ANNUAL REPORT 2016

NISSAN MOTOR CORPORATION

CONTENTS

This annual report presents the results of Nissan Motor Corporation's business activities for fiscal 2015. It also provides an opportunity for investors to deepen their understanding of the Nissan management team. President and CEO Carlos Ghosn and CFO Joseph G. Peter share their vision of Nissan's philosophy and the direction the Company is heading today.

Cover photo: Q60

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■ Financial Data
To obtain more detailed financial information, please visit our IR website.
website

■ This annual report contains forward-looking statements on Nissan's plans and targets, and related operating investment, product planning and production targets. Please note that there can be no assurance that these targets and plans will actually be achieved. Achieving them will depend on many factors, including Nissan's activities and development as well as the dynamics of the automobile industry worldwide and the global economy.

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VISION

Nissan: Enriching People's Lives

Nissan has a clear vision for the future, and – with our Alliance partner, Renault – we are working with passion to achieve it. Our mission is to enrich people's lives, building trust with our employees, customers, dealers, partners, shareholders and the world at large.

MISSION

Nissan provides unique and innovative automotive products and services that deliver superior measurable values to all stakeholders* in alliance with Renault.

* Our stakeholders include customers, shareholders, employees, dealers and suppliers, as well as the communities where we work and operate.

FINANCIAL HIGHLIGHTS

	For the years ended	2015 Mar. 31, 2016	2014 Mar. 31, 2015	2013 Mar. 31, 2014	2012[*2] Mar. 31, 2013	2011 Mar. 31, 2012
Net sales[*1]	Millions of yen	**12,189,519**	11,375,207	10,482,520	8,737,320	9,409,026
Ordinary income	Millions of yen	**862,272**	694,232	527,189	504,421	535,090
Net income attributable to owners of parent	Millions of yen	**523,841**	457,574	389,034	341,117	341,433
Comprehensive income	Millions of yen	**75,107**	719,903	796,533	721,860	290,600
Net assets	Millions of yen	**5,140,745**	5,247,262	4,671,528	4,036,030	3,449,997
Total assets	Millions of yen	**17,373,643**	17,045,659	14,703,403	12,442,337	11,072,053
Net assets per share	Yen	**1,132.61**	1,152.83	1,035.06	890.38	750.77
Basic net income per share	Yen	**125.00**	109.15	92.82	81.39	81.67
Diluted net income per share[*3]	Yen	**124.99**	109.14	92.82	—	—
Net assets as a percentage of total assets	%	**27.2**	28.4	29.5	30.0	28.4
Return on equity	%	**11.0**	10.0	9.6	9.9	11.2
Price earnings ratio	Times	**8.33**	11.21	9.91	11.08	10.79
Cash flows from operating activities	Millions of yen	**927,013**	692,747	728,123	412,257	696,297
Cash flows from investing activities	Millions of yen	**(1,229,280)**	(1,022,025)	(1,080,416)	(838,047)	(685,053)
Cash flows from financing activities	Millions of yen	**530,606**	245,896	396,925	433,817	(308,457)
Cash and cash equivalents at end of fiscal year	Millions of yen	**992,095**	802,612	832,716	711,901	840,871
Employees[*4]	Number	**152,421**	149,388	142,925	130,274	157,365
		(19,007)	(20,381)	(21,750)	(22,442)	(34,775)
( ) represents the average number of part-time employees not included in the above numbers		**154,700**	151,710	147,939	136,625	161,513
		(19,343)	(20,748)	(22,642)	(23,307)	(35,099)

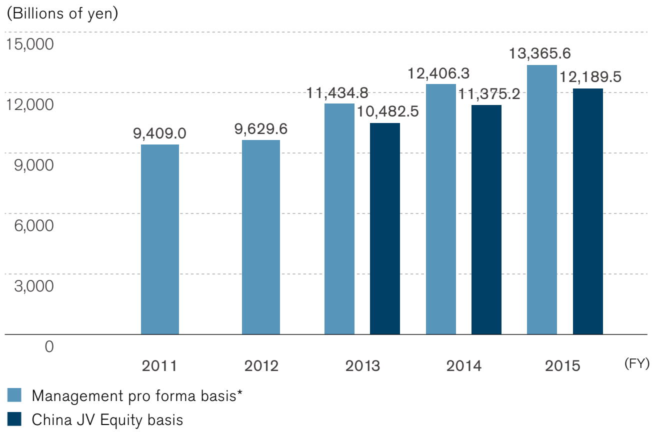
Notes:
[*1] Net sales are presented exclusive of consumption tax.
[*2] Effective from fiscal 2013, International Financial Reporting Standards (IFRS) 11 Joint Arrangements, which was released on May 12, 2011, and International Accounting Standards (IAS) 19 Employee Benefits, which was released on June 16, 2011, have been applied in some foreign subsidiaries and affiliates, and key financial data and trends for fiscal 2012 are adjusted.
[*3] Diluted net income per share for fiscal 2011 and fiscal 2012 is not presented because the Company had no securities with dilutive effects.
[*4] Staff numbers, which are presented as the lower numbers in the "Employees" line, include those of unconsolidated subsidiaries accounted for by the equity method as reference data.

