



Financial Results for the Six Months Ended September 30, 2018 (Japanese Accounting Standards) (Consolidated)

November 8, 2018

Company name : Nissan Motor Co., Ltd. <Tokyo Stock Exchange in Japan>
 Code no : 7201 (URL <https://www.nissan-global.com/EN/IR/>)
 Representative : Hiroto Saikawa, President
 Contact person : Joji Tagawa, Corporate Vice President, IR Department Tel. (045) 523 - 5523
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 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, 2018 (April 1, 2018 through September 30, 2018)

<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, 2018	5,532,722	(2.1)	210,335	(25.4)	329,932	(10.7)	246,258	(10.9)
September 30, 2017	5,652,509	6.2	281,832	(17.0)	369,533	(6.9)	276,509	(2.1)

Note : Comprehensive income : 249,724 million yen for the six months ended September 30, 2018 , (24.2)%
 329,443 million yen for the six months ended September 30, 2017 , -%

	Basic earnings per share	Diluted earnings per share
Six Months Ended	yen	yen
September 30, 2018	62.97	62.97
September 30, 2017	70.69	70.69

<2> Consolidated financial position

	Total assets	Net assets	Net assets as a percentage of total assets
	Millions of yen	Millions of yen	%
FY2018 2nd quarter	19,130,603	5,776,714	28.6
FY2017	18,739,935	5,701,710	28.8

Reference: Net assets excluding share subscription rights and non-controlling interests: 5,477,529 million yen as of September 30, 2018,
 5,397,712 million yen as of March 31, 2018

Note : FY2017 consolidated financial position are adjusted by changes in accounting policies due to the revision of the accounting standards.

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
FY2017	—	26.50	—	26.50	53.00
FY2018	—	28.50			
FY2018 forecast			—	28.50	57.00

Note : Changes in dividends forecast for FY2018 from the latest disclosure : Yes

3. Forecast of consolidated operating results for FY2018 (April 1, 2018 through March 31, 2019)

(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
FY2018	12,000,000	0.4	540,000	(6.0)	500,000	(33.1)	127.87

Note : Changes in forecast of consolidated operating results for FY2018 from the latest disclosure : None

※ 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 page10 "(4) Notes to Quarterly Consolidated Financial Statements - (Adoption of specific accounting policies for quarterly consolidated financial statements) "

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

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

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

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

<3>-4 Restatement : None

Note: See attached page10 "(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)

FY2018 2nd quarter	4,220,715,112 shares	FY2017	4,220,715,112 shares
FY2018 2nd quarter	309,431,392 shares	FY2017	310,358,894 shares
FY2018 2nd quarter	3,910,886,507 shares	FY2017 2nd quarter	3,911,479,104 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.

【Table of Contents】

Quarterly Consolidated Financial Statements	2
(1) Quarterly Consolidated Balance Sheets	2
(2) Quarterly Consolidated Statements of Income and Quarterly Consolidated Statements of Comprehensive Income	4
【The Six-Month Period Ended September 30】	
【The Three-Month Period Ended September 30】	
(3) Quarterly Consolidated Statements of Cash Flows	8
(4) Notes to Quarterly Consolidated Financial Statements	10
(Note to events and conditions which indicate there could be substantial doubt about going concern assumption)	10
(Note to significant changes in shareholders' equity)	10
(Adoption of specific accounting policies for quarterly consolidated financial statements)	10
(Changes in accounting policies)	10
(Additional information)	11
(Segment information)	12

Quarterly Consolidated Financial Statements

(1) Quarterly Consolidated Balance Sheets

(in millions of yen)

