

[Notes to Consolidated Financial Statements]

(Basis of consolidated financial statements)

The consolidated financial statements of the Company are prepared in accordance with generally accepted accounting principles in Japan and the Ministry of Finance Ordinance No. 28, 1976 “Regulations Concerning the Terminology, Forms and Preparation Methods of Consolidated Financial Statements” (hereinafter the “Regulations for Consolidated Financial Statements”).

1. Scope of consolidation

(1) Number of consolidated group companies: 231

- Domestic companies: 93
- Foreign companies: 138

Domestic Car Dealers and Parts Distributors

Nissan Kanagawa Hanbai Co., Ltd., Nissan Motor Sales Co., Ltd., Nissan Buhin Chuo Hanbai Co., Ltd. and 36 other companies

Domestic Vehicles and Parts Manufacturers

Nissan Shatai Co., Ltd., Aichi Machine Industry Co., Ltd., Jatco Ltd. and 9 other companies

Domestic Logistics and Services Companies

Nissan Trading Co., Ltd., Nissan Financial Services Co., Ltd.,
Nissan Motorsports & Customizing Co., Ltd. and 39 other companies

Overseas subsidiaries

Nissan North America, Inc., Nissan Automotive Europe, Nissan Motor Manufacturing (UK) Ltd.,
Nissan Mexicana, S.A. de C.V. and 134 other companies

Jatco UK Ltd., which was an unconsolidated subsidiary in the prior fiscal year, has been included in the scope of consolidation in the current fiscal year as a newly established company. 4R Energy Corporation and one other company, which were the affiliates accounted for by the equity method in the prior fiscal year, have become consolidated companies in the current year due to the additional acquisition of their shares.

Nissan Satio Chiba Co., Ltd. has been excluded from the scope of consolidation due to sale of its shares. Kanagawa Nissan Motor Co., Ltd. and one other company have been excluded from the scope of consolidation in the current fiscal year as they have been absorbed and dissolved. Vinz 2022 Retail Auto Mortgage Loan securitization Trust (Phase 1) and one other company have been excluded from the scope of consolidation due to liquidation.

(2) Number of subsidiaries not accounted for by the full consolidation method: 2

- Domestic company: 1
NC Service Co., Ltd.
- Foreign company: 1
Nissan Manufacturing Tanger Mediterranean

These unconsolidated subsidiaries are immaterial in terms of their total assets, sales, net income or loss, retained earnings and others, and do not have a significant impact on the consolidated financial statements.

2. Equity method

(1) Number of companies accounted for by the equity method: 35

- Affiliates: 35 (21 domestic and 14 foreign companies)
Renault S.A., Dongfeng Motor Co., Ltd., Mitsubishi Motors Corporation, Nissan Tokyo Sales Holdings Co., Ltd. and others

4R Energy Corporation and one other company have been excluded from the scope of the equity method and included in the scope of consolidation in the current fiscal year due to the additional acquisition of their shares. Nissan Auto Auction Hiroshima Co., Ltd. and one other company have been excluded from the scope of the equity method in the current fiscal year due to liquidation.

(2) Number of companies not accounted for by the equity method: 5

- Unconsolidated subsidiaries: 2
Nissan Manufacturing Tanger Mediterranean and others
- Affiliates: 3
Sun Co., Ltd. and others

The impact of these companies is not significant on the consolidated net income or loss, consolidated retained earnings and others.

- (3) For these companies accounted for by the equity method whose fiscal year end differs from the consolidated fiscal year end, the financial statements of their respective fiscal years are used as the basis of the consolidated financial statements.

3. Accounting period of consolidated subsidiaries

- (1) The following consolidated group companies close their books of account at:

January 31:

Yokohama Marinos Ltd.

June 30:

Aprite (GB) Ltd.

September 30:

Nissan Formula E Team S.A.S.

December 31:

Nissan Mexicana, S.A. de C. V.

Nissan Exports De Mexico, S. de R.L. de C.V.

NR Finance Mexico, S.A. de C.V.

NR Finance Services, S.A. de C.V.

Anzen Agente de Seguros, S.A. de C.V.

Nissan Do Brasil Automoveis Ltda.

Nissan Argentina S.A.

Nissan Argentina Plan S.A. de Ahorro Para Fines Determinados

Nissan Chile SpA.

Nissan-Tanner Financial Services SpA.

Nissan-Tanner Financial Services Retail SpA.

Nissan-Tanner Financial Services Wholesale SpA.

Nissan Peru S.A.C.

Nissan Motor Ukraine LLC

Yulon Nissan Motor Co., Ltd.

Yi-Jan Overseas Investment Co., Ltd.

Jetford Inc.

Nissan (China) Investment Co., Ltd.

Dongfeng Nissan Auto Finance Co., Ltd.

Dongfeng Nissan Financial Leasing Co., Ltd.

Wuhan Dongfeng Insurance Broker Co., Ltd.

Wuhan Dongfeng Xinda Economic Information Consulting Co., Ltd.

Nissan Shanghai Co., Ltd.

Jatco Mexico S.A. de C.V.

Jatco (Guangzhou) Automatic Transmission Ltd.

Jatco (Suzhou) Automatic Transmission Ltd.

Nissan Guangzhou Co., Ltd.

Nissan Trading China Co., Ltd.

Nissan (Shanghai) Automotive Design Co., Ltd.

Nissan Mobility Service Co., Ltd.

Jatco USA, Inc.

Jatco Korea Engineering Corporation

Jatco France S.A.S.

Jatco Korea Service Corporation

Nissan Trading Do Brasil Produtos Automotivos Ltda.

Nissan Technology Development (Shanghai) Co., Ltd.

Nissan (China) Investment Co., Ltd. and 5 other companies have changed their fiscal year end for consolidation reporting purpose from December 31 to March 31, and the current fiscal year includes 15 months from January 1, 2024 to March 31, 2025.

- (2) Of these 39 companies, Aprite (GB) Ltd., whose fiscal year end is June 30, Nissan Formula E Team S.A.S., whose fiscal year end is September 30 and Nissan Mexicana, S.A. de C. V. and 28 other companies, whose fiscal year end is December 31, close their books of account at March 31 for consolidation reporting purpose. With respect to Yokohama Marinos Ltd., whose fiscal year end is January 31, and Dongfeng Nissan Auto Finance Co., Ltd. and 6 other companies, whose fiscal year

end is December 31, the necessary adjustments were made in consolidation to reflect any significant transactions from February 1 to March 31 and January 1 to March 31.

4. Significant accounting policies

(1) Valuation methods for assets

① Securities

Held-to-maturity securities:

Held-to maturity securities are stated at amortized cost.

Other securities:

Marketable securities:

Marketable securities classified as other securities are carried at fair value with any changes in unrealized holding gain or loss, net of the applicable income taxes, directly included in net assets. Cost of securities sold is calculated by the moving average method.

Non-marketable securities:

Non-marketable securities classified as other securities are carried at cost determined by the moving average method.

Investments in limited liability partnerships and similar investments, defined as securities by Article 2, Section 2 of the Financial Instruments and Exchange Act, are recognized at the net amount corresponding to the owning portion under the equity method accounting based on the latest available financial statements of the partnerships.

② Derivative financial instruments

Derivative financial instruments are stated at fair value.

③ Inventories

Inventories are stated at cost determined by the first-in and first-out method (cost of inventories is written-down when their carrying amounts become unrecoverable).

(2) Depreciation of property, plant and equipment

Depreciation of self-owned property, plant and equipment is calculated principally by the straight-line method based on the estimated useful lives and the estimated residual value determined by the Company.

Depreciation of leased assets (including right-of-use assets) is calculated by the straight-line method based on either the estimated useful lives or the lease terms and the estimated residual value determined by the Company.

(3) Basis for significant reserves

① Allowance for doubtful accounts

Allowance for doubtful accounts is provided based on past experience for ordinary receivables and on an estimate of the collectability of receivables from companies in financial difficulty. Some foreign subsidiaries and affiliates have adopted IFRS 9 or Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 326, and recognized impairment losses on financial assets using the expected credit loss model.

② Accrued warranty costs

Accrued warranty costs are provided to cover the cost of all services anticipated to be incurred during the entire warranty period in accordance with the warranty contracts and based on past experience.

(4) Accounting for retirement benefits

For calculating the retirement benefit obligation, the benefit formula basis has been adopted for attributing projected benefits to periods.

Past service cost is being amortized as incurred by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees (principally 3 to 15 years).

Actuarial gain and loss are amortized in the year following the year in which actuarial gain and loss are recognized by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees (principally 6 to 24 years). Some foreign subsidiaries and affiliates have adopted the corridor approach for actuarial gain and loss, and amortize them over the average remaining years of services of the eligible employees or the average life expectancy of the eligible employees.

Actuarial gain and loss and past service cost that are yet to be recognized as gain or loss are recorded as remeasurements of defined benefit plans presented in accumulated other comprehensive income of the net assets section, after being adjusted for tax effects.

(5) Reporting of significant revenue and expenses

Businesses of the Group are segmented into Automobile and Sales financing based on the features of products and services.

The Automobile business includes manufacturing and sales of vehicles and parts. The Sales financing business provides sales finance services and leasing to support the sales activities of the Automobile business.

Regarding the sales of vehicles and parts in the Automobile business, the Group usually recognizes revenue when products are delivered to customers, as control over products is considered to be transferred to customers when they can use and/or sell products at their own discretion. Transactions in which services are provided over a certain period of time primarily include paid extended warranties and maintenance services. Revenue is recognized over time in accordance with the progress of the performance obligation satisfied. Revenue is measured based on transaction price specified in a contract with customers, excluding the amounts collected on behalf of third parties such as tax authorities.

The Group provides incentives primarily to dealers, and these incentives are calculated based on total vehicle volume or vehicle unit sales of certain models sold by dealers during a specified period of time. The Group accrues these amounts as incentives upon the sale of vehicles using the “most likely amount method” and deducts them from revenue.

Payments for products received by customers are collected in accordance with the terms and conditions of relevant sales agreements and amounts of financing component included in the payments are not material.

In addition, product sales contracts with customers include warranty clauses to cover free replacement or repair needed to correct defects in materials or workmanship of all parts and components and the Group recognizes provisions for product warranties to meet these guarantees. The provisions for such warranty costs are booked as described above in (3) Basis for significant reserves.

Interest income from sales finance products in the Sales financing business is recognized at an amount equivalent to interest over the contractual period. Interest income from finance lease transactions is recognized over the lease term. Revenue from operating lease transactions is recognized by allocating the total of the lease payments over the lease term based on the contract.

(6) Foreign currency translation

① Foreign Currency Transactions

Monetary assets and liabilities denominated in currencies other than the functional currency are remeasured into their respective functional currencies at exchange rates in effect at the balance sheet date. The resulting translation differences are recognized as Exchange gain or loss.

② Translation of Foreign Currency Financial Statements

The Company’s reporting currency is the Japanese yen and the functional currency of the majority of the Company’s foreign subsidiaries is their local currency. As such, amounts included in the consolidated statements of income, cash flows, and changes in equity are translated using average exchange rates during each period. However, income and expenses of subsidiaries in hyperinflationary economies are translated at period-end exchange rates in accordance with the application of hyperinflationary accounting.

Assets and liabilities are translated at period-end exchange rates and resulting foreign currency translation adjustments are recorded in the consolidated balance sheets as a component of Accumulated other comprehensive income.

(7) Hedge accounting method

① Hedge accounting method

In principle, deferred hedge accounting is applied for derivative instruments under JGAAP.

If it qualifies for specific conditions, the following exceptional hedge treatments can be applied.

- Hedged items for foreign currency denominated transactions can be booked directly using the forward contract rate, except for accounts receivables to which deferred hedge accounting is applied.

- For interest rate swaps, if interest paid or received can be netted against the interest of underlying hedged interest-bearing debt, there is no need for fair value evaluation.

Foreign subsidiaries and affiliates apply hedge accounting based on the risk of hedged items in accordance with IFRS or US GAAP.

② Hedging instruments and hedged items

- Hedging instruments.....Derivative transactions
- Hedged items.....Mainly receivables and payables denominated in foreign currencies and others

③ Hedging policy

Based on the internal risk management rules and authority regarding derivative transactions, expected risks such as fluctuations in foreign currency and interest rate are hedged within certain extent.

④ Assessment of hedge effectiveness

An assessment of hedge effectiveness is required for foreign subsidiaries and affiliates reporting under IFRS or US GAAP, however, this can be omitted under JGAAP when the terms of hedged items are substantially the same as those of the hedging instruments.

(8) Amortization of goodwill

Goodwill is amortized over periods not exceeding 20 years determined based on their expected life.

However, immaterial differences are recognized as gain or loss in the year of acquisition.

Negative goodwill in consolidated subsidiaries and in companies accounted for by the equity method are recorded as gain in the year of acquisition.

(9) Cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents consist of cash on hand, cash in banks which can be withdrawn at any time and short-term investments with a maturity of three months or less when purchased which can easily be converted to cash and are subject to little risk of change in value.

(10) Adoption of group tax sharing system and consolidated taxation system

The Company and some of its domestic consolidated subsidiaries have adopted the group tax sharing system. In addition, some of its foreign consolidated subsidiaries have adopted the consolidated taxation system.

(Significant accounting estimates)

1. Impairment loss on fixed assets

(1) Amount recorded in the consolidated financial statements for the current fiscal year

The amount of impairment loss recorded in the consolidated statement of income for the current fiscal year is stated in the notes (For consolidated statement of Income) 6 ※ 6 Impairment loss.

(2) Details of significant accounting estimates related to the identified items

After grouping fixed assets based on various criteria, including business segments (automobiles and sales financing) and regional groupings that reflect business interdependencies, the Group determines whether there is any indication of impairment on business-use assets, and determines and measures the recognition of impairment losses. The Group reasonably estimates future cash flows and net realizable value in determining and measuring impairment losses and discount rates in measuring impairment losses.

The assumptions used to estimate future cash flows are based on the Company's business plan which is approved by the Management meeting. Based on the business plan reflecting "Re:Nissan" initiatives, as well as the impact of investment for the future, future cash flows are estimated considering historical market share conditions, profit margins, regional market growth rates with reference to a third-party TIV forecast, relevant market trends including foreign exchange rates, and expected changes in the business environment. Given the high uncertainty regarding the visibility of U.S. tariffs, the Company has made estimates reflecting the impact of tariffs for the first quarter of the fiscal year ending March 31, 2026. Net realizable value is calculated based on the real estate appraisal value, etc. and other publicly available information. The discount rate is calculated based on the weighted average cost of capital, taking into account country risk and other factors in each country.

The balance of business-use assets of the automobile business in the consolidated financial statements for the fiscal year 2024 is ¥2,285,273 million. As a result of impairment testing in the current fiscal year

for an asset group for which there was an indication of impairment due to conditions such as continuous operating losses, impairment loss of ¥464,367 million, ¥2,686 million and ¥27,882 million was recognized on business-use assets of the automobile business, sales finance business and on idle and other assets, respectively.

If market trends, the economic environment or preconditions for business plans change significantly in relation to the asset group, and the Company revises its estimates of future cash flows or net realizable value, then the Company may recognize or record new or additional impairment losses on fixed assets.

2. Deferred tax assets

(1) Amount recorded in the consolidated financial statements for the current fiscal year (Ending balance)

The net amount of deferred tax assets in the consolidated balance sheet of the current fiscal year is ¥163,618 million. The amounts of deferred tax assets and valuation allowances before offsetting are stated in the notes (For tax-effect accounting).

(2) Details of significant accounting estimates related to the identified items

In assessing the recoverability of deferred tax assets, future taxable income is reasonably estimated based on the Company's business plan which is approved by the aforementioned Management meeting for any future deductible temporary differences that remain after taking into account the reversal of future taxable temporary differences and feasible tax planning strategies.

The net amount of deferred tax assets of the Company is ¥223,481 million. The Company evaluates the recoverability of deferred tax assets based on a reasonable estimate of future taxable income based on the Company's business plan. If the aforementioned market trends, economic environment or preconditions for business plans change significantly, and the Company revises its estimates of future taxable income, then this may affect the valuation of deferred tax assets.

3. Allowance for doubtful accounts

(1) Amount recorded in the consolidated financial statements for the current fiscal year (Ending balance)

The allowance for doubtful accounts of the sales finance business in the consolidated balance sheet of the current fiscal year is ¥135,320 million. The allowance for doubtful accounts of Nissan Motor Acceptance Company LLC, which complies with Financial Accounting Standards Board (FASB) ASC 326, is ¥77,309 million.

(2) Details of significant accounting estimates related to the identified items

An allowance for doubtful accounts is provided to recognize bad debt losses for sales finance receivables and automotive trade receivables, etc., based on an estimate of their collectability calculated based on past experience. When estimating the collectability of receivables, the Group evaluates the credit risk of customers and the value of assets pledged as collateral. In addition, if the credit risk of receivables changes due to changes in the external environment, such as the expectation of a significant deterioration in economic indicators, the Company will additionally take into consideration the relevant factors, if necessary. For example, the Group may need to increase the allowance or incur bad debt losses if estimates based on past experience differ materially from market value forecasts, perceived individual credit risk, or a deterioration in the value of pledged collateral.

Certain foreign subsidiaries and affiliates which apply International Financial Reporting Standards (IFRS) 9 or Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 326 recognize allowances for doubtful accounts based on financial asset impairment losses calculated using the expected credit loss model. Under IFRS 9, expected credit loss is calculated after classifying financial assets into stages according to their credit risk, while under ASC 326, expected credit loss over the remaining life is calculated for all financial receivables without classifying them into stages. It is required to measure credit losses from future projected default events at the present value. Allowances under IFRS and ASC can increase or decrease based on the changes in assumptions that drive credit risk assessments, such as past experience, used car prices, and forecasts of macroeconomic factors, such as unemployment rates or inflation.

4. Provision for residual value risk of leased vehicles

(1) Amount recorded in the consolidated financial statements for the current fiscal year (Ending balance)

Provision for loss on residual value of leased vehicles recorded in the machinery and equipment (net amount) in the balance sheet of the current fiscal year is ¥113,168 million. The book value of assets under lease contracts (lessor) is shown in the notes (For consolidated balance sheets) 2 ※2.

(2) Details of significant accounting estimates related to the identified items

Subsidiaries, primarily in North America, estimate provisions for the residual value risk of leased vehicles to cover losses that arise when proceeds from leased vehicles that have been returned fall below the net book values of these assets at lease-end.

Such provisions for residual value risk of leased vehicles are recognized as a change in estimate and their ending book value is further changed, leading to higher or lower depreciation amounts. The estimate of residual value is updated mainly based on the expected sale price of the leased vehicle and the expected return rate. Assessment of updated vehicle residual values is affected by many factors, including, but not limited to, sales results for used cars, trends in returns of leased vehicles, new vehicle sales trends, supplies of used cars, customer preferences, marketing strategies, and general economic conditions. Leased vehicles may be impaired if used car market prices fall and impairment indicators exist and their recoverable amount is less than book value.

5. Expenses for market measures such as recalls

(1) Amount recorded in the consolidated financial statements for the current fiscal year

Service cost recorded in the consolidated statement of income for the current fiscal year is ¥29,829 million.

(2) Details of significant accounting estimates related to the identified items

The amount of estimated expenses for market measures, such as recalls, is recognized as accrued expenses other than accrued warranty costs when market measures based on notifications to government authorities are deemed to be necessary. In estimating expenses, the estimated accrual is calculated based on the number of applicable models on the markets, the expected implementation rates of market measures, the cost of market measures and other costs per unit. The expected implementation rates of market measures are estimated based on historical results by sales region, brand, and age of product portfolio.

The Company checks trends in market measures every quarter, and additional accrued expenses may be recorded or reversed if actual accruals differ from estimates due to an unexpected increase or decrease in the number of market measures.

(Accounting standards to be adopted)

Domestic companies

“*Accounting Standard for Leases*” (Accounting Standards Board of Japan (ASBJ) Statement No. 34, September 13, 2024) and “*Implementation Guidance on Accounting Standard for Leases*” (ASBJ Guidance No. 33, September 13, 2024)

In addition, amendments to related Accounting Standards, Implementation Guidance, Practical Solutions, and Transferred Guidance

(1) Overview

The aforementioned standard and guidance set forth treatment whereby lessees recognize all leases as assets and liabilities, etc. consistent with international accounting standards.

(2) Scheduled date of adoption

To be applied from the fiscal year ending March 31, 2028.

(3) Effect of adoption

The effect of adoption of the aforementioned standard and guidance on the Company’s consolidated financial statements is under evaluation.

(Changes in presentation)

1. Consolidated statement of income

“Credit liquidation costs,” which was included in “Miscellaneous expenses” under “Non-operating expenses” in the prior fiscal year, has been presented as a separate account in the current fiscal year due to its increased financial materiality.

To reflect this change, ¥17,525 million in “Miscellaneous expenses” under “Non-operating expenses” in the prior fiscal year has been reclassified into “Credit liquidation costs” in the consolidated statement of income for the prior fiscal year provided herein.

(For consolidated balance sheets)

1 ※1 Accumulated depreciation of property, plant and equipment

(Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Accumulated depreciation of property, plant and equipment	6,459,541	6,376,194
(Accumulated depreciation of leased assets included)	148,534	155,286

2 ※2 “Machinery, equipment and vehicles, net” includes the following assets leased to others under lease agreements.

(Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Assets leased to others under lease agreements (lessor)	2,269,347	2,253,545

3 ※3 Assets pledged as collateral and liabilities secured by the collateral

(1) Assets pledged as collateral

(Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Sales finance receivables	2,530,298	2,881,158
	(2,530,298)	(2,881,158)
Machinery, equipment and vehicles, net	1,206,548	1,498,625
	(1,206,548)	(1,498,625)
	174	186
Other in Investments and other assets	(174)	(186)
Total	3,737,020	4,379,969

(2) Liabilities secured by the above collateral

(Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Short-term borrowings	636,859	716,305
	(636,859)	(716,305)
Long-term borrowings (including the current portion)	1,498,427	2,031,481
	(1,498,427)	(2,031,481)
Total	2,135,286	2,747,786

The above figures in parentheses represent the values of assets pledged as collateral and liabilities secured by the collateral that correspond to nonrecourse debts.

4 Guarantees and others

Prior fiscal year (As of March 31, 2024)

Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	(*1) 9,797	Guarantees for employees' housing loans and others
1 foreign rental car company	(*2) 341	Guarantees for loans and others
Total	10,138	

(*1) Allowance for doubtful accounts is provided for these loans mainly based on past experience.

(*2) The guarantee balance of ¥341 million is the guarantees made by a foreign subsidiary to a financial institution that financed vehicles sold to a foreign rental car company. If the foreign rental car company defaults on its obligations, the foreign subsidiary needs to compensate the financial institution for the contractual repurchase price and take possession of the vehicles. The amount stated does not consider monetary amounts the foreign subsidiary could potentially recover from subsequently selling the repossessed vehicles.

Current fiscal year (As of March 31, 2025)

Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	(*1) 7,782	Guarantees for employees' housing loans and others

(*1) Allowance for doubtful accounts is provided for these loans mainly based on past experience.

5 Contingent liabilities

· Lawsuits related to misstatements in Annual Securities Reports (“Yukashoken-Houkokusho”)

As a consequence of misstatements in Annual Securities Reports for each fiscal year in the past, there are some ongoing domestic and foreign lawsuits.

The consolidated financial results may be affected by the progress of legal proceedings.

6 ※4 “Intangible fixed assets” include goodwill. (Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Goodwill	7,018	6,356

7 ※5 Investments in unconsolidated subsidiaries and affiliates (Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Investments in stock of unconsolidated subsidiaries and affiliates	1,316,754	1,374,093
(Investments in stock of joint ventures included)	580,368	617,921

8 ※6 “Sales finance receivables” and “Other current assets” include lease receivables and lease investment assets.

(Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Lease receivables	32,513	25,169
Lease investment assets	222,612	171,137

9 The amount of unused balances of overdrafts and loan commitment agreements entered into by consolidated subsidiaries are as follows.

(Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Total credit lines of overdrafts and loans	539,338	510,264
Loans receivable outstanding	296,427	309,838
Unused credit lines	242,911	200,426

Since many of these facilities expire without being utilized and the related borrowings are sometimes subject to a review of the borrowers’ credibility, any unused amount will not necessarily be utilized at the full amount.

10 ※7 Receivables from contracts with customers, contract assets, and contract liabilities arising are not separately presented.

For details, please refer to “Notes to Consolidated Financial Statements (Revenue recognition), 3. Information to understand the amount of revenue in the current and subsequent fiscal years (1) Contract assets and contract liabilities” in the consolidated financial statements.

(For consolidated statement of income)

1 ※1 Revenue from contracts with customers

With regard to net sales, revenue from contracts with customers and revenue from the other sources are not separately presented. For details, please refer to “Notes to Consolidated Financial Statements (Revenue recognition), 1. Information about breakdown of revenue from contracts with customers” in the consolidated financial statements.

2 ※2 Total research and development costs (Millions of yen)

	Prior fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Research and development costs included in manufacturing costs and selling, general and administrative expenses	609,927	619,021

- 3 ※3 The ending inventory balance represents amounts after write-down of book value when carrying amounts become unrecoverable, and the write-down amounts (after offsetting the reversal of the prior fiscal year's write-down) are as follows.

	(Millions of yen)	
	Prior fiscal year (From April 1, 2023 To March 31, 2024)	Current fiscal year (From April 1, 2024 To March 31, 2025)
Cost of sales	23,163	(8,028)
Special losses (Other)	—	7,612

- 4 ※4 Gain on sales of fixed assets

Prior fiscal year (From April 1, 2023 to March 31, 2024)

Gain on sales of fixed assets primarily consisted of a gain on sale of machinery, equipment and vehicles of ¥15,079 million.

Current fiscal year (From April 1, 2024 to March 31, 2025)

Gain on sales of fixed assets primarily consisted of a gain on sale of land of ¥10,726 million and a gain on sale of machinery, equipment and vehicles of ¥9,129 million.

- 5 ※5 Loss on sales of fixed assets

Prior fiscal year (From April 1, 2023 to March 31, 2024)

Loss on sales of fixed assets primarily consisted of a loss on sale of machinery, equipment and vehicles of ¥4,723 million.

Current fiscal year (From April 1, 2024 to March 31, 2025)

Loss on sales of fixed assets primarily consisted of a loss on sale of machinery, equipment and vehicles of ¥11,669 million.

- 6 ※6 Impairment loss

Prior fiscal year (From April 1, 2023 to March 31, 2024)

The Group assesses fixed asset impairment losses based on its business segments (automobiles and sales financing) and regional groupings that are based on business interdependencies. In the current fiscal year, the groupings were partially revised based on the change in the governance structure and the current inter-regional relationships.

As a result of current fiscal year impairment testing for asset groups where there were impairment indicators like continuous operating losses, the book value of automobile segment business assets were written down to their recoverable amount and an impairment loss of ¥53,644 million was recorded as a special loss. The recoverable amount of the asset group was based on value in use, which was calculated by discounting future cash flows at a discount rate of 15%.

Usage	Type	Location	Amount (Millions of yen)
Business-use assets	Buildings and structures, machinery, equipment and vehicles and others	Asia	53,644

The Group determines whether an individual asset is impaired if the asset is considered idle or if it is to be disposed of. Impairment losses were recognized on the following assets.

Usage	Type	Location	Amount (Millions of yen)
Idle assets	Machinery, equipment and vehicles, Construction in progress and others	Japan, Europe, Asia (15 locations total)	3,884
Assets to be disposed of	Land, Buildings and structures and others	Japan (14 locations total)	1,444

The Group recognized an impairment loss on idle assets and assets to be disposed of by reducing their net book value to the asset's respective recoverable value of each asset. These losses amounted to ¥5,328 million and were recorded as special losses in the accompanying consolidated statement of income. These impairment losses consisted of losses of ¥3,884 million on idle assets (machinery,

equipment and vehicles of ¥3,015 million, construction in progress of ¥475 million, and others of ¥394 million), and losses of ¥1,444 million on assets to be disposed of (land of ¥1,050 million, buildings and structures of ¥238 million, and others of ¥156 million).

The recoverable value of these assets was measured primarily at net realizable value. Idle assets and assets to be disposed of were evaluated based on appraisal values calculated in accordance with real estate appraisal standards, while those that were difficult to convert to other uses or sell were assessed at zero.

Current fiscal year (From April 1, 2024 to March 31, 2025)

The Group assesses fixed asset impairment losses based on various criteria, including business segments (automobiles and sales financing) and regional groupings that reflect business interdependencies. In the current fiscal year, the groupings were partially revised based on the change in the complementary relationships. For certain areas of business, we have established individual asset groupings that better reflects future profitability of those assets by separating them from other CGUs. In response to the significant updated future plan reflecting our current severe challenges and a competitive industry, the Group conducted impairment testing for asset groups for which there were indicators of impairment at the end of current consolidated fiscal year.

As a result of that analysis, the book value of automobile segment business assets and sales finance business assets were written down to their recoverable amount and an impairment loss of ¥464,367 million and ¥2,686 million were recorded as a special loss.

For North America, the recoverable amount is measured by the value in use, which is calculated by discounting future cash flows at discount rate of 10.23%. For South America, Europe and Japan, the recoverable amount is measured by net realizable value, which is calculated based on the real estate appraisal value, etc.

Usage	Type	Location	Amount (Millions of yen)
Business-use assets	Machinery, equipment and vehicles and others	North America	237,558
Business-use assets	Machinery, equipment and vehicles and others	South America	24,642
Business-use assets	Machinery, equipment and vehicles and others	Europe	138,771
Business-use assets	Machinery, equipment and vehicles and others	Japan	66,082
		Total	467,053

The Group determines whether an individual asset is impaired if the asset is considered idle or if it is to be disposed of. Impairment losses were recognized on the following assets.

Usage	Type	Location	Amount (Millions of yen)
Idle assets	Machinery, equipment and vehicles, Construction in progress and others	Japan, North America, Asia and Other overseas countries (27 locations total)	6,958
Assets to be sold	Land, Buildings and structures	Japan (24 locations total)	1,765
Assets to be disposed of	Machinery, equipment and vehicles, Buildings and structures and others	Japan and Other overseas countries (11 locations total)	19,159

The Group recognized an impairment loss on idle assets and assets to be disposed of by reducing their net book value to the asset's respective recoverable value of each asset. These losses amounted to ¥27,882 million and were recorded as special losses in the accompanying consolidated statement of income. These impairment losses consisted of losses of ¥6,958 million on idle assets (machinery, equipment and vehicles of ¥1,918 million, construction in progress of ¥3,620 million, and others of ¥1,420 million), losses of ¥1,765 million on assets to be sold (land of ¥1,656 million, and buildings and structures of ¥109 million), and losses of ¥19,159 million on assets to be disposed of (machinery, equipment and vehicles of ¥4,310 million, buildings and structures of ¥3,101 million, property, plant and equipment (other) of ¥11,136 million, and others of ¥612 million).

The recoverable value of these assets was measured primarily at net realizable value. Idle assets and assets to be disposed of were evaluated based on appraisal values calculated in accordance with real estate appraisal standards, while those that were difficult to convert to other uses or sell were assessed at zero. Assets to be sold were evaluated based on sales contracts.

