
Dividends income	38	1,812
Equity in earnings of affiliates	51,144	6,614
Derivative gain	1,778	301
Miscellaneous income	4,439	4,059
Total non-operating income	63,566	15,343
Non-operating expenses		
Interest expense	2,857	5,590
Exchange loss	5,585	1,148
Miscellaneous expenses	4,809	3,330
Total non-operating expenses	13,251	10,068
Ordinary income	80,314	442
Special gains		
Gain on sales of fixed assets	3,611	8,222
Other	3,009	872
Total special gains	6,620	9,094
Special losses		
Loss on sales of fixed assets	3,193	75
Loss on disposal of fixed assets	2,141	1,768
Special addition to retirement benefits	704	13,900
Other	3,052	10,126
Total special losses	9,090	25,869
Income (loss) before income taxes	77,844	(16,333)
Income taxes	14,584	24,266
Net income (loss)	63,260	(40,599)
Net income attributable to non-controlling interests	4,272	3,771
Net income (loss) attributable to owners of parent	58,988	(44,370)

Quarterly consolidated statement of comprehensive income

	(in millions of yen)	
	Prior Second Quarter	Current Second Quarter
	(From July 1, 2019 To September 30, 2019)	(From July 1, 2020 To September 30, 2020)
Net income(loss)	63,260	(40,599)
Other comprehensive income		
Unrealized holding gain and loss on securities	(7,063)	14,846
Unrealized gain and loss from hedging instruments	(3,915)	1,594
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(11,126)	(712)
Translation adjustments	(51,793)	(21,507)
Remeasurements of defined benefit plans	4,910	(16,189)
The amount for equity method company portion	(31,420)	1,717
Total other comprehensive income	(100,407)	(20,251)
Comprehensive income	(37,147)	(60,850)
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	(35,254)	(63,994)
Comprehensive income attributable to non-controlling interests	(1,893)	3,144

(3) Quarterly Consolidated Statement of Cash Flows

	(in millions of yen)	
	Six Months Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)	Six Months Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)
Cash flows from operating activities		
Income (loss) before income taxes	104,719	(320,932)
Depreciation and amortization (for fixed assets excluding leased vehicles)	187,357	123,189
Depreciation and amortization (for long term prepaid expenses)	22,099	26,045
Depreciation and amortization (for leased vehicles)	224,161	215,664
Increase (decrease) in allowance for doubtful accounts	(2,917)	(13,605)
Interest and dividends income	(18,709)	(8,370)
Interest expense	104,334	84,474
Equity in losses (earnings) of affiliates	(84,266)	78,041
Loss (gain) on sales of fixed assets	(3,581)	(10,324)
Loss on disposal of fixed assets	6,141	2,637
Decrease (increase) in trade notes and accounts receivable	25,044	(28,373)
Decrease (increase) in sales finance receivables	399,664	737,372
Decrease (increase) in inventories	(155,740)	241,692
Increase (decrease) in trade notes and accounts payable	(132,310)	(337,978)
Retirement benefit expenses	15,726	18,876
Payments related to net defined benefit assets and liabilities	(13,875)	(13,880)
Other	5,413	(29,505)
Subtotal	683,260	765,023
Interest and dividends received	17,158	11,008
Proceeds from dividends income from affiliates accounted for by equity method	81,339	47,105
Interest paid	(103,714)	(84,030)
Income taxes paid	(93,852)	(8,218)
Net cash provided by (used in) operating activities	584,191	730,888
Cash flows from investing activities		
Net decrease (increase) in short-term investments	269	(268)
Purchase of fixed assets	(244,080)	(201,348)
Proceeds from sales of fixed assets	27,448	30,183
Purchase of leased vehicles	(602,189)	(366,413)
Proceeds from sales of leased vehicles	379,898	326,474
Payments of long-term loans receivable	(260)	(51)
Collection of long-term loans receivable	541	193
Purchase of investment securities	(8,419)	(24)
Proceeds from sales of investment securities	154	674
Proceeds from sales of subsidiaries' shares resulting in changes in the scope of consolidation	1,746	—
Net decrease (increase) in restricted cash	148,499	(78,075)
Other	(138)	(693)
Net cash provided by (used in) investing activities	(296,531)	(289,348)