Key figures for fiscal 2015
(China JV Equity Basis)

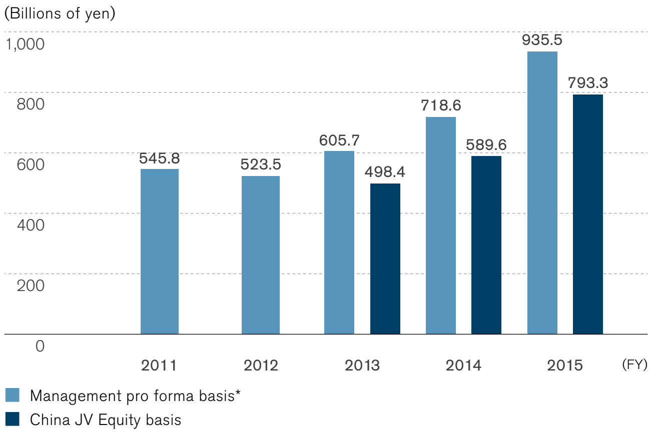
Net sales climbed 814.3 billion yen for the year to reach 12,189.5 billion yen.
Operating profit was 793.3 billion yen, for a profit margin of 6.5%.

Under the forecast of consolidated operating results after fiscal 2013, the consolidation method for Dongfeng Motor Co., Ltd. has been changed from proportionate consolidation to the equity method in comparison with the results until fiscal 2012 by the adoption of IFRS11.