	Prior Fiscal Year (As of March 31, 2018)	Current Second Quarter (As of September 30, 2018)
Assets		
Current assets		
Cash on hand and in banks	1,134,838	1,086,910
Trade notes and accounts receivable	739,851	494,495
Sales finance receivables	7,634,756	7,907,544
Securities	71,200	119,243
Merchandise and finished goods	880,518	1,055,483
Work in process	91,813	90,072
Raw materials and supplies	318,218	388,662
Other	775,771	720,988
Allowance for doubtful accounts	(116,572)	(118,753)
Total current assets	11,530,393	11,744,644
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	600,675	599,992
Machinery, equipment and vehicles, net	3,392,134	3,582,289
Land	598,780	599,937
Construction in progress	209,237	142,574
Other, net	464,808	472,152
Total property, plant and equipment	5,265,634	5,396,944
Intangible fixed assets	128,782	125,978
Investments and other assets		
Investment securities	1,264,532	1,297,711
Other	552,396	566,995
Allowance for doubtful accounts	(1,802)	(1,669)
Total investments and other assets	1,815,126	1,863,037
Total fixed assets	7,209,542	7,385,959
Total assets	18,739,935	19,130,603

(in millions of yen)

	Prior Fiscal Year (As of March 31, 2018)	Current Second Quarter (As of September 30, 2018)
Liabilities		
Current liabilities		
Trade notes and accounts payable	1,646,638	1,591,436
Short-term borrowings	802,952	794,281
Current portion of long-term borrowings	1,152,719	1,467,729
Commercial papers	402,918	728,210
Current portion of bonds	396,637	547,828
Lease obligations	25,766	18,766
Accrued expenses	1,114,053	1,064,715
Accrued warranty costs	115,568	120,937
Other	1,087,133	1,091,893
Total current liabilities	6,744,384	7,425,795
Long-term liabilities		
Bonds	1,887,404	1,971,862
Long-term borrowings	3,053,712	2,549,122
Lease obligations	16,248	12,569
Accrued warranty costs	120,210	121,721
Net defined benefit liability	352,861	355,957
Other	863,406	916,863
Total long-term liabilities	6,293,841	5,928,094
Total liabilities	13,038,225	13,353,889
Net assets		
Shareholders' equity		
Common stock	605,814	605,814
Capital surplus	815,913	815,414
Retained earnings	4,921,722	4,999,651
Treasury stock	(139,970)	(139,991)
Total shareholders' equity	6,203,479	6,280,888
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	68,179	41,922
Unrealized gain and loss from hedging instruments	9,537	11,938
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(13,945)	(32,453)
Translation adjustments	(733,571)	(687,284)
Remeasurements of defined benefit plans	(135,967)	(137,482)
Total accumulated other comprehensive income	(805,767)	(803,359)
Share subscription rights	84	—
Non-controlling interests	303,914	299,185
Total net assets	5,701,710	5,776,714
Total liabilities and net assets	18,739,935	19,130,603

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

The Six-Month Period Ended September 30
Quarterly Consolidated Statements of Income

	(in millions of yen)	
	Six Months Ended September 30, 2017 (From April 1, 2017 To September 30, 2017)	Six Months Ended September 30, 2018 (From April 1, 2018 To September 30, 2018)
Net sales	5,652,509	5,532,722
Cost of sales	4,625,572	4,620,691
Gross profit	1,026,937	912,031
Selling, general and administrative expenses		
Advertising expenses	141,006	147,114
Provision for warranty costs	53,218	59,479
Other selling expenses	107,077	92,611
Salaries and wages	196,943	200,412
Retirement benefit expenses	9,402	9,200
Provision for doubtful accounts	42,818	26,755
Other	194,641	166,125
Total selling, general and administrative expenses	745,105	701,696
Operating income	281,832	210,335
Non-operating income		
Interest income	9,346	14,882
Dividends income	6,601	8,049
Equity in earnings of affiliates	93,957	113,219
Exchange gain	23,978	—
Miscellaneous income	3,862	10,845
Total non-operating income	137,744	146,995
Non-operating expenses		
Interest expense	6,001	5,747
Derivative loss	34,384	3,639
Exchange loss	—	5,733
Credit liquidation costs	6,249	6,757
Miscellaneous expenses	3,409	5,522
Total non-operating expenses	50,043	27,398
Ordinary income	369,533	329,932
Special gains		
Gain on sales of fixed assets	2,917	10,223
Other	678	202
Total special gains	3,595	10,425
Special losses		
Loss on sales of fixed assets	1,779	424
Loss on disposal of fixed assets	3,118	4,414
Special addition to retirement benefits	1,169	4,721
Expense for reorganization of sales business	—	4,899
Other	2,112	2,000
Total special losses	8,178	16,458
Income before income taxes	364,950	323,899
Income taxes	78,932	66,669
Net income	286,018	257,230
Net income attributable to non-controlling interests	9,509	10,972
Net income attributable to owners of parent	276,509	246,258