7 ※7 Income taxes for global minimum tax

Amount of income taxes - current pertaining to global minimum tax

	(Millions of yen)	
	Prior fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
	—	8,718

(For consolidated statements of comprehensive income)

※1 Reclassification adjustments and income taxes and tax effects concerning other comprehensive income

	(Millions of yen)	
	Prior fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Unrealized holding gain and loss on securities:		
Amount arising during the period	(752)	(1,795)
Reclassification adjustments for gains and losses realized in net income	—	—
Before income taxes and tax-effect adjustment	(752)	(1,795)
Amount of income taxes and tax effects	51	194
Unrealized holding gain and loss on securities	(701)	(1,601)
Unrealized gain and loss from hedging instruments:		
Amount arising during the period	(69,774)	33,882
Reclassification adjustments for gains and losses realized in net income	103,115	(54,832)
Adjustments of acquisition cost for assets	984	(220)
Before income taxes and tax-effect adjustment	34,325	(21,170)
Amount of income taxes and tax effects	(9,889)	4,945
Unrealized gain and loss from hedging instruments	24,436	(16,225)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting:		
Amount arising during the period	(46,890)	(17,912)
Reclassification adjustments for gains and losses realized in net income	—	—
Before income taxes and tax-effect adjustment	(46,890)	(17,912)
Amount of income taxes and tax effects	—	—
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(46,890)	(17,912)
Translation adjustments:		
Amount arising during the period	459,782	(148,291)
Reclassification adjustments for gains and losses realized in net income	(262)	—
Before income taxes and tax-effect adjustment	459,520	(148,291)
Amount of income taxes and tax effects	—	129
Translation adjustments	459,520	(148,162)
Remeasurements of defined benefit plans:		
Amount arising during the period	110,933	(15,957)
Reclassification adjustments for gains and losses realized in net income	(9,916)	(10,097)
Before income taxes and tax-effect adjustment	101,017	(26,054)
Amount of income taxes and tax effects	(31,572)	(2,328)
Remeasurements of defined benefit plans	69,445	(28,382)
The amount related to equity method companies		
Amount arising during the period	86,174	48,992
Reclassification adjustments for gains and losses realized in net income	688	1,773
Before income taxes and tax-effect adjustment	86,862	50,765
Amount of income taxes and tax effects	—	—
The amount related to equity method companies	86,862	50,765
Total other comprehensive income	592,672	(161,517)

(For consolidated statement of changes in net assets)

Prior fiscal year (From April 1, 2023 to March 31, 2024)

1. Shares issued and outstanding / Treasury stock

(Thousands of shares)				
Type of shares	At the beginning of current fiscal year	Increase	Decrease	At the end of current fiscal year
Shares issued: Common stock (Notes 1)	4,220,715	—	(211,000)	4,009,715
Treasury stock: Common stock (Notes 2)	303,359	212,583	(246,430)	269,512

Notes: 1. Details of the decrease are as follows: (Thousands of shares)

Decrease due to cancellation of treasury stock 211,000

2. Details of the increase are as follows:

Increase due to purchase of treasury stock 211,000

Increase in stocks held by affiliates accounted for by the equity method 1,579

Increase due to purchase of stocks of less than a standard unit 4

Details of the decrease are as follows:

Decrease due to cancellation of treasury stock 211,000

Decrease due to disposal of treasury stock under the Restricted Stock Unit (RSU) program 3,166

Decrease in stocks held by affiliates accounted for by the equity method 32,264

2. Share subscription rights

Company	Description	Type of shares to be issued	Number of shares to be issued (Thousands)				Balance at the end of current fiscal year (Millions of yen)
			At the beginning of current fiscal year	Increase	Decrease	At the end of current fiscal year	
Parent company	—	—	—				—
Consolidated subsidiaries	Subscription rights as stock options	—	—				304
Total			—				304

3. Dividends

(1) Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Annual general meeting of the shareholders on June 27, 2023	Common stock	39,174	10	March 31, 2023	June 28, 2023
Meeting of the Board of Directors on November 9, 2023	Common stock	19,586	5	September 30, 2023	November 29, 2023

Note: Total dividends were obtained by deducting the amount corresponding to the equity of Renault shares held by the Company.

(2) Dividends, for which the record date was in the year ended March 31, 2024 and the effective date of which is in the year ending March 31, 2025

Resolution	Type of shares	Total dividends (Millions of yen)	Source of dividends	Dividends per share (Yen)	Record date	Effective date
Annual general meeting of the shareholders on June 25, 2024	Common stock	56,104	Retained earnings	15	March 31, 2024	June 26, 2024

Note: Total dividends were obtained by deducting the amount corresponding to the equity of Renault shares held by the Company.

Current fiscal year (From April 1, 2024 to March 31, 2025)

1. Shares issued and outstanding / Treasury stock

(Thousands of shares)

Type of shares	At the beginning of current fiscal year	Increase	Decrease	At the end of current fiscal year
Shares issued: Common stock (Notes 1)	4,009,715	—	(295,717)	3,713,999
Treasury stock: Common stock (Notes 2)	269,512	296,300	(344,085)	221,727

Notes: 1. Details of the decrease are as follows: (Thousands of shares)

Decrease due to cancellation of treasury stock 295,717

2. Details of the increase are as follows:

Increase due to purchase of treasury stock 295,717

Increase in stocks held by affiliates accounted for by the equity method 581

Increase due to purchase of stocks of less than a standard unit 3

Details of the decrease are as follows:

Decrease due to cancellation of treasury stock 295,717

Decrease due to disposal of treasury stock under the Restricted Stock

Unit (RSU) program 3,208

Decrease in stocks held by affiliates accounted for by the equity method 45,161

2. Share subscription rights

Company	Description	Type of shares to be issued	Number of shares to be issued (Thousands)				Balance at the end of current fiscal year (Millions of yen)
			At the beginning of current fiscal year	Increase	Decrease	At the end of current fiscal year	
Parent company	—	—	—	—	—	—	
Consolidated subsidiaries	Subscription rights as stock options	—	—	—	—	299	
Total						—	299

3. Dividends

(1) Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Annual general meeting of the shareholders on June 25, 2024	Common stock	56,104	15	March 31, 2024	June 26, 2024

Note: Total dividends were obtained by deducting the amount corresponding to the equity of Renault shares held by the Company.

(2) Dividends, for which the record date was in the year ended March 31, 2025 and the effective date of which is in the year ending March 31, 2026

Not applicable

(For consolidated statements of cash flows)

1 ※1 Cash and cash equivalents as of the end of the fiscal year are reconciled to the accounts reported in the consolidated balance sheets as follows.

(Millions of yen)

	Prior fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Cash on hand and in banks	1,896,401	1,961,513
Time deposits with maturities of more than three months	(200)	—
Cash equivalents included in securities (*)	230,005	236,000
Cash and cash equivalents	2,126,206	2,197,513

*These represent short-term, highly liquid investments readily convertible into cash held by foreign subsidiaries.

(For lease transactions)

1. Finance lease transactions

(Lessees)

(1) Leased assets

Leased assets primarily consist of dies and buildings.

(2) Depreciation method for leased assets

Depreciation of leased assets (including right-of-use assets) is calculated by the straight-line method based on either the estimated useful lives or the lease terms and the estimated residual value determined by the Company.

(Lessors)

(1) Breakdown of lease investment assets

(Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Lease income receivable	237,174	193,225
Estimated residual value	2,262	1,828
Interest income equivalent	(16,824)	(23,916)
Lease investment assets	222,612	171,137

(2) Expected amounts of collection from lease income receivable concerning lease receivables and lease investment assets after the balance sheet date

Prior fiscal year (As of March 31, 2024)

(Millions of yen)

	Lease receivables	Lease investment assets
Due within one year	21,958	136,865
Due after one year but within two years	8,753	66,120
Due after two years but within three years	385	18,338
Due after three years but within four years	219	10,497
Due after four years but within five years	105	4,876
Due after five years	74	478

Current fiscal year (As of March 31, 2025)

(Millions of yen)

	Lease receivables	Lease investment assets
Due within one year	15,594	100,208
Due after one year but within two years	7,010	38,848
Due after two years but within three years	518	26,877
Due after three years but within four years	282	17,306
Due after four years but within five years	67	9,470
Due after five years	137	516

2. Operating lease transactions

(Lessees)

Future minimum lease payments subsequent to March 31, 2024 and March 31, 2025 are summarized as follows.

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Due in one year or less	1,363	1,255
Due after one year	7,965	8,396
Total	9,328	9,651

Note: At foreign subsidiaries, IFRS 16, "Leases" (January 13, 2016) and ASU 2016-02 "Leases" (February 25, 2016) have been adopted. The operating leases of these foreign subsidiaries are not included in amounts of above table.

(Lessors)

Future minimum lease income subsequent to March 31, 2024 and March 31, 2025 is summarized as follows.

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Due in one year or less	369,403	409,613
Due after one year	266,857	435,823
Total	636,260	845,436

(For financial instruments)

1. Financial Instruments

(1) Policies on financial instruments

The Group's cash is managed mainly through short-term deposits and short-term investments with insignificant risk for the purpose of efficient cash management at appropriate risk.

The financing has been diversified, such as bank loans, bond issues, commercial paper issues and securitization of assets, to reduce the exposure to liquidity risk.

The Group utilizes derivative financial instruments based on the internal "Policies and Procedures for Risk Management" mainly for the purposes of hedging its exposure to adverse fluctuations in foreign currency exchange rates on receivables and payables denominated in foreign currencies, interest rates on interest-bearing debt and market prices on commodity, but does not enter into such transactions for speculative purposes.

The sales finance business provides financial services to retail customers, such as auto loans and leases, and inventory financing, working capital loans, etc. to our dealers. Strict credit underwriting policies are followed before loans are advanced to the customers and dealers.

(2) Description of financial instruments and related risks

① Trade notes and accounts receivable

The Group holds trade notes and accounts receivable as consideration for sales of products and collects such receivables in accordance with the terms and conditions of relevant sales agreements. The relevant trade notes and accounts receivable are exposed to the credit risk of the respective customers. Those denominated in foreign currencies are exposed to fluctuations in foreign currency exchange rates.

② Sales finance receivables

Sales finance receivables consist of auto loans and leases to retail customers, and credit exposures to dealers comprised of inventory financing and working capital loans, etc. Sales finance receivables are exposed to credit risk of the respective customers.

③ Securities and investment securities

Securities and investment securities held by the Group are mainly unlisted foreign investment trusts and investment securities in affiliates. Investment securities in affiliates are exposed to the risk of fluctuations in their market prices.

④ Trade notes and accounts payable

The Group holds trade notes and accounts payable as liabilities with various payment dates based on the payment conditions from purchasing diverse parts, materials and services, required for development, manufacture and sale of products. As its procurement activities are operated in various regions and countries, the relevant trade notes and accounts payable are exposed to fluctuations in foreign currency exchange rates.

- ⑤ Borrowings, bonds and lease obligations
The Group conducts diverse financing activities for the purpose of fund procurements for working capital, investments in equipment and businesses, sales financing and so forth. As part of such financing uses floating rates, the relevant borrowings, bonds and lease obligations are exposed to the risk of interest rate fluctuations. The Group is also exposed to liquidity risk in that the necessary funds for business operations may not be ensured with rapid changes in the procurement environment.
- ⑥ Derivative transactions
 - (1) Forward foreign exchange contracts
Forward foreign exchange contracts are used to hedge against the adverse impact of fluctuations in foreign currency exchange rates on foreign currency denominated receivables and payables arising from importing and exporting products and others.
 - (2) Currency options
In the same manner as forward foreign exchange contracts, currency options are used to hedge against the adverse impact of fluctuations in foreign currency exchange rates on foreign currency denominated receivables and payables.
 - (3) Interest rate swaps
Interest rate swaps are used primarily to hedge against the adverse impact of fluctuations in interest rates on interest-bearing debt.
 - (4) Currency swaps
Currency swaps are used to hedge against the adverse impact of fluctuations in foreign currency exchange rates and interest rates on foreign currency denominated receivables and payables.
 - (5) Interest rate options
Interest rate options are used primarily to hedge against the adverse impact of fluctuations in interest rates on interest-bearing debt.
 - (6) Commodity swaps
Commodity swaps contracts are used primarily to hedge against the adverse impact of fluctuations in the market prices of precious metals (used as the catalyst for the emission gas purifier of automobiles) and base metals (raw materials for automobile productions).

For hedging instruments, hedged items, hedging policy and assessment of hedge effectiveness, refer to “(7) Hedge accounting method” under “4. Significant accounting policies.”

(3) Risks relating to financial instruments and the management system thereof

- ① Management of market risk
Although derivative transactions are used for the purpose of hedging risks on the assets and liabilities recorded in the consolidated balance sheets, there remains the risk of foreign currency exchange fluctuations on currency transactions, the risk of interest rate fluctuations on interest rate transactions and the risk of market price fluctuations on commodity transactions. All the derivative transactions of the Group are carried out pursuant to the internal risk management rules, which stipulate the Group’s basic policies for derivative transactions, management policies, management items, trading procedures, criteria for the selection of counterparties, the reporting system and so forth. The Group’s financial market risk is controlled by the Company in a centralized manner, and it is stipulated that no individual subsidiary can initiate a hedge transaction such as derivative transactions without the prior approval of and regular reporting back to the Company. The basic policy on the acquisition of derivative transactions is subject to the approval of the Chief Financial Officer after discussing with the treasury group. The execution and management of all transactions are to be conducted in accordance with the aforementioned risk management rules pursuant to the decisions made at those meetings. Derivative transactions are conducted by a special section of the Treasury Department, and the verification of the relevant trade agreements and the monitoring of position balances are the responsibility of the Risk Management Section. Commodity swaps are conducted by the Treasury Department in accordance with the acquisition policy determined by the corporate officer in charge of the Purchasing Department and the Chief Financial Officer.
The status of derivative transactions is reported to the Chief Financial Officer on a regular basis and to the Executive Committee as a general rule.
- ② Management of credit risk
The Group does business with a variety of local counterparties including sales companies in many regions around the world. The Group has established transaction terms and conditions for operating receivables in Japan and overseas based on credit assessment criteria to take appropriate and effective measures for the protection of such receivables, using bank letters of credit and transactions with advance payments.
As for financial transactions including bank deposits, short-term investments and derivatives, the Group is exposed to the risk that a counterparty could default on their obligations and jeopardize future profits. We believe that this risk is insignificant as the Group enters into such transactions only with financial institutions that have a sound credit profile.

Therefore, we believe that the risk to incur losses from a counterparty financial institution's default is low. Credit risk is managed by using its own evaluation methods based on external credit ratings and other analyses. The Treasury Department sets a maximum upper limit on positions with each of the counterparties and monitors the balances of open positions.

In addition to financial institutions, the Group also enters into derivative transactions with Renault Finance S.A. ("RF"), a specialized financial subsidiary of the Renault Group. RF enters into derivative transactions to cover such derivative transactions with the Group only with financial institutions of the highest caliber carefully selected by RF based on its own rating techniques.

In sales finance, credit risk is managed through a risk framework that sets out policies, procedures, measurements and regular reviews across the full life cycle of a financial product from underwriting to collections and write-off.

③ Management of liquidity risk related to financing

The Company endeavors to raise funds from appropriate sources with reinforced measures such as an accumulation of cash reserves and the utilization of loan commitment agreements so that the Group can ensure an appropriate level of liquidity even if any significant environmental change takes place in the financial market and in the event of downgrade of Nissan's credit rating by Japanese and international rating agencies. However, this factor could entail a greater-than- anticipated level of risk that might hinder the smooth execution of the initially planned financing, thereby having a significant effect on the Group's financial position and business performance. The Group secures the appropriate liquidity of funds in its automobile business in accordance with the management rule on liquidity risk by taking into account the future repayment schedule of borrowings, the future demand for working capital and other fund requirements. In sales finance, liquidity risk is managed through a thorough focus on Asset Liability Management, which includes proper match of maturity in asset and liability.

(4) Supplemental explanation on the fair value of financial instruments

① The fair value and unrealized gain or loss on derivative transactions are estimates that are considered appropriate based on the market at the balance sheet date and, thus, the fair value is not necessarily indicative of the actual amounts that might be realized or settled in the future.

② The notional amounts of the swaps are not a direct measure of the Company's risk exposure in connection with its swap transactions.

2. Fair Value of Financial Instruments

The following tables indicate the amount recorded in the consolidated balance sheets, the fair value and the difference as of March 31, 2024 and March 31, 2025 for various financial instruments.

Prior fiscal year (As of March 31, 2024)

(Millions of yen)

	Amount recorded in the consolidated balance sheets	Fair value	Difference
(1) Sales finance receivables (*2)	7,380,061		
Allowance for doubtful accounts (*3)	(137,304)		
Subtotal (*4)	7,242,757	7,115,098	(127,659)
(2) Investment securities (*5)	727,594	623,190	(104,404)
(3) Long-term loans receivable	12,229		
Allowance for doubtful accounts (*3)	(2,568)		
Subtotal	9,661	9,761	100
Total assets	7,980,012	7,748,049	(231,963)
(1) Bonds (*6)	2,590,248	2,489,106	101,142
(2) Long-term borrowings (*7)	4,143,367	4,146,764	(3,397)
(3) Lease obligations (*7)	137,250	136,143	1,107
Total liabilities	6,870,865	6,772,013	98,852
Derivative transactions (*8)	30,522	30,522	—

(*1) Cash on hand and in banks, trade notes and accounts receivable, and contract assets, securities, trade notes and accounts payable, short-term borrowings and commercial papers are omitted because they are cash or are settled within a short time and fair value is almost equal to the book value.

(*2) The amount recorded in the consolidated balance sheets for sales finance receivables is presented with the amount after deducting ¥38,139 million of deferred installments income and others.

(*3) The allowance for doubtful accounts, which is individually recorded as part of sales finance receivables and long-term loans receivable, is deducted.

(*4) The difference between the amount recorded in the consolidated balance sheets and the fair value is mainly due to the discount rate.

(*5) Unlisted stocks and investments in limited liability partnerships are not included in (2) Investment securities. The amounts of financial instruments recorded in the consolidated balance sheets are as follows.

(Millions of yen)

Classification	Prior fiscal year
Unlisted stocks	648,115
Limited liability partnership	3,369

(*6) Bonds include the current portion of bonds under current liabilities. The difference between the amount recorded in the consolidated balance sheets and the fair value is mainly due to the market interest rates.

(*7) Long-term borrowings and lease obligations include the current portion of long-term borrowings and lease obligations under current liabilities.

(*8) Net receivables and payables, which were derived from derivative transactions, are presented in this footnotes as netted amounts, and any item for which the total becomes a net liability is indicated in parentheses.

Current fiscal year (As of March 31, 2025)

(Millions of yen)

	Amount recorded in the consolidated balance sheets	Fair value	Difference
(1) Sales finance receivables (*2)	7,199,338		
Allowance for doubtful accounts (*3)	(137,347)		
Subtotal (*4)	7,061,991	7,000,705	(61,286)
(2) Investment securities (*5)	731,108	493,660	(237,448)
(3) Long-term loans receivable	11,191		
Allowance for doubtful accounts (*3)	(1,904)		
Subtotal	9,287	9,287	—
Total assets	7,802,386	7,503,652	(298,734)
(1) Bonds (*6)	2,479,737	2,415,857	63,880
(2) Long-term borrowings (*7)	4,543,047	4,505,533	37,514
(3) Lease obligations (*7)	114,230	112,804	1,426
Total liabilities	7,137,014	7,034,194	102,820
Derivative transactions (*8)	14,988	14,988	—

(*1) Cash on hand and in banks, trade notes and accounts receivable, and contract assets, securities, trade notes and accounts payable, short-term borrowings and commercial papers are omitted because they are cash or are settled within a short time and fair value is almost equal to the book value.

(*2) The amount recorded in the consolidated balance sheets for sales finance receivables is presented with the amount after deducting ¥39,763 million of deferred installments income and others.

(*3) The allowance for doubtful accounts, which is individually recorded as part of sales finance receivables and long-term loans receivable, is deducted.

(*4) The difference between the amount recorded in the consolidated balance sheets and the fair value is mainly due to the discount rate.

(*5) Unlisted stocks and investments in limited liability partnerships are not included in (2) Investment securities. The amounts of financial instruments recorded in the consolidated balance sheets are as follows.

(Millions of yen)

Classification	Current fiscal year
Unlisted stocks	695,749
Limited liability partnership	1,784

(*6) Bonds include the current portion of bonds under current liabilities.

(*7) Long-term borrowings and lease obligations include the current portion of long-term borrowings and lease obligations under current liabilities.

(*8) Net receivables and payables, which were derived from derivative transactions, are presented in this footnotes as netted amounts, and any item for which the total becomes a net liability is indicated in parentheses.

(Note 1) Redemption schedule after the balance sheet date for monetary receivables and securities with maturity dates

Prior fiscal year (As of March 31, 2024)

(Millions of yen)

	Due within one year	Due after one year but within five years	Due after five years but within ten years	Due after ten years
Cash on hand and in banks	1,896,401	—	—	—
Trade notes and accounts receivable, and contract assets	635,329	—	—	—
Sales finance receivables (*1)	3,090,307	4,093,835	195,914	5
Securities and investment securities				
Held-to maturity securities	5,739	13,451	—	—
Long-term loans receivable	106	11,063	826	234
Total	5,627,882	4,118,349	196,740	239

(*1) The amount of sales finance receivables is presented with the amount after deducting ¥38,139 million of deferred installment income and others.

Current fiscal year (As of March 31, 2025)

(Millions of yen)

	Due within one year	Due after one year but within five years	Due after five years but within ten years	Due after ten years
Cash on hand and in banks	1,961,513	—	—	—
Trade notes and accounts receivable, and contract assets	577,877	—	—	—
Sales finance receivables (*1)	3,090,897	3,929,740	178,698	3
Long-term loans receivable	1,542	8,125	1,299	225
Total	5,631,829	3,937,865	179,997	228

(*1) The amount of sales finance receivables is presented with the amount after deducting ¥39,763 million of deferred installment income and others.

(Note 2) Redemption schedule after the balance sheet date for bonds, long-term borrowings, lease obligations and other interest-bearing debt

Prior fiscal year (As of March 31, 2024)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years
Short-term borrowings	837,266	—	—	—	—	—
Commercial papers	103,262	—	—	—	—	—
Bonds	239,032	779,439	392,600	479,348	321,304	378,525
Long-term borrowings	1,221,739	1,319,299	902,697	368,119	263,137	68,376
Lease obligations	46,784	36,652	17,479	12,139	7,425	16,771
Total	2,448,083	2,135,390	1,312,776	859,606	591,866	463,672

Current fiscal year (As of March 31, 2025)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years
Short-term borrowings	876,104	—	—	—	—	—
Commercial papers	86,743	—	—	—	—	—
Bonds	771,205	393,315	578,135	318,474	44,808	373,800
Long-term borrowings	1,881,691	1,341,616	866,121	355,568	96,362	1,689
Lease obligations	44,400	26,679	15,016	9,524	6,102	12,509
Total	3,660,143	1,761,610	1,459,272	683,566	147,272	387,998

3. Fair Value of Financial Instruments by levels

The fair value of financial instruments is classified into the following three levels based on the observability and materiality of the inputs used to calculate fair value.

Level 1: Fair value derived from quoted prices in active markets for identical assets or liabilities.

Level 2: Fair value derived from observable inputs that are not included in Level 1 inputs.

Level 3: Fair value derived from unobservable inputs.

When multiple inputs that have a significant impact on the fair value calculation are used, the fair value is classified at a lower-level category.

(1) Financial instruments measured at fair value

Prior fiscal year (As of March 31, 2024)

(Millions of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Other securities				
Stock	1,770	—	—	1,770
Total assets	1,770	—	—	1,770
Derivative transactions (*1)	—	30,522	—	30,522
Currency-related transactions	—	9,532	—	9,532
Interest-related transactions	—	20,784	—	20,784
Commodity-related transactions	—	206	—	206

(*1) Net receivables and payables, which were derived from derivative transactions, are presented in net amounts in this footnote as netted, and any item for which the total becomes a net liability is indicated in parentheses.

Current fiscal year (As of March 31, 2025)

(Millions of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Other securities				
Stock	1,142	—	—	1,142
Total assets	1,142	—	—	1,142
Derivative transactions (*1)	—	14,988	—	14,988
Currency-related transactions	—	20,129	—	20,129
Interest-related transactions	—	(5,259)	—	(5,259)
Commodity-related transactions	—	118	—	118

(*1) Net receivables and payables, which were derived from derivative transactions, are presented in net amounts in this footnote as netted, and any item for which the total becomes a net liability is indicated in parentheses.

(2) Financial instruments other than those measured at fair value

Prior fiscal year (As of March 31, 2024)

(Millions of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
(1) Sales finance receivables	—	—	7,115,098	7,115,098
(2) Investment securities				
Held-to maturity securities	—	12,768	—	12,768
Other securities				
Stock	608,652	—	—	608,652
(3) Long-term loans receivable	—	—	9,761	9,761
Total assets	608,652	12,768	7,124,859	7,746,279
(1) Bonds	—	2,489,106	—	2,489,106
(2) Long-term borrowings	—	4,146,764	—	4,146,764
(3) Lease obligations	—	136,143	—	136,143
Total liabilities	—	6,772,013	—	6,772,013

Current fiscal year (As of March 31, 2025)

(Millions of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
(1) Sales finance receivables	—	—	7,000,705	7,000,705
(2) Investment securities				
Other securities				
Stock	492,518	—	—	492,518
(3) Long-term loans receivable	—	—	9,287	9,287
Total assets	492,518	—	7,009,992	7,502,510
(1) Bonds	—	2,415,857	—	2,415,857
(2) Long-term borrowings	—	4,505,533	—	4,505,533
(3) Lease obligations	—	112,804	—	112,804
Total liabilities	—	7,034,194	—	7,034,194

(Note) Valuation techniques and inputs are as follows:

Investment securities

Fair value of listed stocks is based on the prices on the stock exchange. They are classified in Level 1, because they are traded in an active market. Fair value of held-to-maturity securities are classified in Level 2, because they are not frequently traded in the market and are not considered quoted prices in an active market.

Derivative transactions

Calculation of fair value is based on quoted prices obtained from third parties or based on discounted cash flows with observable inputs such as interest rates and foreign exchange rates and is classified as Level 2 fair value.

Sales finance receivables

Fair value is calculated based on the discounted cash flows by collection period, using discount rates reflecting maturity and credit risk and is classified as Level 3 fair value.

Long-term loans receivable

Fair value is calculated based on the discounted cash flows of each individual loan, using discount rate which would be applicable for similar new loans and is classified as Level 3 fair value.

Bonds

Fair value of marketable bonds is based on the market prices, and that of non-marketable bonds is based on the present value estimated by discounting the total principal and interest, using discount rates reflecting the remaining term and credit risk observable in the market and is classified as Level 2 fair value.

Long-term borrowings and lease obligations

Fair value is calculated based on the present value estimated by discounting the total principal and interest, using discount rates which would be applicable for similar new borrowings or lease transactions based on the observable inputs in the market and is classified as Level 2 fair value.

(For securities)

1. Held-to maturity securities

Prior fiscal year (As of March 31, 2024)			(Millions of yen)
Types of securities	Carrying value	Fair value	Difference
(Securities whose carrying value exceeds their fair value)	19,190	18,507	(683)
(Securities whose carrying value does not exceed their fair value)	—	—	—
Total	19,190	18,507	(683)

Current fiscal year (As of March 31, 2025)

Not applicable.

2. Other securities

Prior fiscal year (As of March 31, 2024)			(Millions of yen)
Types of securities	Carrying value	Acquisition cost	Difference
(Securities whose carrying value exceeds their acquisition cost)			
Stock	1,226	114	1,112
Others	3,369	2,785	584
Subtotal	4,595	2,899	1,696
(Securities whose carrying value does not exceed their acquisition cost)			
Stock	44,278	44,419	(141)
Others	230,006	230,006	—
Subtotal	274,284	274,425	(141)
Total	278,879	277,324	1,555

Current fiscal year (As of March 31, 2025)

(Millions of yen)

Types of securities	Carrying value	Acquisition cost	Difference
(Securities whose carrying value exceeds their acquisition cost)			
Stock	573	124	449
Subtotal	573	124	449
(Securities whose carrying value does not exceed their acquisition cost)			
Stock	52,191	52,308	(117)
Others	237,784	238,785	(1,001)
Subtotal	289,975	291,093	(1,118)
Total	290,548	291,217	(669)

3. Held-to maturity securities sold during the fiscal year

Prior fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

Types of securities	Cost of sales	Amount sold	Total of gain (loss) on sale
Bonds for the Reconstruction for a Free Argentina	18,687	16,076	(2,611)

Reasons for sale

Due to a change in the financial policy, held-to maturity securities held by foreign subsidiaries were sold prior to the redemption date.

4. Other securities sold during the fiscal year

Prior fiscal year (From April 1, 2023 to March 31, 2024)

This information is not provided due to its low materiality.

Current fiscal year (From April 1, 2024 to March 31, 2025)

This information is not provided due to its low materiality.

5. Reclassified securities

Prior fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

Current fiscal year (From April 1, 2024 to March 31, 2025)

Not applicable.

6. Securities for which an impairment loss was recognized

Prior fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

Current fiscal year (From April 1, 2024 to March 31, 2025)

This information is not provided due to its low materiality.

(For derivative transactions)

1. Derivative transactions for which hedge accounting is not adopted

(1) Currency-related transactions

Prior fiscal year (As of March 31, 2024)

(Millions of yen)

Classification	Type of transactions	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Swaps:				
	EUR	129,160	—	7,731	7,731
	USD	592,962	47,271	29,286	29,286
	AUD	123,143	—	1,843	1,843
	NZD	9,954	—	(269)	(269)
	ZAR	37,600	—	28	28
	PHP	11,968	—	(87)	(87)
Total		—	—	38,532	38,532

Current fiscal year (As of March 31, 2025)

(Millions of yen)

Classification	Type of transactions	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Swaps:				
	GBP	76,945	—	16	16
	USD	442,318	—	(4,897)	(4,897)
	CAD	73,554	—	(336)	(336)
	AUD	23,999	—	(79)	(79)
	ZAR	50,706	—	900	900
	PHP	12,042	—	(132)	(132)
Total		—	—	(4,528)	(4,528)

(2) Interest-related transactions

Prior fiscal year (As of March 31, 2024)

(Millions of yen)

Classification	Type of transactions	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Swaps:				
	Receive floating/pay fixed	177,476	135,515	1,743	1,743
	Receive fixed/pay floating	32,995	32,995	322	322
	Options				
	Caps sold (Premium)	1,159,012 (5,446)	649,358 (5,147)	(6,330)	(884)
	Caps purchased (Premium)	1,159,012 5,466	649,358 5,167	6,331	885
	Total	—	—	2,066	2,066

Current fiscal year (As of March 31, 2025)

(Millions of yen)

Classification	Type of transactions	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Swaps:				
	Receive floating/pay fixed	287,647	277,195	(2,363)	(2,363)
	Receive fixed/pay floating	54,411	54,411	554	554
	Options				
	Caps sold (Premium)	1,375,301 (8,938)	879,112 (8,833)	(3,332)	5,606
Caps purchased (Premium)	1,375,301 8,957	879,112 8,852	3,413	(5,525)	
Total		—	—	(1,728)	(1,728)

(3) Commodity-related transactions

Prior fiscal year (As of March 31, 2024)

Not applicable.

Current fiscal year (As of March 31, 2025)

Not applicable.

2. Derivative transactions for which hedge accounting is adopted

(1) Currency-related transactions

Prior fiscal year (As of March 31, 2024)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Deferral hedge accounting	Forward foreign exchange contracts: Sell:				
	USD	Trade accounts receivable (forecasted transaction)	75,323	—	(8,723)
	Swaps:				
	USD	Short-term borrowings and long-term borrowings	239,513	221,647	(20,277)
Total			—	—	(29,000)

Current fiscal year (As of March 31, 2025)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Deferral hedge accounting	Forward foreign exchange contracts: Sell:				
	USD	Trade accounts receivable (forecasted transaction)	171,157	10,241	3,732
	EUR	Trade accounts receivable (forecasted transaction)	15,685	635	(22)
	Swaps:				
	USD	Long-term borrowings	228,739	211,567	20,947
Total			—	—	24,657

(2) Interest-related transactions

Prior fiscal year (As of March 31, 2024)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Deferral hedge accounting	Swaps:				
	Receive floating/pay fixed	Short-term borrowings and Long-term borrowings	1,614,138	1,251,099	18,718
Special treatment	Swaps:				
	Receive floating/pay fixed	Long-term borrowings	35,500	20,500	Note
Total			—	—	18,718

Note: Fair value of interest rate swaps under special treatment is included in that of corresponding hedged long-term borrowings in “ 2.Fair Value of Financial Instruments” under “For financial instruments” as those interest rate swaps are treated as underlying transactions of hedged items.

Current fiscal year (As of March 31, 2025)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Deferral hedge accounting	Swaps:				
	Receive floating/pay fixed	Short-term borrowings and Long-term borrowings	1,293,776	695,252	(3,531)
Special treatment	Swaps:				
	Receive floating/pay fixed	Long-term borrowings	20,500	5,500	Note
Total			—	—	(3,531)

Note: Fair value of interest rate swaps under special treatment is included in that of corresponding hedged long-term borrowings in “ 2. Fair Value of Financial Instruments” under “For financial instruments” as those interest rate swaps are treated as underlying transactions of hedged items.

(3) Commodity-related transactions

Prior fiscal year (As of March 31, 2024)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Deferral hedge accounting	Commodity swaps: Receive floating/pay fixed	Aluminum	6,716	309	6
		Copper	4,591	143	191
		Palladium	654	—	9
Total			—	—	206

Current fiscal year (As of March 31, 2025)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Deferral hedge accounting	Commodity swaps:				
	Receive floating/pay fixed	Aluminum Copper	305 141	— —	72 46
Total			—	—	118

(For retirement benefits)

1. Description of retirement benefit plans

The Group has several defined-benefit and defined-contribution pension plans. The Company and certain consolidated subsidiaries have adopted both defined-benefit and defined-contribution pension plans, whereas certain other consolidated subsidiaries have either defined-benefit or defined-contribution pension plans. The defined-benefit pension plans adopted by the Company and certain domestic subsidiaries include lump-sum payment plans and defined-benefit corporate pension plans. Certain employees may be entitled to additional special retirement benefits, depending on the conditions for the termination of their employment. Certain consolidated subsidiaries apply a simplified method for calculation of net defined benefit liability, net defined benefit assets and retirement benefit expenses.