	(in millions of yen)	
	Six Months Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)	Six Months Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	103,384	(733,399)
Proceeds from long-term borrowings	835,969	1,248,539
Proceeds from issuance of bonds	97,544	1,175,363
Repayments of long-term borrowings	(954,036)	(864,938)
Redemption of bonds	(231,906)	(389,660)
Proceeds from non-controlling shareholders	8,551	2,877
Purchase of treasury stock	(1)	—
Repayments of lease obligations	(17,686)	(24,152)
Cash dividends paid	(111,520)	—
Cash dividends paid to non-controlling interests	(16,098)	(14,454)
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	(280,788)	399,212
Effects of exchange rate changes on cash and cash equivalents	(23,825)	(4,670)
Increase (decrease) in cash and cash equivalents	(16,953)	836,082
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	1,348,156	2,479,063

(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 second quarter ended September 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)

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 six months ended September 30, 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 six months ended September 30, 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 current second quarter 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 current second quarter, 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 six months ended September 30, 2020 and the current second quarter each decreased by ¥7,872 million. 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 second quarter segment information】

〔Net sales and profits or losses by reportable segments〕

The Six-month Period Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)

	Reportable segments			Elimination of inter-segment transactions	(in millions of yen)
	Automobile	Sales financing	Total		Six Months Ended September 30, 2019
Net sales					
Sales to third parties	4,442,237	560,838	5,003,075	—	5,003,075
Inter-segment sales or transfers	77,625	25,805	103,430	(103,430)	—
Total	4,519,862	586,643	5,106,505	(103,430)	5,003,075
Segment profits (loss)	(91,206)	118,018	26,812	4,796	31,608

Prior Second Quarter (From July 1, 2019 To September 30, 2019)

	Reportable segments			Elimination of inter-segment transactions	(in millions of yen)
	Automobile	Sales financing	Total		Prior Second Quarter
Net sales					
Sales to third parties	2,355,493	275,160	2,630,653	—	2,630,653
Inter-segment sales or transfers	39,325	13,011	52,336	(52,336)	—
Total	2,394,818	288,171	2,682,989	(52,336)	2,630,653
Segment profits (loss)	(33,769)	61,667	27,898	2,101	29,999

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 Six-month Period Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)

(in millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Six Months Ended September 30, 2020
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	2,592,889	499,798	3,092,687	—	3,092,687
Inter-segment sales or transfers	57,713	21,273	78,986	(78,986)	—
Total	2,650,602	521,071	3,171,673	(78,986)	3,092,687
Segment profits (loss)	(304,378)	136,632	(167,746)	8,987	(158,759)

Current Second Quarter (From July 1, 2020 To September 30, 2020)

(in millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Current Second Quarter
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	1,673,131	245,362	1,918,493	—	1,918,493
Inter-segment sales or transfers	32,875	11,838	44,713	(44,713)	—
Total	1,706,006	257,200	1,963,206	(44,713)	1,918,493
Segment profits (loss)	(82,353)	73,587	(8,766)	3,933	(4,833)

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	
	Six Months Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)	Six Months Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)	Six Months Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)	Six Months Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)	Six Months Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)	Six Months Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)
Net sales	4,416,432	2,571,616	586,643	521,071	5,003,075	3,092,687
Cost of sales	3,844,002	2,393,849	390,881	337,168	4,234,883	2,731,017
Gross profit	572,430	177,767	195,762	183,903	768,192	361,670
Operating income as a percentage of net sales	(2.0%)	(11.5%)	20.1%	26.2%	0.6%	(5.1%)
Operating income (loss)	(86,410)	(295,391)	118,018	136,632	31,608	(158,759)
Financial income / expenses, net	13,033	(258)	(16)	67	13,017	(191)
Other non-operating income and expenses, net	71,481	(73,402)	(464)	514	71,017	(72,888)
Ordinary income (loss)	(1,896)	(369,051)	117,538	137,213	115,642	(231,838)
Income (loss) before income taxes	(10,635)	(460,413)	115,354	139,481	104,719	(320,932)
Net income (loss) attributable to owners of parent	(16,579)	(422,541)	81,944	92,582	65,365	(329,959)