Quarterly Consolidated Statements of Comprehensive Income

	(in millions of yen)	
	Six Months Ended September 30, 2017 (From April 1, 2017 To September 30, 2017)	Six Months Ended September 30, 2018 (From April 1, 2018 To September 30, 2018)
Net income	286,018	257,230
Other comprehensive income		
Unrealized holding gain and loss on securities	7,527	(20,550)
Unrealized gain and loss from hedging instruments	(1,931)	2,109
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	—	(18,508)
Translation adjustments	30,272	73,135
Remeasurements of defined benefit plans	(2,371)	(2,146)
The amount for equity method company portion	9,928	(41,546)
Total other comprehensive income	43,425	(7,506)
Comprehensive income	329,443	249,724
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	317,983	241,316
Comprehensive income attributable to non-controlling interests	11,460	8,408

The Three-Month Period Ended September 30
Quarterly Consolidated Statements of Income

	(in millions of yen)	
	Prior Second Quarter (From July 1, 2017 To September 30, 2017)	Current Second Quarter (From July 1, 2018 To September 30, 2018)
Net sales	2,892,073	2,816,130
Cost of sales	2,358,492	2,347,111
Gross profit	533,581	469,019
Selling, general and administrative expenses		
Advertising expenses	72,699	75,491
Provision for warranty costs	26,635	27,274
Other selling expenses	60,176	50,168
Salaries and wages	97,548	104,222
Retirement benefit expenses	4,041	4,433
Provision for doubtful accounts	22,752	11,472
Other	121,214	94,768
Total selling, general and administrative expenses	405,065	367,828
Operating income	128,516	101,191
Non-operating income		
Interest income	4,890	7,585
Dividends income	19	23
Equity in earnings of affiliates	56,558	68,813
Exchange gain	4,970	25,940
Miscellaneous income	2,009	3,919
Total non-operating income	68,446	106,280
Non-operating expenses		
Interest expense	2,365	2,598
Derivative loss	9,322	27,372
Credit liquidation costs	3,523	3,148
Miscellaneous expenses	1,818	3,323
Total non-operating expenses	17,028	36,441
Ordinary income	179,934	171,030
Special gains		
Gain on sales of fixed assets	1,965	2,926
Other	495	64
Total special gains	2,460	2,990
Special losses		
Loss on sales of fixed assets	1,102	127
Loss on disposal of fixed assets	1,851	3,027
Special addition to retirement benefits	—	4,631
Expense for reorganization of sales business	—	1,175
Other	581	1,568
Total special losses	3,534	10,528
Income before income taxes	178,860	163,492
Income taxes	33,158	27,720
Net income	145,702	135,772
Net income attributable to non-controlling interests	4,109	5,344
Net income attributable to owners of parent	141,593	130,428