2. Defined-benefit pension plan

- (1) Adjustments between the beginning and ending balances of retirement benefit obligation (excluding those listed in (3) below)

	(Millions of yen)	
	Prior fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Retirement benefit obligation at the beginning of the year	1,217,924	1,247,059
Service cost	20,697	15,448
Interest cost	42,626	47,036
Actuarial gain and loss generated	(39,001)	(24,719)
Past service cost generated	48	(454)
Retirement benefits paid	(85,611)	(104,472)
Effect of foreign exchange translation	88,655	(5,448)
Other	1,721	1,874
Retirement benefit obligation at the end of the year	1,247,059	1,176,324

- (2) Adjustments between the beginning and ending balances of plan assets (excluding those listed in (3) below)

	(Millions of yen)	
	Prior fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Plan assets at the beginning of the year	1,091,412	1,240,758
Expected return on plan assets (Note)	54,440	58,600
Actuarial gain and loss generated	86,968	(42,599)
Contribution from employers	11,285	16,793
Retirement benefits paid	(77,612)	(94,899)
Effect of foreign exchange translation	72,461	319
Other	1,804	581
Plan assets at the end of the year	1,240,758	1,179,553

Note: Interest from plan assets of net interest from net defined liability of consolidated foreign subsidiaries which adopt IFRS has been included.

- (3) Adjustments between the beginning and ending balances of net defined benefit liability and net defined benefit assets for plans using a simplified method

	(Millions of yen)	
	Prior fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Net defined benefit liability and assets at the beginning of the year	2,233	2,319
Retirement benefit expenses	347	(47)
Retirement benefits paid	(225)	(449)
Contribution to plans	(36)	(32)
Net defined benefit liability and assets at the end of the year	2,319	1,791

- (4) Adjustments between the ending balances of retirement benefit obligation and plan assets and the net defined benefit liability and net defined benefit assets reported on the balance sheets

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Retirement benefit obligation for funded plans	1,152,648	1,087,924
Plan assets	(1,242,797)	(1,181,705)
	(90,149)	(93,781)
Retirement benefit obligation for unfunded plans	98,769	92,343
Net defined benefit liability and assets reported on the consolidated balance sheets	8,620	(1,438)
Net defined benefit liability	154,439	164,516
Net defined benefit assets	(145,819)	(165,954)
Net defined benefit liability and assets reported on the consolidated balance sheets	8,620	(1,438)

- (5) Breakdown of retirement benefit expenses

	(Millions of yen)	
	Prior fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Service cost (Note 1)	21,044	15,401
Interest cost	42,626	47,036
Expected return on plan assets	(54,440)	(58,600)
Amortization of actuarial gain and loss	(10,019)	(17,058)
Amortization of past service cost	103	771
Other	147	545
Retirement benefit expenses for defined benefit plans	(539)	(11,905)

Notes: 1. The retirement benefit expenses of consolidated subsidiaries adopting the simplified method are included in "Service cost."

2. In addition to the retirement benefit expenses referred to above, additional retirement expenses of ¥4,619 million for the prior fiscal year and ¥40,619 million for the current fiscal year were accounted for as "Other" under "Special losses" in the consolidated statement of income.

3. In addition to the retirement benefit expenses referred to above, loss on partial termination of retirement benefit plans of ¥8,419 million for the current fiscal year was accounted for as "Other" under "Special losses" in the consolidated statement of income.

(6) Remeasurements of defined benefit plans

Remeasurements of defined benefit plans (reported under “Other comprehensive income” in the statements of comprehensive income) consist of the following (before income taxes and tax effects).

	(Millions of yen)	
	Prior fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Past service cost	(407)	1,553
Actuarial gain and loss	101,424	(27,607)
Total	101,017	(26,054)

(7) Remeasurements of defined benefit plans

Remeasurements of defined benefit plans (reported under “Accumulated other comprehensive income” in the net assets section in the consolidated balance sheet) consist of the following (before income taxes and tax effects).

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Unrecognized past service cost	(2,742)	(1,189)
Unrecognized actuarial gain and loss	59,489	31,882
Total	56,747	30,693

(8) Matters regarding plan assets

① Major components of plan assets

Plan assets consist of the following.

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Stocks	35%	34%
Bonds	49%	50%
Cash and deposits	1%	1%
Real estate (including REITs)	7%	7%
Other	8%	8%
Total	100%	100%

Notes: 1. Securities contributed to the retirement benefit trust included in the total plan assets were 1.3% for the prior year and 1.3% for the current fiscal year.

2. “Other” includes components for which it is difficult to categorize into specific types of plan assets, such as stocks and bonds, and to identify the percentage and the amount by types of assets.

② Method for determining the long-term expected return on plan assets

To determine the long-term expected return on plan assets, the portfolio and past performance of the plan assets held, long-term investment policies and market trends, among others, are considered.

(9) Assumptions used in actuarial calculations

Major assumptions used in actuarial calculations

Domestic companies

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Discount rates	0.8%–1.9%	1.4%–2.6%
Long-term expected rates of return on plan assets	Mainly 4.0%	Mainly 4.0%
Expected future salary increase	1.8%–4.2%	1.4%–3.6%

Foreign companies		
	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Discount rates	3.1%–5.6%	2.5%–5.8%
Long-term expected rates of return on plan assets (US GAAP adoption companies only)	Mainly 7.8%	Mainly 6.8%
Expected future salary increase	2.5%–6.0%	3.0%–7.0%

3. Defined-contribution pension plans

The required amounts of contribution to the Group's defined-contribution pension plans were ¥31,383 million for the prior fiscal year and ¥33,310 million for the current fiscal year.

(For share-based payments)

1. The account and the amount of stock options charged as expenses

	(Millions of yen)	
	Prior fiscal year (From April 1, 2023 To March 31, 2024)	Current fiscal year (From April 1, 2024 To March 31, 2025)
Cost of sales	24	(3)
Salaries and wages in Selling, general and administrative expenses	7	(1)

2. Description of stock options/Changes in the size of stock options

(1) Description of stock options

	1st share subscription rights
Company name	Vehicle Energy Japan Inc.
Date of resolution	May 27, 2021
Category and number of people to whom stock options are granted	The company's directors: 3 The company's executive officers: 4 The company's employees: 166 Total: 173
Type and number of shares granted	Common stock 64,600 shares
Grant date	July 1, 2021
Vesting conditions	① The holder of the share subscription rights must be continuously employed or hold a mandate relationship with the company or its affiliates until the exercise date of the share subscription rights. However, this will not apply if a director or executive officer retires due to the expiry of his/her term of office, if an employee retires due to mandatory retirement age, or if the company's board of directors approves other justifiable reasons. ② The share subscription rights may only be exercised if the company's common stock underlying the share subscription rights are listed on a securities exchange in Japan at the time of exercise. ③ Exercise of the share subscription rights by heirs of share subscription rights holders is not permitted. ④ Other terms and conditions for the exercise of the share subscription rights are as set out in the "Share Subscription Rights Allotment Agreement" concluded between the company and the subscription right holders.
Vesting period	July 1, 2021 to June 30, 2023
Exercise period	July 1, 2023 to June 30, 2025

(2) Changes in the size of stock options

The following describes changes in the size of stock options that existed during the year ended March 31, 2025. The number of stock options is translated into the number of shares.

① Number of stock options

1st share subscription rights	
Company name	Vehicle Energy Japan Inc.
Share subscription rights that are not yet vested (shares):	
Balance at the beginning of the current period	59,200
Granted	—
Forfeited	900
Vested	—
Balance of options not vested	58,300
Share subscription rights that have already been vested (shares):	
Balance at the beginning of the current period	—
Vested	—
Exercised	—
Forfeited	—
Balance of options not exercised	—

② Per share prices

	1st share subscription rights
Company name	Vehicle Energy Japan Inc.
Exercise price (Yen)	1
Average price per share upon exercise (Yen)	—
Fair value per share at grant date (Yen)	5,130

3. Method for estimating the per share fair value of stock options

The per share fair value of stock options is estimated using the binominal model. For estimation using the binominal model, as the company is unlisted, the price per share at the grant date is determined using the discounted cash flow method based on the company's business plan, and the expected volatility of the share price is determined using the average of the actual volatilities of several similar listed companies. The period from the point of estimation to the end of the exercise period is regarded as the expected life of the option, and the yield on government bonds for the period that corresponds to the expected life is used as the risk-free interest rate. The expected dividend is set at zero, taking into account the recent dividend history and other factors.

4. Estimation of the number of stock options vested

As it is difficult to reasonably estimate the number of options that will be forfeited in the future, only the actual number of options forfeited is reflected.

(For tax-effect accounting)

1. Significant components of deferred tax assets and liabilities

(Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Deferred tax assets:		
Net operating loss carry forwards (*2)	325,818	352,886
Impairment loss	59,378	179,125
Foreign tax credit	181,711	145,343
Research and development expenses	139,083	101,885
Sales incentives	62,687	87,383
Deferred tax credit	64,970	67,709
Accrued warranty costs	64,200	67,165
Allowance for doubtful accounts	59,733	48,492
Service costs	51,937	41,518
Loss on valuation of inventories	23,722	34,149
Loss for residual value risk of leased vehicles	31,439	28,802
Allowance for bonus	28,983	24,881
Excess depreciation	25,137	23,098
Net defined benefit liability	19,965	18,835
Other	276,484	344,250
Total gross deferred tax assets	1,415,247	1,565,521
Valuation allowance for net operating loss carry forwards (*2)	(266,055)	(335,112)
Valuation allowance for the sum of deductible temporary differences, etc.	(255,350)	(452,622)
Valuation allowance (*1)	(521,405)	(787,734)
Total deferred tax assets	893,842	777,787
Deferred tax liabilities:		
Reserves under Special Taxation Measures Law, etc.	(556,053)	(500,595)
Foreign subsidiaries unitary tax	(128,151)	(121,746)
Undistributed retained earnings of foreign consolidated subsidiaries	(139,426)	(100,966)
Difference between cost of investments and their underlying net equity at fair value on land	(39,691)	(39,329)
Other	(108,651)	(82,405)
Total deferred tax liabilities	(971,972)	(845,041)
Net deferred tax assets	(78,130)	(67,254)

(*1) The valuation allowance increased by ¥266,329 million. In response to the significant updated future plan reflecting our current severe challenges and a competitive industry, the Group reassessed the recoverability of deferred tax assets. As a result, the valuation allowance increased.

(*2) The amounts of net operating loss carry forwards and corresponding deferred tax assets by due period.

Prior fiscal year (As of March 31, 2024)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years	Total
Net operating loss carry forwards (a)	18,923	23,657	15,228	26,996	39,279	201,735	325,818
Valuation allowance	(18,743)	(21,758)	(14,758)	(25,178)	(38,230)	(147,388)	(266,055)
Deferred tax assets (b)	180	1,899	470	1,818	1,049	54,347	59,763

(a) The net operating loss carry forwards represent the amounts after being multiplied by the effective statutory tax rate.

(b) Deferred tax assets of ¥59,763 million were recognized for the balance of net operating loss carry forwards of ¥325,818 million (amount multiplied by the effective statutory tax rate). After estimating the future taxable income, the deferred tax assets relating to net operating loss carry forwards are assessed as recoverable.

Current fiscal year (As of March 31, 2025)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years	Total
Net operating loss carry forwards (a)	23,875	14,723	26,212	20,129	11,760	256,187	352,886
Valuation allowance	(23,869)	(14,008)	(26,045)	(19,957)	(11,685)	(239,548)	(335,112)
Deferred tax assets (b)	6	715	167	172	75	16,639	17,774

(a) The net operating loss carry forwards represent the amounts after being multiplied by the effective statutory tax rate.

(b) Deferred tax assets of ¥352,886 million were recognized for the balance of net operating loss carry forwards of ¥17,774 million (amount multiplied by the effective statutory tax rate). After estimating the future taxable income, the deferred tax assets relating to net operating loss carry forwards are assessed as recoverable.

2. The reconciliation between the effective tax rates reflected in the consolidated financial statements and the effective statutory tax rate is summarized as follows:

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Statutory tax rate of the Company (Reconciliation)	30.6%	Because loss before income taxes and minority interests was recorded for the current fiscal year, there is no information to be disclosed here.
• Different tax rates applied to foreign consolidated subsidiaries	(4.9%)	
• Change in valuation allowance	(46.3%)	
• Equity in gain and loss of affiliates	(5.7%)	
• Undistributed retained earnings of foreign consolidated subsidiaries	19.7%	
• Foreign tax credits carried forward	2.6%	
• Foreign subsidiaries unitary tax(*)	33.9%	
• Adjustments for the uncertain tax treatments on income taxes	1.6%	
• Other	(6.5%)	
Effective tax rates after adoption of tax-effect accounting	25.0%	

(*) Foreign subsidiaries unitary tax includes tax credits recognized based on the tax rules applied.

3. Accounting for corporate, local corporate income taxes and related tax-effect accounting

The Company and some of its domestic subsidiaries adopt the group tax sharing system. Accordingly, corporate, local corporate income taxes, and tax-effect accounting are accounted for and disclosed in accordance with “*Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System*” (PITF No. 42, August 12, 2021).

4. Amendments to deferred tax assets and deferred tax liabilities due to a change in the rate of corporation tax

In accordance with “*the Act for Partial Amendment of the Income Tax Act*” (Act No. 13, 2025) established in the parliament on March 31, 2025, the Defense Special Corporate Tax will take effect from the fiscal year beginning on or after April 1, 2026. Accordingly, the statutory tax rate used for calculating deferred tax assets and liabilities has been changed from 30.6% for the prior fiscal year to 31.5% for the temporary differences, etc. to be reversed in the fiscal years beginning on or after April 1, 2026.

These tax rate changes resulted in an increase of ¥1,202 million in deferred tax assets (after deducting deferred tax liabilities); a decrease of ¥2,318 million in income taxes-deferred, a decrease of ¥3 million in unrealized holding gain and loss on securities and a decrease of ¥1,113 million in remeasurements of defined benefit plans in the current fiscal year.

(For asset retirement obligations)

Prior fiscal year (As of March 31, 2024)

This information is not provided due to its low materiality.

Current fiscal year (As of March 31, 2025)

This information is not provided due to its low materiality.

(For investment and rental property)

The Company and some of its subsidiaries have rental property in Japan (Tokyo, Kanagawa, Osaka and others) and overseas, which is mainly used for vehicle and parts dealers.

For the fiscal year ended March 31, 2024, net income from rental property amounted to ¥4,645 million and net gain on sales of rental property amounted to ¥1,324 million. For the fiscal year ended March 31, 2025, net income from rental property amounted to ¥4,663 million and net gain on sales of rental property amounted to ¥5,570 million.

The carrying value, increase/decrease thereof and fair value of rental property are as follows.

(Millions of yen)

	Prior fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Carrying value		
Balance at the beginning of the year	105,240	99,854
Increase/Decrease during the year	(5,386)	(1,808)
Balance at the end of the year	99,854	98,046
Fair value at the end of the year	114,211	116,832

Notes: 1. The carrying value shown here is calculated by deducting the relevant accumulated depreciation and impairment loss from the property's acquisition cost.

2. The fair value was mainly based on real-estate appraisal value which was calculated by external real-estate appraisers.

(Revenue recognition)

1. Information about breakdown of revenue from contracts with customers

Prior fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	1,815,870	36,249	1,852,119
North America	5,725,819	83,295	5,809,114
of which USA	4,476,337	1,122	4,477,459
Europe	1,645,791	—	1,645,791
Asia	732,997	2,213	735,210
Other overseas countries	1,647,861	5,349	1,653,210
Revenue from contracts with customers	11,568,338	127,106	11,695,444
Revenue from the other sources	14,525	975,747	990,272
Sales to third parties	11,582,863	1,102,853	12,685,716

Note: Revenue from the other sources consists mainly of proceeds from interest, etc., based on Accounting Standards Board of Japan (ASBJ) Statement No. 10 "Accounting Standard for Financial Instruments" and lease revenue based on ASBJ Statement No. 13 "Accounting Standard for Lease Transactions." These include revenue recognized under International Financial Reporting Standards (IFRS) 9 "Financial Instruments" and IFRS 16 "Leases" as well as standards for financial instruments such as Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 310 "Receivables" and ASC 842 "Leases" that are adopted by foreign subsidiaries.

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	1,835,850	39,852	1,875,702
North America	5,637,966	89,852	5,727,818
of which USA	4,346,813	1,305	4,348,118
Europe	1,605,455	—	1,605,455
Asia	656,388	1,885	658,273
Other overseas countries	1,678,719	4,513	1,683,232
Revenue from contracts with customers	11,414,378	136,102	11,550,480
Revenue from the other sources	23,478	1,059,256	1,082,734
Sales to third parties	11,437,856	1,195,358	12,633,214

Note: Revenue from the other sources consists mainly of proceeds from interest, etc., based on Accounting Standards Board of Japan (ASBJ) Statement No. 10 “*Accounting Standard for Financial Instruments*” and lease revenue based on ASBJ Statement No. 13 “*Accounting Standard for Lease Transactions.*” These include revenue recognized under International Financial Reporting Standards (IFRS) 9 “*Financial Instruments*” and IFRS 16 “*Leases*” as well as standards for financial instruments such as Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 310 “*Receivables*” and ASC 842 “*Leases*” that are adopted by foreign subsidiaries.

2. Basic information to understand revenue from contracts with customers

For details, please refer to “1. Consolidated Financial Statements 4. Significant accounting policies (5) Reporting of significant revenue and expenses.”

3. Information to understand the amount of revenue in the current and subsequent fiscal years

(1) Contract assets and contract liabilities

Prior fiscal year (From April 1, 2023 to March 31, 2024)

Receivables from contracts with customers

(Millions of yen)

	Beginning of the prior fiscal year	Ending of the prior fiscal year
Trade notes	61,149	62,239
Accounts receivable	522,339	571,298
	583,488	633,537

Receivables from contracts with customers are included in “Trade notes and accounts receivable, and contract assets.”

In addition, the balances of contract assets are immaterial.

Contract liabilities

(Millions of yen)

	Beginning of the prior fiscal year	Ending of the prior fiscal year
Contract liabilities	288,991	321,641

Contract liabilities are included in “Other” in “Current liabilities” and “Long-term liabilities.” Contract liabilities mainly include advances for vehicles, paid extended warranties and maintenance services, which are reversed upon revenue recognition. The amounts of revenue recognized in the prior fiscal year that were included in the contract liability balances at the beginning of the year are ¥142,586 million.

In addition, the amounts of revenue recognized in the prior fiscal year from performance obligations satisfied (or partially satisfied) in previous years are immaterial.

Current fiscal year (From April 1, 2024 to March 31, 2025)

Receivables from contracts with customers

(Millions of yen)

	Beginning of the current fiscal year	Ending of the current fiscal year
Trade notes	62,239	94,189
Accounts receivable	571,298	482,972
	633,537	577,161

Receivables from contracts with customers are included in “Trade notes and accounts receivable, and contract assets.”

In addition, the balances of contract assets are immaterial.

Contract liabilities

(Millions of yen)

	Beginning of the current fiscal year	Ending of the current fiscal year
Contract liabilities	321,641	337,961

Contract liabilities are included in “Other” in “Current liabilities” and “Long-term liabilities.” Contract liabilities mainly include advances for vehicles, paid extended warranties and maintenance services, which are reversed upon revenue recognition. The amounts of revenue recognized in the current fiscal year that were included in the contract liability balances at the beginning of the year are ¥152,127 million.

In addition, the amounts of revenue recognized in the current fiscal year from performance obligations satisfied (or partially satisfied) in previous years are immaterial.

(2) Transaction price allocated to the remaining performance obligations

The remaining performance obligations primarily consist of sales for vehicles and parts, and provision of paid extended warranties and maintenance services. The Group has excluded unsatisfied performance obligations for sales including vehicles and parts related to contracts that have an original expected duration of one year or less from this disclosure. The revenue expected to be recognized for each period is as follows:

(Millions of yen)

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Due within one year	98,264	100,695
Due after one year but within five years	187,314	192,184
Due after five years	9,543	11,408
Total	295,121	304,287

(Segments of an enterprise and related information)

Segment information

1. General information about reportable segments

The reportable segments of the Group are components for which discrete financial information is available and whose operating results are regularly reviewed by management to make decisions about resource allocation and to assess their performance.

Businesses of the Group are segmented into Automobile and Sales financing based on the features of products and services. The Automobile business includes manufacturing and sales of vehicles and parts. The Sales financing business provides sales finance services and leasing to support the sales activities of the Automobile business.

2. Calculation method of net sales, profits or losses, assets and other items by reportable segments

In principle, the accounting method for the reportable segments is the same as basis of preparation for the consolidated financial statements.

The segment profits are based on operating income. Inter-segment sales are based on the price in arms-length transactions. The segment assets are based on total assets.

3. Net sales, profits or losses, assets and other items by reportable segment

Prior fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	The year ended March 31, 2024
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	11,582,863	1,102,853	12,685,716	—	12,685,716
Inter-segment sales or transfers	199,653	58,925	258,578	(258,578)	—
Total	11,782,516	1,161,778	12,944,294	(258,578)	12,685,716
Segment profits	221,574	308,718	530,292	38,426	568,718
Segment assets	11,282,240	10,375,882	21,658,122	(1,802,971)	19,855,151
Other items					
Depreciation and amortization expense	353,895	324,058	677,953	—	677,953
Amortization of goodwill	1,242	—	1,242	—	1,242
Interest expense (Cost of sales)	—	279,944	279,944	(59,639)	220,305
Investment amounts to equity method companies	1,304,837	11,304	1,316,141	—	1,316,141
Increase amounts of fixed assets and intangible fixed assets	424,116	1,222,876	1,646,992	—	1,646,992

Note 1: Consolidated financial statements by business segment

- The Sales financing segment for the summarized consolidated balance sheets, summarized consolidated statement of income and summarized consolidated statement of cash flows consists of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Company LLC (U.S.A.), NR Finance Mexico, S.A. de C.V. (Mexico), Dongfeng Nissan Auto Finance Co., Ltd. (China), 13 other companies and the sales finance operations of Nissan Canada, Inc. (Canada).
- The financial data on Automobile & Eliminations represents the differences between the consolidated figures and those for the Sales financing segment.

(1) Summarized consolidated balance sheets by business segment

(Millions of yen)

Accounts	Prior fiscal year (As of March 31, 2024)		
	Automobile & Eliminations	Sales financing	Consolidated total
Assets			
I. Current assets			
Cash on hand and in banks	1,784,547	111,854	1,896,401
Trade notes and accounts receivable, and contract assets	622,019	13,310	635,329
Sales finance receivables	(126,034)	7,544,234	7,418,200
Inventories	2,005,958	49,647	2,055,605
Other current assets	686,951	191,114	878,065
Total current assets	4,973,441	7,910,159	12,883,600
II. Fixed assets			
Property, plant and equipment, net	2,465,396	2,298,114	4,763,510
Investment securities	1,367,521	11,557	1,379,078
Other fixed assets	668,886	155,514	824,400
Total fixed assets	4,501,803	2,465,185	6,966,988
III. Deferred assets			
Bond issuance costs	4,025	538	4,563
Total deferred assets	4,025	538	4,563
Total assets	9,479,269	10,375,882	19,855,151
Liabilities			
I. Current liabilities			
Trade notes and accounts payable	2,177,176	52,034	2,229,210
Short-term borrowings	(1,397,853)	3,799,152	2,401,299
Lease obligations	46,477	307	46,784
Other current liabilities	1,820,013	429,633	2,249,646
Total current liabilities	2,645,813	4,281,126	6,926,939
II. Long-term liabilities			
Bonds	1,460,025	891,191	2,351,216
Long-term borrowings	270,651	2,650,977	2,921,628
Lease obligations	88,997	1,469	90,466
Other long-term liabilities	503,682	590,677	1,094,359
Total long-term liabilities	2,323,355	4,134,314	6,457,669
Total liabilities	4,969,168	8,415,440	13,384,608
Net assets			
I. Shareholders' equity			
Common stock	380,208	225,606	605,814
Capital surplus	646,760	179,391	826,151
Retained earnings	3,322,949	962,559	4,285,508
Treasury stock	(111,377)	—	(111,377)
Total shareholders' equity	4,238,540	1,367,556	5,606,096
II. Accumulated other comprehensive income			
Translation adjustments	29,071	393,812	422,883
Others	(59,465)	12,133	(47,332)
Total accumulated other comprehensive income	(30,394)	405,945	375,551
III. Share subscription rights	304	—	304
IV. Non-controlling interests	301,651	186,941	488,592
Total net assets	4,510,101	1,960,442	6,470,543
Total liabilities and net assets	9,479,269	10,375,882	19,855,151

Notes: 1. The sales finance receivables of Automobile & Eliminations represent the amount eliminated for intercompany transactions related to wholesale finance made by the Sales financing segment.

2. The borrowings of Automobile & Eliminations represent the amount after deducting internal loans receivable from the Sales financing segment amounting to ¥1,559,961 million.

(2) Summarized consolidated statement of income by business segment

(Millions of yen)

Accounts	Prior fiscal year (From April 1, 2023 to March 31, 2024)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	11,523,938	1,161,778	12,685,716
Cost of sales	9,885,975	732,827	10,618,802
Gross profit	1,637,963	428,951	2,066,914
Operating income as a percentage of net sales	2.3%	26.6%	4.5%
Operating income	260,000	308,718	568,718
Financial income / expenses, net	(14,741)	411	(14,330)
Other non-operating income and expenses, net	148,666	(893)	147,773
Ordinary income	393,925	308,236	702,161
Income before income taxes	340,988	258,237	599,225
Net income attributable to owners of parent	256,422	170,227	426,649

(3) Summarized consolidated statements of cash flows by business segment

(Millions of yen)

Accounts	Prior fiscal year (From April 1, 2023 to March 31, 2024)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes	340,988	258,237	599,225
Depreciation and amortization	353,895	324,058	677,953
Decrease (increase) in sales finance receivables	11,201	(254,806)	(243,605)
Others	(8,024)	(64,650)	(72,674)
Net cash provided by (used in) operating activities	698,060	262,839	960,899
II. Cash flows from investing activities			
Purchase of investment securities	(47,571)	(493)	(48,064)
Purchase of fixed assets	(363,123)	(5,150)	(368,273)
Proceeds from sales of fixed assets	25,376	11,421	36,797
Purchase of leased vehicles	—	(1,259,505)	(1,259,505)
Proceeds from sales of leased vehicles	—	796,697	796,697
Others	10,290	19,394	29,684
Net cash provided by (used in) investing activities	(375,028)	(437,636)	(812,664)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	24,197	(404,956)	(380,759)
Net change in long-term borrowings and redemption of bonds	(160,674)	363,966	203,292
Proceeds from issuance of bonds	—	311,855	311,855
Purchase of treasury stock	(119,968)	—	(119,968)
Others	(41,748)	(104,223)	(145,971)
Net cash provided by (used in) financing activities	(298,193)	166,642	(131,551)
IV. Effect of exchange rate changes on cash and cash equivalents	89,320	5,815	95,135
V. Increase (decrease) in cash and cash equivalents	114,159	(2,340)	111,819
VI. Cash and cash equivalents at the beginning of the period	1,900,184	114,203	2,014,387
VII. Cash and cash equivalents at the end of the period	2,014,343	111,863	2,126,206

- Notes: 1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥29,054 million eliminated for a net increase in internal loans receivable from the Sales financing segment.
2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥77,729 million eliminated for a net decrease in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

Prior fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	2,002,217	6,881,033	1,562,557	746,684	1,493,225	12,685,716	—	12,685,716
(2) Inter-segment sales	2,945,678	398,239	307,941	861,093	21,408	4,534,359	(4,534,359)	—
Total	4,947,895	7,279,272	1,870,498	1,607,777	1,514,633	17,220,075	(4,534,359)	12,685,716
Operating income (loss)	108,112	334,488	(17,326)	109,206	27,285	561,765	6,953	568,718

- 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 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

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	The year ended March 31, 2025
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	11,437,856	1,195,358	12,633,214	—	12,633,214
Inter-segment sales or transfers	207,622	66,723	274,345	(274,345)	—
Total	11,645,478	1,262,081	12,907,559	(274,345)	12,633,214
Segment profits (loss)	(267,979)	285,647	17,668	52,130	69,798
Segment assets	10,412,875	10,145,588	20,558,463	(1,534,403)	19,024,060
Other items					
Depreciation and amortization expense	348,680	348,331	697,011	—	697,011
Amortization of goodwill	1,031	—	1,031	—	1,031
Interest expense (Cost of sales)	—	339,299	339,299	(58,145)	281,154
Investment amounts to equity method companies	1,370,228	3,260	1,373,488	—	1,373,488
Increase amounts of fixed assets and intangible fixed assets	580,150	1,337,184	1,917,334	—	1,917,334

Note 1: Consolidated financial statements by business segment

- The Sales financing segment for the summarized consolidated balance sheets, summarized consolidated statement of income and summarized consolidated statement of cash flows consists of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Company LLC (U.S.A.), NR Finance Mexico, S.A. de C.V. (Mexico), Dongfeng Nissan Auto Finance Co., Ltd. (China), 13 other companies and the sales finance operations of Nissan Canada, Inc. (Canada).

- The financial data on Automobile & Eliminations represents the differences between the consolidated figures and those for the Sales financing segment.

(1) Summarized consolidated balance sheets by business segment

(Millions of yen)

Accounts	Current fiscal year (As of March 31, 2025)		
	Automobile & Eliminations	Sales financing	Consolidated total
Assets			
I. Current assets			
Cash on hand and in banks	1,924,152	37,361	1,961,513
Trade notes and accounts receivable, and contract assets	567,112	10,765	577,877
Sales finance receivables	(148,020)	7,387,121	7,239,101
Inventories	1,638,128	34,177	1,672,305
Other current assets	698,087	174,584	872,671
Total current assets	4,679,459	7,644,008	12,323,467
II. Fixed assets			
Property, plant and equipment, net	2,047,180	2,284,880	4,332,060
Investment securities	1,425,128	3,513	1,428,641
Other fixed assets	723,921	212,862	936,783
Total fixed assets	4,196,229	2,501,255	6,697,484
III. Deferred assets			
Bond issuance costs	2,784	325	3,109
Total deferred assets	2,784	325	3,109
Total assets	8,878,472	10,145,588	19,024,060
Liabilities			
I. Current liabilities			
Trade notes and accounts payable	2,013,995	56,392	2,070,387
Short-term borrowings	(558,644)	4,174,387	3,615,743
Lease obligations	44,030	370	44,400
Other current liabilities	1,880,922	458,738	2,339,660
Total current liabilities	3,380,303	4,689,887	8,070,190
II. Long-term liabilities			
Bonds	879,160	829,372	1,708,532
Long-term borrowings	228,267	2,433,089	2,661,356
Lease obligations	68,539	1,291	69,830
Other long-term liabilities	598,975	469,829	1,068,804
Total long-term liabilities	1,774,941	3,733,581	5,508,522
Total liabilities	5,155,244	8,423,468	13,578,712
Net assets			
I. Shareholders' equity			
Common stock	380,208	225,606	605,814
Capital surplus	646,365	179,391	825,756
Retained earnings	2,609,462	806,013	3,415,475
Treasury stock	(88,284)	—	(88,284)
Total shareholders' equity	3,547,751	1,211,010	4,758,761
II. Accumulated other comprehensive income			
Translation adjustments	(14,003)	328,410	314,407
Others	(107,979)	(6,945)	(114,924)
Total accumulated other comprehensive income	(121,982)	321,465	199,483
III. Share subscription rights	299	—	299
IV. Non-controlling interests	297,160	189,645	486,805
Total net assets	3,723,228	1,722,120	5,445,348
Total liabilities and net assets	8,878,472	10,145,588	19,024,060

- Notes: 1. The sales finance receivables of Automobile & Eliminations represent the amount eliminated for intercompany transactions related to wholesale finance made by the Sales financing segment.
2. The borrowings of Automobile & Eliminations represent the amount after deducting internal loans receivable from the Sales financing segment amounting to ¥1,286,278 million.