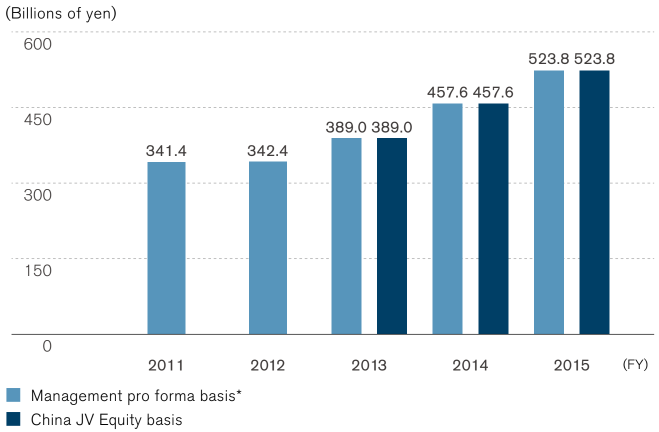
Net Sales



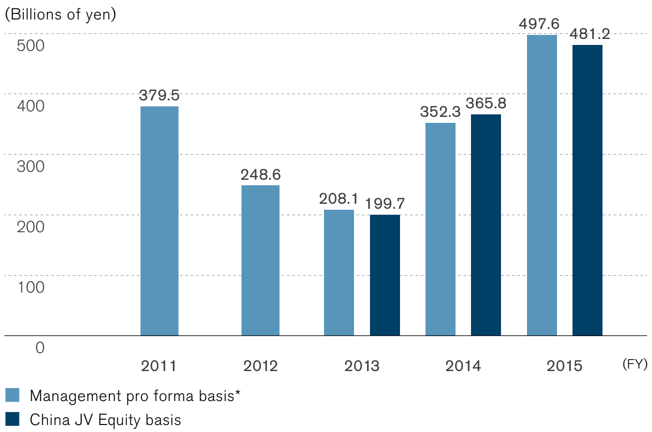
Operating Profit



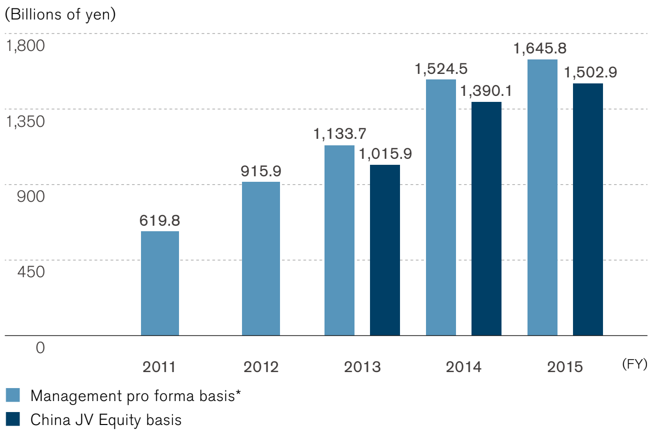
Net Income



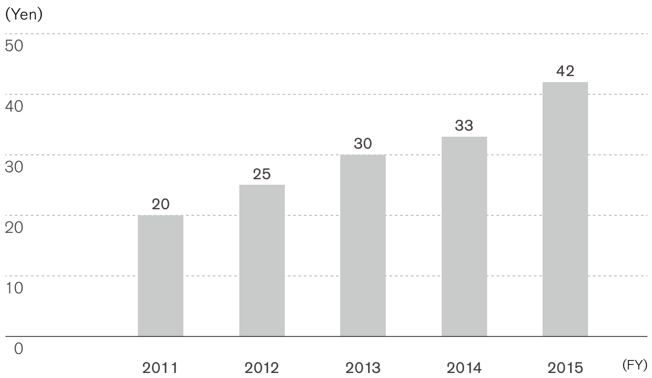
Free Cash Flow (Auto Business)



Net Cash (Auto Business)



Dividend per Share



* Based on continuation of proportionate consolidation of China JV

DEAR FELLOW SHAREHOLDERS

Carlos Ghosn
President and Chief Executive Officer

Fiscal 2015 was a year of continued progress at Nissan Motor Corporation (NMC). Once again we delivered solid financial results for our shareholders by launching innovative vehicles, pioneering new technologies and disciplined focus on cost-efficiency.

I would like to thank all of our employees, our suppliers, dealers, Alliance partners and my management colleagues for their contribution to our strong financial performance this year. Our results reflect Nissan's underlying quality and resilience, and I look ahead with bright optimism–for our customers, for our employees, and of course, for our shareholders.

Driving Shareholder Returns

As a global team, we have worked together to design, develop, assemble, market, sell and service a range of vehicles with strong customer appeal. This helped to drive strong demand in North America and a satisfactory performance in Europe, excluding the significant market contraction in Russia. Together with continued cost efficiencies and Alliance synergies, this helped offset the negative impact of adverse currency movements and volatile conditions in some of the other markets.

This, in turn, has produced robust shareholder returns. Over the past five years, our annual dividend payment has more than doubled: rising from 20 yen per share in fiscal 2011 to a proposed payout of 48 yen per share for fiscal 2016. This represents a 14.3% increase on the fiscal 2015 dividend payment. In February 2016, we further underlined our commitment to total shareholder returns by announcing a share buy-back worth up to 400 billion yen.

As set out in the detailed financial statements in this Annual Report, the Company increased revenues by 7.2% to 12.2 trillion yen in the 12 months to March 31, 2016, and generated sharply increased operating profits of 793.3 billion yen. Net income rose by 14.5% to 523.8 billion.

Pathway to Power 88

Our confidence reflects the progress that Nissan has achieved since launching the Power 88 plan five years ago. Since then, our annual unit sales have increased by more than 1.2 million units to 5.4 million.

In spite of several challenges in recent years – from emerging market and currency volatility to geo-political tensions – our continued focus on cost efficiencies and our ongoing product offensive have helped lift operating margins towards the 7% level reported for the latest fiscal year. This signals that we are on the right path toward the goal of a sustainable 8% operating profit margin.

Products & Efficiency

We are far from complacent. We must continue to launch strong new products and relentlessly improve efficiency and quality.

This is particularly important in Japan where we are refreshing some core models, notably with the launch of a new compact car featuring our latest electric vehicle powertrain.

This new electric vehicle will meet consumer demand for greater autonomy and fuel efficiency, utilizing a new "e-Power" system that matches the agility, quietness, strong acceleration and efficiency of the Nissan LEAF.