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

(in millions of yen)

	Automobile & Eliminations		Sales financing		Consolidated total	
	Six Months Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)	Six Months Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)	Six Months Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)	Six Months Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)	Six Months Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)	Six Months Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)
Cash flows from operating activities	(187,076)	(324,374)	771,267	1,055,262	584,191	730,888
Cash flows from investing activities	(227,837)	(180,294)	(68,694)	(109,054)	(296,531)	(289,348)
(Free Cash flow)	(414,913)	(504,668)	702,573	946,208	287,660	441,540
Cash flows from financing activities	409,118	1,342,230	(689,906)	(943,018)	(280,788)	399,212
Effects of exchange rate changes on cash and cash equivalents	(21,650)	(11,478)	(2,175)	6,808	(23,825)	(4,670)
Increase (decrease) in cash and cash equivalents	(27,445)	826,084	10,492	9,998	(16,953)	836,082
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	1,288,186	2,320,634	59,970	158,429	1,348,156	2,479,063

[Net sales and profits or losses by region]

The Six-month Period Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)

(in millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	1,106,991	2,432,619	616,344	447,099	400,022	5,003,075	—	5,003,075
(2) Inter-segment sales	909,844	228,034	102,060	240,254	16,227	1,496,419	(1,496,419)	—
Total	2,016,835	2,660,653	718,404	687,353	416,249	6,499,494	(1,496,419)	5,003,075
Operating income (loss)	(8,648)	36,538	(21,438)	21,824	(3,994)	24,282	7,326	31,608

Prior Second Quarter (From July 1, 2019 To September 30, 2019)

(in millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	589,546	1,265,917	312,486	226,902	235,802	2,630,653	—	2,630,653
(2) Inter-segment sales	469,597	115,179	57,134	128,116	11,371	781,397	(781,397)	—
Total	1,059,143	1,381,096	369,620	355,018	247,173	3,412,050	(781,397)	2,630,653
Operating income (loss)	(26,718)	35,850	(10,040)	11,179	1,126	11,397	18,602	29,999

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 Six-month Period Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)

(in millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	811,110	1,425,237	342,513	325,918	187,909	3,092,687	—	3,092,687
(2) Inter-segment sales	402,686	113,949	60,413	143,192	3,398	723,638	(723,638)	—
Total	1,213,796	1,539,186	402,926	469,110	191,307	3,816,325	(723,638)	3,092,687
Operating income (loss)	(169,659)	19,087	(23,054)	20,404	(10,119)	(163,341)	4,582	(158,759)

Current Second Quarter (From July 1, 2020 To September 30, 2020)

(in millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	471,245	886,208	249,022	186,808	125,210	1,918,493	—	1,918,493
(2) Inter-segment sales	269,424	79,311	46,769	78,440	2,093	476,037	(476,037)	—
Total	740,669	965,519	295,791	265,248	127,303	2,394,530	(476,037)	1,918,493
Operating income (loss)	(46,358)	44,881	(5,643)	12,618	(5,399)	99	(4,932)	(4,833)

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 Six-month Period Ended September 30, 2019 (From April 1, 2019 To September 30, 2019)

(in millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
885,170	2,378,407	1,958,898	695,448	571,051	472,999	5,003,075

Prior Second Quarter (From July 1, 2019 To September 30, 2019)

(in millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
472,282	1,240,740	1,000,988	350,708	287,004	279,919	2,630,653

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 Six-month Period Ended September 30, 2020 (From April 1, 2020 To September 30, 2020)

(in millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
667,752	1,410,061	1,157,107	385,612	419,241	210,021	3,092,687

Current Second Quarter (From July 1, 2020 To September 30, 2020)

(in millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
388,469	875,303	710,687	274,281	240,518	139,922	1,918,493

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.