(2) Summarized consolidated statement of income by business segment

(Millions of yen)

Accounts	Current fiscal year (From April 1, 2024 to March 31, 2025)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	11,371,133	1,262,081	12,633,214
Cost of sales	10,114,795	825,059	10,939,854
Gross profit	1,256,338	437,022	1,693,360
Operating income as a percentage of net sales	(1.9)%	22.6%	0.6%
Operating income (loss)	(215,849)	285,647	69,798
Financial income / expenses, net	(23,527)	650	(22,877)
Other non-operating income and expenses, net	161,576	1,671	163,247
Ordinary income (loss)	(77,800)	287,968	210,168
Income (loss) before income taxes	(684,135)	270,517	(413,618)
Net income (loss) attributable to owners of parent	(861,200)	190,302	(670,898)

(3) Summarized consolidated statements of cash flows by business segment

(Millions of yen)

Accounts	Current fiscal year (From April 1, 2024 to March 31, 2025)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income (loss) before income taxes	(684,135)	270,517	(413,618)
Depreciation and amortization	348,680	348,331	697,011
Decrease (increase) in sales finance receivables	25,485	(42,126)	(16,641)
Others	467,426	19,509	486,935
Net cash provided by (used in) operating activities	157,456	596,231	753,687
II. Cash flows from investing activities			
Purchase of investment securities	(19,492)	—	(19,492)
Purchase of fixed assets	(524,719)	(8,993)	(533,712)
Proceeds from sales of fixed assets	41,846	4,474	46,320
Purchase of leased vehicles	—	(1,378,029)	(1,378,029)
Proceeds from sales of leased vehicles	—	821,177	821,177
Others	102,093	(9,584)	92,509
Net cash provided by (used in) investing activities	(400,272)	(570,955)	(971,227)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	121,060	(79,152)	41,908
Net change in long-term borrowings and redemption of bonds	168,974	163,348	332,322
Proceeds from issuance of bonds	—	143,068	143,068
Purchase of treasury stock	(139,350)	—	(139,350)
Others	214,332	(329,029)	(114,697)
Net cash provided by (used in) financing activities	365,016	(101,765)	263,251
IV. Effect of exchange rate changes on cash and cash equivalents	23,237	2,359	25,596
V. Increase (decrease) in cash and cash equivalents	145,437	(74,130)	71,307
VI. Cash and cash equivalents at the beginning of the period	2,014,343	111,863	2,126,206
VII. Cash and cash equivalents at the end of the period	2,159,780	37,733	2,197,513

Notes: 1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥167,975 million eliminated for a net decrease in internal loans receivable from the Sales financing segment.
2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥91,773 million eliminated for a net decrease in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	2,018,910	6,805,389	1,499,393	786,135	1,523,387	12,633,214	—	12,633,214
(2) Inter-segment sales	2,839,147	361,508	289,219	861,338	21,277	4,372,489	(4,372,489)	—
Total	4,858,057	7,166,897	1,788,612	1,647,473	1,544,664	17,005,703	(4,372,489)	12,633,214
Operating income (loss)	133,714	(38,318)	(98,770)	57,268	2,463	56,357	13,441	69,798

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 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

Entity-wide disclosures

Prior fiscal year (From April 1, 2023 to March 31, 2024)

1. Information by product and service

This information is not provided here because it is the same as the information provided under “Segment information.”

2. Information by geographical area

(1) Net sales

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
1,935,148	6,591,399	5,049,687	1,643,258	818,525	1,697,386	12,685,716

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 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.

(2) Property, plant and equipment

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
1,692,778	2,751,347	2,082,152	156,175	85,912	77,298	4,763,510

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 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

3. Information by major customer

This information is not provided because there were no customers that accounted for 10% or more of the net sales to third parties recorded in the consolidated statements of income.

Current fiscal year (From April 1, 2024 to March 31, 2025)

1. Information by product and service

This information is not provided here because it is the same as the information provided under “Segment information.”

2. Information by geographical area

(1) Net sales

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
1,963,534	6,603,571	4,989,337	1,609,054	722,116	1,734,939	12,633,214

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 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.

(2) Property, plant and equipment

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
1,657,271	2,474,729	1,932,540	61,366	91,892	46,802	4,332,060

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 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

3. Information by major customer

This information is not provided because there were no customers that accounted for 10% or more of the net sales to third parties recorded in the consolidated statements of income.

Information about the impairment loss on fixed assets by reportable segment

Prior fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Impairment loss	58,972	—	58,972	—	58,972

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Impairment loss	491,239	3,696	494,935	—	494,935

Information about the amortization of goodwill and unamortized balance by reportable segment

Prior fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Amortization of goodwill	1,242	—	1,242	—	1,242
Balance at the end of the year	7,018	—	7,018	—	7,018

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Amortization of goodwill	1,031	—	1,031	—	1,031
Balance at the end of the year	6,356	—	6,356	—	6,356

Information about the gain recognized on negative goodwill by reportable segment

Prior fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

Current fiscal year (From April 1, 2024 to March 31, 2025)

This information is not provided due to its low materiality.

(Information of related parties)

1. Transactions with related parties

Prior fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

Type	Name	Business	Percentage of voting right held by Directors and individual major shareholders (%)	Relation	Nature of transactions	Amount of the transactions	Account	Balance at the end of fiscal year
Director	Makoto Uchida	Representative Executive Officer, President and Chief Executive Officer	Directly 0.007%	—	Disposition of Treasury Stock as remuneration in kind (*1)	111	—	—
Officer	Stephen Ma	Executive Officer, Chief Financial Officer	Directly 0.005%	—	Disposition of Treasury Stock as remuneration in kind (*1)	46	—	—
Director	Hideyuki Sakamoto	Executive Officer, Executive Vice President	Directly 0.003%	—	Disposition of Treasury Stock as remuneration in kind (*1)	31	—	—
Officer	Kunio Nakaguro	Executive Officer, Executive Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	27	—	—
Officer	Asako Hoshino	Executive Officer, Executive Vice President	Directly 0.003%	—	Disposition of Treasury Stock as remuneration in kind (*1)	27	—	—

Type	Name	Business	Percentage of voting right held by Directors and individual major shareholders (%)	Relation	Nature of transactions	Amount of the transactions	Account	Balance at the end of fiscal year
Officer equivalent	Jeremie Papin	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	23	—	—
Officer equivalent	Atul Pasricha	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	21	—	—
Officer equivalent	Rakesh Kochhar	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	21	—	—
Officer equivalent	Guillaume Cartier	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	20	—	—
Officer equivalent	Alfonso Albaisa	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	19	—	—
Officer equivalent	Ivan Espinosa	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	19	—	—
Officer equivalent	Leon Dorssers	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	18	—	—
Officer equivalent	Takashi Hata	Senior Vice President	Directly 0.002%	—	Disposition of Treasury Stock as remuneration in kind (*1)	16	—	—
Officer equivalent	Jose Roman	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	14	—	—
Officer equivalent	Junichi Endo	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	14	—	—
Officer equivalent	Joji Tagawa	Senior Vice President	Directly 0.003%	—	Disposition of Treasury Stock as remuneration in kind (*1)	13	—	—
Officer equivalent	Hideaki Watanabe	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	13	—	—
Officer equivalent	Takao Asami	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	12	—	—
Officer equivalent	Noboru Tateishi	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	11	—	—

Type	Name	Business	Percentage of voting right held by Directors and individual major shareholders (%)	Relation	Nature of transactions	Amount of the transactions	Account	Balance at the end of fiscal year
Officer equivalent	Shohei Yamazaki	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	11	—	—
Officer equivalent	Toshihiro Hirai	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	11	—	—

(*1) The disposition of the treasury stock is performed as remuneration in kind under the Restricted Stock Unit system.

The stock price for the disposition of the treasury stock is determined based on the ending stock price as of June 26, 2023 (one business day before the resolution made by the Board Meeting for the disposition of the treasury stock) on the Tokyo Stock Exchange.

Current fiscal year (From April 1, 2024 to March 31, 2025)

(Millions of yen)

Type (*1)	Name	Business (*1)	Percentage of voting right held by Directors and individual major shareholders (%)	Relation	Nature of transactions	Amount of the transactions	Account	Balance at the end of fiscal year
Director	Makoto Uchida	Representative Executive Officer, President and Chief Executive Officer	Directly 0.009%	—	Disposition of Treasury Stock as remuneration in kind (*2)	107	—	—
Officer	Stephen Ma	Executive Officer, Chief Financial Officer	Directly 0.007%	—	Disposition of Treasury Stock as remuneration in kind (*2)	48	—	—
Director	Hideyuki Sakamoto	Executive Officer, Executive Vice President	Directly 0.004%	—	Disposition of Treasury Stock as remuneration in kind (*2)	28	—	—
Officer	Kunio Nakaguro	Executive Officer, Executive Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*2)	24	—	—
Officer	Asako Hoshino	Executive Officer, Executive Vice President	Directly 0.004%	—	Disposition of Treasury Stock as remuneration in kind (*2)	24	—	—
Officer equivalent	Jeremie Papin	Senior Vice President	Directly 0.002%	—	Disposition of Treasury Stock as remuneration in kind (*2)	27	—	—
Officer equivalent	Guillaume Cartier	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*2)	24	—	—
Officer equivalent	Rakesh Kochhar	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*2)	23	—	—

Type (*1)	Name	Business (*1)	Percentage of voting right held by Directors and individual major shareholders (%)	Relation	Nature of transactions	Amount of the transactions	Account	Balance at the end of fiscal year
Officer equivalent	Ivan Espinosa	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*2)	22	—	—
Officer equivalent	Alfonso Albaisa	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*2)	21	—	—
Officer equivalent	Leon Dorssers	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*2)	19	—	—
Officer equivalent	Jose Roman	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*2)	16	—	—
Officer equivalent	Takashi Hata	Senior Vice President	Directly 0.002%	—	Disposition of Treasury Stock as remuneration in kind (*2)	15	—	—
Officer equivalent	Junichi Endo	Senior Vice President	Directly 0.002%	—	Disposition of Treasury Stock as remuneration in kind (*2)	13	—	—
Officer equivalent	Takao Asami	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*2)	12	—	—
Officer equivalent	Joji Tagawa	Senior Vice President	Directly 0.004%	—	Disposition of Treasury Stock as remuneration in kind (*2)	11	—	—
Officer equivalent	Hideaki Watanabe	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*2)	11	—	—
Officer equivalent	Shohei Yamazaki	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*2)	11	—	—
Officer equivalent	Toshihiro Hirai	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*2)	11	—	—
Officer equivalent	Hiroki Hasegawa	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*2)	10	—	—

(*1) The Type and the Business are described based on the attribute and the position in the Company at the time the transactions occurred.

(*2) The disposition of the treasury stock is performed as remuneration in kind under the Restricted Stock Unit system. The stock price for the disposition of the treasury stock is determined based on the ending stock price as of June 24, 2024 (one business day before the resolution made by the Board Meeting for the disposition of the treasury stock) on the Tokyo Stock Exchange.

2. Notes on the parent company and significant affiliates Condensed financial information of significant affiliates:

Prior fiscal year (From April 1, 2023 to March 31, 2024)

Combined and condensed financial information (from January 1, 2023 to December 31, 2023) of Renault and Dongfeng Motor Co., Ltd., which are defined as significant affiliates for the current fiscal year, is as follows.

Total current assets	¥15,026,714 million
Total fixed assets	¥6,374,287 million
Total current liabilities	¥13,357,700 million
Total long-term liabilities	¥2,215,988 million
Total net assets	¥5,827,313 million
Net sales	¥9,904,609 million
Income before income taxes	¥443,514 million
Net income	¥336,027 million

Current fiscal year (From April 1, 2024 to March 31, 2025)

Combined and condensed financial information (from January 1, 2024 to December 31, 2024) of Renault and Dongfeng Motor Co., Ltd., which are defined as significant affiliates for the current fiscal year, is as follows.

Total current assets	¥16,302,559 million
Total fixed assets	¥7,171,508 million
Total current liabilities	¥15,169,881 million
Total long-term liabilities	¥2,060,971 million
Total net assets	¥6,243,215 million
Net sales	¥10,982,259 million
Income before income taxes	¥272,565 million
Net income	¥126,861 million

(Amounts per share)

(Yen)

	Prior fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Net assets per share	1,599.28	1,419.78
Basic earnings (loss) per share	110.47	(187.08)
Diluted earnings per share	110.47	—

Notes: 1. The information on “Diluted earnings per share” for the current fiscal year is not presented because a net loss per share was recorded although potential dilutive stock existed.

2. The basis for calculation of the basic earnings (loss) per share and the diluted earnings per share is as follows.

	Prior fiscal year (From April 1, 2023 to March 31, 2024)	Current fiscal year (From April 1, 2024 to March 31, 2025)
Basic earnings (loss) per share: Net income (loss) attributable to owners of parent (Millions of yen)	426,649	(670,898)
Net income (loss) attributable to owners of parent relating to common stock (Millions of yen)	426,649	(670,898)
Average number of shares of common stock during the fiscal year (Thousands of shares)	3,862,122	3,586,245
Diluted earnings per share: Increase in shares of common stock (Thousands of shares)	—	—
(Exercise of share subscription rights (Thousands of shares))	—	—
Securities excluded from the computation of diluted earnings per share because they do not have dilutive effects	—	—

3. The basis for calculation of the net assets per share is as follows.

	Prior fiscal year (As of March 31, 2024)	Current fiscal year (As of March 31, 2025)
Total net assets (Millions of yen)	6,470,543	5,445,348
Amounts deducted from total net assets (Millions of yen)	488,896	487,104
(Share subscription rights (Millions of yen))	304	299
(Non-controlling interests (Millions of yen))	488,592	486,805
Net assets attributable to shares of common stock at year end (Millions of yen)	5,981,647	4,958,244
The year-end number of shares of common stock used for the calculation of net assets per share (Thousands of shares)	3,740,203	3,492,272

(Significant subsequent events)

Not applicable.

⑤ Consolidated supplemental schedules

Schedule of bonds payable

Company	Description	Date of Issuance	Balance at the beginning of current fiscal year (Millions of yen)	Balance at the end of current fiscal year (Millions of yen)	Interest rate (%)	Collateral	Maturity
*1	61st unsecured bonds (Note 2)	April 15, 2016	20,000	(20,000) 20,000	0.33	None	March 19, 2026
*1	65th unsecured bonds (Note 2)	July 22, 2020	11,000	(11,000) 11,000	1.90	None	June 20, 2025
*1	EUR denominated bonds (Note 2)	September 17, 2020	244,860 [EUR 1,500,000 thousand]	(121,560) [EUR 750,000 thousand] 243,120 [EUR 1,500,000 thousand]	2.65 – 3.20	None	2026 – 2028
*1	USD denominated bonds (Note 2)	September 17, 2020	984,165 [USD 6,500,000 thousand]	(224,280) [USD 1,500,000 thousand] 971,880 [USD 6,500,000 thousand]	3.52 – 4.81	None	2025 – 2030
*1	66th unsecured bonds (Note 2)	February 6, 2023	140,000	(140,000) 140,000	1.02	None	January 20, 2026
*1	67th unsecured bonds (Note 2)	January 27, 2023	50,000	(50,000) 50,000	1.02	None	January 20, 2026
*1	68th unsecured bonds	January 27, 2023	10,000	10,000	1.45	None	January 20, 2028
*2	Bonds issued by subsidiaries	2021 – 2024	270,000	200,000	0.17 – 1.03	None	2024 – 2029
*3	Bonds issued by subsidiaries (Note 2)	2019 – 2024	678,840 [USD 4,483,458 thousand]	(141,275) [USD 944,857 thousand] 731,677 [USD 4,893,504 thousand]	1.13 – 7.05	None	2024 – 2029
*3	Bonds issued by subsidiaries (Note 2)	September 22, 2021	55,905 [CAD 500,000 thousand]	(52,260) [CAD 500,000 thousand] 52,260 [CAD +500,000 thousand]	2.10	None	September 22, 2025
*3	Bonds issued by subsidiaries (Note 2)	2021 – 2023	125,478 [CNY 6,295,933 thousand]	(10,830) [CNY 499,753 thousand] 49,800 [CNY 2,298,099 thousand]	2.80 – 3.72	None	2024 – 2026
Total (Note 2)		—	2,590,248	(771,205) 2,479,737	—		—

Notes: 1. *1 The Company *2 Domestic consolidated subsidiaries *3 Foreign consolidated subsidiaries

2. The amounts in parentheses presented under “Balance at the end of current fiscal year” represent the amounts scheduled to be redeemed within one year.

3. The redemption schedule of bonds for 5 years subsequent to March 31, 2025 is summarized as follows:

(Millions of yen)

Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years
771,205	393,315	578,135	318,474	44,808

Schedule of borrowings

(Millions of yen)

Category	Balance at the beginning of current fiscal year	Balance at the end of current fiscal year	Average interest rate (%)	Maturity
Short-term borrowings	200,407	159,799	4.71	—
Nonrecourse short-term borrowings	636,859	716,305	4.89	—
Current portion of long-term borrowings	453,238	877,351	5.48	—
Current portion of nonrecourse long-term borrowings	768,501	1,004,340	4.66	—
Commercial papers	103,262	86,743	2.07	—
Current portion of lease obligations	46,784	44,400	2.55	—
Long-term borrowings (excluding current portion)	2,191,703	1,634,215	4.70	April 2026 to August 2039
Nonrecourse long-term borrowings (excluding current portion)	729,925	1,027,141	4.83	April 2026 to November 2029
Lease obligations (excluding current portion)	90,466	69,830	4.68	April 2026 to August 2057
Total	5,221,145	5,620,124	—	—

- Notes: 1. The average interest rate represents the weighted-average rate applicable to the year-end balance.
2. IFRS 16, “Leases” (January 13, 2016) and ASU 2016-02 “Leases” (February 25, 2016) have been adopted at foreign subsidiaries and liabilities corresponding to the right-of-use assets which was recognized in line with this adaption were included in Current portion of lease obligations and Lease obligations (excluding current portion) balance.
3. The following table shows the aggregate annual maturities of long-term borrowings (excluding the current portion), nonrecourse long-term borrowings (excluding the current portion) and lease obligations (excluding the current portion) for 5 years subsequent to March 31, 2025.

(Millions of yen)

	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years
Long-term borrowings	683,072	557,443	302,139	89,872
Nonrecourse long-term borrowings	658,544	308,678	53,429	6,490
Lease obligations	26,679	15,016	9,524	6,102

Schedule of asset retirement obligations

The schedule of asset retirement obligations is not provided because the amounts of asset retirement obligations at the beginning and the end of the fiscal year ended March 31, 2025 were one hundredth (1%) or less of the amounts of total liabilities and net assets at the beginning and the end of the fiscal year ended March 31, 2025.

(2) Other

Semiannual financial information for the fiscal year ended March 31, 2025

	Current first half year	Current fiscal year
Net sales (Millions of yen)	5,984,221	12,633,214
Income (loss) before income taxes (Millions of yen)	90,602	(413,618)
Net income (loss) attributable to owners of parent (Millions of yen)	19,223	(670,898)
Basic earnings (loss) per share (Yen)	5.24	(187.08)

Significant lawsuits, etc., relating to operations and other matters

- . Lawsuits related to misstatements in Annual Securities Reports (“Yukashoken-Houkokusho”)

As a consequence of misstatements in Annual Securities Reports for each fiscal year in the past, there are some ongoing domestic and foreign lawsuits.

Independent Auditor's Report

The Board of Directors
Nissan Motor Co., Ltd.

The Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Nissan Motor Co., Ltd. and its consolidated subsidiaries (the Group), which comprise the consolidated balance sheets as at March 31, 2024 and 2023, and the consolidated statements of income, comprehensive income, changes in net assets, and cash flows for the years then ended, and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2024 and 2023, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with accounting principles generally accepted in Japan.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming the auditor's opinion thereon, and we do not provide a separate opinion on these matters.

Appropriateness of judgement of whether impairment loss recognition is necessary for fixed assets of automobile business and measurement of impairment loss

Description of Key Audit Matter	Auditor's Response
<p>The Company records 4,763,510 million yen of "Property, plant and equipment" and 186,469 million yen of "Intangible fixed assets" in the consolidated balance sheet as of March 31, 2024. These include balances from both automobile business and sales finance business, and business-use assets related to automobile business was 2,669,425 million yen as of the current fiscal year end, which accounts for 13.4 % of total assets.</p> <p>As described in "(Significant accounting estimates) 1. Impairment loss on fixed assets", the Company groups assets based on business segments (automobiles and sales financing) and regional groupings that are based on business interdependencies and consider if there are impairment indicators based on these classifications.</p> <p>The Company's automobile business faced rising geopolitical tensions, a sharp depreciation of the yen, inflationary effects, and industry market fragmentation resulting from the electrification shift, although there was recovery from semiconductor shortage. As of the current fiscal year end, a portion of the automobile business asset group was considered to have indication of impairment due to recording consecutive operating losses. The Company determined it was necessary to recognize impairment loss for the business-use assets located in India, and the book values of those assets were written down to their recoverable amount and impairment loss of 53,644 million yen was recorded as a special loss. The recoverable amount of the assets was based on value in use, which was calculated by discounting future cash flows using a discount rate based on the weighted average cost of capital which reflects country risk and other factors.</p> <p>Estimated future cash flows are used to determine recognition and measurement of impairment loss, which is based on the Company's business plan that has been approved by management. Fluctuation in market share conditions, profit margins and market growth rates may significantly impact the estimated future cash flows, therefore, these are considered as key assumptions in the accounting estimate.</p> <p>A high degree of auditor judgement is required to evaluate the Company's key assumptions used in the estimation of future cash flows as it involves uncertainty and significant management judgement.</p> <p>If additional recognition of impairment of fixed assets is necessary, it may significantly impact the Company's consolidated financial statements.</p> <p>As such, we identified "Appropriateness of judgement of whether impairment loss recognition is necessary for fixed assets of automobile business and</p>	<p>We performed the following primary procedures to address this key audit matter.</p> <ul style="list-style-type: none"> - We compared the period of estimated future cash flows against the economical useful lives of primary assets. - We assessed the consistency between future cash flows and the business plan approved by management. - We performed a look back analysis on the business plan from prior periods against actual results as a risk assessment procedure of how the Company's estimation process of the business plan impacts the estimated future cash flow. - In relation to market share conditions, profit margins and market growth rates, which are key assumptions used in the estimated future cash flows, we discussed with management and understood the applied assumptions and performed the following procedures. <ul style="list-style-type: none"> - In relation to market share conditions, we compared them against past results and future sales volume predictions in the business plan which reflect plans of new model launches. - In relation to profit margins, we compared them against past results and analyzed the impact due to fluctuation in foreign exchange rates. In relation to fixed costs, we performed a look back analysis on the business plan from prior periods against actual results and performed analysis of the impact to profit margins. In relation to foreign exchange rates, we compared them against available external data including future predictions. - In relation to market growth rates, we compared them against actual sales results by region in the automotive market and available external data which include automotive market total demand forecasts. - In relation to the estimated future cash flows from the business-use assets located in India, we compared the introduction plan of new models used in the future cash flow projection with agreement with business partners. - In relation to calculation of value in use of the business-use assets in India, we involved our valuation specialists in the following procedures. <ul style="list-style-type: none"> - We assessed if the methodology applied for the calculation of value in use and discount rate was consistent with the accounting standard requirements.

<p>measurement of impairment loss” as a key audit matter.</p>	<ul style="list-style-type: none"> - We compared input data used for the calculation of discount rates against relevant available external data. - We performed sensitivity analysis of estimated future cash flows and discount rates to assess the impact on impairment recognition and measurement. - We reperformed the calculation of the Company’s estimate.
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Valuation of recoverability of deferred tax assets of Nissan Motor Co., Ltd.	
Description of Key Audit Matter	Auditor’s Response
<p>The Company records 188,411 million yen of “Deferred tax assets” (net after offsetting deferred tax liabilities) in the consolidated balance sheet as of March 31, 2024.</p> <p>As described in “(Significant accounting estimates) 2. Deferred tax assets”, the Company assesses the recoverability of deferred tax assets of future deductible temporary differences and losses carried forward, by taking into account the reversal of future taxable temporary differences and feasible tax planning strategies and by reasonably estimating future taxable income.</p> <p>The deferred tax assets recorded in the consolidated balance sheet (188,411 million yen) include 296,962 million yen recorded by Nissan Motor Co., Ltd. in the non-consolidated financial statements. As described in “2. Non-Consolidated Financial Statements (For tax-effect accounting)”, deferred tax assets balance before offsetting deferred tax liabilities of Nissan Motor Co., Ltd. was 334,360 million yen.</p> <p>Based on the figures composing the business plan that has been approved by management, the Company estimates the future taxable income of Nissan Motor Co., Ltd. The estimate includes not only domestic sales but sales to overseas subsidiaries and affiliates, and fluctuation in sales volume including exports, profit margins and market growth rates, may significantly impact the estimated future taxable income, therefore, these are considered as key assumptions in the accounting estimate. In addition, the estimated future taxable income is impacted by permanent and temporary differences that are expected to incur in the future.</p> <p>The Company’s key assumptions used in the estimation of future taxable income involves uncertainty and significant management judgement. The assessment of whether the Company’s classification of the recoverability of deferred tax assets meets the accounting standard requirements and key assumptions require a high degree of auditor judgement giving consideration to complex tax regulations which impact the Company.</p> <p>As such, we identified “Valuation of recoverability of deferred tax assets of Nissan Motor Co., Ltd.” as a key audit matter.</p>	<p>We performed the following primary procedures to address this key audit matter.</p> <p>Based on the “Guidelines for the Recoverability of Deferred Tax Assets”, to assess the company classification, we evaluated the future estimated taxable income with consideration to past trend of taxable income including the impact of Controlled Foreign Company taxation system.</p> <ul style="list-style-type: none"> - We involved tax specialists to assess the balance of temporary tax differences and losses carried forward including timing of utilization. - We performed a look back analysis on the business plan from prior periods against actual results as a risk assessment procedure of how the Company’s estimation process of the business plan will impact the estimated future taxable income. - In relation to sales volume including exports, profit margins and market growth rates, which are key assumptions used in the business plan which is the basis of the estimated future taxable income, we discussed with management and understood the applied assumptions and performed the following procedures. <ul style="list-style-type: none"> - In relation to sales volume including exports, we compared them against past results and future sales volume predictions in the business plan which reflect plans of new model launches. - In relation to profit margins, we compared them against past results and analyzed the impact due to fluctuation in raw material price and foreign exchange rates. In addition, we performed analysis on how the sales volume would impact profit margins. In relation to foreign exchange rates, we compared them against available external data including future predictions. - In relation to market growth rates, we compared them against actual sales results by region in the automotive market and available external data which include automotive market total demand forecasts.

	<ul style="list-style-type: none"> - In relation to permanent and temporary differences and others that are expected to incur which were considered when estimating the future taxable income, we discussed with management about the nature, assessed the consistency with supporting documents and compared them against past results. In relation to adjustments made based on information provided by subsidiaries, we involved the component auditors and evaluated the accuracy of the supporting documents. In addition, we involved tax specialists to assess complex tax regulations that have significant impact to the Company's financial statements. - We performed sensitivity analysis of estimated future taxable income in order to assess the impact on recoverability of deferred tax assets. - We reperformed the calculation of the Company's estimate.
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Valuation of expense for recalls and other market measures	
Description of Key Audit Matter	Auditor's Response
<p>As described in "(Significant accounting estimates) 5. Expenses for market measures such as recalls", the Company records 69,052 million yen of "Service costs" in the consolidated statement of income of the current fiscal year.</p> <p>Automobile manufacturers are responsible for filing any cases of recall and other market measures to authorities and to collect and repair vehicles which do not meet safety and environmental standards due to defect of the company's design and manufacturing process.</p> <p>The Company and its subsidiaries record estimated expense as "Accrued expense" when market measures based on notifications to government authorities are deemed to be necessary, which is apart from warranty costs.</p> <p>A large-scale recall may significantly impact the Company's consolidated financial statements.</p> <p>Estimated market measure expense is composed of number of applicable vehicles in the market, expected implementation rates of market measures, and cost of market measures per unit. Out of these factors, the expected implementation rate of market measures significantly impacts the estimated market measure expense. Therefore, it is considered a key assumption in the accounting estimate. A high degree of auditor judgement is required to evaluate the key assumptions as it involves uncertainty.</p> <p>In addition, in order to completely reflect to the consolidated financial statements any market measure decisions made after fiscal year end, it is necessary to understand the existence of items which need to be accrued and evaluate the impact in a timely manner.</p> <p>As such, we identified the "Valuation of expense for recalls and other market measures" as a key audit matter.</p>	<p>We performed the following primary procedures to address this key audit matter.</p> <ul style="list-style-type: none"> - We performed a look back analysis on the estimates used in prior periods against actual results as a risk assessment procedure of the market measure estimation process. - We inquired related departments and inspected meeting minutes to assess the completeness of market measure items and to understand the key assumptions included in the estimated expense. - We evaluated the consistency between number of applicable vehicles in the market used in the estimate with available data such as the Company's sales data, documents filed with authorities and published press releases. - In relation to expected implementation rate of market measures which is a key assumption and cost of market measures per unit used in the estimate of market measure expense, we compared them against supporting documents and those of similar cases and past results. - We reperformed the calculation of the Company's estimate. - We considered any market measure decisions made after fiscal year end but before the issuance of consolidated financial statements to evaluate the completeness and accuracy of market measure expense. - We instructed auditors of the main consolidated subsidiaries to perform audit procedures around estimation of market measure expense such as recalls and received reports of the audit results. We evaluated whether adequate audit evidence was obtained.