During the current fiscal year, we will launch our latest generation autonomous drive technology in Japan, known as Pro Pilot. This system will build on our existing forward emergency braking technologies by offering automated single-lane controls in highway, making driving safer and more efficient.

We also anticipate that our presence in Japan – and beyond – will be strengthened by our proposed strategic alliance with Mitsubishi Motors (MMC), in which Nissan is planning to take a 34% stake for 237 billion yen.

Pending regulatory approvals for this transaction, we will be able to work together in areas including purchasing, common platforms, the shared development of new technologies, joint plant utilization and growth markets.

Our interest in MMC reflects our long-term confidence in alliances to deliver synergies in areas such as engine development and shared vehicle architectures.

Alliances

The bedrock of our Alliance strategy is our 17-year partnership with Renault.

Renault-Nissan synergies exceeded 4 billion euros in fiscal 2015 and will continue to increase as we implement convergence in purchasing, manufacturing and logistics, engineering and human resources. We are targeting 5.5 billion euros by fiscal 2018.

These synergies will be achieved through efficiencies on the cost side and shared revenue opportunities from assets such as the Common Module Family with Renault and our partnership with Daimler in shared powertrains and vehicle architecture.

The Renault-Nissan Alliance will also be an important platform for our expansion in autonomous drive technologies and connected vehicles.

New Technology

Nissan is driving change throughout the auto industry. We are changing the driving experience with our “Intelligent Mobility” vision, which will streamline our efforts to deliver Electric Vehicles, Autonomous Drive, Connected Vehicles, and many other cutting-edge products.

In electric vehicles, we created the zero-emission segment five years ago with the launch of the all-electric Nissan LEAF, of which we have now sold more than 200,000 units worldwide.

The 2016 LEAF model has been enhanced by a new 30-kilowatt battery that extended its driving range by more than 20%. This extended range and the growing availability of fast-charging locations in leading markets will enable more zero-emission journeys.

By the end of the decade, Nissan plans to offer more connected cars, introducing systems and features that will make driving safer, more productive and enjoyable. By 2020, the Renault-Nissan Alliance plans to launch more than 10 models with autonomous drive technologies.

Conclusion

As the automotive world evolves, Nissan is making positive changes everywhere: for every consumer, for every market, and in every part of our business. We are driving a transformation in the way vehicles are designed, developed, produced and sold in markets around the world. We are harnessing the power that’s inside Nissan to prepare solutions that our customers will want and value, now and in the years to come.

The future is bright for our company. Our efforts in cost-efficiency, new products and technologies, Alliances, market focus and greater focus on revenue optimization and customer satisfaction will, we believe, underpin a solid performance in the current year and beyond.

Thank you again for your support.

Carlos Ghosn
President and Chief Executive Officer
Nissan Motor Co., Ltd.

MESSAGE FROM THE CFO

Joseph G. Peter
Chief Financial Officer

Nissan Motor Corporation delivered another solid year of improvement in business and financial results in fiscal 2015 despite negative foreign exchange rate movements and slowing sales in some regions, particularly emerging markets.

The improvement in the 12 months to March 31, 2016 was driven by the combination of growing unit sales and continued efficiencies on the cost side of the business. On the sales front, our global unit sales reached 5.4 million units, an all-time record. The Company enjoyed strong growth in North America and solid demand in Western Europe, where sales of popular models including the Altima, Rogue, Sentra, Qashqai and other core products offset difficult conditions in several parts of the world.

We also maintained our intense focus on cost-efficiency, which contributed 223.6 billion yen in year-over-year operating profit improvement, mainly through our purchasing material cost-reduction efforts.

In terms of financial performance (based on the equity accounting method for our Chinese joint venture), consolidated net revenues increased by 814.3 billion yen to 12.2 trillion yen. Operating profit rose by 34.6% to 793.3 billion yen, which represented an operating profit margin of 6.5%. Net income grew by 14.5% to 523.8 billion yen for the year, also reaching an all-time record.

Nissan generated automotive free cash flow of 481.2 billion yen and we continued to strengthen the balance sheet, ending the period with net cash of 1.5 trillion yen for our automotive business.

On a management pro-forma basis, which includes the proportional consolidation of our Chinese joint venture, and is consistent with the methodology used in developing the Nissan Power 88 Mid-term Plan objectives – net revenues increased by 7.7% to 13.4 trillion yen.