Quarterly Consolidated Statements of Comprehensive Income

	(in millions of yen)	
	Prior Second Quarter	Current Second Quarter
	(From July 1, 2017 To September 30, 2017)	(From July 1, 2018 To September 30, 2018)
Net income	145,702	135,772
Other comprehensive income		
Unrealized holding gain and loss on securities	9,098	1,613
Unrealized gain and loss from hedging instruments	(572)	(882)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	—	(18,508)
Translation adjustments	31,287	76,341
Remeasurements of defined benefit plans	(1,268)	(1,703)
The amount for equity method company portion	20,279	(17,199)
Total other comprehensive income	58,824	39,662
Comprehensive income	204,526	175,434
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	199,005	169,227
Comprehensive income attributable to non-controlling interests	5,521	6,207

(3) Quarterly Consolidated Statements of Cash Flows

	(in millions of yen)	
	Six Months Ended September 30, 2017 (From April 1, 2017 To September 30, 2017)	Six Months Ended September 30, 2018 (From April 1, 2018 To September 30, 2018)
Cash flows from operating activities		
Income before income taxes	364,950	323,899
Depreciation and amortization (for fixed assets excluding leased vehicles)	190,011	190,377
Depreciation and amortization (for long term prepaid expenses)	12,907	13,984
Depreciation and amortization (for leased vehicles)	226,710	245,227
Increase (decrease) in allowance for doubtful accounts	4,730	(6,142)
Interest and dividends income	(15,947)	(22,931)
Interest expense	75,892	98,245
Equity in losses (earnings) of affiliates	(93,957)	(113,219)
Loss (gain) on sales of fixed assets	(1,138)	(9,799)
Loss on disposal of fixed assets	3,118	4,414
Decrease (increase) in trade notes and accounts receivable	237,745	249,928
Decrease (increase) in sales finance receivables	(392,326)	43,318
Decrease (increase) in inventories	(277,385)	(212,813)
Increase (decrease) in trade notes and accounts payable	75,616	(209,222)
Retirement benefit expenses	12,963	13,364
Payments related to net defined benefit assets and liabilities	(12,391)	(14,525)
Other	127,648	5,042
Subtotal	539,146	599,147
Interest and dividends received	14,641	26,218
Proceeds from dividends income from affiliates accounted for by equity method	54,733	70,613
Interest paid	(74,289)	(97,154)
Income taxes paid	(200,396)	(73,919)
Net cash provided by operating activities	333,835	524,905
Cash flows from investing activities		
Net decrease (increase) in short-term investments	3,460	295
Purchase of fixed assets	(197,931)	(199,714)
Proceeds from sales of fixed assets	19,338	23,824
Purchase of leased vehicles	(734,809)	(640,040)
Proceeds from sales of leased vehicles	307,225	355,426
Payments of long-term loans receivable	(127)	(214)
Collection of long-term loans receivable	405	164
Purchase of investment securities	(10,980)	(20,378)
Proceeds from sales of investment securities	5,995	—
Net decrease (increase) in restricted cash	(13,092)	73,228
Other	378	850
Net cash used in investing activities	(620,138)	(406,559)

	(in millions of yen)	
	Six Months Ended September 30, 2017 (From April 1, 2017 To September 30, 2017)	Six Months Ended September 30, 2018 (From April 1, 2018 To September 30, 2018)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	43,977	153,322
Proceeds from long-term borrowings	595,827	298,005
Proceeds from issuance of bonds	549,695	255,081
Repayments of long-term borrowings	(665,625)	(573,317)
Redemption of bonds	(143,055)	(111,177)
Purchase of treasury stock	(3)	(3)
Proceeds from sales of treasury stock	257	—
Repayments of lease obligations	(16,486)	(15,016)
Cash dividends paid	(93,883)	(103,627)
Cash dividends paid to non-controlling interests	(15,315)	(14,912)
Purchase of treasury stock of subsidiaries	(14,273)	—
Other	(197)	—
Net cash provided by (used in) financing activities	240,919	(111,644)
Effects of exchange rate changes on cash and cash equivalents	7,443	(7,664)
Decrease in cash and cash equivalents	(37,941)	(962)
Cash and cash equivalents at beginning of the period	1,241,124	1,206,000
Increase due to inclusion in consolidation	—	1,115
Cash and cash equivalents at end of the period	1,203,183	1,206,153

(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, 2018 multiplied by the effective tax rate, after adoption of tax-effect accounting, estimated for the entire fiscal year ending March 31, 2019.