Other Information

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as required by accounting principles generally accepted in Japan, matters related to going concern.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with auditing standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Consider internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances for our risk assessments, while the purpose of the audit of the consolidated financial statements is not expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation in accordance with accounting principles generally accepted in Japan.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with the ethical requirements regarding independence that are relevant to our audit of the consolidated financial statements in Japan, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

/s/ Ernst & Young ShinNihon LLC

Ernst & Young ShinNihon LLC
Tokyo, Japan

June 27, 2024

1. Consolidated Financial Statements

(1) Consolidated financial statements

① Consolidated balance sheets

(Millions of yen)

		Prior fiscal year (As of March 31, 2023)		Current fiscal year (As of March 31, 2024)
Assets				
Current assets				
Cash on hand and in banks		1,798,475		1,896,401
Trade notes and accounts receivable, and contract assets	※7	585,639	※7	635,329
Sales finance receivables	※3, ※6	6,480,605	※3, ※6	7,418,200
Securities		215,912		235,745
Merchandise and finished goods		941,687		1,279,001
Work in process		90,314		100,166
Raw materials and supplies		671,175		676,438
Other	※6	730,629	※6	796,505
Allowance for doubtful accounts		(146,225)		(154,185)
Total current assets		11,368,211		12,883,600
Fixed assets				
Property, plant and equipment				
Buildings and structures, net		625,495		654,425
Machinery, equipment and vehicles, net	※2, ※3	2,619,773	※2, ※3	2,939,857
Land		580,651		583,792
Construction in progress		157,648		247,191
Other, net		385,714		338,245
Total property, plant and equipment	※1	4,369,281	※1	4,763,510
Intangible fixed assets	※4	172,477	※4	186,469
Investments and other assets				
Investment securities	※5	1,176,832	※5	1,379,078
Long-term loans receivable		12,680		12,229
Net defined benefit assets		56,106		145,819
Deferred tax assets		192,191		188,411
Other	※3	252,368	※3	298,897
Allowance for doubtful accounts		(7,314)		(7,425)
Total investments and other assets		1,682,863		2,017,009
Total fixed assets		6,224,621		6,966,988
Deferred assets				
Bond issuance costs		5,749		4,563
Total deferred assets		5,749		4,563
Total assets		17,598,581		19,855,151

(Millions of yen)

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Liabilities		
Current liabilities		
Trade notes and accounts payable	1,912,151	2,229,210
Short-term borrowings	※3 1,101,978	※3 837,266
Current portion of long-term borrowings	※3 1,085,256	※3 1,221,739
Commercial papers	88,000	103,262
Current portion of bonds	556,367	239,032
Lease obligations	50,061	46,784
Accrued expenses	979,369	1,119,093
Accrued warranty costs	99,425	112,678
Other	※7 896,719	※7 1,017,875
Total current liabilities	6,769,326	6,926,939
Long-term liabilities		
Bonds	2,058,096	2,351,216
Long-term borrowings	※3 2,013,251	※3 2,921,628
Lease obligations	86,054	90,466
Deferred tax liabilities	299,256	266,541
Accrued warranty costs	115,544	144,621
Net defined benefit liability	184,851	154,439
Other	※7 457,063	※7 528,758
Total long-term liabilities	5,214,115	6,457,669
Total liabilities	11,983,441	13,384,608
Net assets		
Shareholders' equity		
Common stock	605,814	605,814
Capital surplus	811,209	826,151
Retained earnings	4,047,870	4,285,508
Treasury stock	(136,172)	(111,377)
Total shareholders' equity	5,328,721	5,606,096
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	2,893	3,500
Unrealized gain and loss from hedging instruments	(3,346)	13,159
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(51,079)	(103,135)
Translation adjustments	(111,694)	422,883
Remeasurements of defined benefit plans	(30,846)	39,144
Total accumulated other comprehensive income	(194,072)	375,551
Share subscription rights	273	304
Non-controlling interests	480,218	488,592
Total net assets	5,615,140	6,470,543
Total liabilities and net assets	17,598,581	19,855,151

② Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

	(Millions of yen)			
	Prior fiscal year		Current fiscal year	
	(From April 1, 2022 To March 31, 2023)		(From April 1, 2023 To March 31, 2024)	
Net sales	※1	10,596,695	※1	12,685,716
Cost of sales	※2, ※3	8,882,846	※2, ※3	10,618,802
Gross profit		1,713,849		2,066,914
Selling, general and administrative expenses				
Advertising expenses		283,505		321,758
Service costs		94,364		69,052
Provision for warranty costs		119,269		146,538
Other selling expenses		92,602		156,258
Salaries and wages		436,403		470,606
Retirement benefit expenses		12,247		27,935
Supplies		1,955		2,046
Depreciation and amortization		58,348		63,013
Provision for doubtful accounts		6,023		44,269
Amortization of goodwill		1,320		1,242
Other		230,704		195,479
Total selling, general and administrative expenses	※2	1,336,740	※2	1,498,196
Operating income		377,109		568,718
Non-operating income				
Interest income		39,276		63,516
Dividends income		83		186
Equity in earnings of affiliates		171,275		113,487
Derivative gain		43,392		44,407
Gain on net monetary position		4,159		79,916
Miscellaneous income		22,405		18,429
Total non-operating income		280,590		319,941
Non-operating expenses				
Interest expense		63,045		78,032
Exchange loss		51,948		69,165
Miscellaneous expenses		27,263		39,301
Total non-operating expenses		142,256		186,498
Ordinary income		515,443		702,161

(Millions of yen)

	Prior fiscal year		Current fiscal year	
	(From April 1, 2022 To March 31, 2023)		(From April 1, 2023 To March 31, 2024)	
Special gains				
Gain on sales of fixed assets	※4	22,992	※4	16,880
Compensation income		—		9,207
Other		15,873		1,338
Total special gains		38,865		27,425
Special losses				
Loss on sales of fixed assets	※5	5,793	※5	5,342
Loss on disposal of fixed assets		15,115		15,402
Impairment loss	※6	8,615	※6	58,972
Loss related to litigation		—		40,968
Other	※3	122,349		9,677
Total special losses		151,872		130,361
Income before income taxes		402,436		599,225
Income taxes-current		196,619		233,587
Income taxes-deferred		(35,382)		(83,914)
Total income taxes		161,237		149,673
Net income		241,199		449,552
Net income attributable to non-controlling interests		19,299		22,903
Net income attributable to owners of parent		221,900		426,649

Consolidated statements of comprehensive income

	(Millions of yen)	
	Prior fiscal year	Current fiscal year
	(From April 1, 2022 To March 31, 2023)	(From April 1, 2023 To March 31, 2024)
Net income	241,199	449,552
Other comprehensive income		
Unrealized holding gain and loss on securities	140	(701)
Unrealized gain and loss from hedging instruments	(26,000)	24,436
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(1,479)	(46,890)
Translation adjustments	300,206	459,520
Remeasurements of defined benefit plans	(24,539)	69,445
The amount related to equity method companies	117,310	86,862
Total other comprehensive income	365,638	592,672
Comprehensive income	606,837	1,042,224
(Breakdown of comprehensive income)		
Comprehensive income attributable to owners of parent	574,799	996,272
Comprehensive income attributable to non-controlling interests	32,038	45,952

③ Consolidated statements of changes in net assets

Prior fiscal year (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized holding gain and loss on securities	Unrealized gain and loss from hedging instruments
Balance at the beginning of current period	605,814	816,472	3,843,479	(138,061)	5,127,704	3,428	17,230
Effects of hyperinflation							
Restated balance	605,814	816,472	3,843,479	(138,061)	5,127,704	3,428	17,230
Changes of items during the period							
Cash dividends paid			(19,573)		(19,573)		
Net income attributable to owners of parent			221,900		221,900		
Purchase of treasury stock				(344)	(344)		
Disposal of treasury stock			(990)	2,233	1,243		
Changes in the scope of consolidation			(5,806)		(5,806)		
Changes in the scope of equity method			8,860		8,860		
Changes in interests by purchase of subsidiaries' shares		(3)			(3)		
Changes in interests by capital injection of subsidiaries		(5,247)			(5,247)		
Changes in affiliated companies' interests in its subsidiaries		(13)			(13)		
Net changes of items other than those in shareholders' equity						(535)	(20,576)
Total changes of items during the period		(5,263)	204,391	1,889	201,017	(535)	(20,576)
Balance at the end of current period	605,814	811,209	4,047,870	(136,172)	5,328,721	2,893	(3,346)

	Accumulated other comprehensive income				Share subscription rights	Non-controlling interests	Total net assets
	Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	Translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	(38,109)	(512,770)	(16,882)	(547,103)	—	448,983	5,029,584
Effects of hyperinflation	(13,090)	13,222		132			132
Restated balance	(51,199)	(499,548)	(16,882)	(546,971)	—	448,983	5,029,716
Changes of items during the period							
Cash dividends paid							(19,573)
Net income attributable to owners of parent							221,900
Purchase of treasury stock							(344)
Disposal of treasury stock							1,243
Changes in the scope of consolidation							(5,806)
Changes in the scope of equity method							8,860
Changes in interests by purchase of subsidiaries' shares							(3)
Changes in interests by capital injection of subsidiaries							(5,247)
Changes in affiliated companies' interests in its subsidiaries							(13)
Net changes of items other than those in shareholders' equity	120	387,854	(13,964)	352,899	273	31,235	384,407
Total changes of items during the period	120	387,854	(13,964)	352,899	273	31,235	585,424
Balance at the end of current period	(51,079)	(111,694)	(30,846)	(194,072)	273	480,218	5,615,140

Current fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized holding gain and loss on securities	Unrealized gain and loss from hedging instruments
Balance at the beginning of current period	605,814	811,209	4,047,870	(136,172)	5,328,721	2,893	(3,346)
Changes of items during the period							
Cash dividends paid			(58,760)		(58,760)		
Net income attributable to owners of parent			426,649		426,649		
Purchase of treasury stock				(121,294)	(121,294)		
Disposal of treasury stock		(8)	(1,505)	17,343	15,830		
Cancellation of treasury stock			(128,746)	128,746			
Changes in interests by sales of subsidiaries' shares		10,790			10,790		
Changes in affiliated companies' interests in its subsidiaries		4,160			4,160		
Net changes of items other than those in shareholders' equity						607	16,505
Total changes of items during the period		14,942	237,638	24,795	277,375	607	16,505
Balance at the end of current period	605,814	826,151	4,285,508	(111,377)	5,606,096	3,500	13,159

	Accumulated other comprehensive income				Share subscription rights	Non-controlling interests	Total net assets
	Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	Translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	(51,079)	(111,694)	(30,846)	(194,072)	273	480,218	5,615,140
Changes of items during the period							
Cash dividends paid							(58,760)
Net income attributable to owners of parent							426,649
Purchase of treasury stock							(121,294)
Disposal of treasury stock							15,830
Cancellation of treasury stock							—
Changes in interests by sales of subsidiaries' shares							10,790
Changes in affiliated companies' interests in its subsidiaries							4,160
Net changes of items other than those in shareholders' equity	(52,056)	534,577	69,990	569,623	31	8,374	578,028
Total changes of items during the period	(52,056)	534,577	69,990	569,623	31	8,374	855,403
Balance at the end of current period	(103,135)	422,883	39,144	375,551	304	488,592	6,470,543

④ Consolidated statements of cash flows

(Millions of yen)

	Prior fiscal year (From April 1, 2022 To March 31, 2023)	Current fiscal year (From April 1, 2023 To March 31, 2024)
Cash flows from operating activities		
Income before income taxes	402,436	599,225
Depreciation and amortization (for fixed assets excluding leased vehicles)	335,242	351,684
Depreciation and amortization (for long term prepaid expenses)	41,194	38,957
Depreciation and amortization (for leased vehicles)	317,304	287,312
Impairment loss	8,615	58,972
Increase (decrease) in allowance for doubtful accounts	9,905	(6,474)
Provision for residual value risk of leased vehicles (net changes)	(43,549)	(17,014)
Interest and dividends income	(39,359)	(63,702)
Interest expense	206,281	298,338
Equity in losses (earnings) of affiliates	(171,275)	(113,487)
Loss (gain) on sales of fixed assets	(17,199)	(11,538)
Loss on disposal of fixed assets	15,115	15,402
Loss (gain) on sales of shares of subsidiaries and affiliates	45,569	—
Decrease (increase) in trade notes and accounts receivable, and contract assets	(167,742)	(28,903)
Decrease (increase) in sales finance receivables	221,475	(243,605)
Decrease (increase) in inventories	(196,712)	(112,150)
Increase (decrease) in trade notes and accounts payable	543,424	280,483
Retirement benefit expenses	(15,631)	(686)
Payments related to net defined benefit assets and liabilities	(41,190)	(19,545)
Other	(77,370)	30,083
Subtotal	1,376,533	1,343,352
Interest and dividends received	32,902	60,234
Proceeds from dividends income from affiliates accounted for by equity method	163,385	69,492
Interest paid	(198,208)	(285,054)
Income taxes paid	(153,561)	(227,125)
Net cash provided by (used in) operating activities	1,221,051	960,899
Cash flows from investing activities		
Net decrease (increase) in short-term investments	2,209	(2,352)
Purchase of fixed assets	(322,725)	(368,273)
Proceeds from sales of fixed assets	33,968	36,797
Purchase of leased vehicles	(810,777)	(1,259,505)
Proceeds from sales of leased vehicles	679,146	796,697
Payments of long-term loans receivable	(1,533)	(85)
Collection of long-term loans receivable	3,083	22,981
Purchase of investment securities	(1,849)	(48,064)
Proceeds from sales of investment securities	310	8
Purchase of shares of subsidiaries resulting in changes in the scope of consolidation	(9,730)	—
Payments for sales of subsidiaries' shares resulting in changes in the scope of consolidation	(30,842)	—
Net decrease (increase) in restricted cash	(20,256)	(1,199)
Proceeds from sales of businesses	5,273	6,912
Other	26,682	3,419
Net cash provided by (used in) investing activities	(447,041)	(812,664)

(Millions of yen)

	Prior fiscal year	Current fiscal year
	(From April 1, 2022 To March 31, 2023)	(From April 1, 2023 To March 31, 2024)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(149,413)	(380,759)
Proceeds from long-term borrowings	1,364,681	2,102,278
Proceeds from issuance of bonds	199,168	311,855
Repayments of long-term borrowings	(1,471,738)	(1,411,497)
Redemption of bonds	(526,076)	(487,489)
Proceeds from non-controlling shareholders	1,650	—
Purchase of treasury stock	(1)	(119,968)
Purchase of treasury shares of subsidiaries	(5,529)	—
Repayments of lease obligations	(55,315)	(53,271)
Cash dividends paid	(19,573)	(58,760)
Cash dividends paid to non-controlling interests	(8,457)	(58,460)
Payments from changes in ownership interests in subsidiaries that do not result in change in the scope of consolidation	(4)	—
Proceeds from changes in ownership interests in subsidiaries that do not result in change in the scope of consolidation	—	24,520
Net cash provided by (used in) financing activities	(670,607)	(131,551)
Effects of exchange rate changes on cash and cash equivalents	112,435	95,135
Increase (decrease) in cash and cash equivalents	215,838	111,819
Cash and cash equivalents at the beginning of the period	1,792,692	2,014,387
Increase due to inclusion in consolidation	5,857	—
Cash and cash equivalents at the end of the period	※1 2,014,387	※1 2,126,206

[Notes to Consolidated Financial Statements]

(Basis of consolidated financial statements)

The consolidated financial statements of the Company are prepared in accordance with generally accepted accounting principles in Japan and the Ministry of Finance Ordinance No. 28, 1976 “Regulations Concerning the Terminology, Forms and Preparation Methods of Consolidated Financial Statements” (hereinafter the “Regulations for Consolidated Financial Statements”).

1. Scope of consolidation

(1) Number of consolidated group companies: 233

- Domestic companies: 95
- Foreign companies: 138

Domestic Car Dealers and Parts Distributors

Kanagawa Nissan Motor Co., Ltd., Nissan Motor Sales Co., Ltd., Nissan Buhin Chuo Hanbai Co., Ltd. and 38 other companies

Domestic Vehicles and Parts Manufacturers

Nissan Shatai Co., Ltd., Aichi Machine Industry Co., Ltd., Jatco Ltd. and 8 other companies

Domestic Logistics and Services Companies

Nissan Trading Co., Ltd., Nissan Financial Services Co., Ltd., Nissan Motorsports & Customizing Co., Ltd. and 40 other companies

Overseas subsidiaries

Nissan North America, Inc., Nissan Automotive Europe, Nissan Motor Manufacturing (UK) Ltd., Nissan Mexicana, S.A. de C.V. and 134 other companies

Nissan Global Management S.A. has been newly established and included in the scope of consolidation. From among those that were consolidated subsidiaries in the prior fiscal year, e.DAMS S.A. and 5 other companies have been excluded from the scope of consolidation due to liquidation, and Fukuoka Nissan Motor Co., Ltd. has been excluded from the scope of consolidation as it has been absorbed and dissolved.

(2) Number of subsidiaries not accounted for by the full consolidation method: 3

- Domestic companies: 1
NC Service Co., Ltd.
- Foreign companies: 2
Nissan Manufacturing Tanger Mediterranean and one other

These unconsolidated subsidiaries are immaterial in terms of their total assets, sales, net income or loss, retained earnings and others, and do not have a significant impact on the consolidated financial statements.

2. Equity method

(1) Number of companies accounted for by the equity method: 39

- Affiliates: 39 (23 domestic and 16 foreign companies)
Renault S.A., Dongfeng Motor Co., Ltd., Mitsubishi Motors Corporation, Nissan Tokyo Sales Holdings Co., Ltd. and others

Rose Kiln Retail Ltd., which was an unconsolidated company accounted for by the equity method in the prior fiscal year, has been excluded from the scope of the equity method due to liquidation.

(2) Number of companies not accounted for by the equity method: 6

- Unconsolidated subsidiaries: 3
Nissan Manufacturing Tanger Mediterranean and others
- Affiliates: 3
Sun Co., Ltd. and others

The impact of these companies is not significant on the consolidated net income or loss, consolidated retained earnings and others.

(3) For these companies accounted for by the equity method whose fiscal year end differs from the consolidated fiscal year end, the financial statements of their respective fiscal years are used as the basis of the consolidated financial statements.

3. Accounting period of consolidated subsidiaries

(1) The following consolidated group companies close their books of account at:

January 31:

Yokohama Marinos Ltd.

September 30:

Nissan Formula E Team S.A.S.

December 31:

Nissan Mexicana, S.A. de C. V.

Nissan Exports De Mexico, S. de R.L. de C.V.

NR Finance Mexico, S.A. de C.V.

NR Finance Services, S.A. de C.V.

Anzen Agente de Seguros, S.A. de C.V.

Nissan Do Brasil Automoveis Ltda.

Nissan Argentina S.A.

Nissan Argentina Plan S.A. de Ahorro Para Fines Determinados

Nissan Chile SpA.

Nissan-Tanner Financial Services SpA.

Nissan-Tanner Financial Services Retail SpA.

Nissan-Tanner Financial Services Wholesale SpA.

Nissan Peru S.A.C.

Aprite (GB) Ltd.

Nissan Motor Ukraine LLC

Yulon Nissan Motor Co., Ltd.

Yi-Jan Overseas Investment Co., Ltd.

Jetford Inc.

Nissan (China) Investment Co., Ltd.

Dongfeng Nissan Auto Finance Co., Ltd.

Dongfeng Nissan Financial Leasing Co., Ltd.

Wuhan Dongfeng Insurance Broker Co., Ltd.

Wuhan Dongfeng Xinda Economic Information Consulting Co., Ltd.

Nissan Shanghai Co., Ltd.

Jatco Mexico S.A. de C.V.

Jatco (Guangzhou) Automatic Transmission Ltd.

Jatco (Suzhou) Automatic Transmission Ltd.

Nissan Guangzhou Co., Ltd.

Nissan Trading China Co., Ltd.

Nissan (Shanghai) Automotive Design Co., Ltd.

Nissan Mobility Service Co., Ltd.

Jatco USA, Inc.

Jatco Korea Engineering Corporation

Jatco France S.A.S.

Jatco Korea Service Corporation

Nissan Trading Do Brasil Produtos Automotivos Ltda.

VINZ 2022 Retail Auto Mortgage Loan Securitization Trust (Phase 1)

VINZ 2022 Retail Auto Mortgage Loan Securitization Trust (Phase 2)

(2) Of these 40 companies, Nissan Formula E Team S.A.S., whose fiscal year end is September 30, and Nissan Mexicana, S.A. de C. V. and 23 other companies, whose fiscal year end is December 31, close their books of account at March 31 for consolidation reporting purpose. With respect to Yokohama Marinos Ltd., whose fiscal year end is January 31, and Nissan (China) Investment Co., Ltd. and 13 other companies, whose fiscal year end is December 31, the necessary adjustments were made in consolidation to reflect any significant transactions from February 1 to March 31 and January 1 to March 31.

4. Significant accounting policies

(1) Valuation methods for assets

① Securities

Held-to-maturity securities:

Held-to maturity securities are stated at amortized cost.

Other securities:

Marketable securities:

Marketable securities classified as other securities are carried at fair value with any changes in unrealized holding gain or loss, net of the applicable income taxes, directly included in net assets. Cost of securities sold is calculated by the moving average method.

Non-marketable securities:

Non-marketable securities classified as other securities are carried at cost determined by the moving average method.

Investments in limited liability partnerships and similar investments, defined as securities by Article 2, Section 2 of the Financial Instruments and Exchange Act, are recognized at the net amount corresponding to the owning portion under the equity method accounting based on the latest available financial statements of the partnerships.

② Derivative financial instruments

Derivative financial instruments are stated at fair value.

③ Inventories

Inventories are stated at cost determined by the first-in and first-out method (cost of inventories is written-down when their carrying amounts become unrecoverable).

(2) Depreciation of property, plant and equipment

Depreciation of self-owned property, plant and equipment is calculated principally by the straight-line method based on the estimated useful lives and the estimated residual value determined by the Company.

Depreciation of leased assets (including right-of-use assets) is calculated by the straight-line method based on either the estimated useful lives or the lease terms and the estimated residual value determined by the Company.

(3) Basis for significant reserves

① Allowance for doubtful accounts

Allowance for doubtful accounts is provided based on past experience for ordinary receivables and on an estimate of the collectability of receivables from companies in financial difficulty. Some foreign subsidiaries and affiliates have adopted IFRS 9 and Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 326, and recognized impairment losses on financial assets using the expected credit loss model.

② Accrued warranty costs

Accrued warranty costs are provided to cover the cost of all services anticipated to be incurred during the entire warranty period in accordance with the warranty contracts and based on past experience.

(4) Accounting for retirement benefits

For calculating the retirement benefit obligation, the benefit formula basis has been adopted for attributing projected benefits to periods.

Past service cost is being amortized as incurred by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees (principally 4 to 15 years).

Actuarial gain and loss are amortized in the year following the year in which actuarial gain and loss are recognized by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees (principally 7 to 25 years). Some foreign subsidiaries and affiliates have adopted the corridor approach for actuarial gain and loss, and amortize them over the average remaining years of services of the eligible employees or the average life expectancy of the eligible employees.

Actuarial gain and loss and past service cost that are yet to be recognized as gain or loss are recorded as remeasurements of defined benefit plans presented in accumulated other comprehensive income of the net assets section, after being adjusted for tax effects.

(5) Reporting of significant revenue and expenses

Businesses of the Group are segmented into Automobile and Sales financing based on the features of products and services.

The Automobile business includes manufacturing and sales of vehicles and parts. The Sales financing business provides sales finance services and leasing to support the sales activities of the Automobile business.

Regarding the sales of vehicles and parts in the Automobile business, the Group usually recognizes revenue when products are delivered to customers, as control over products is considered to be transferred to customers when they can use and/or sell products at their own discretion. Transactions in which services are provided over a certain period of time primarily include paid extended warranties and maintenance services. Revenue is recognized over time in accordance with the progress of the performance obligation satisfied. Revenue is measured based on transaction price specified in a contract with customers, excluding the amounts collected on behalf of third parties such as tax authorities.

The Group provides incentives primarily to dealers, and these incentives are calculated based on total vehicle volume or vehicle unit sales of certain models sold by dealers during a specified period of time. The Group accrues these amounts as incentives upon the sale of vehicles using the “most likely amount method” and deducts them from revenue.

Payments for products received by customers are collected in accordance with the terms and conditions of relevant sales agreements and amounts of financing component included in the payments are not material.

In addition, product sales contracts with customers include warranty clauses to cover free replacement or repair needed to correct defects in materials or workmanship of all parts and components and the Group recognizes provisions for product warranties to meet these guarantees. The provisions for such warranty costs are booked as described above in (3) Basis for significant reserves.

Interest income from sales finance products in the Sales financing business is recognized at an amount equivalent to interest over the contractual period. Interest income from finance lease transactions is recognized over the lease term. Revenue from operating lease transactions is recognized by allocating the total of the lease payments over the lease term based on the contract.

(6) Foreign currency translation

① Foreign Currency Transactions

Monetary assets and liabilities denominated in currencies other than the functional currency are remeasured into their respective functional currencies at exchange rates in effect at the balance sheet date. The resulting translation differences are recognized as Exchange gain or loss.

② Translation of Foreign Currency Financial Statements

The Company’s reporting currency is the Japanese yen and the functional currency of the majority of the Company’s foreign subsidiaries is their local currency. As such, amounts included in the consolidated statements of income, comprehensive income, cash flows, and changes in equity are translated using average exchange rates during each period. However, income and expenses of subsidiaries in hyperinflationary economies are translated at period-end exchange rates in accordance with the application of hyperinflationary accounting.

Assets and liabilities are translated at period-end exchange rates and resulting foreign currency translation adjustments are recorded in the consolidated balance sheets as a component of Accumulated other comprehensive income.

(7) Hedge accounting method

① Hedge accounting method

In principle, deferred hedge accounting is applied for derivative instruments under JGAAP.

If it qualifies for specific conditions, the following exceptional hedge treatments can be applied.

- Hedged items for foreign currency denominated transactions can be booked directly using the forward contract rate, except for accounts receivables to which deferred hedge accounting is applied.
- For interest rate swaps, if interest paid or received can be netted against the interest of underlying hedged interest-bearing debt, there is no need for fair value evaluation.

Foreign subsidiaries and affiliates apply hedge accounting based on the risk of hedged items in accordance with IFRS or US GAAP.

② Hedging instruments and hedged items

- Hedging instruments.....Derivative transactions
- Hedged items.....Mainly receivables and payables denominated in foreign currencies and others

③ Hedging policy

Based on the internal risk management rules and authority regarding derivative transactions, expected risks such as fluctuations in foreign currency and interest rate are hedged within certain extent.

④ Assessment of hedge effectiveness

An assessment of hedge effectiveness is required for foreign subsidiaries and affiliates reporting under IFRS or US GAAP, however, this can be omitted under JGAAP when the terms of hedged items are substantially the same as those of the hedging instruments.

(8) Amortization of goodwill

Goodwill is amortized over periods not exceeding 20 years determined based on their expected life. However, immaterial differences are recognized as gain or loss in the year of acquisition.

Negative goodwill in consolidated subsidiaries and in companies accounted for by the equity method which had occurred after April 1, 2010 has been recorded as gain in the year of acquisition.

(9) Cash and cash equivalents in the consolidated statements of cash flows

Cash and cash equivalents consist of cash on hand, cash in banks which can be withdrawn at any time and short-term investments with a maturity of three months or less when purchased which can easily be converted to cash and are subject to little risk of change in value.

(10) Adoption of group tax sharing system and consolidated taxation system

The Company and some of its domestic consolidated subsidiaries have adopted the group tax sharing system. In addition, some of its foreign consolidated subsidiaries have adopted the consolidated taxation system.

(Significant accounting estimates)

1. Impairment loss on fixed assets

(1) Amount recorded in the consolidated financial statements for the current fiscal year

The amount of impairment loss recorded in the consolidated statement of income for the current fiscal year is stated in the notes (For consolidated statement of Income) 6 ※6 Impairment loss.

(2) Details of significant accounting estimates related to the identified items

After grouping fixed assets based on business segments (automobiles and sales financing) and regional groupings that are based on business interdependencies, the Group determines whether there is any indication of impairment on business-use assets, and determines and measures the recognition of impairment losses. The Group reasonably estimates future cash flows and net realizable value in determining and measuring impairment losses and discount rates in measuring impairment losses.

The assumptions used to estimate future cash flows are based on the Company's business plan which is approved by the Management meeting. Based on the business plan that takes into account an aggressive introduction of new models and promotion of electrification as well as geographical risks, and surging logistics costs, future cash flows are estimated considering historical market share conditions and profit margins, regional market growth rates with reference to a third-party TIV forecast, relevant market trends including foreign exchange rates, and expected changes in the business environment. Net realizable value is calculated based on the real estate appraisal value, etc. and other publicly available information. The discount rate is calculated based on the weighted average cost of capital, taking into account country risk and other factors in each country.

The balance of business-use assets of the automobile business in the consolidated financial statements for fiscal year 2023 is ¥2,669,425 million. As a result of impairment testing in the current fiscal year for an asset group for which there was an indication of impairment due to conditions such as continuous operating losses, impairment loss of ¥53,644 million and ¥5,328 million was recognized on business-use assets of the automobile business for India and on idle and other assets, respectively.

If market trends, the economic environment or preconditions for business plans change significantly in relation to the asset group, and the Company revises its estimates of future cash flows, net realizable value, or discount rate, then business-use assets may be newly impaired.

2. Deferred tax assets

(1) Amount recorded in the consolidated financial statements for the current fiscal year (Ending balance)

The net amount of deferred tax assets in the consolidated balance sheet of the current fiscal year is ¥188,411 million. The amounts of deferred tax assets and valuation allowances before offsetting are stated in the notes (For tax-effect accounting).

(2) Details of significant accounting estimates related to the identified items

In assessing the recoverability of deferred tax assets, future taxable income is reasonably estimated based on the Company's business plan which is approved by the aforementioned Management meeting for any future deductible temporary differences that remain after taking into account the reversal of future taxable temporary differences and feasible tax planning strategies.

The net amount of deferred tax assets of the Company is ¥296,962 million. The Company evaluates the recoverability of deferred tax assets based on a reasonable estimate of future taxable income based on the Company's business plan. Additionally, in the current fiscal year, the Company reassessed the classification for determining the recoverability of deferred tax assets in accordance with "Implementation Guidance on Recoverability of Deferred Tax Assets" (ASBJ Guidance No. 26, February 16, 2018), and details are stated in the notes (For tax-effect accounting).

If the aforementioned market trends, economic environment or preconditions for business plans change significantly, and the Company revises its estimates of future taxable income, then this may affect the valuation of deferred tax assets.

3. Allowance for doubtful accounts

(1) Amount recorded in the consolidated financial statements for the current fiscal year (Ending balance)

The allowance for doubtful accounts of the sales finance business in the consolidated balance sheet of the current fiscal year is ¥135,722 million. The allowance for doubtful accounts of Nissan Motor Acceptance Company LLC, which complies with Financial Accounting Standards Board (FASB) ASC 326, is ¥79,906 million.

(2) Details of significant accounting estimates related to the identified items

An allowance for doubtful accounts is provided to recognize bad debt losses for sales finance receivables and automotive trade receivables, etc., based on an estimate of their collectability calculated based on past experience. When estimating the collectability of receivables, the Group evaluates the credit risk of customers and the value of assets pledged as collateral. In addition, if the credit risk of receivables changes due to changes in the external environment, such as the expectation of a significant deterioration in economic indicators, the Company will additionally take into consideration the relevant factors, if necessary. For example, the Group may need to increase the allowance or incur bad debt losses if estimates based on past experience differ materially from market value forecasts, perceived individual credit risk, or a deterioration in the value of pledged collateral.

Certain foreign subsidiaries and affiliates which apply International Financial Reporting Standards (IFRS) 9 and Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 326 recognize allowances for doubtful accounts based on financial asset impairment losses calculated using the expected credit loss model.

Under IFRS 9, expected credit loss is calculated after classifying financial assets into stages according to their credit risk, while under ASC 326, expected credit loss over the remaining life is calculated for all financial receivables without classifying them into stages. It is required to measure credit losses from future projected default events at the present value. Allowances under IFRS and ASC can increase or decrease based on the changes in assumptions that drive credit risk assessments, such as past experience, used car prices, and forecasts of macroeconomic factors, such as unemployment rates or inflation.

4. Provision for residual value risk of leased vehicles

(1) Amount recorded in the consolidated financial statements for the current fiscal year (Ending balance)

Provision for loss on residual value of leased vehicles recorded in the machinery and equipment (net amount) in the balance sheet of the current fiscal year is ¥113,573 million. The book value of assets under lease contracts (lessor) is shown in the notes (For consolidated balance sheets) 2 ※2.

(2) Details of significant accounting estimates related to the identified items

Subsidiaries, primarily in North America, estimate provisions for the residual value risk of leased vehicles to cover losses that arise when proceeds from leased vehicles that have been returned fall below the net book values of these assets at lease-end.

Such provisions for residual value risk of leased vehicles are recognized as a change in estimate and their ending book value is further changed, leading to higher or lower depreciation amounts. The estimate of residual value is updated mainly based on the expected sale price of the leased vehicle and the expected return rate. Assessment of updated vehicle residual values is affected by many factors, including, but not limited to, sales results for used cars, trends in returns of leased vehicles, new vehicle sales trends, supplies of used cars, customer preferences, marketing strategies, and general economic conditions. Leased vehicles may be impaired if used car market prices fall and impairment indicators exist and their recoverable amount is less than book value.

5. Expenses for market measures such as recalls

(1) Amount recorded in the consolidated financial statements for the current fiscal year

Service cost recorded in the consolidated statement of income for the current fiscal year is ¥69,052 million.

(2) Details of significant accounting estimates related to the identified items

The amount of estimated expenses for market measures, such as recalls, is recognized as accrued expenses other than accrued warranty costs when market measures based on notifications to government authorities are deemed to be necessary. In estimating expenses, the estimated accrual is calculated based on the number of applicable models on the markets, the expected implementation rates of market measures, the cost of market measures and other costs per unit. The expected implementation rates of market measures are estimated based on historical results by sales region, brand, and age of product portfolio.

The Company checks trends in market measures every quarter, and additional accrued expenses may be recorded or reversed if actual accruals differ from estimates due to an unexpected increase or decrease in the number of market measures.

(Changes in presentation)

1. Consolidated statement of income

“Gain on net monetary position,” which was included in “Miscellaneous income” under “Non-operating income” in the prior fiscal year, has been presented as a separate account in the current fiscal year due to its increased financial materiality.

To reflect this change, ¥4,159 million in “Miscellaneous income” under “Non-operating income” in the prior fiscal year has been reclassified into “Gain on net monetary position” in the consolidated statement of income for the prior fiscal year provided herein.

“Compensation for suppliers and others,” which was presented as a separate account under “Special losses” in the prior fiscal year, has been included in “Other” in the current fiscal year due to its decreased financial materiality.

To reflect this change, ¥21,151 million of “Compensation for suppliers and others” under “Special losses” in the prior fiscal year has been reclassified into “Other” in the consolidated statement of income for the prior fiscal year provided herein.

(Additional information)

Current fiscal year (From April 1, 2023 To March 31, 2024)

(Litigation for damages related to vehicle distribution agreement dispute)

On July 4, 2019, Al Dahana filed a lawsuit against the Company, its consolidated subsidiary, Nissan Middle East FZE and its equity-method affiliate, Nissan Gulf FZCO, in the Dubai Court of First Instance in relation to a vehicle distribution agreement dispute. On September 29, 2021, the Dubai Court of First Instance ruled that the Company and Nissan Middle East FZE must pay AED 1,159,777,806.50 plus interest. The Company had recorded the amount of judgment plus interest totaling ¥38,758 million under “Selling, general and administrative expenses” considering the ruling in the second quarter of the fiscal year ended March 31, 2022.

On June 8, 2022, the Dubai Court of Appeal reversed the judgment of the Dubai Court of First Instance. The Company, Nissan Middle East FZE, and Al Dahana filed further appeals to the Dubai Court of

Cassation, but on September 14, 2022, the Dubai Court of Cassation overturned the Dubai Court of Appeal's June judgment and remitted the case back to the Dubai Court of Appeal for a new judgement upon further review. On November 29, 2022, the Dubai Court of Appeal reversed the judgment of the Dubai Court of First Instance. On January 25, 2023, Al Dahana filed an appeal to the Court of Cassation. On January 27, 2023, the Company and Nissan Middle East FZE also filed an appeal to the Court of Cassation.

On and effective April 30, 2024, the Dubai Court of Cassation, dismissed all the appeals before it, with the effect that previous Dubai Court of Appeal decision to reverse the Dubai Court of First instance decision stands.

The Company reversed the previously recorded provision amount of ¥38,758 million and the related foreign exchange loss of ¥15,715 million within "Selling, general and administrative expenses" and "Exchange loss", respectively.

Prior fiscal year (From April 1, 2022 To March 31, 2023)

(Exit from the Russian market)

The Company decided to transfer all shares of Nissan Manufacturing RUS, Limited Liability Company to the Central Research and Development Automobile Engine Institute and exit from the Russian market in October 2022, and the transfer was completed in November 2022.

In the prior fiscal year, the Company recorded expenses of ¥120.0 billion related to said transfer under "Special losses," such as "Loss on sales of shares of subsidiaries and affiliates," "Loss on transfer of receivables," "Compensation for suppliers and others," and "Other." In the consolidated statement of income, for the prior fiscal year, these amounts are presented in "Other," under "Special losses."