Pro-forma operating profit rose by 30.2% to 935.5 billion yen representing a 7.0% operating profit margin. On this measure, we ended the fiscal period with net cash from our automotive operations of 1.65 trillion yen. With cumulative free cash flow totaling 1.7 trillion yen at the end of the year, we exceeded the Power 88 target of 1.5 trillion yen a full 12 months ahead of the mid-term plan.

This positive performance provides a solid base as we follow the path toward our Power 88 goals.

Looking toward fiscal year 2016, we anticipate total industry volumes will increase slightly to 89.4 million units. Of that total, we project that Nissan's global retail volumes will rise by 3.3% to 5.6 million units, driven primarily by growth in China and North America.

We expect net revenues to be 11.8 trillion yen for the 12 months ending March 31, 2017, calculated under the equity accounting method for our joint venture in China. Operating profit is expected to reach 710 billion yen, representing a margin of 6.0%. Net income is forecast to reach 525 billion yen. These figures reflect challenging assumptions on foreign exchange rates, particularly on yen-dollar currency translation.

On the "management pro-forma" basis including the proportional consolidation of our Chinese joint venture, we anticipate net revenues will be 13 trillion yen. Operating profit is forecast to reach 860 billion yen, resulting in an operating profit margin of 6.6%. Net income is estimated to be 525 billion yen.

Our financial priorities remain focused on ensuring sustainable profitable business growth, generating positive automotive free cash flow and maintaining a strong balance sheet with sufficient levels of liquidity.

Under our mid-term plan, Nissan is committed to maintaining a progressive dividend policy, which reflects our profitability and solid free cash-flow generation. Given our solid financial performance in the period covered by this Annual Report, we have proposed a 14.3% increase in the full-year dividend to 48 yen per share for FY16. This distribution remains in line with our commitment to a minimum payout ratio of 30%.

Total shareholder returns will be further enhanced through the stock buy-back, announced in February, of 300 million shares valued at up to 400 billion yen throughout this year.

In summary, Nissan has delivered another fiscal year of solid financial results despite challenging conditions in several markets and recent unfavorable currency movements. We remain confident that Nissan has the underlying strength, the right products, the strategic focus and the discipline to continue to drive the Company forward, while facing the challenges ahead.

In this regard, while we have adopted a challenging forecast for likely currency movements – particularly in the yen-dollar exchange rate – we expect Nissan to deliver further solid earnings and attractive shareholder returns in fiscal 2016.

Joseph G. Peter
Chief Financial Officer

THE MID-TERM PLAN “NISSAN POWER 88”

SIX STRATEGIES UNDER NISSAN POWER 88

1. Strengthening brand power
2. Enhancing sales power
3. Enhancing quality
4. Zero-emission leadership
5. Business expansion
6. Cost leadership

Nissan is operating its business based on the mid-term plan, Nissan Power 88, for the fiscal years 2011 to 2016. “Power” derives its significance from the strengths and efforts we will apply to our brands and sales.

Our commitment is to renew our focus on the overall customer experience, elevating Nissan’s brand power and ensuring quality excellence for every person who buys a Nissan car. “88” denotes the measurable rewards from achieving our plan. We aim to achieve a global market share of 8% from 5.8% in 2010 and to increase our corporate operating profit to a sustainable 8%* from 6.1% in 2010.

Nissan is implementing six strategies under Nissan Power 88. Together with a stronger brand, investments in products, technologies and global capacity, we aim to achieve Nissan Power 88 and grow further.

* Management pro forma basis based on continuation of proportionate consolidation of China JV

Nissan's "Double Zero" Target

As the industry leader in zero-emission mobility, Nissan is committed to the penetration of electric vehicles (EVs) in the market. It is also striving to achieve virtually zero fatalities and serious injuries in accidents involving its vehicles.

Zero Emission

Zero Emissions

The Nissan LEAF is the best-selling EV in the world. This year, the Company achieved cumulative global sales of more than 200,000 vehicles. The 2016 LEAF model is enhanced by a new 30-kilowatt battery that extends its driving range by more than 20%.

Zero emission & Zero fatality

Zero Fatalities

Autonomous Drive technologies will provide a platform for Nissan to pursue its ultimate vision of achieving virtually zero fatalities. In 2016, Nissan will introduce an automated system intended to allow the car to drive autonomously in heavy, stop-and-go traffic. By 2018, we will introduce new technologies that enable cars to autonomously negotiate hazards and change lanes.