Deferred income taxes are included in income taxes.

(Changes in accounting policies)

1) Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606, "Revenue from Contracts with Customers" and International Financial Reporting Standards (IFRS) 15, "Revenue from Contracts with Customers"

At foreign subsidiaries and affiliates that apply US GAAP, ASC 606, "Revenue from Contracts with Customers" has been adopted, while at other foreign subsidiaries and affiliates, IFRS 15, "Revenue from Contracts with Customers" (May 28, 2014) has been adopted from the first quarter of the fiscal year ending March 31, 2019.

In line with this adoption, revenue is recognized upon the transfer of promised goods or services to customers in an amount that reflects the consideration to which they expect to be entitled in exchange for those goods or services.

In adopting the accounting standards, in accordance with the transitional treatment, the cumulative effect of adoption of the standards 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, 2018.

As a result, the balance of retained earnings at the beginning of the six months ended September 30, 2018 decreased by ¥58,566 million. In addition, net sales and income before income taxes for the six months ended September 30, 2018 increased by ¥37,158 million and ¥63,671 million, respectively, and net sales for the three months ended September 30, 2018 decreased by ¥5,920 million and income before income taxes for the three months ended September 30, 2018 increased by ¥3,531 million.

2) International Financial Reporting Standards (IFRS) 9, "Financial Instruments"

Some foreign subsidiaries and affiliates have adopted IFRS 9, "Financial Instruments" (July 24, 2014) from the first quarter of the fiscal year ending March 31, 2019.

In line with this adoption, the methods for classification and measurement of financial instruments were reviewed and impairment losses were recognized on financial assets using the 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, 2018.

As a result, the balance of retained earnings at the beginning of the six months ended September 30, 2018 decreased by ¥2,288 million. The effects of these revisions on the quarterly consolidated statements of income for the six months and the three months ended September 30, 2018 are immaterial.

3) Accounting Standards Board of Japan (ASBJ) Guidance No. 28, "Implementation Guidance on Tax Effect Accounting"

"Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, February 16, 2018) has been adopted from the beginning of the first quarter of the fiscal year ending March 31, 2019.

In line with this adoption, treatment of taxable temporary differences relating to shares, etc., of subsidiaries in non-consolidated financial statements was changed to match the treatment of taxable temporary differences relating to shares of subsidiaries or investments in affiliates in consolidated financial statements, and a reversal of deferred tax liabilities was made.

The change in accounting policies in line with the adoption of these accounting standards has been retrospectively adopted and with respect to the prior fiscal year, retrospective adoption is reflected on the consolidated financial statements. As a result, compared with the accounting prior to retrospective adoption, on the consolidated balance sheets for the prior fiscal year, deferred tax liabilities decreased by ¥12,975 million, while retained earnings increased by ¥12,975 million.

(Additional information)

“Partial Amendments to Accounting Standard for Tax Effect Accounting, etc.” (ASBJ Statement No. 28, February 16, 2018) and other standards have been adopted from the beginning of the first quarter of the fiscal year ending March 31, 2019, whereby deferred tax assets are presented under investments and other assets, while deferred tax liabilities are presented under long-term liabilities.