(For consolidated balance sheets)

1 ※1 Accumulated depreciation of property, plant and equipment (Millions of yen)

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Accumulated depreciation of property, plant and equipment	6,129,595	6,459,541
(Accumulated depreciation of leased assets included)	126,423	148,534

2 ※2 "Machinery, equipment and vehicles, net" includes the following assets leased to others under lease agreements.

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Assets leased to others under lease agreements (lessor)	1,981,554	2,269,347

3 ※3 Assets pledged as collateral and liabilities secured by the collateral

(1) Assets pledged as collateral (Millions of yen)

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Sales finance receivables	2,376,984	2,530,298
	(2,376,984)	(2,530,298)
Machinery, equipment and vehicles, net	771,166	1,206,548
	(771,166)	(1,206,548)
	156	174
Other in Investments and other assets	(156)	(174)
Total	3,148,306	3,737,020

(2) Liabilities secured by the above collateral

(Millions of yen)

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Short-term borrowings	841,692	636,859
	(841,692)	(636,859)
Long-term borrowings	1,131,273	1,498,427
(including the current portion)	(1,131,273)	(1,498,427)
Total	1,972,965	2,135,286

The above figures in parentheses represent the values of assets pledged as collateral and liabilities secured by the collateral that correspond to nonrecourse debts.

4 Guarantees and others

Prior fiscal year (As of March 31, 2023)

Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	(*1) 12,466	Guarantees for employees' housing loans and others
1 foreign rental car company	(*2) 525	Guarantees for loans and others
Total	12,991	

(*1) Allowance for doubtful accounts is provided for these loans mainly based on past experience.

(*2) The guarantee balance of ¥525 million is the guarantees made by a foreign subsidiary to a financial institution that financed vehicles sold to a foreign rental car company. If the foreign rental car company defaults on its obligations, the foreign subsidiary needs to compensate the financial institution for the contractual repurchase price and take possession of the vehicles. The amount stated does not consider monetary amounts the foreign subsidiary could potentially recover from subsequently selling the repossessed vehicles.

Current fiscal year (As of March 31, 2024)

Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	(*1) 9,797	Guarantees for employees' housing loans and others
1 foreign rental car company	(*2) 341	Guarantees for loans and others
Total	10,138	

(*1) Allowance for doubtful accounts is provided for these loans mainly based on past experience.

(*2) The guarantee balance of ¥341 million is the guarantees made by a foreign subsidiary to a financial institution that financed vehicles sold to a foreign rental car company. If the foreign rental car company defaults on its obligations, the foreign subsidiary needs to compensate the financial institution for the contractual repurchase price and take possession of the vehicles. The amount stated does not consider monetary amounts the foreign subsidiary could potentially recover from subsequently selling the repossessed vehicles.

5 Contingent Liabilities

- Lawsuits related to Takata's airbag inflators

For ongoing lawsuits related to Takata's airbag inflators, management has not recognized a provision for loss contingencies because as of the date of this report it is not possible to reasonably estimate the amount, if any, of any potential future losses.

- Lawsuits related to misstatements in Annual Securities Reports ("Yukashoken-Houkokusho")

As a consequence of misstatements in Annual Securities Reports for each fiscal year in the past, there are some ongoing domestic and foreign lawsuits.

The consolidated financial results may be affected by the progress of legal proceedings.

6 ※4 "Intangible fixed assets" include goodwill. (Millions of yen)

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Goodwill	8,260	7,018

7 ※5 Investments in unconsolidated subsidiaries and affiliates (Millions of yen)

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Investments in stock of unconsolidated subsidiaries and affiliates	1,145,497	1,316,754
(Investments in stock of joint ventures included)	566,418	580,368

8 ※6 “Sales finance receivables” and “Other current assets” include lease receivables and lease investment assets.

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Lease receivables	26,788	32,513
Lease investment assets	165,360	222,612

9 The amount of unused balances of overdrafts and loan commitment agreements entered into by consolidated subsidiaries are as follows.

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Total credit lines of overdrafts and loans	324,961	539,338
Loans receivable outstanding	162,348	296,427
Unused credit lines	162,613	242,911

Since many of these facilities expire without being utilized and the related borrowings are sometimes subject to a review of the borrowers' credibility, any unused amount will not necessarily be utilized at the full amount.

10 ※7 Receivables from contracts with customers, contract assets, and contract liabilities arising are not separately presented.

For details, please refer to “Notes to Consolidated Financial Statements (Revenue recognition), 3. Information to understand the amount of revenue in the current and subsequent fiscal years (1) Contract assets and contract liabilities” in the consolidated financial statements.

(For consolidated statement of income)

1 ※1 Revenue from contracts with customers

With regard to net sales, revenue from contracts with customers and revenue from the other sources are not separately presented. For details, please refer to “Notes to Consolidated Financial Statements (Revenue recognition), 1. Information about breakdown of revenue from contracts with customers” in the consolidated financial statements.

2 ※2 Total research and development costs (Millions of yen)

	Prior fiscal year (From April 1, 2022 to March 31, 2023)	Current fiscal year (From April 1, 2023 to March 31, 2024)
Research and development costs included in manufacturing costs and selling, general and administrative expenses	522,221	609,927

3 ※3 The ending inventory balance represents amounts after write-down of book value when carrying amounts become unrecoverable, and the write-down amounts (after offsetting the reversal of the prior fiscal year's write-down) are as follows.

	(Millions of yen)	
	Prior fiscal year (From April 1, 2022 to March 31, 2023)	Current fiscal year (From April 1, 2023 to March 31, 2024)
Cost of sales	198	23,163
Special losses (Other)	9,744	—

4 ※4 Gain on sales of fixed assets

Prior fiscal year (From April 1, 2022 to March 31, 2023)

Gain on sales of fixed assets primarily consisted of a gain on sale of machinery, equipment and vehicles of ¥22,111 million.

Current fiscal year (From April 1, 2023 to March 31, 2024)

Gain on sales of fixed assets primarily consisted of a gain on sale of machinery, equipment and vehicles of ¥15,079 million.

5 ※5 Loss on sales of fixed assets

Prior fiscal year (From April 1, 2022 to March 31, 2023)

Loss on sales of fixed assets primarily consisted of a loss on sale of land of ¥4,107 million and a loss on sale of machinery, equipment and vehicles of ¥1,157 million.

Current fiscal year (From April 1, 2023 to March 31, 2024)

Loss on sales of fixed assets primarily consisted of a loss on sale of machinery, equipment and vehicles of ¥4,723 million.

6 ※6 Impairment loss

Prior fiscal year (From April 1, 2022 to March 31, 2023)

The following loss on impairment of fixed assets was recorded.

Usage	Type	Location	Amount (Millions of yen)
Idle assets	Machinery, equipment and vehicles, Construction in progress and others	Japan, North America, Europe, Asia (10 locations total)	6,980
Assets to be sold	Land and Buildings and structures	Japan (2 locations total)	152
Assets to be disposed of	Buildings and structures and others	Japan (14 locations total)	1,483

The Group bases its grouping for assessing the impairment loss on fixed assets both on its business segments (automobiles and sales financing) and on the regional classifications that are complementary with each other. The Group determines whether an asset is impaired on an individual asset basis if the asset is considered idle or if it is to be disposed of.

The Company and some of its consolidated subsidiaries have recognized an impairment loss on idle assets and assets to be disposed of by reducing their net book value to the respective recoverable value of each asset. Such loss amounted to ¥8,615 million and has been recorded as special losses in the accompanying consolidated statement of income. This impairment loss consisted of losses of ¥6,980 million on idle assets (machinery, equipment and vehicles of ¥3,793 million, construction in progress of ¥2,127 million, and others of ¥1,060 million), and losses of ¥152 million on assets to be sold (land of ¥141 million, and buildings and structures of ¥11 million), and losses of ¥1,483 million on assets to be disposed of (buildings and structures of ¥1,217 million, and others of ¥266 million).

The recoverable value of these assets was measured primarily at net realizable value. Idle assets and assets to be disposed of were evaluated based on the appraisal value calculated in accordance with real estate appraisal standards, etc., and those that were difficult to convert to other uses or sell were assessed at zero. Assets to be sold were evaluated based on sales contracts.

Current fiscal year (From April 1, 2023 to March 31, 2024)

The Group assesses fixed asset impairment losses based on its business segments (automobiles and sales financing) and regional groupings that are based on business interdependencies. In the current fiscal year, the groupings were partially revised based on the change in the governance structure and the current inter-regional relationships.

As a result of current fiscal year impairment testing for asset groups where there were impairment indicators like continuous operating losses, the book value of automobile segment business assets were written down to their recoverable amount and an impairment loss of ¥53,644 million was recorded as a special loss. The recoverable amount of the asset group was based on value in use, which was calculated by discounting future cash flows at a discount rate of 15%.

Usage	Type	Location	Amount (Millions of yen)
Business-use assets	Buildings and structures, machinery, equipment and vehicles and others	Asia	53,644

The Group determines whether an individual asset is impaired if the asset is considered idle or if it is to be disposed of. Impairment losses were recognized on the following assets.

Usage	Type	Location	Amount (Millions of yen)
Idle assets	Machinery, equipment and vehicles, Construction in progress and others	Japan, Europe, Asia (15 locations total)	3,884
Assets to be disposed of	Land, Buildings and structures and others	Japan (14 locations total)	1,444

The Company and some of its consolidated subsidiaries recognized an impairment loss on idle assets and assets to be disposed of by reducing their net book value to the asset's respective recoverable value of each asset. These losses amounted to ¥5,328 million and were recorded as special losses in the accompanying consolidated statement of income. These impairment losses consisted of losses of ¥3,884 million on idle assets (machinery, equipment and vehicles of ¥3,015 million, construction in progress of ¥475 million, and others of ¥394 million), and losses of ¥1,444 million on assets to be disposed of (land of ¥1,050 million, buildings and structures of ¥238 million, and others of ¥156 million).

The recoverable value of these assets was measured primarily at net realizable value. Idle assets and assets to be disposed of were evaluated based on appraisal values calculated in accordance with real estate appraisal standards, while those that were difficult to convert to other uses or sell were assessed at zero.

(For consolidated statements of comprehensive income)

※1 Reclassification adjustments and tax effects concerning other comprehensive income

	(Millions of yen)	
	Prior fiscal year (From April 1, 2022 to March 31, 2023)	Current fiscal year (From April 1, 2023 to March 31, 2024)
Unrealized holding gain and loss on securities:		
Amount arising during the period	174	(752)
Reclassification adjustments for gains and losses realized in net income	—	—
Before tax-effect adjustment	174	(752)
Amount of tax effects	(34)	51
Unrealized holding gain and loss on securities	140	(701)
Unrealized gain and loss from hedging instruments:		
Amount arising during the period	(135,149)	(69,774)
Reclassification adjustments for gains and losses realized in net income	96,928	103,115
Adjustments of acquisition cost for assets	519	984
Before tax-effect adjustment	(37,702)	34,325
Amount of tax effects	11,702	(9,889)
Unrealized gain and loss from hedging instruments	(26,000)	24,436
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting:		
Amount arising during the period	(1,479)	(46,890)
Reclassification adjustments for gains and losses realized in net income	—	—
Before tax-effect adjustment	(1,479)	(46,890)
Amount of tax effects	—	—
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(1,479)	(46,890)
Translation adjustments:		
Amount arising during the period	254,370	459,782
Reclassification adjustments for gains and losses realized in net income	45,836	(262)
Before tax-effect adjustment	300,206	459,520
Amount of tax effects	—	—
Translation adjustments	300,206	459,520
Remeasurements of defined benefit plans:		
Amount arising during the period	(34,821)	110,933
Reclassification adjustments for gains and losses realized in net income	(14,304)	(9,916)
Before tax-effect adjustment	(49,125)	101,017
Amount of tax effects	24,586	(31,572)
Remeasurements of defined benefit plans	(24,539)	69,445
The amount related to equity method companies		
Amount arising during the period	113,203	86,174
Reclassification adjustments for gains and losses realized in net income	4,107	688
Before tax-effect adjustment	117,310	86,862
Amount of tax effects	—	—
The amount related to equity method companies	117,310	86,862
Total other comprehensive income	365,638	592,672

(For consolidated statement of changes in net assets)

Prior fiscal year (From April 1, 2022 to March 31, 2023)

1. Shares issued and outstanding / Treasury stock

(Thousands of shares)

Type of shares	At the beginning of current fiscal year	Increase	Decrease	At the end of current fiscal year
Shares issued: Common stock	4,220,715	—	—	4,220,715
Treasury stock: Common stock (Notes)	306,252	3	(2,896)	303,359

Notes: 1. Details of the increase are as follows: (Thousands of shares)

Increase in stocks held by affiliates accounted for by the equity method	0
Increase due to purchase of stocks of less than a standard unit	3

2. Details of the decrease are as follows:

Decrease due to disposal of treasury stock under the Restricted Stock Unit (RSU) program	2,144
Decrease in stocks held by affiliates accounted for by the equity method	752

2. Share subscription rights

Company	Description	Type of shares to be issued	Number of shares to be issued (Thousands)				Balance at the end of current fiscal year (Millions of yen)
			At the beginning of current fiscal year	Increase	Decrease	At the end of current fiscal year	
Parent company	—	—		—		—	
Consolidated subsidiaries	Subscription rights as stock options	—		—		273	
Total				—		273	

3. Dividends

(1) Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Annual general meeting of the shareholders on June 28, 2022	Common stock	19,573	5	March 31, 2022	June 29, 2022

Note: Total dividends were obtained by deducting the amount corresponding to the equity of Renault shares held by the Company.

(2) Dividends, for which the record date was in the year ended March 31, 2023 and the effective date of which is in the year ending March 31, 2024

Resolution	Type of shares	Total dividends (Millions of yen)	Source of dividends	Dividends per share (Yen)	Record date	Effective date
Annual general meeting of the shareholders on June 27, 2023	Common stock	39,174	Retained earnings	10	March 31, 2023	June 28, 2023

Note: Total dividends were obtained by deducting the amount corresponding to the equity of Renault shares held by the Company.

Current fiscal year (From April 1, 2023 to March 31, 2024)

1. Shares issued and outstanding / Treasury stock

(Thousands of shares)

Type of shares	At the beginning of current fiscal year	Increase	Decrease	At the end of current fiscal year
Shares issued: Common stock (Notes 1)	4,220,715	—	(211,000)	4,009,715
Treasury stock: Common stock (Notes 2)	303,359	212,583	(246,430)	269,512

Notes: 1. Details of the decrease are as follows: (Thousands of shares)

Decrease due to cancellation of treasury stock 211,000

2. Details of the increase are as follows:

Increase due to purchase of treasury stock 211,000

Increase in stocks held by affiliates accounted for by the equity method 1,579

Increase due to purchase of stocks of less than a standard unit 4

Details of the decrease are as follows:

Decrease due to cancellation of treasury stock 211,000

Decrease due to disposal of treasury stock under the Restricted Stock Unit (RSU) program 3,166

Decrease in stocks held by affiliates accounted for by the equity method 32,264

2. Share subscription rights

Company	Description	Type of shares to be issued	Number of shares to be issued (Thousands)			Balance at the end of current fiscal year (Millions of yen)
			At the beginning of current fiscal year	Increase	Decrease	
Parent company	—	—	—	—	—	—
Consolidated subsidiaries	Subscription rights as stock options	—	—	—	—	304
Total			—	—	—	304

3. Dividends

(1) Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Record date	Effective date
Annual general meeting of the shareholders on June 27, 2023	Common stock	39,174	10	March 31, 2023	June 28, 2023
Meeting of the Board of Directors on November 9, 2023	Common stock	19,586	5	September 30, 2023	November 29, 2023

Note: Total dividends were obtained by deducting the amount corresponding to the equity of Renault shares held by the Company.

(2) Dividends, for which the record date was in the year ended March 31, 2024 and the effective date of which is in the year ending March 31, 2025

Resolution	Type of shares	Total dividends (Millions of yen)	Source of dividends	Dividends per share (Yen)	Record date	Effective date
Annual general meeting of the shareholders on June 25, 2024	Common stock	56,104	Retained earnings	15	March 31, 2024	June 26, 2024

Note: Total dividends were obtained by deducting the amount corresponding to the equity of Renault shares held by the Company.

(For consolidated statements of cash flows)

- 1 ※1 Cash and cash equivalents as of the end of the fiscal year are reconciled to the accounts reported in the consolidated balance sheets as follows.

	(Millions of yen)	
	Prior fiscal year (From April 1, 2022 to March 31, 2023)	Current fiscal year (From April 1, 2023 to March 31, 2024)
Cash on hand and in banks	1,798,475	1,896,401
Time deposits with maturities of more than three months	—	(200)
Cash equivalents included in securities (*)	215,912	230,005
Cash and cash equivalents	2,014,387	2,126,206

*These represent short-term, highly liquid investments readily convertible into cash held by foreign subsidiaries.

(For lease transactions)

1. Finance lease transactions

(Lessees)

(1) Leased assets

Leased assets primarily consist of dies and buildings.

(2) Depreciation method for leased assets

Depreciation of leased assets (including right-of-use assets) is calculated by the straight-line method based on either the estimated useful lives or the lease terms and the estimated residual value determined by the Company.

(Lessors)

(1) Breakdown of lease investment assets

(Millions of yen)

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Lease income receivable	178,198	237,174
Estimated residual value	2,415	2,262
Interest income equivalent	(15,253)	(16,824)
Lease investment assets	165,360	222,612

(2) Expected amounts of collection from lease income receivable concerning lease receivables and lease investment assets after the balance sheet date

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

	Lease receivables	Lease investment assets
Due within one year	18,035	96,786
Due after one year but within two years	7,272	47,243
Due after two years but within three years	324	21,416
Due after three years but within four years	166	8,631
Due after four years but within five years	72	3,750
Due after five years	56	372

Current fiscal year (As of March 31, 2024)

(Millions of yen)

	Lease receivables	Lease investment assets
Due within one year	21,958	136,865
Due after one year but within two years	8,753	66,120
Due after two years but within three years	385	18,338
Due after three years but within four years	219	10,497
Due after four years but within five years	105	4,876
Due after five years	74	478

2. Operating lease transactions

(Lessees)

Future minimum lease payments subsequent to March 31, 2023 and March 31, 2024 are summarized as follows.

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Due in one year or less	1,438	1,363
Due after one year	7,590	7,965
Total	9,028	9,328

Note: At foreign subsidiaries, IFRS 16, "Leases" (January 13, 2016) and ASU 2016-02 "Leases" (February 25, 2016) have been adopted. The operating leases of these foreign subsidiaries are not included in amounts of above table.

(Lessors)

Future minimum lease income subsequent to March 31, 2023 and March 31, 2024 is summarized as follows.

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Due in one year or less	344,753	369,403
Due after one year	285,328	266,857
Total	630,081	636,260

(For financial instruments)

1. Financial Instruments

(1) Policies on financial instruments

The Group's cash is managed mainly through short-term deposits and short-term investments with insignificant risk for the purpose of efficient cash management at appropriate risk.

The financing has been diversified, such as bank loans, bond issues, commercial paper issues and securitization of assets, to reduce the exposure to liquidity risk.

The Group utilizes derivative financial instruments based on the internal "Policies and Procedures for Risk Management" mainly for the purposes of hedging its exposure to adverse fluctuations in foreign currency exchange rates on receivables and payables denominated in foreign currencies, interest rates on interest-bearing debt and market prices on commodity, but does not enter into such transactions for speculative purposes.

The sales finance business provides financial services to retail customers, such as auto loans and leases, and inventory financing, working capital loans, etc. to our dealers. Strict credit underwriting policies are followed before loans are advanced to the customers and dealers.

(2) Description of financial instruments and related risks

① Trade notes and accounts receivable

The Group holds trade notes and accounts receivable as consideration for sales of products and collects such receivables in accordance with the terms and conditions of relevant sales agreements. The relevant trade notes and accounts receivable are exposed to the credit risk of the respective customers. Those denominated in foreign currencies are exposed to fluctuations in foreign currency exchange rates.

② Sales finance receivables

Sales finance receivables consist of auto loans and leases to retail customers, and credit exposures to dealers comprised of inventory financing and working capital loans, etc. Sales finance receivables are exposed to credit risk of the respective customers.

③ Securities and investment securities

Securities and investment securities held by the Group are mainly unlisted foreign investment trusts and investment securities in affiliates. Investment securities in affiliates are exposed to the risk of fluctuations in their market prices.

④ Trade notes and accounts payable

The Group holds trade notes and accounts payable as liabilities with various payment dates based on the payment conditions from purchasing diverse parts, materials and services, required for development, manufacture and sale of products. As its procurement activities are operated in various regions and countries, the relevant trade notes and accounts payable are exposed to fluctuations in foreign currency exchange rates.

⑤ Borrowings, bonds and lease obligations

The Group conducts diverse financing activities for the purpose of fund procurements for working capital, investments in equipment and businesses, sales financing and so forth. As part of such financing uses floating rates, the relevant borrowings, bonds and lease obligations are exposed to the risk of interest rate fluctuations. The Group is also exposed to liquidity risk in that the necessary funds for business operations may not be ensured with rapid changes in the procurement environment.

⑥ Derivative transactions

(1) Forward foreign exchange contracts

Forward foreign exchange contracts are used to hedge against the adverse impact of fluctuations in foreign currency exchange rates on foreign currency denominated receivables and payables arising from importing and exporting products and others.

(2) Currency options

In the same manner as forward foreign exchange contracts, currency options are used to hedge against the adverse impact of fluctuations in foreign currency exchange rates on foreign currency denominated receivables and payables.

(3) Interest rate swaps

Interest rate swaps are used primarily to hedge against the adverse impact of fluctuations in interest rates on interest-bearing debt.

(4) Currency swaps

Currency swaps are used to hedge against the adverse impact of fluctuations in foreign currency exchange rates and interest rates on foreign currency denominated receivables and payables.

(5) Interest rate options

Interest rate options are used primarily to hedge against the adverse impact of fluctuations in interest rates on interest-bearing debt.

(6) Commodity swaps

Commodity swaps contracts are used primarily to hedge against the adverse impact of fluctuations in the market prices of precious metals (used as the catalyst for the emission gas purifier of automobiles) and base metals (raw materials for automobile productions).

For hedging instruments, hedged items, hedging policy and assessment of hedge effectiveness, refer to “(7) Hedge accounting method” under “4. Significant accounting policies.”

(3) Risks relating to financial instruments and the management system thereof

① Management of market risk

Although derivative transactions are used for the purpose of hedging risks on the assets and liabilities recorded in the consolidated balance sheets, there remains the risk of foreign currency exchange fluctuations on currency transactions, the risk of interest rate fluctuations on interest rate transactions and the risk of market price fluctuations on commodity transactions. All the derivative transactions of the Group are carried out pursuant to the internal risk management rules, which stipulate the Group’s basic policies for derivative transactions, management policies, management items, trading procedures, criteria for the selection of counterparties, the reporting system and so forth. The Group’s financial market risk is controlled by the Company in a centralized manner, and it is stipulated that no individual subsidiary can initiate a hedge transaction such as derivative transactions without the prior approval of and regular reporting back to the Company.

The basic policy on the acquisition of derivative transactions is subject to the approval of the Chief Financial Officer after discussing with the treasury group. The execution and management of all transactions are to be conducted in accordance with the aforementioned risk management rules pursuant to the decisions made at those meetings. Derivative transactions are conducted by a special section of the Finance Department, and the verification of the relevant trade agreements and the monitoring of position balances are the responsibility of the Risk Management Section. Commodity swaps are conducted by the Finance Department in accordance with the acquisition policy determined by the corporate officer in charge of the Purchasing Department and the Chief Financial Officer.

The status of derivative transactions is reported to the Chief Financial Officer on a regular basis and to the Executive Committee as a general rule.

② Management of credit risk

The Group does business with a variety of local counterparties including sales companies in many regions around the world. The Group has established transaction terms and conditions for operating receivables in Japan and overseas based on credit assessment criteria to take appropriate and effective measures for the protection of such receivables, using bank letters of credit and transactions with advance payments.

As for financial transactions including bank deposits, short-term investments and derivatives, the Group is exposed to the risk that a counterparty could default on their obligations and jeopardize future profits. We believe that this risk is insignificant as the Group enters into such transactions only with financial institutions that have a sound credit profile.

Therefore, we believe that the risk to incur losses from a counterparty financial institution's default is low. Credit risk is managed by using its own evaluation methods based on external credit ratings and other analyses. The Finance Department sets a maximum upper limit on positions with each of the counterparties and monitors the balances of open positions.

In addition to financial institutions, the Group also enters into derivative transactions with Renault Finance S.A. ("RF"), a specialized financial subsidiary of the Renault Group. RF enters into derivative transactions to cover such derivative transactions with the Group only with financial institutions of the highest caliber carefully selected by RF based on its own rating techniques.

In sales finance, credit risk is managed through a risk framework that sets out policies, procedures, measurements and regular reviews across the full life cycle of a financial product from underwriting to collections and write-off.

③ Management of liquidity risk related to financing

The Company endeavors to raise funds from appropriate sources with reinforced measures such as an accumulation of cash reserves and the conclusion of loan commitment agreements so that the Group can ensure an appropriate level of liquidity even if any significant environmental change takes place in the financial market and in the event of downgrade of Nissan's credit rating by Japanese and international rating agencies. However, this factor could entail a greater-than-anticipated level of risk that might hinder the smooth execution of the initially planned financing, thereby having a significant effect on the Group's financial position and business performance. The Group secures the appropriate liquidity of funds in its automobile business in accordance with the management rule on liquidity risk by taking into account the future repayment schedule of borrowings, the future demand for working capital and other fund requirements. In sales finance, liquidity risk is managed through a thorough focus on Asset Liability Management, which includes proper match of maturity in asset and liability.

(4) Supplemental explanation on the fair value of financial instruments

① The fair value and unrealized gain or loss on derivative transactions are estimates that are considered appropriate based on the market at the balance sheet date and, thus, the fair value is not necessarily indicative of the actual amounts that might be realized or settled in the future.

② The notional amounts of the swaps are not a direct measure of the Company's risk exposure in connection with its swap transactions.

2. Fair Value of Financial Instruments

The following tables indicate the amount recorded in the consolidated balance sheets, the fair value and the difference as of March 31, 2023 and March 31, 2024 for various financial instruments.

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

	Amount recorded in the consolidated balance sheets	Fair value	Difference
(1) Sales finance receivables (*2) Allowance for doubtful accounts (*3) Subtotal (*4)	6,439,198 (125,287) 6,313,911		
(2) Investment securities (*5)	549,043	517,229	(31,814)
(3) Long-term loans receivable Allowance for doubtful accounts (*3) Subtotal	12,680 (2,972) 9,708		
Total assets	6,872,662	6,830,013	(42,649)
(1) Bonds (*6)	2,614,464	2,457,818	156,646
(2) Long-term borrowings (*7)	3,098,507	3,046,467	52,040
(3) Lease obligations (*7)	136,115	136,064	51
Total liabilities	5,849,086	5,640,349	208,737
Derivative transactions (*8)	12,684	12,684	—

(*1) Cash on hand and in banks, trade notes and accounts receivable, and contract assets, securities, trade notes and accounts payable, short-term borrowings and commercial papers are omitted because they are cash or are settled within a short time and fair value is almost equal to the book value.

(*2) The amount recorded in the consolidated balance sheets for sales finance receivables is presented with the amount after deducting ¥41,407 million of deferred installments income and others.

(*3) The allowance for doubtful accounts, which is individually recorded as part of sales finance receivables and long-term loans receivable, is deducted.

(*4) The difference between the amount recorded in the consolidated balance sheets and the fair value is mainly due to the discount rate.

(*5) Unlisted stocks and investments in limited liability partnerships are not included in (2) Investment securities. The amounts of financial instruments recorded in the consolidated balance sheets are as follows.

(Millions of yen)

Classification	Prior fiscal year
Unlisted stocks	623,762
Limited liability partnership	4,027

(*6) Bonds include the current portion of bonds under current liabilities. The difference between the amount recorded in the consolidated balance sheets and the fair value is mainly due to the market interest rates.

(*7) Long-term borrowings and lease obligations include the current portion of long-term borrowings and lease obligations under current liabilities.

(*8) Net receivables and payables, which were derived from derivative transactions, are presented in this footnote as netted amounts, and any item for which the total becomes a net liability is indicated in parentheses.

Current fiscal year (As of March 31, 2024)

(Millions of yen)

	Amount recorded in the consolidated balance sheets	Fair value	Difference
(1) Sales finance receivables (*2)	7,380,061		
Allowance for doubtful accounts (*3)	(137,304)		
Subtotal (*4)	7,242,757	7,115,098	(127,659)
(2) Investment securities (*5)	727,594	623,190	(104,404)
(3) Long-term loans receivable	12,229		
Allowance for doubtful accounts (*3)	(2,568)		
Subtotal	9,661	9,761	100
Total assets	7,980,012	7,748,049	(231,963)
(1) Bonds (*6)	2,590,248	2,489,106	101,142
(2) Long-term borrowings (*7)	4,143,367	4,146,764	(3,397)
(3) Lease obligations (*7)	137,250	136,143	1,107
Total liabilities	6,870,865	6,772,013	98,852
Derivative transactions (*8)	30,522	30,522	—

(*1) Cash on hand and in banks, trade notes and accounts receivable, and contract assets, securities, trade notes and accounts payable, short-term borrowings and commercial papers are omitted because they are cash or are settled within a short time and fair value is almost equal to the book value.

(*2) The amount recorded in the consolidated balance sheets for sales finance receivables is presented with the amount after deducting ¥38,139 million of deferred installments income and others.

(*3) The allowance for doubtful accounts, which is individually recorded as part of sales finance receivables and long-term loans receivable, is deducted.

(*4) The difference between the amount recorded in the consolidated balance sheets and the fair value is mainly due to the discount rate.

(*5) Unlisted stocks and investments in limited liability partnerships are not included in (2) Investment securities. The amounts of financial instruments recorded in the consolidated balance sheets are as follows.

(Millions of yen)	
Classification	Current fiscal year
Unlisted stocks	648,115
Limited liability partnership	3,369

(*6) Bonds include the current portion of bonds under current liabilities. The difference between the amount recorded in the consolidated balance sheets and the fair value is mainly due to the market interest rates.

(*7) Long-term borrowings and lease obligations include the current portion of long-term borrowings and lease obligations under current liabilities.

(*8) Net receivables and payables, which were derived from derivative transactions, are presented in this footnotes as netted amounts, and any item for which the total becomes a net liability is indicated in parentheses.

(Note 1) Redemption schedule after the balance sheet date for monetary receivables and securities with maturity dates

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

	Due within one year	Due after one year but within five years	Due after five years but within ten years	Due after ten years
Cash on hand and in banks	1,798,475	—	—	—
Trade notes and accounts receivable, and contract assets	585,639	—	—	—
Sales finance receivables (*1)	2,583,206	3,707,448	148,537	7
Long-term loans receivable	133	11,082	1,214	251
Total	4,967,453	3,718,530	149,751	258

(*1) The amount of sales finance receivables is presented with the amount after deducting ¥41,407 million of deferred installment income and others.

Current fiscal year (As of March 31, 2024)

(Millions of yen)

	Due within one year	Due after one year but within five years	Due after five years but within ten years	Due after ten years
Cash on hand and in banks	1,896,401	—	—	—
Trade notes and accounts receivable, and contract assets	635,329	—	—	—
Sales finance receivables (*1)	3,090,307	4,093,835	195,914	5
Securities and investment securities				
Held-to maturity securities	5,739	13,451	—	—
Long-term loans receivable	106	11,063	826	234
Total	5,627,882	4,118,349	196,740	239

(*1) The amount of sales finance receivables is presented with the amount after deducting ¥38,139 million of deferred installment income and others.

(Note 2) Redemption schedule after the balance sheet date for bonds, long-term borrowings, lease obligations and other interest-bearing debt

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years
Short-term borrowings	1,101,978	—	—	—	—	—
Commercial papers	88,000	—	—	—	—	—
Bonds	556,367	224,747	706,086	213,508	423,918	489,838
Long-term borrowings	1,085,256	723,205	766,329	313,198	142,085	68,434
Lease obligations	50,061	26,387	16,549	14,096	9,726	19,296
Total	2,881,662	974,339	1,488,964	540,802	575,729	577,568

Current fiscal year (As of March 31, 2024)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years
Short-term borrowings	837,266	—	—	—	—	—
Commercial papers	103,262	—	—	—	—	—
Bonds	239,032	779,439	392,600	479,348	321,304	378,525
Long-term borrowings	1,221,739	1,319,299	902,697	368,119	263,137	68,376
Lease obligations	46,784	36,652	17,479	12,139	7,425	16,771
Total	2,448,083	2,135,390	1,312,776	859,606	591,866	463,672

3. Fair Value of Financial Instruments by levels

The fair value of financial instruments is classified into the following three levels based on the observability and materiality of the inputs used to calculate fair value.

Level 1: Fair value derived from quoted prices in active markets for identical assets or liabilities.

Level 2: Fair value derived from observable inputs that are not included in Level 1 inputs.

Level 3: Fair value derived from unobservable inputs.

When multiple inputs that have a significant impact on the fair value calculation are used, the fair value is classified at a lower-level category.