By 2020, the Company aims to be ready to introduce automated technology allowing vehicles to navigate without driver intervention in a variety of situations, including complex city driving. Meanwhile, Nissan's Safety Shield technologies are fundamental to autonomous driving. As of fiscal 2015, Forward Emergency Braking is available on nearly all vehicles categories sold in Japan.

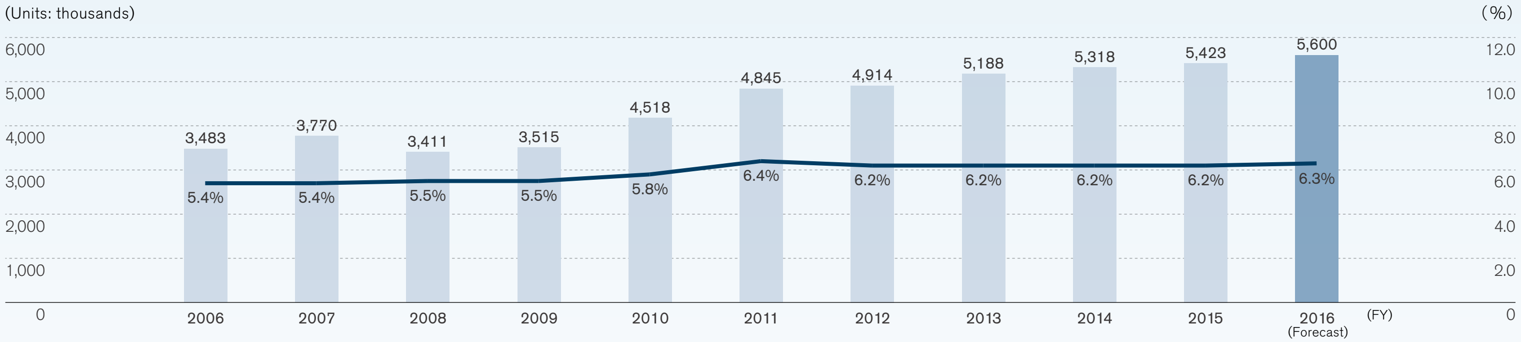
SAFETY SHIELD
「クルマが人を守る」という考え方

FISCAL 2015 SALES PERFORMANCE AND FISCAL 2016 SALES OUTLOOK

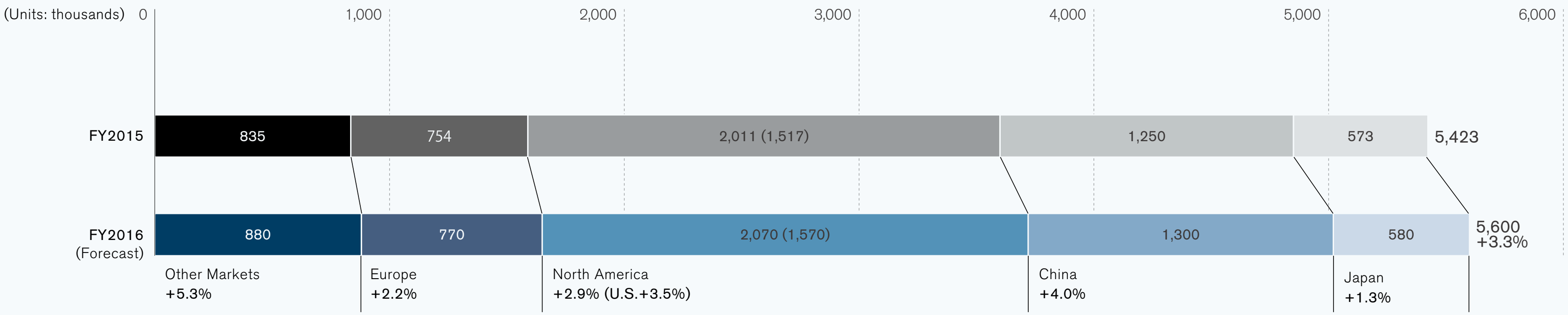
Global demand in fiscal 2015 reached 87.15 million vehicles, up 2.1% from fiscal 2014. Nissan's global sales volume climbed 2.0 % to 5.423 million vehicles and global market share was 6.2%, equal to fiscal 2014.