(Segment information)

【Current second quarter segment information】

[Net sales and profits or losses by reportable segments]

The Six-month Period Ended September 30, 2017 (From April 1, 2017 To September 30, 2017)

(in millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Six Months Ended September 30, 2017
	Automobile	Sales Financing	Total		
Net sales					
Sales to third parties	5,112,827	539,682	5,652,509	—	5,652,509
Inter-segment sales or transfers	71,573	22,775	94,348	(94,348)	—
Total	5,184,400	562,457	5,746,857	(94,348)	5,652,509
Segment profits	154,334	111,228	265,562	16,270	281,832

Prior Second Quarter (From July 1, 2017 To September 30, 2017)

(in millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Prior Second Quarter
	Automobile	Sales Financing	Total		
Net sales					
Sales to third parties	2,614,868	277,205	2,892,073	—	2,892,073
Inter-segment sales or transfers	38,023	11,820	49,843	(49,843)	—
Total	2,652,891	289,025	2,941,916	(49,843)	2,892,073
Segment profits	63,934	56,382	120,316	8,200	128,516

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. The accounting method for the reportable segments is 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, 2018 (From April 1, 2018 To September 30, 2018)

(in millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Six Months Ended September 30, 2017
	Automobile	Sales Financing	Total		
Net sales					
Sales to third parties	4,962,465	570,257	5,532,722	—	5,532,722
Inter-segment sales or transfers	71,007	24,291	95,298	(95,298)	—
Total	5,033,472	594,548	5,628,020	(95,298)	5,532,722
Segment profits	65,667	129,408	195,075	15,260	210,335

Current Second Quarter (From July 1, 2018 To September 30, 2018)

(in millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Current Second Quarter
	Automobile	Sales Financing	Total		
Net sales					
Sales to third parties	2,527,664	288,466	2,816,130	—	2,816,130
Inter-segment sales or transfers	42,155	12,385	54,540	(54,540)	—
Total	2,569,819	300,851	2,870,670	(54,540)	2,816,130
Segment profits	27,675	66,269	93,944	7,247	101,191

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. The accounting method for the reportable segments is 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 six months ended September 30, 2017, 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., SOFOM, E.R. (Mexico), other 8 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 six months ended September 30, 2018, 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., SOFOM, E.R. (Mexico), other 10 companies and the sales finance operations of Nissan Canada Inc. (Canada).

*The financial data on 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, 2017 (From April 1, 2017 To September 30, 2017)	Six Months Ended September 30, 2018 (From April 1, 2018 To September 30, 2018)	Six Months Ended September 30, 2017 (From April 1, 2017 To September 30, 2017)	Six Months Ended September 30, 2018 (From April 1, 2018 To September 30, 2018)	Six Months Ended September 30, 2017 (From April 1, 2017 To September 30, 2017)	Six Months Ended September 30, 2018 (From April 1, 2018 To September 30, 2018)
Net sales	5,090,052	4,938,174	562,457	594,548	5,652,509	5,532,722
Cost of sales	4,248,255	4,216,818	377,317	403,873	4,625,572	4,620,691
Gross profit	841,797	721,356	185,140	190,675	1,026,937	912,031
Operating income as a percentage of net sales	3.4%	1.6%	19.8%	21.8%	5.0%	3.8%
Operating income	170,604	80,927	111,228	129,408	281,832	210,335
Financial income / expenses, net	9,879	17,225	67	(41)	9,946	17,184
Other non-operating income and expenses, net	75,983	101,516	1,772	897	77,755	102,413
Ordinary income	256,466	199,668	113,067	130,264	369,533	329,932
Income before income taxes	250,575	193,349	114,375	130,550	364,950	323,899
Net income attributable to owners of parent	204,801	161,315	71,708	84,943	276,509	246,258