(1) Financial instruments measured at fair value

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Other securities				
Stock	1,936	—	—	1,936
Total assets	1,936	—	—	1,936
Derivative transactions (*1)	—	12,684	—	12,684
Currency-related transactions	—	(8,226)	—	(8,226)
Interest-related transactions	—	20,967	—	20,967
Commodity-related transactions	—	(57)	—	(57)

(*1) Net receivables and payables, which were derived from derivative transactions, are presented in this footnote as netted, and any item for which the total becomes a net liability is indicated in parentheses.

Current fiscal year (As of March 31, 2024)

(Millions of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
Investment securities				
Other securities				
Stock	1,770	—	—	1,770
Total assets	1,770	—	—	1,770
Derivative transactions (*1)	—	30,522	—	30,522
Currency-related transactions	—	9,532	—	9,532
Interest-related transactions	—	20,784	—	20,784
Commodity-related transactions	—	206	—	206

(*1) Net receivables and payables, which were derived from derivative transactions, are presented in net amounts in this footnote as netted, and any item for which the total becomes a net liability is indicated in parentheses.

(2) Financial instruments other than those measured at fair value

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
(1) Sales finance receivables	—	—	6,303,076	6,303,076
(2) Investment securities				
Other securities				
Stock	515,293	—	—	515,293
(3) Long-term loans receivable	—	—	9,708	9,708
Total assets	515,293	—	6,312,784	6,828,077
(1) Bonds	—	2,457,818	—	2,457,818
(2) Long-term borrowings	—	3,046,467	—	3,046,467
(3) Lease obligations	—	136,064	—	136,064
Total liabilities	—	5,640,349	—	5,640,349

Current fiscal year (As of March 31, 2024)

(Millions of yen)

Classification	Fair value			
	Level 1	Level 2	Level 3	Total
(1) Sales finance receivables	—	—	7,115,098	7,115,098
(2) Investment securities				
Held-to maturity securities	—	12,768	—	12,768
Other securities				
Stock	608,652	—	—	608,652
(3) Long-term loans receivable	—	—	9,761	9,761
Total assets	608,652	12,768	7,124,859	7,746,279
(1) Bonds	—	2,489,106	—	2,489,106
(2) Long-term borrowings	—	4,146,764	—	4,146,764
(3) Lease obligations	—	136,143	—	136,143
Total liabilities	—	6,772,013	—	6,772,013

(Note) Valuation techniques and inputs are as follows:

Investment securities

Fair value of listed stocks is based on the prices on the stock exchange. They are classified in Level 1, because they are traded in an active market. Fair value of held-to-maturity securities are classified in Level 2, because they are not frequently traded in the market and are not considered quoted prices in an active market.

Derivative transactions

Calculation of fair value is based on quoted prices obtained from third parties or based on discounted cash flows with observable inputs such as interest rates and foreign exchange rates and is classified as Level 2 fair value.

Sales finance receivables

Fair value is calculated based on the discounted cash flows by collection period, using discount rates reflecting maturity and credit risk and is classified as Level 3 fair value.

Long-term loans receivable

Fair value is calculated based on the discounted cash flows of each individual loan, using discount rate which would be applicable for similar new loans and is classified as Level 3 fair value.

Bonds

Fair value of marketable bonds is based on the market prices, and that of non-marketable bonds is based on the present value estimated by discounting the total principal and interest, using discount rates reflecting the remaining term and credit risk observable in the market and is classified as Level 2 fair value.

Long-term borrowings and lease obligations

Fair value is calculated based on the present value estimated by discounting the total principal and interest, using discount rates which would be applicable for similar new borrowings or lease transactions based on the observable inputs in the market and is classified as Level 2 fair value.

(For securities)

1. Held-to maturity securities

Prior fiscal year (As of March 31, 2023)

Not applicable.

Current fiscal year (As of March 31, 2024)

(Millions of yen)

Types of securities	Carrying value	Fair value	Difference
(Securities whose carrying value exceeds their fair value)	19,190	18,507	(683)
(Securities whose carrying value does not exceed their fair value)	—	—	—
Total	19,190	18,507	(683)

2. Other securities

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

Types of securities	Carrying value	Acquisition cost	Difference
(Securities whose carrying value exceeds their acquisition cost)			
Stock	1,461	113	1,348
Others	4,027	217	3,810
Subtotal	5,488	330	5,158
(Securities whose carrying value does not exceed their acquisition cost)			
Stock	25,847	26,057	(210)
Others	215,912	215,912	—
Subtotal	241,759	241,969	(210)
Total	247,247	242,299	4,948

Current fiscal year (As of March 31, 2024)

(Millions of yen)

Types of securities	Carrying value	Acquisition cost	Difference
(Securities whose carrying value exceeds their acquisition cost)			
Stock	1,226	114	1,112
Others	3,369	2,785	584
Subtotal	4,595	2,899	1,696
(Securities whose carrying value does not exceed their acquisition cost)			
Stock	44,278	44,419	(141)
Others	230,006	230,006	—
Subtotal	274,284	274,425	(141)
Total	278,879	277,324	1,555

3. Other securities sold during the fiscal year

Prior fiscal year (From April 1, 2022 to March 31, 2023)

This information is not provided due to its low materiality.

Current fiscal year (From April 1, 2023 to March 31, 2024)

This information is not provided due to its low materiality.

4. Reclassified securities

Prior fiscal year (From April 1, 2022 to March 31, 2023)

Not applicable.

Current fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

5. Securities for which an impairment loss was recognized

Prior fiscal year (From April 1, 2022 to March 31, 2023)

Not applicable.

Current fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

(For derivative transactions)

1. Derivative transactions for which hedge accounting is not adopted

(1) Currency-related transactions

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

Classification	Type of transactions	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Forward foreign exchange contracts: Buy:				
	USD	5,791	—	(168)	(168)
	Swaps:				
	EUR	248,940	—	1,037	1,037
	USD	795,643	127,274	35,787	35,787
	CAD	25,014	—	(45)	(45)
	AUD	22,999	—	(284)	(284)
	ZAR	14,003	—	(328)	(328)
	Total	—	—	35,999	35,999

Current fiscal year (As of March 31, 2024)

(Millions of yen)

Classification	Type of transactions	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Swaps:				
	EUR	129,160	—	7,731	7,731
	USD	592,962	47,271	29,286	29,286
	AUD	123,143	—	1,843	1,843
	NZD	9,954	—	(269)	(269)
	ZAR	37,600	—	28	28
	PHP	11,968	—	(87)	(87)
	Total	—	—	38,532	38,532

(2) Interest-related transactions

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

Classification	Type of transactions	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Swaps:				
	Receive floating/pay fixed	130,599	110,509	3,148	3,148
	Receive fixed/pay floating	30,896	30,896	(1,196)	(1,196)
	Options				
	Caps sold (Premium)	1,142,522 (4,237)	634,738 (3,771)	(7,166)	(2,930)
	Caps purchased (Premium)	1,142,522 4,266	634,738 3,800	7,195	2,959
	Total	—	—	1,981	1,981

Current fiscal year (As of March 31, 2024)

(Millions of yen)

Classification	Type of transactions	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Swaps:				
	Receive floating/pay fixed	177,476	135,515	1,743	1,743
	Receive fixed/pay floating	32,995	32,995	322	322
	Options				
	Caps sold (Premium)	1,159,012 (5,446)	649,358 (5,147)	(6,330)	(884)
	Caps purchased (Premium)	1,159,012 5,466	649,358 5,167	6,331	885
	Total	—	—	2,066	2,066

(3) Commodity-related transactions

Prior fiscal year (As of March 31, 2023)

Not applicable.

Current fiscal year (As of March 31, 2024)

Not applicable.

2. Derivative transactions for which hedge accounting is adopted

(1) Currency-related transactions

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Deferral hedge accounting	Forward foreign exchange contracts: Sell:				
	USD	Trade accounts receivable (forecasted transaction)	409,501	25,150	(37,753)
	Swaps:				
	USD	Short-term borrowings and long-term borrowings	96,504	74,306	(5,222)
	THB	Long-term borrowings	9,636	—	(1,250)
Special treatment	Swaps: USD	Bonds	138,034	—	Note
	Total		—	—	(44,225)

Note: Fair value of currency swaps under special treatment is included in that of corresponding hedged bonds in “2. Fair Value of Financial Instruments” under “For financial instruments” as those currency swaps are treated as underlying transactions of hedged items.

Current fiscal year (As of March 31, 2024)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Deferral hedge accounting	Forward foreign exchange contracts: Sell: USD	Trade accounts receivable (forecasted transaction)	75,323	—	(8,723)
	Swaps: USD	Short-term borrowings and long-term borrowings	239,513	221,647	(20,277)
Total			—	—	(29,000)

(2) Interest-related transactions

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Deferral hedge accounting	Swaps: Receive floating/pay fixed	Short-term borrowings, Long-term borrowings and bonds	1,217,405	946,952	18,986
	Special treatment Swaps: Receive floating/pay fixed	Long-term borrowings	35,500	35,500	Note
Total			—	—	18,986

Note: Fair value of interest rate swaps under special treatment is included in that of corresponding hedged long-term borrowings in “2. Fair Value of Financial Instruments” under “For financial instruments” as those interest rate swaps are treated as underlying transactions of hedged items.

Current fiscal year (As of March 31, 2024)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Deferral hedge accounting	Swaps: Receive floating/pay fixed	Short-term borrowings Long-term borrowings	1,614,138	1,251,099	18,718
	Special treatment Swaps: Receive floating/pay fixed	Long-term borrowings	35,500	20,500	Note
Total			—	—	18,718

Note: Fair value of interest rate swaps under special treatment is included in that of corresponding hedged long-term borrowings in “2. Fair Value of Financial Instruments” under “For financial instruments” as those interest rate swaps are treated as underlying transactions of hedged items.

(3) Commodity-related transactions

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Deferral hedge accounting	Commodity swaps:	Aluminum	12,553	1,019	(337)
		Copper	6,914	730	331
	Receive floating/pay fixed	Platinum	40	—	(0)
		Palladium	211	—	(51)
Total			—	—	(57)

Current fiscal year (As of March 31, 2024)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Deferral hedge accounting	Commodity swaps:	Aluminum	6,716	309	6
		Copper	4,591	143	191
	Receive floating/pay fixed	Palladium	654	—	9
Total			—	—	206

(For retirement benefits)

1. Description of retirement benefit plans

The Group has several defined-benefit and defined-contribution pension plans. The Company and certain consolidated subsidiaries have adopted both defined-benefit and defined-contribution pension plans, whereas certain other consolidated subsidiaries have either defined-benefit or defined-contribution pension plans. The defined-benefit pension plans adopted by the Company and certain domestic subsidiaries include lump-sum payment plans and defined-benefit corporate pension plans. Certain employees may be entitled to additional special retirement benefits, depending on the conditions for the termination of their employment. Certain consolidated subsidiaries apply a simplified method for calculation of net defined benefit liability, net defined benefit assets and retirement benefit expenses.

2. Defined-benefit pension plan

- (1) Adjustments between the beginning and ending balances of retirement benefit obligation (excluding those listed in (3) below)

	(Millions of yen)	
	Prior fiscal year (From April 1, 2022 to March 31, 2023)	Current fiscal year (From April 1, 2023 to March 31, 2024)
Retirement benefit obligation at the beginning of the year	1,384,925	1,217,924
Service cost	22,538	20,697
Interest cost	31,303	42,626
Actuarial gain and loss generated	(188,392)	(39,001)
Past service cost generated	(10)	48
Retirement benefits paid	(80,557)	(85,611)
Effect of foreign exchange translation	47,910	88,655
Other	207	1,721
Retirement benefit obligation at the end of the year	1,217,924	1,247,059

- (2) Adjustments between the beginning and ending balances of plan assets (excluding those listed in (3) below)

	(Millions of yen)	
	Prior fiscal year (From April 1, 2022 to March 31, 2023)	Current fiscal year (From April 1, 2023 to March 31, 2024)
Plan assets at the beginning of the year	1,252,591	1,091,412
Expected return on plan assets (Note)	55,379	54,440
Actuarial gain and loss generated	(211,942)	86,968
Contribution from employers	35,132	11,285
Retirement benefits paid	(74,725)	(77,612)
Effect of foreign exchange translation	33,137	72,461
Other	1,840	1,804
Plan assets at the end of the year	1,091,412	1,240,758

Note: Interest from plan assets of net interest from net defined liability of consolidated foreign subsidiaries which adopt IFRS has been included.

- (3) Adjustments between the beginning and ending balances of net defined benefit liability and net defined benefit assets for plans using a simplified method

	(Millions of yen)	
	Prior fiscal year (From April 1, 2022 to March 31, 2023)	Current fiscal year (From April 1, 2023 to March 31, 2024)
Net defined benefit liability and assets at the beginning of the year	2,248	2,233
Retirement benefit expenses	211	347
Retirement benefits paid	(185)	(225)
Contribution to plans	(41)	(36)
Net defined benefit liability and assets at the end of the year	2,233	2,319

- (4) Adjustments between the ending balances of retirement benefit obligation and plan assets and the net defined benefit liability and net defined benefit assets reported on the balance sheets

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Retirement benefit obligation for funded plans	1,128,573	1,152,648
Plan assets	(1,093,717)	(1,242,797)
	34,856	(90,149)
Retirement benefit obligation for unfunded plans	93,889	98,769
Net defined benefit liability and assets reported on the consolidated balance sheets	128,745	8,620
Net defined benefit liability	184,851	154,439
Net defined benefit assets	(56,106)	(145,819)
Net defined benefit liability and assets reported on the consolidated balance sheets	128,745	8,620

(5) Breakdown of retirement benefit expenses

	(Millions of yen)	
	Prior fiscal year (From April 1, 2022 to March 31, 2023)	Current fiscal year (From April 1, 2023 to March 31, 2024)
Service cost (Note 1)	22,749	21,044
Interest cost	31,303	42,626
Expected return on plan assets	(55,379)	(54,440)
Amortization of actuarial gain and loss	(12,856)	(10,019)
Amortization of past service cost	(1,448)	103
Other	174	147
Retirement benefit expenses for defined benefit plans	(15,457)	(539)

Notes: 1. The retirement benefit expenses of consolidated subsidiaries adopting the simplified method are included in "Service cost."

2. In addition to the retirement benefit expenses referred to above, additional retirement expenses of ¥1,599 million for the prior fiscal year and ¥4,619 million for the current fiscal year were accounted for as "Other" under "Special losses" in the consolidated statement of income.

(6) Remeasurements of defined benefit plans

Remeasurements of defined benefit plans (reported under "Other comprehensive income" in the statements of comprehensive income) consist of the following (before tax effects).

	(Millions of yen)	
	Prior fiscal year (From April 1, 2022 to March 31, 2023)	Current fiscal year (From April 1, 2023 to March 31, 2024)
Past service cost	(1,775)	(407)
Actuarial gain and loss	(47,350)	101,424
Total	(49,125)	101,017

(7) Remeasurements of defined benefit plans

Remeasurements of defined benefit plans (reported under "Accumulated other comprehensive income" in the net assets section in the consolidated balance sheet) consist of the following (before tax effects).

	(Millions of yen)	
	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Unrecognized past service cost	(2,335)	(2,742)
Unrecognized actuarial gain and loss	(41,935)	59,489
Total	(44,270)	56,747

(8) Matters regarding plan assets

① Major components of plan assets

Plan assets consist of the following.

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Stocks	32%	35%
Bonds	40%	49%
Cash and deposits	6%	1%
Real estate (including REITs)	10%	7%
Other	12%	8%
Total	100%	100%

Notes: 1. Securities contributed to the retirement benefit trust included in the total plan assets were 1.2% for the prior year and 1.3% for the current fiscal year.

2. "Other" includes components for which it is difficult to categorize into specific types of plan assets, such as stocks and bonds, and to identify the percentage and the amount by types of assets.

② Method for determining the long-term expected return on plan assets

To determine the long-term expected return on plan assets, the portfolio and past performance of the plan assets held, long-term investment policies and market trends, among others, are considered.

(9) Assumptions used in actuarial calculations

Major assumptions used in actuarial calculations

Domestic companies

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Discount rates	0.7%–1.6%	0.8%–1.9%
Long-term expected rates of return on plan assets	Mainly 4.0%	Mainly 4.0%
Expected future salary increase	1.8%–4.2%	1.8%–4.2%

Foreign companies

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Discount rates	3.1%–5.3%	3.1%–5.6%
Long-term expected rates of return on plan assets (US GAAP adoption companies only)	Mainly 7.8%	Mainly 7.8%
Expected future salary increase	2.5%–6.0%	2.5%–6.0%

3. Defined-contribution pension plans

The required amounts of contribution to the Group's defined-contribution pension plans were ¥27,092 million for the prior fiscal year and ¥31,383 million for the current fiscal year.

(For share-based payments)

1. The account and the amount of stock options charged as expenses

	(Millions of yen)	
	Prior fiscal year (From April 1, 2022 To March 31, 2023)	Current fiscal year (From April 1, 2023 To March 31, 2024)
Cost of sales	36	24
Salaries and wages in Selling, general and administrative expenses	11	7

2. Description of stock options/Changes in the size of stock options

(1) Description of stock options

	1st share subscription rights
Company name	Vehicle Energy Japan Inc.
Date of resolution	May 27, 2021
Category and number of people to whom stock options are granted	The company's directors: 3 The company's executive officers: 4 The company's employees: 166 Total: 173
Type and number of shares granted	Common stock 64,600 shares
Grant date	July 1, 2021
Vesting conditions	<p>① The holder of the share subscription rights must be continuously employed or hold a mandate relationship with the company or its affiliates until the exercise date of the share subscription rights. However, this will not apply if a director or executive officer retires due to the expiry of his/her term of office, if an employee retires due to mandatory retirement age, or if the company's board of directors approves other justifiable reasons.</p> <p>② The share subscription rights may only be exercised if the company's common stock underlying the share subscription rights are listed on a securities exchange in Japan at the time of exercise.</p> <p>③ Exercise of the share subscription rights by heirs of share subscription rights holders is not permitted.</p> <p>④ Other terms and conditions for the exercise of the share subscription rights are as set out in the "Share Subscription Rights Allotment Agreement" concluded between the company and the subscription right holders.</p>
Vesting period	July 1, 2021 to June 30, 2023
Exercise period	July 1, 2023 to June 30, 2025

(2) Changes in the size of stock options

The following describes changes in the size of stock options that existed during the year ended March 31, 2024. The number of stock options is translated into the number of shares.

① Number of stock options

	1st share subscription rights
Company name	Vehicle Energy Japan Inc.
Share subscription rights that are not yet vested (shares):	
Balance at the beginning of the current period	60,800
Granted	—
Forfeited	1,600
Vested	—
Balance of options not vested	59,200
Share subscription rights that have already been vested (shares):	
Balance at the beginning of the current period	—
Vested	—
Exercised	—
Forfeited	—
Balance of options not exercised	—

Note: The number of shares at the beginning of the current period is the balance of shares of the company when it was consolidated in the current fiscal year.

② Per share prices

	1st share subscription rights
Company name	Vehicle Energy Japan Inc.
Exercise price (Yen)	1
Average price per share upon exercise (Yen)	—
Fair value per share at grant date (Yen)	5,130

3. Method for estimating the per share fair value of stock options

The per share fair value of stock options is estimated using the binominal model. For estimation using the binominal model, as the company is unlisted, the price per share at the grant date is determined using the discounted cash flow method based on the company's business plan, and the expected volatility of the share price is determined using the average of the actual volatilities of several similar listed companies. The period from the point of estimation to the end of the exercise period is regarded as the expected life of the option, and the yield on government bonds for the period that corresponds to the expected life is used as the risk-free interest rate. The expected dividend is set at zero, taking into account the recent dividend history and other factors.

4. Estimation of the number of stock options vested

As it is difficult to reasonably estimate the number of options that will be forfeited in the future, only the actual number of options forfeited is reflected.

(For tax-effect accounting)

1. Significant components of deferred tax assets and liabilities

(Millions of yen)

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Deferred tax assets:		
Net operating loss carry forwards (*2)	303,797	325,818
Foreign tax credit	299,214	181,711
Research and development expenses	120,818	139,083
Deferred tax credit	54,792	64,970
Accrued warranty costs	58,287	64,200
Sales incentives	38,002	62,687
Allowance for doubtful accounts	48,744	59,733
Impairment loss	92,850	59,378
Service costs	53,997	51,937
Loss for residual value risk of leased vehicles	24,878	31,439
Allowance for bonus	26,476	28,983
Excess depreciation	28,667	25,137
Loss on valuation of inventories	17,586	23,722
Net defined benefit liability	58,140	19,965
Other	251,738	276,484
Total gross deferred tax assets	1,477,986	1,415,247
Valuation allowance for net operating loss carry forwards (*2)	(221,038)	(266,055)
Valuation allowance for the sum of deductible temporary differences, etc.	(469,783)	(255,350)
Valuation allowance (*1)	(690,821)	(521,405)
Total deferred tax assets	787,165	893,842
Deferred tax liabilities:		
Reserves under Special Taxation Measures Law, etc.	(560,199)	(556,053)
Undistributed retained earnings of foreign consolidated subsidiaries	(23,141)	(139,426)
Foreign subsidiaries unitary tax	(163,447)	(128,151)
Difference between cost of investments and their underlying net equity at fair value on land	(40,048)	(39,691)
Other	(107,395)	(108,651)
Total deferred tax liabilities	(894,230)	(971,972)
Net deferred tax assets	(107,065)	(78,130)

(*1) The valuation allowance decreased by ¥169,416 million. This was mainly due to the decrease in the valuation allowance for deductible temporary differences resulting from a reassessment of the classification for determining the recoverability of deferred tax assets in the current fiscal year, taking into account the updated future sales volume based on the new business as well as consideration of the application of the Controlled Foreign Company taxation system.

(*2) The amounts of net operating loss carry forwards and corresponding deferred tax assets by due period.

Prior fiscal year (As of March 31, 2023)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years	Total
Net operating loss carry forwards (a)	20,685	17,791	24,071	13,478	27,826	199,946	303,797
Valuation allowance	(19,010)	(15,316)	(22,734)	(13,001)	(25,495)	(125,482)	(221,038)
Deferred tax assets (b)	1,675	2,475	1,337	477	2,331	74,464	82,759

(a) The net operating loss carry forwards represent the amounts after being multiplied by the effective statutory tax rate.

(b) Deferred tax assets of ¥82,759 million were recognized for the balance of net operating loss carry forwards of ¥303,797 million (amount multiplied by the effective statutory tax rate). After estimating the future taxable income, the deferred tax assets relating to net operating loss carry forwards are assessed as recoverable.

Current fiscal year (As of March 31, 2024)

(Millions of yen)

	Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years	Due after five years	Total
Net operating loss carry forwards (a)	18,923	23,657	15,228	26,996	39,279	201,735	325,818
Valuation allowance	(18,743)	(21,758)	(14,758)	(25,178)	(38,230)	(147,388)	(266,055)
Deferred tax assets (b)	180	1,899	470	1,818	1,049	54,347	59,763

(a) The net operating loss carry forwards represent the amounts after being multiplied by the effective statutory tax rate.

(b) Deferred tax assets of ¥59,763 million were recognized for the balance of net operating loss carry forwards of ¥325,818 million (amount multiplied by the effective statutory tax rate). After estimating the future taxable income, the deferred tax assets relating to net operating loss carry forwards are assessed as recoverable.

(Changes in Presentation)

“Loss on valuation of inventories” and “Undistributed retained earnings of foreign consolidated subsidiaries”, which were included in “Other” in the prior fiscal year, are presented separately due to their increased materiality in the current fiscal year. Prior fiscal year presentation is reclassified to reflect these changes.

2. The reconciliation between the effective tax rates reflected in the consolidated financial statements and the effective statutory tax rate is summarized as follows:

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Statutory tax rate of the Company	30.6%	30.6%
(Reconciliation)		
• Different tax rates applied to foreign consolidated subsidiaries	(7.8%)	(4.9%)
• Change in valuation allowance	3.0%	(46.3%)
• Equity in gain and loss of affiliates	(12.6%)	(5.7%)
• Undistributed retained earnings of foreign consolidated subsidiaries	(0.6%)	19.7%
• Foreign tax credits carried forward	(21.7%)	2.6%
• Foreign subsidiaries unitary tax(*)	31.0%	33.9%
• Adjustments for the uncertain tax treatments on income taxes	6.4%	1.6%
• Impacts on the exit from the Russian market	3.8%	—
• Other	8.0%	(6.5%)
Effective tax rates after adoption of tax-effect accounting	40.1%	25.0%

(*) Foreign subsidiaries unitary tax includes tax credits recognized based on the tax rules applied.

(Changes in Presentation)

“Undistributed retained earnings of foreign consolidated subsidiaries”, which was included in “Other” in the prior fiscal year, is presented separately due to its increased materiality in the current fiscal year. Prior fiscal year presentation is reclassified to reflect this change.

3. Accounting for corporate, local corporate income taxes and related tax-effect accounting

The Company and some of its domestic subsidiaries adopt the group tax sharing system. Accordingly, corporate, local corporate income taxes, and tax-effect accounting are accounted for and disclosed in accordance with “Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System” (PITF No. 42, August 12, 2021).

(For asset retirement obligations)

Prior fiscal year (As of March 31, 2023)

This information is not provided due to its low materiality.

Current fiscal year (As of March 31, 2024)

This information is not provided due to its low materiality.

(For investment and rental property)

The Company and some of its subsidiaries have rental property in Japan (Tokyo, Kanagawa, Osaka and others) and overseas, which is mainly used for vehicle and parts dealers.

For the fiscal year ended March 31, 2023, net income from rental property amounted to ¥4,767 million and net loss on sales of rental property amounted to ¥1,087 million. For the fiscal year ended March 31, 2024, net income from rental property amounted to ¥4,645 million and net gain on sales of rental property amounted to ¥1,324 million.

The carrying value, increase/decrease thereof and fair value of rental property are as follows.

(Millions of yen)

	Prior fiscal year (From April 1, 2022 to March 31, 2023)	Current fiscal year (From April 1, 2023 to March 31, 2024)
Carrying value		
Balance at the beginning of the year	109,650	105,240
Increase/Decrease during the year	(4,410)	(5,386)
Balance at the end of the year	105,240	99,854
Fair value at the end of the year	116,462	114,211

Notes: 1. The carrying value shown here is calculated by deducting the relevant accumulated depreciation and impairment loss from the property's acquisition cost.

2. The fair value was mainly based on real-estate appraisal value which was calculated by external real-estate appraisers.

(Revenue recognition)

1. Information about breakdown of revenue from contracts with customers

Prior fiscal year (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	1,612,579	35,136	1,647,715
North America	4,579,533	76,380	4,655,913
of which USA	3,791,470	1,212	3,792,682
Europe	1,308,941	—	1,308,941
Asia	798,190	1,900	800,090
Other overseas countries	1,272,122	4,215	1,276,337
Revenue from contracts with customers	9,571,365	117,631	9,688,996
Revenue from the other sources	20,494	887,205	907,699
Sales to third parties	9,591,859	1,004,836	10,596,695

Note: Revenue from the other sources consists mainly of proceeds from interest, etc., based on Accounting Standards Board of Japan (ASBJ) Statement No. 10 “*Accounting Standard for Financial Instruments*” and lease revenue based on ASBJ Statement No. 13 “*Accounting Standard for Lease Transactions*.” These include revenue recognized under International Financial Reporting Standards (IFRS) 9 “*Financial Instruments*” and IFRS 16 “*Leases*” as well as standards for financial instruments such as Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 310 “*Receivables*” and ASC 842 “*Leases*” that are adopted by foreign subsidiaries.

Current fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments		Total
	Automobile	Sales financing	
Japan	1,815,870	36,249	1,852,119
North America	5,725,819	83,295	5,809,114
of which USA	4,476,337	1,122	4,477,459
Europe	1,645,791	—	1,645,791
Asia	732,997	2,213	735,210
Other overseas countries	1,647,861	5,349	1,653,210
Revenue from contracts with customers	11,568,338	127,106	11,695,444
Revenue from the other sources	14,525	975,747	990,272
Sales to third parties	11,582,863	1,102,853	12,685,716

Note: Revenue from the other sources consists mainly of proceeds from interest, etc., based on Accounting Standards Board of Japan (ASBJ) Statement No. 10 “*Accounting Standard for Financial Instruments*” and lease revenue based on ASBJ Statement No. 13 “*Accounting Standard for Lease Transactions*.” These include revenue recognized under International Financial Reporting Standards (IFRS) 9 “*Financial Instruments*” and IFRS 16 “*Leases*” as well as standards for financial instruments such as Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 310 “*Receivables*” and ASC 842 “*Leases*” that are adopted by foreign subsidiaries.

2. Basic information to understand revenue from contracts with customers

For details, please refer to “1. Consolidated Financial Statements 4. Significant accounting policies (5) Reporting of significant revenue and expenses.”

3. Information to understand the amount of revenue in the current and subsequent fiscal years

(1) Contract assets and contract liabilities

Prior fiscal year (From April 1, 2022 to March 31, 2023)

Receivables from contracts with customers

	(Millions of yen)	
	Beginning of the prior fiscal year	Ending of the prior fiscal year
Trade notes	36,741	61,149
Accounts receivable	363,125	522,339
	399,866	583,488

Receivables from contracts with customers are included in “Trade notes and accounts receivable, and contract assets.”

In addition, the balances of contract assets are immaterial.

Contract liabilities

	(Millions of yen)	
	Beginning of the prior fiscal year	Ending of the prior fiscal year
Contract liabilities	287,592	288,991

Contract liabilities are included in “Other” in “Current liabilities” and “Long-term liabilities.” Contract liabilities mainly include advances for vehicles, paid extended warranties and maintenance services, which are reversed upon revenue recognition. The amounts of revenue recognized in the prior fiscal year that were included in the contract liability balances at the beginning of the year are ¥149,437 million.

In addition, the amounts of revenue recognized in the prior fiscal year from performance obligations satisfied (or partially satisfied) in previous years are immaterial.

Current fiscal year (From April 1, 2023 to March 31, 2024)

Receivables from contracts with customers

	(Millions of yen)	
	Beginning of the current fiscal year	Ending of the current fiscal year
Trade notes	61,149	62,239
Accounts receivable	522,339	571,298
	583,488	633,537

Receivables from contracts with customers are included in “Trade notes and accounts receivable, and contract assets.”

In addition, the balances of contract assets are immaterial.

Contract liabilities

	(Millions of yen)	
	Beginning of the current fiscal year	Ending of the current fiscal year
Contract liabilities	288,991	321,641

Contract liabilities are included in “Other” in “Current liabilities” and “Long-term liabilities.” Contract liabilities mainly include advances for vehicles, paid extended warranties and maintenance services, which are reversed upon revenue recognition. The amounts of revenue recognized in the current fiscal year that were included in the contract liability balances at the beginning of the year are ¥142,586 million.

In addition, the amounts of revenue recognized in the current fiscal year from performance obligations satisfied (or partially satisfied) in previous years are immaterial.

(2) Transaction price allocated to the remaining performance obligations

The remaining performance obligations primarily consist of sales for vehicles and parts, and provision of paid extended warranties and maintenance services. The Group has excluded unsatisfied performance

obligations for sales including vehicles and parts related to contracts that have an original expected duration of one year or less from this disclosure. The revenue expected to be recognized for each period is as follows:

(Millions of yen)		
	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Due within one year	85,875	98,264
Due after one year but within five years	152,753	187,314
Due after five years	8,526	9,543
Total	247,154	295,121

(Segments of an enterprise and related information)

Segment information

1. General information about reportable segments

The reportable segments of the Group are components for which discrete financial information is available and whose operating results are regularly reviewed by management to make decisions about resource allocation and to assess their performance.

Businesses of the Group are segmented into Automobile and Sales financing based on the features of products and services. The Automobile business includes manufacturing and sales of vehicles and parts. The Sales financing business provides sales finance services and leasing to support the sales activities of the Automobile business.

2. Calculation method of net sales, profits or losses, assets and other items by reportable segments

In principle, the accounting method for the reportable segments is the same as basis of preparation for the consolidated financial statements.

The segment profits are based on operating income. Inter-segment sales are based on the price in arms-length transactions. The segment assets are based on total assets.

3. Net sales, profits or losses, assets and other items by reportable segment

Prior fiscal year (From April 1, 2022 to March 31, 2023)

(Millions of yen)					
	Reportable segments			Elimination of inter-segment transactions	The year ended March 31, 2023
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	9,591,859	1,004,836	10,596,695	—	10,596,695
Inter-segment sales or transfers	94,983	18,989	113,972	(113,972)	—
Total	9,686,842	1,023,825	10,710,667	(113,972)	10,596,695
Segment profits	42,952	311,908	354,860	22,249	377,109
Segment assets	10,258,231	9,019,801	19,278,032	(1,679,451)	17,598,581
Other items					
Depreciation and amortization expense	349,831	343,909	693,740	—	693,740
Amortization of goodwill	1,320	—	1,320	—	1,320
Interest expense (Cost of sales)	—	172,394	172,394	(29,157)	143,237
Investment amounts to equity method companies	1,129,127	5,288	1,134,415	—	1,134,415
Increase amounts of fixed assets and intangible fixed assets	370,839	813,881	1,184,720	—	1,184,720

Note 1: Consolidated financial statements by business segment

- The Sales financing segment for the summarized consolidated balance sheets, summarized consolidated statement of income and summarized consolidated statement of cash flows consists

of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Company LLC (U.S.A.), NR Finance Mexico, S.A. de C.V. (Mexico), Dongfeng Nissan Auto Finance Co., Ltd. (China), 13 other companies and the sales finance operations of Nissan Canada, Inc. (Canada).