For fiscal 2016, Nissan expects to grow faster than the industry as a whole. We anticipate that total industry volumes will increase by 2.6% to 89.40 million units. Our global retail volumes are expected to rise by 3.3% to 5.60 million units. This would equate to a global market share of 6.3%, an increase of 0.1 percentage points compared to 2015.

Global Retail Sales Performance / Market Share and Global Sales Outlook



Sales Performance and Sales Outlook by Regions



SALES VOLUME AND SALES OUTLOOK BY REGIONS

Japan

Total Sales Volume: **573** thousand units

X-Trail

China

Total Sales Volume: **1,250** thousand units

Sylphy

United States

Total Sales Volume: **1,517** thousand units

Altima

Europe

Total Sales Volume: **754** thousand units

Qashqai

Other Markets

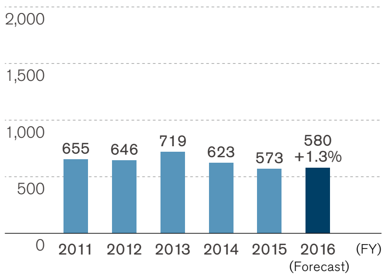
Total Sales Volume: **835** thousand units

NP300
Navara

DatsunGO+Panca

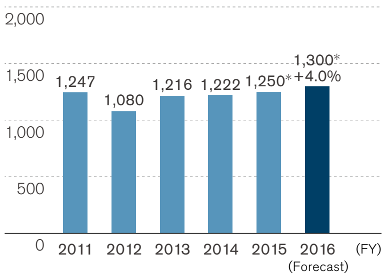
Sales in Japan

(Units: thousands)



Sales in China

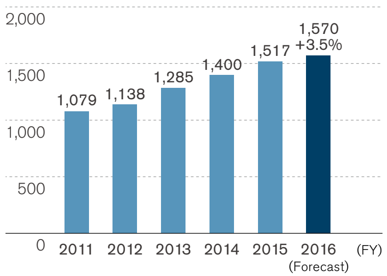
(Units: thousands)



* PV: Retail sales base, LCV: Wholesale base

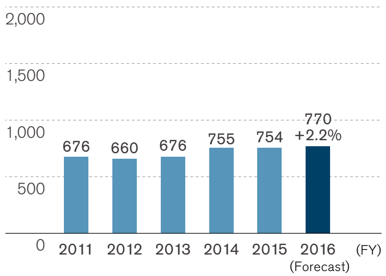
Sales in United States

(Units: thousands)



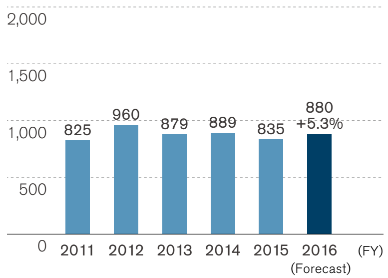
Sales in Europe (Including Russia)

(Units: thousands)



Sales in Other Markets

(Units: thousands)



Sales by Region (Units: thousands)

Asia and Oceania	357
Latin America	171
Middle East	207
Africa	99

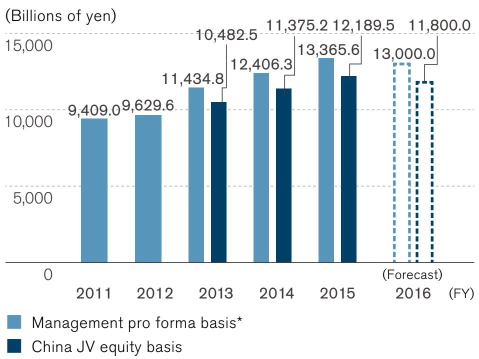
FISCAL 2015 FINANCIAL REVIEW AND FISCAL 2016 OUTLOOK

Fiscal 2015 Financial Performance (China JV Equity Basis)

Net sales

For fiscal 2015, consolidated net sales increased 7.2%, to 12.19 trillion yen.