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, 2017 (From April 1, 2017 To September 30, 2017)	Six Months Ended September 30, 2018 (From April 1, 2018 To September 30, 2018)	Six Months Ended September 30, 2017 (From April 1, 2017 To September 30, 2017)	Six Months Ended September 30, 2018 (From April 1, 2018 To September 30, 2018)	Six Months Ended September 30, 2017 (From April 1, 2017 To September 30, 2017)	Six Months Ended September 30, 2018 (From April 1, 2018 To September 30, 2018)
Cash flows from operating activities	417,195	242,666	(83,360)	282,239	333,835	524,905
Cash flows from investing activities	(177,448)	(279,056)	(442,690)	(127,503)	(620,138)	(406,559)
(Free Cash flow)	239,747	(36,390)	(526,050)	154,736	(286,303)	118,346
Cash flows from financing activities	(292,980)	59,005	533,899	(170,649)	240,919	(111,644)
Effects of exchange rate changes on cash and cash equivalents	7,385	(7,423)	58	(241)	7,443	(7,664)
Increase (decrease) in cash and cash equivalents	(45,848)	15,192	7,907	(16,154)	(37,941)	(962)
Cash and cash equivalents at beginning of the period	1,189,975	1,140,621	51,149	65,379	1,241,124	1,206,000
Increase due to inclusion in consolidation	—	1,115	—	—	—	1,115
Cash and cash equivalents at end of the period	1,144,127	1,156,928	59,056	49,225	1,203,183	1,206,153

[Net sales and profits or losses by region]

The Six-month Period Ended September 30, 2017 (From April 1, 2017 To September 30, 2017)

(in millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	1,067,485	2,890,391	784,527	479,046	431,060	5,652,509	—	5,652,509
(2) Inter-segment sales	1,262,461	215,394	149,999	261,613	6,517	1,895,984	(1,895,984)	—
Total	2,329,946	3,105,785	934,526	740,659	437,577	7,548,493	(1,895,984)	5,652,509
Operating income (loss)	182,426	82,775	(5,213)	28,331	(7,849)	280,470	1,362	281,832

Prior Second Quarter (From July 1, 2017 To September 30, 2017)

(in millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	572,822	1,391,206	449,515	254,672	223,858	2,892,073	—	2,892,073
(2) Inter-segment sales	657,963	112,076	63,747	132,022	3,952	969,760	(969,760)	—
Total	1,230,785	1,503,282	513,262	386,694	227,810	3,861,833	(969,760)	2,892,073
Operating income (loss)	87,233	31,964	(2,487)	10,838	(6,739)	120,809	7,707	128,516

Notes: 1. Regions are representing 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, 2018 (From April 1, 2018 To September 30, 2018)

(in millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	1,111,796	2,643,265	747,189	504,359	526,113	5,532,722	—	5,532,722
(2) Inter-segment sales	1,151,669	253,590	146,186	263,706	13,722	1,828,873	(1,828,873)	—
Total	2,263,465	2,896,855	893,375	768,065	539,835	7,361,595	(1,828,873)	5,532,722
Operating income (loss)	114,014	85,434	(16,960)	29,550	80	212,118	(1,783)	210,335

Current Second Quarter (From July 1, 2018 To September 30, 2018)

(in millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	588,989	1,335,309	373,986	259,681	258,165	2,816,130	—	2,816,130
(2) Inter-segment sales	567,590	125,490	71,404	133,647	9,293	907,424	(907,424)	—
Total	1,156,579	1,460,799	445,390	393,328	267,458	3,723,554	(907,424)	2,816,130
Operating income (loss)	56,378	35,962	(12,247)	11,724	221	92,038	9,153	101,191

Notes: 1. Regions are representing 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, 2017 (From April 1, 2017 To September 30, 2017)

(in millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
888,518	2,827,623	2,266,150	814,980	624,865	496,523	5,652,509

Prior Second Quarter (From July 1, 2017 To September 30, 2017)

(in millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
474,103	1,361,546	1,078,567	464,699	337,963	253,762	2,892,073

Notes: 1. Regions are representing 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, and Central & South America excluding Mexico, etc.

The Six-month Period Ended September 30, 2018 (From April 1, 2018 To September 30, 2018)

(in millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
908,929	2,575,303	2,096,151	780,261	660,258	607,971	5,532,722

Current Second Quarter (From July 1, 2018 To September 30, 2018)

(in millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
479,470	1,297,798	1,052,180	391,505	339,406	307,951	2,816,130

Notes: 1. Regions are representing 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, and Central & South America excluding Mexico, etc.