- The financial data on Automobile & Eliminations represents the differences between the consolidated figures and those for the Sales financing segment.

(1) Summarized consolidated balance sheets by business segment

(Millions of yen)

Accounts	Prior fiscal year (As of March 31, 2023)		
	Automobile & Eliminations	Sales financing	Consolidated total
Assets			
I. Current assets			
Cash on hand and in banks	1,684,331	114,144	1,798,475
Trade notes and accounts receivable, and contract assets	581,587	4,052	585,639
Sales finance receivables	(115,079)	6,595,684	6,480,605
Inventories	1,681,040	22,136	1,703,176
Other current assets	651,041	149,275	800,316
Total current assets	4,482,920	6,885,291	11,368,211
II. Fixed assets			
Property, plant and equipment, net	2,367,772	2,001,509	4,369,281
Investment securities	1,171,291	5,541	1,176,832
Other fixed assets	551,368	127,140	678,508
Total fixed assets	4,090,431	2,134,190	6,224,621
III. Deferred assets			
Bond issuance costs	5,429	320	5,749
Total deferred assets	5,429	320	5,749
Total assets	8,578,780	9,019,801	17,598,581
Liabilities			
I. Current liabilities			
Trade notes and accounts payable	1,865,525	46,626	1,912,151
Short-term borrowings	(987,821)	3,819,422	2,831,601
Lease obligations	49,788	273	50,061
Other current liabilities	1,581,404	394,109	1,975,513
Total current liabilities	2,508,896	4,260,430	6,769,326
II. Long-term liabilities			
Bonds	1,317,525	740,571	2,058,096
Long-term borrowings	223,146	1,790,105	2,013,251
Lease obligations	84,345	1,709	86,054
Other long-term liabilities	502,027	554,687	1,056,714
Total long-term liabilities	2,127,043	3,087,072	5,214,115
Total liabilities	4,635,939	7,347,502	11,983,441
Net assets			
I. Shareholders' equity			
Common stock	380,208	225,606	605,814
Capital surplus	631,818	179,391	811,209
Retained earnings	3,204,752	843,118	4,047,870
Treasury stock	(136,172)	—	(136,172)
Total shareholders' equity	4,080,606	1,248,115	5,328,721
II. Accumulated other comprehensive income			
Translation adjustments	(313,129)	201,435	(111,694)
Others	(94,132)	11,754	(82,378)
Total accumulated other comprehensive income	(407,261)	213,189	(194,072)
III. Share subscription rights	273	—	273
IV. Non-controlling interests	269,223	210,995	480,218
Total net assets	3,942,841	1,672,299	5,615,140
Total liabilities and net assets	8,578,780	9,019,801	17,598,581

Notes: 1. The sales finance receivables of Automobile & Eliminations represent the amount eliminated for intercompany transactions related to wholesale finance made by the Sales financing segment.

2. The borrowings of Automobile & Eliminations represent the amount after deducting internal loans receivable from the Sales financing segment amounting to ¥1,456,947 million.

(2) Summarized consolidated statement of income by business segment

(Millions of yen)

Accounts	Prior fiscal year (From April 1, 2022 to March 31, 2023)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	9,572,870	1,023,825	10,596,695
Cost of sales	8,251,043	631,803	8,882,846
Gross profit	1,321,827	392,022	1,713,849
Operating income as a percentage of net sales	0.7%	30.5%	3.6%
Operating income	65,201	311,908	377,109
Financial income / expenses, net	(23,771)	85	(23,686)
Other non-operating income and expenses, net	177,027	(15,007)	162,020
Ordinary income	218,457	296,986	515,443
Income before income taxes	95,676	306,760	402,436
Net income attributable to owners of parent	27,241	194,659	221,900

(3) Summarized consolidated statements of cash flows by business segment

(Millions of yen)

Accounts	Prior fiscal year (From April 1, 2022 to March 31, 2023)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes	95,676	306,760	402,436
Depreciation and amortization	349,831	343,909	693,740
Decrease (increase) in sales finance receivables	6,156	215,319	221,475
Others	40,432	(137,032)	(96,600)
Net cash provided by (used in) operating activities	492,095	728,956	1,221,051
II. Cash flows from investing activities			
Purchase of investment securities	(1,409)	(440)	(1,849)
Purchase of fixed assets	(318,690)	(4,035)	(322,725)
Proceeds from sales of fixed assets	19,037	14,931	33,968
Purchase of leased vehicles	—	(810,777)	(810,777)
Proceeds from sales of leased vehicles	—	679,146	679,146
Others	(4,285)	(20,519)	(24,804)
Net cash provided by (used in) investing activities	(305,347)	(141,694)	(447,041)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(693,232)	543,819	(149,413)
Net change in long-term borrowings and redemption of bonds	116,460	(749,593)	(633,133)
Proceeds from issuance of bonds	199,168	—	199,168
Purchase of treasury stock	(1)	—	(1)
Others	273,406	(360,634)	(87,228)
Net cash provided by (used in) financing activities	(104,199)	(566,408)	(670,607)
IV. Effect of exchange rate changes on cash and cash equivalents	110,788	1,647	112,435
V. Increase (decrease) in cash and cash equivalents	193,337	22,501	215,838
VI. Cash and cash equivalents at the beginning of the period	1,700,990	91,702	1,792,692
VII. Increase due to inclusion in consolidation	5,857	—	5,857
VIII. Cash and cash equivalents at the end of the period	1,900,184	114,203	2,014,387

- Notes: 1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥552,063 million eliminated for a net increase in internal loans receivable from the Sales financing segment.
2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥25,019 million eliminated for a net decrease in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

Prior fiscal year (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	1,888,240	5,547,730	1,204,658	804,119	1,151,948	10,596,695	—	10,596,695
(2) Inter-segment sales	2,050,014	401,358	192,044	634,771	13,992	3,292,179	(3,292,179)	—
Total	3,938,254	5,949,088	1,396,702	1,438,890	1,165,940	13,888,874	(3,292,179)	10,596,695
Operating income (loss)	(150,269)	356,024	(4,601)	85,937	84,457	371,548	5,561	377,109

- 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

Current fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	The year ended March 31, 2024
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	11,582,863	1,102,853	12,685,716	—	12,685,716
Inter-segment sales or transfers	199,653	58,925	258,578	(258,578)	—
Total	11,782,516	1,161,778	12,944,294	(258,578)	12,685,716
Segment profits	221,574	308,718	530,292	38,426	568,718
Segment assets	11,282,240	10,375,882	21,658,122	(1,802,971)	19,855,151
Other items					
Depreciation and amortization expense	353,895	324,058	677,953	—	677,953
Amortization of goodwill	1,242	—	1,242	—	1,242
Interest expense (Cost of sales)	—	279,944	279,944	(59,639)	220,305
Investment amounts to equity method companies	1,304,837	11,304	1,316,141	—	1,316,141
Increase amounts of fixed assets and intangible fixed assets	424,116	1,222,876	1,646,992	—	1,646,992

Note 1: Consolidated financial statements by business segment

- The Sales financing segment for the summarized consolidated balance sheets, summarized consolidated statement of income and summarized consolidated statement of cash flows consists of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Company LLC (U.S.A.), NR Finance Mexico, S.A. de C.V. (Mexico), Dongfeng Nissan Auto Finance Co., Ltd. (China), 13 other companies and the sales finance operations of Nissan Canada, Inc. (Canada).

- The financial data on Automobile & Eliminations represents the differences between the consolidated figures and those for the Sales financing segment.

(1) Summarized consolidated balance sheets by business segment

(Millions of yen)

Accounts	Current fiscal year (As of March 31, 2024)		
	Automobile & Eliminations	Sales financing	Consolidated total
Assets			
I. Current assets			
Cash on hand and in banks	1,784,547	111,854	1,896,401
Trade notes and accounts receivable, and contract assets	622,019	13,310	635,329
Sales finance receivables	(126,034)	7,544,234	7,418,200
Inventories	2,005,958	49,647	2,055,605
Other current assets	686,951	191,114	878,065
Total current assets	4,973,441	7,910,159	12,883,600
II. Fixed assets			
Property, plant and equipment, net	2,465,396	2,298,114	4,763,510
Investment securities	1,367,521	11,557	1,379,078
Other fixed assets	668,886	155,514	824,400
Total fixed assets	4,501,803	2,465,185	6,966,988
III. Deferred assets			
Bond issuance costs	4,025	538	4,563
Total deferred assets	4,025	538	4,563
Total assets	9,479,269	10,375,882	19,855,151
Liabilities			
I. Current liabilities			
Trade notes and accounts payable	2,177,176	52,034	2,229,210
Short-term borrowings	(1,397,853)	3,799,152	2,401,299
Lease obligations	46,477	307	46,784
Other current liabilities	1,820,013	429,633	2,249,646
Total current liabilities	2,645,813	4,281,126	6,926,939
II. Long-term liabilities			
Bonds	1,460,025	891,191	2,351,216
Long-term borrowings	270,651	2,650,977	2,921,628
Lease obligations	88,997	1,469	90,466
Other long-term liabilities	503,682	590,677	1,094,359
Total long-term liabilities	2,323,355	4,134,314	6,457,669
Total liabilities	4,969,168	8,415,440	13,384,608
Net assets			
I. Shareholders' equity			
Common stock	380,208	225,606	605,814
Capital surplus	646,760	179,391	826,151
Retained earnings	3,322,949	962,559	4,285,508
Treasury stock	(111,377)	—	(111,377)
Total shareholders' equity	4,238,540	1,367,556	5,606,096
II. Accumulated other comprehensive income			
Translation adjustments	29,071	393,812	422,883
Others	(59,465)	12,133	(47,332)
Total accumulated other comprehensive income	(30,394)	405,945	375,551
III. Share subscription rights	304	—	304
IV. Non-controlling interests	301,651	186,941	488,592
Total net assets	4,510,101	1,960,442	6,470,543
Total liabilities and net assets	9,479,269	10,375,882	19,855,151

Notes: 1. The sales finance receivables of Automobile & Eliminations represent the amount eliminated for intercompany transactions related to wholesale finance made by the Sales financing segment.

2. The borrowings of Automobile & Eliminations represent the amount after deducting internal loans receivable from the Sales financing segment amounting to ¥1,559,961 million.

(2) Summarized consolidated statement of income by business segment

(Millions of yen)

Accounts	Current fiscal year (From April 1, 2023 to March 31, 2024)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	11,523,938	1,161,778	12,685,716
Cost of sales	9,885,975	732,827	10,618,802
Gross profit	1,637,963	428,951	2,066,914
Operating income as a percentage of net sales	2.3%	26.6%	4.5%
Operating income	260,000	308,718	568,718
Financial income / expenses, net	(14,741)	411	(14,330)
Other non-operating income and expenses, net	148,666	(893)	147,773
Ordinary income	393,925	308,236	702,161
Income before income taxes	340,988	258,237	599,225
Net income attributable to owners of parent	256,422	170,227	426,649

(3) Summarized consolidated statements of cash flows by business segment

(Millions of yen)

Accounts	Current fiscal year		
	(From April 1, 2023 to March 31, 2024)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes	340,988	258,237	599,225
Depreciation and amortization	353,895	324,058	677,953
Decrease (increase) in sales finance receivables	11,201	(254,806)	(243,605)
Others	(8,024)	(64,650)	(72,674)
Net cash provided by (used in) operating activities	698,060	262,839	960,899
II. Cash flows from investing activities			
Purchase of investment securities	(47,571)	(493)	(48,064)
Purchase of fixed assets	(363,123)	(5,150)	(368,273)
Proceeds from sales of fixed assets	25,376	11,421	36,797
Purchase of leased vehicles	—	(1,259,505)	(1,259,505)
Proceeds from sales of leased vehicles	—	796,697	796,697
Others	10,290	19,394	29,684
Net cash provided by (used in) investing activities	(375,028)	(437,636)	(812,664)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	24,197	(404,956)	(380,759)
Net change in long-term borrowings and redemption of bonds	(160,674)	363,966	203,292
Proceeds from issuance of bonds	—	311,855	311,855
Purchase of treasury stock	(119,968)	—	(119,968)
Others	(41,748)	(104,223)	(145,971)
Net cash provided by (used in) financing activities	(298,193)	166,642	(131,551)
IV. Effect of exchange rate changes on cash and cash equivalents	89,320	5,815	95,135
V. Increase (decrease) in cash and cash equivalents	114,159	(2,340)	111,819
VI. Cash and cash equivalents at the beginning of the period	1,900,184	114,203	2,014,387
VII. Cash and cash equivalents at the end of the period	2,014,343	111,863	2,126,206

Notes: 1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥29,054 million eliminated for a net increase in internal loans receivable from the Sales financing segment.
2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥77,729 million eliminated for a net decrease in internal loans receivable from the Sales financing segment.

Note 2: Net sales and profits or losses by region

Current fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Japan	North America	Europe	Asia	Other overseas countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	2,002,217	6,881,033	1,562,557	746,684	1,493,225	12,685,716	—	12,685,716
(2) Inter-segment sales	2,945,678	398,239	307,941	861,093	21,408	4,534,359	(4,534,359)	—
Total	4,947,895	7,279,272	1,870,498	1,607,777	1,514,633	17,220,075	(4,534,359)	12,685,716
Operating income (loss)	108,112	334,488	(17,326)	109,206	27,285	561,765	6,953	568,718

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 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

Entity-wide disclosures

Prior fiscal year (From April 1, 2022 to March 31, 2023)

1. Information by product and service

This information is not provided here because it is the same as the information provided under “Segment information.”

2. Information by geographical area

(1) Net sales

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
1,729,099	5,343,003	4,305,867	1,311,499	904,270	1,308,824	10,596,695

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, etc.

(2) Property, plant and equipment

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
1,648,199	2,384,088	1,826,668	131,537	146,905	58,552	4,369,281

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 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

3. Information by major customer

This information is not provided because there were no customers that accounted for 10% or more of the net sales to third parties recorded in the consolidated statements of income.

Current fiscal year (From April 1, 2023 to March 31, 2024)

1. Information by product and service

This information is not provided here because it is the same as the information provided under “Segment information.”

2. Information by geographical area

(1) Net sales

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
1,935,148	6,591,399	5,049,687	1,643,258	818,525	1,697,386	12,685,716

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 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, etc.

(2) Property, plant and equipment

(Millions of yen)

Japan	North America		Europe	Asia	Other overseas countries	Total
		U.S.A.				
1,692,778	2,751,347	2,082,152	156,175	85,912	77,298	4,763,510

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 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

3. Information by major customer

This information is not provided because there were no customers that accounted for 10% or more of the net sales to third parties recorded in the consolidated statements of income.

Information about the impairment loss on fixed assets by reportable segment

Prior fiscal year (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Impairment loss	8,615	—	8,615	—	8,615

Current fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Impairment loss	58,972	—	58,972	—	58,972

Information about the amortization of goodwill and unamortized balance by reportable segment

Prior fiscal year (From April 1, 2022 to March 31, 2023)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Amortization of goodwill	1,320	—	1,320	—	1,320
Balance at the end of the year	8,260	—	8,260	—	8,260

Current fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Amortization of goodwill	1,242	—	1,242	—	1,242
Balance at the end of the year	7,018	—	7,018	—	7,018

Information about the gain recognized on negative goodwill by reportable segment

Prior fiscal year (From April 1, 2022 to March 31, 2023)

This information is not provided due to its low materiality.

Current fiscal year (From April 1, 2023 to March 31, 2024)

Not applicable.

(Information of related parties)

1. Transactions with related parties

Prior fiscal year (From April 1, 2022 to March 31, 2023)

(Millions of yen)

Type	Name	Business	Percentage of voting right held by Directors and individual major shareholders (%)	Relation	Nature of transactions	Amount of the transactions	Account	Balance at the end of fiscal year
Director	Makoto Uchida	Representative Executive Officer, President and Chief Executive Officer	Directly 0.005%	—	Disposition of Treasury Stock as remuneration in kind (*1)	79	—	—
Director	Ashwani Gupta	Representative Executive Officer, Chief Operating Officer	Directly 0.002%	—	Disposition of Treasury Stock as remuneration in kind (*1)	60	—	—
Officer	Stephen Ma	Executive Officer, Chief Financial Officer	Directly 0.003%	—	Disposition of Treasury Stock as remuneration in kind (*1)	31	—	—
Director	Hideyuki Sakamoto	Executive Officer, Executive Vice President	Directly 0.002%	—	Disposition of Treasury Stock as remuneration in kind (*1)	23	—	—
Officer	Kunio Nakaguro	Executive Officer, Executive Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	20	—	—
Officer	Asako Hoshino	Executive Officer, Executive Vice President	Directly 0.003%	—	Disposition of Treasury Stock as remuneration in kind (*1)	20	—	—
Officer equivalent	Jeremie Papin	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	14	—	—
Officer equivalent	Atul Pasricha	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	14	—	—
Officer equivalent	Rakesh Kochhar	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	13	—	—
Officer equivalent	Guillaume Cartier	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	13	—	—
Officer equivalent	Alfonso Albaisa	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	13	—	—
Officer equivalent	Leon Dorssers	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	13	—	—

Type	Name	Business	Percentage of voting right held by Directors and individual major shareholders (%)	Relation	Nature of transactions	Amount of the transactions	Account	Balance at the end of fiscal year
Officer equivalent	Ivan Espinosa	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	12	—	—
Officer equivalent	Takashi Hata	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	11	—	—
Officer equivalent	Peyman Kargar	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	10	—	—

(*1) The disposition of the treasury stock is performed as remuneration in kind under the Restricted Stock Unit system.

The stock price for the disposition of the treasury stock is determined based on the ending stock price as of June 27, 2022 (one business day before the resolution made by the Board Meeting for the disposition of the treasury stock) on the Tokyo Stock Exchange.

Current fiscal year (From April 1, 2023 to March 31, 2024)

(Millions of yen)

Type	Name	Business	Percentage of voting right held by Directors and individual major shareholders (%)	Relation	Nature of transactions	Amount of the transactions	Account	Balance at the end of fiscal year
Director	Makoto Uchida	Representative Executive Officer, President and Chief Executive Officer	Directly 0.007%	—	Disposition of Treasury Stock as remuneration in kind (*1)	111	—	—
Officer	Stephen Ma	Executive Officer, Chief Financial Officer	Directly 0.005%	—	Disposition of Treasury Stock as remuneration in kind (*1)	46	—	—
Director	Hideyuki Sakamoto	Executive Officer, Executive Vice President	Directly 0.003%	—	Disposition of Treasury Stock as remuneration in kind (*1)	31	—	—
Officer	Kunio Nakaguro	Executive Officer, Executive Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	27	—	—
Officer	Asako Hoshino	Executive Officer, Executive Vice President	Directly 0.003%	—	Disposition of Treasury Stock as remuneration in kind (*1)	27	—	—
Officer equivalent	Jeremie Papin	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	23	—	—
Officer equivalent	Atul Pasricha	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	21	—	—

Type	Name	Business	Percentage of voting right held by Directors and individual major shareholders (%)	Relation	Nature of transactions	Amount of the transactions	Account	Balance at the end of fiscal year
Officer equivalent	Rakesh Kochhar	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	21	—	—
Officer equivalent	Guillaume Cartier	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	20	—	—
Officer equivalent	Alfonso Albaisa	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	19	—	—
Officer equivalent	Ivan Espinosa	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	19	—	—
Officer equivalent	Leon Dorssers	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	18	—	—
Officer equivalent	Takashi Hata	Senior Vice President	Directly 0.002%	—	Disposition of Treasury Stock as remuneration in kind (*1)	16	—	—
Officer equivalent	Jose Roman	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	14	—	—
Officer equivalent	Junichi Endo	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	14	—	—
Officer equivalent	Joji Tagawa	Senior Vice President	Directly 0.003%	—	Disposition of Treasury Stock as remuneration in kind (*1)	13	—	—
Officer equivalent	Hideaki Watanabe	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	13	—	—
Officer equivalent	Takao Asami	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	12	—	—
Officer equivalent	Noboru Tateishi	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	11	—	—
Officer equivalent	Shohei Yamazaki	Senior Vice President	Directly 0.000%	—	Disposition of Treasury Stock as remuneration in kind (*1)	11	—	—
Officer equivalent	Toshihiro Hirai	Senior Vice President	Directly 0.001%	—	Disposition of Treasury Stock as remuneration in kind (*1)	11	—	—

(*1) The disposition of the treasury stock is performed as remuneration in kind under the Restricted Stock Unit system.

The stock price for the disposition of the treasury stock is determined based on the ending stock price as of June 26, 2023 (one business day before the resolution made by the Board Meeting for the disposition of the treasury stock) on the Tokyo Stock Exchange.

2. Notes on the parent company and significant affiliates

Condensed financial information of significant affiliates:

Prior fiscal year (From April 1, 2022 to March 31, 2023)

Combined and condensed financial information (from January 1, 2022 to December 31, 2022) of Renault and Dongfeng Motor Co., Ltd., which are defined as significant affiliates for the current fiscal year, is as follows.

Total current assets	¥12,917,966 million
Total fixed assets	¥5,947,796 million
Total current liabilities	¥11,256,602 million
Total long-term liabilities	¥2,383,009 million
Total net assets	¥5,226,151 million
Net sales	¥9,144,214 million
Income before income taxes	¥234,839 million
Net income	¥115,149 million

Current fiscal year (From April 1, 2023 to March 31, 2024)

Combined and condensed financial information (from January 1, 2023 to December 31, 2023) of Renault and Dongfeng Motor Co., Ltd., which are defined as significant affiliates for the current fiscal year, is as follows.

Total current assets	¥15,026,714 million
Total fixed assets	¥6,374,287 million
Total current liabilities	¥13,357,700 million
Total long-term liabilities	¥2,215,988 million
Total net assets	¥5,827,313 million
Net sales	¥9,904,609 million
Income before income taxes	¥443,514 million
Net income	¥336,027 million

(Amounts per share)

	(Yen)	
	Prior fiscal year (From April 1, 2022 to March 31, 2023)	Current fiscal year (From April 1, 2023 to March 31, 2024)
Net assets per share	1,310.74	1,599.28
Basic earnings per share	56.67	110.47
Diluted earnings per share	56.67	110.47

Notes: 1. The basis for calculation of the basic earnings per share and the diluted earnings per share is as follows.

	Prior fiscal year (From April 1, 2022 to March 31, 2023)	Current fiscal year (From April 1, 2023 to March 31, 2024)
Basic earnings per share: Net income attributable to owners of parent (Millions of yen)	221,900	426,649
Net income attributable to owners of parent relating to common stock (Millions of yen)	221,900	426,649
Average number of shares of common stock during the fiscal year (Thousands of shares)	3,915,382	3,862,122
Diluted earnings per share: Increase in shares of common stock (Thousands of shares)	—	—
(Exercise of share subscription rights (Thousands of shares))	—	—
Securities excluded from the computation of diluted earnings per share because they do not have dilutive effects	—	—

2. The basis for calculation of the net assets per share is as follows.

	Prior fiscal year (As of March 31, 2023)	Current fiscal year (As of March 31, 2024)
Total net assets (Millions of yen)	5,615,140	6,470,543
Amounts deducted from total net assets (Millions of yen)	480,491	488,896
(Share subscription rights (Millions of yen))	273	304
(Non-controlling interests (Millions of yen))	480,218	488,592
Net assets attributable to shares of common stock at year end (Millions of yen)	5,134,649	5,981,647
The year-end number of shares of common stock used for the calculation of net assets per share (Thousands of shares)	3,917,356	3,740,203

(Significant subsequent events)

(Acquisition and cancellation of treasury shares)

The Company announced that the Board of Directors on March 27, 2024 resolved and implemented the following matters relating to the acquisition of treasury shares and the method of acquisition pursuant to Article 156 of the Companies Act as applied pursuant to Article 165, Paragraph 3, of the Companies Act, and the cancellation of treasury shares pursuant to Article 178 of the Companies Act.

1. Reasons for acquisition and cancellation of treasury shares

The Company received a notice from Renault offering to sell 280,690,000 Nissan shares (the “Offered Shares”) which are held in a French trust, and decided to acquire 100,242,900 shares by making use of its right of first offer as agreed with Renault under the New Alliance Agreement. The Company decided to cancel all the acquired shares.

Renault has the option to sell the rest of the Offered Shares deducting the number of Nissan shares sold by Renault in this treasury share acquisition, within an orderly process pursuant to the New Alliance Agreement.

The transaction was funded using the Company’s net cash position. This decision is in line with the Company’s commitment to enhancing shareholder returns and capital efficiency whilst maintaining the necessary financial resources to deliver the Company’s ambitious business plans.

2. Contents of matters relating to the acquisition of treasury shares

(1) Class of shares to be acquired	Common stock
(2) Total number of shares to be acquired	100,242,900 shares
(3) Total amount of share acquisition cost	¥59,484 million
(4) Date of contract	March 28, 2024
(5) Date of acquisition	April 1, 2024
(6) Method of acquisition	Purchase through off-auction own share repurchase trading system (ToSTNeT-3) of the Tokyo Stock Exchange

3. Contents of matters relating to the cancellation of treasury shares

(1) Class of shares to be cancelled	Common stock
(2) Total number of shares to be cancelled	100,242,900 shares
(3) Scheduled date of cancellation	April 3, 2024

(Lawsuit against a Mitsubishi Motors Corporation's consolidated subsidiary)

As of May 6, 2024, Mitsubishi Motors North America, Inc. (hereinafter "MMNA"), a North American, wholly-owned subsidiary of Mitsubishi Motors Corporation (an equity method affiliate of the Company), received a judgment before the Philadelphia Court of Common Pleas in the United States, resulting from the product liability lawsuit, ordering MMNA to pay the damages in the amount of USD 1,010 million. On May 28, 2024, MMNA filed an appeal against the above judgment to the Superior Court of Pennsylvania, United States.

Depending on the progress of the legal proceeding, this case may have a material impact on the Group's profits/losses from equity method companies.

⑤ Consolidated supplemental schedules

Schedule of bonds payable

Company	Description	Date of Issuance	Balance at the beginning of current fiscal year (Millions of yen)	Balance at the end of current fiscal year (Millions of yen)	Interest rate (%)	Collateral	Maturity
*1	58th unsecured bonds	April 25, 2014	20,000	—	0.78	None	March 19, 2024
*1	61st unsecured bonds	April 15, 2016	20,000	20,000	0.33	None	March 19, 2026
*1	64th unsecured bonds	July 22, 2020	30,000	—	1.40	None	June 20, 2023
*1	65th unsecured bonds	July 22, 2020	11,000	11,000	1.90	None	June 20, 2025
*1	EUR denominated bonds	September 17, 2020	291,440 [EUR 2,000,000 thousand]	244,860 [EUR 1,500,000 thousand]	2.65 – 3.20	None	2026 – 2028
*1	USD denominated bonds	September 17, 2020	1,032,685 [\$ 8,000,000 thousand]	984,165 [\$ 6,500,000 thousand]	3.52 – 4.81	None	2025 – 2030
*1	66th unsecured bonds	February 6, 2023	140,000	140,000	1.02	None	January 20, 2026
*1	67th unsecured bonds	January 27, 2023	50,000	50,000	1.02	None	January 20, 2026
*1	68th unsecured bonds	January 27, 2023	10,000	10,000	1.45	None	January 20, 2028
*2	Bonds issued by subsidiaries (Note 2)	2021 – 2024	175,000	(70,000) 270,000	0.17 – 1.03	None	2024 – 2029
*3	Bonds issued by subsidiaries (Note 2)	2018 – 2023	612,095 [\$4,583,954 thousand]	(89,326) [\$589,964 thousand] 678,840 [\$4,483,458 thousand]	1.05 – 7.05	None	2023 – 2028
*3	Bonds issued by subsidiaries	2021	98,750 [CAD 1,000,000 thousand]	55,905 [CAD 500,000 thousand]	1.63 – 2.10	None	2024 – 2025
*3	Bonds issued by subsidiaries (Note 2)	2020 – 2023	123,493 [CNY 6,496,223 thousand]	(79,706) [CNY 3,999,289 thousand] 125,478 [CNY 6,295,933 thousand]	2.80 – 3.72	None	2023 – 2026
Total (Note 2)		—	2,614,463	(239,032) 2,590,248	—		—

- Notes: 1. *1 The Company *2 Domestic consolidated subsidiaries *3 Foreign consolidated subsidiaries
2. The amounts in parentheses presented under “Balance at the end of current fiscal year” represent the amounts scheduled to be redeemed within one year.
3. The redemption schedule of bonds for 5 years subsequent to March 31, 2024 is summarized as follows:

(Millions of yen)				
Due within one year	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years
239,032	779,439	392,600	479,348	321,304

Schedule of borrowings

(Millions of yen)

Category	Balance at the beginning of current fiscal year	Balance at the end of current fiscal year	Average interest rate (%)	Maturity
Short-term borrowings	260,286	200,407	5.82	—
Nonrecourse short-term borrowings	841,692	636,859	5.74	—
Current portion of long-term borrowings	434,338	453,238	4.45	—
Current portion of nonrecourse long-term borrowings	650,918	768,501	4.52	—
Commercial papers	88,000	103,262	1.46	—
Current portion of lease obligations	50,061	46,784	2.46	—
Long-term borrowings (excluding current portion)	1,532,896	2,191,703	6.12	April 2025 to August 2039
Nonrecourse long-term borrowings (excluding current portion)	480,355	729,925	5.22	April 2025 to February 2029
Lease obligations (excluding current portion)	86,054	90,466	3.96	April 2025 to August 2057
Total	4,424,600	5,221,145	—	—

- Notes: 1. The average interest rate represents the weighted-average rate applicable to the year-end balance.
2. IFRS 16, “Leases” (January 13, 2016) and ASU 2016-02 “Leases” (February 25, 2016) have been adopted at foreign subsidiaries and liabilities corresponding to the right-of-use assets which was recognized in line with this adaptation were included in Current portion of lease obligations and Lease obligations (excluding current portion) balance.
3. The following table shows the aggregate annual maturities of long-term borrowings (excluding the current portion), nonrecourse long-term borrowings (excluding the current portion) and lease obligations (excluding the current portion) for 5 years subsequent to March 31, 2024.

(Millions of yen)

	Due after one year but within two years	Due after two years but within three years	Due after three years but within four years	Due after four years but within five years
Long-term borrowings	864,480	646,063	349,657	263,126
Nonrecourse long-term borrowings	454,819	256,634	18,462	10
Lease obligations	36,652	17,479	12,139	7,425

Schedule of asset retirement obligations

The schedule of asset retirement obligations is not provided because the amounts of asset retirement obligations at the beginning and the end of the fiscal year ended March 31, 2024 were one hundredth (1%) or less of the amounts of total liabilities and net assets at the beginning and the end of the fiscal year ended March 31, 2024.

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THE COMPANY

Nissan Motor Co., Ltd.
1-1, Takashima 1-chome
Nishi-ku, Yokohama-shi, Kanagawa 220-8686
Japan

Registered Head Office
2, Takara-cho, Kanagawa-ku, Yokohama-shi,
Kanagawa 220-8623
Japan

TRUSTEE AND CUSTODIAN

The Law Debenture Trust Corporation p.l.c.
Eighth Floor, 100 Bishopsgate
London EC2N 4AG
United Kingdom

PRINCIPAL AGENT AND REGISTRAR

Mizuho Trust & Banking (Luxembourg) S.A.
1B, rue Gabriel Lippmann
L-5365 Munsbach
Grand Duché de Luxembourg

CUSTODIAN'S AGENT IN JAPAN

Mizuho Bank, Ltd.
5-5, Otemachi 1-chome
Chiyoda-ku, Tokyo 100-8176
Japan

LEGAL ADVISORS

To the Company as to Japanese Law

Mori Hamada & Matsumoto
Marunouchi Park Building
6-1, Marunouchi 2-chome
Chiyoda-ku, Tokyo 100-8222
Japan

To the Joint Lead Managers as to English Law

Gaikokuho Kyodo-Jigyo Horitsu Jimusho
Linklaters
Meiji Yasuda Building 10th Floor
1-1, Marunouchi 2-chome
Chiyoda-ku, Tokyo 100-0005
Japan

To the Trustee as to English Law

Linklaters LLP
One Silk Street
London EC2Y 8HQ
United Kingdom

INDEPENDENT AUDITOR

Ernst & Young ShinNihon LLC
Hibiya Mitsui Tower, Tokyo Midtown Hibiya
1-2, Yurakucho 1-chome
Chiyoda-ku, Tokyo 100-0006
Japan