Net Sales

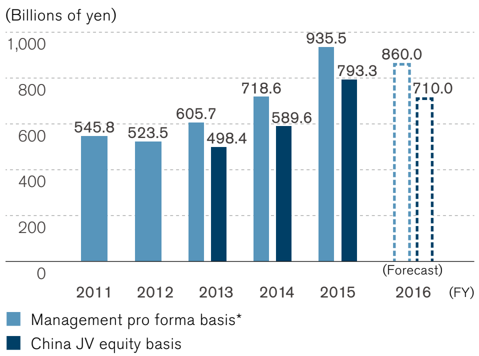


Operating profit

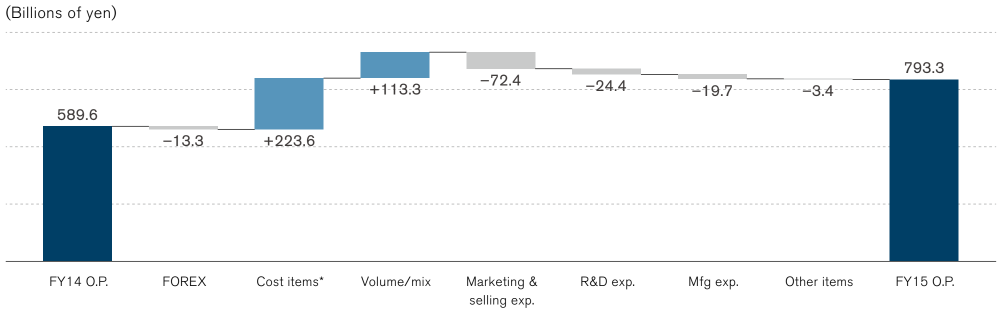
Consolidated operating profit totaled 793.3 billion yen, an increase of 34.6% from the previous fiscal year. In comparison to the previous fiscal year's consolidated operating profit, the variance was due to the following factors:

- Foreign exchange rates had a negative impact of 13.3 billion yen.
- Cost items including purchasing cost reduction efforts, lower raw material costs and product enrichment resulted in savings of 223.6 billion yen.
- Volume and mix produced a positive impact of 113.3 billion yen.
- The increase in marketing and selling expenses resulted in a 72.4 billion yen negative movement.
- R&D expenses increased by 24.4 billion yen.
- Manufacturing expenses increased by 19.7 billion yen.
- Other items had a negative impact of 3.4 billion yen.

Operating Profit



Impact on Operating Profit

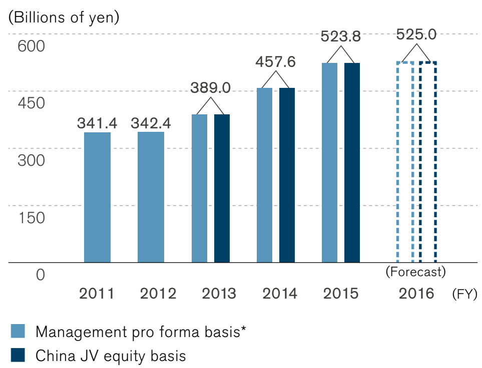


* Including purchasing cost reduction, raw material and product enrichment.

Net income

Consolidated net income increased by 66.2 billion yen from 457.6 billion yen for the previous fiscal year to 523.8 billion yen for the fiscal year under review.

Net Income



* Based on continuation of proportionate consolidation of China JV

Financial Position (China JV Equity Basis)

Balance sheet

Total assets increased by 1.9% to 17,373.6 billion yen compared to March 31, 2015.

Current assets increased by 4.2% to 10,747.6 billion yen compared to March 31, 2015. This was mainly attributable to increases in sales finance receivables by 340.4 billion yen and cash on hand and in banks by 157.7 billion yen. Fixed assets decreased by 1.5% to 6,626.1 billion yen compared to March 31, 2015.

Current liabilities increased by 5.4% to 6,764.2 billion yen compared to March 31, 2015. This was mainly due to increases in commercial paper by 299.2 billion yen and current portion of bonds by 141.1 billion yen. Long-term liabilities increased by 1.6% to 5,468.7 billion yen compared to March 31, 2015. This was mainly due to increases in net defined benefit liability by 87.9 billion yen, long-term borrowings by 38.4 billion yen and deferred tax liabilities by 18.3 billion yen despite a decrease in bonds by 125.5 billion yen.

Net assets decreased by 2.0% to 5,140.7 billion yen compared to 5,247.3 billion yen as of March 31, 2015. This was mainly due to increases in translation adjustments (loss) by 335.6 billion yen and remeasurements of defined benefit plans (loss) by 73.8 billion yen and a decrease in unrealized holding gain and loss on securities by 31.6 billion yen despite an increase in retained earnings by 338.9 billion yen.

Free cash flow and net cash (auto business)

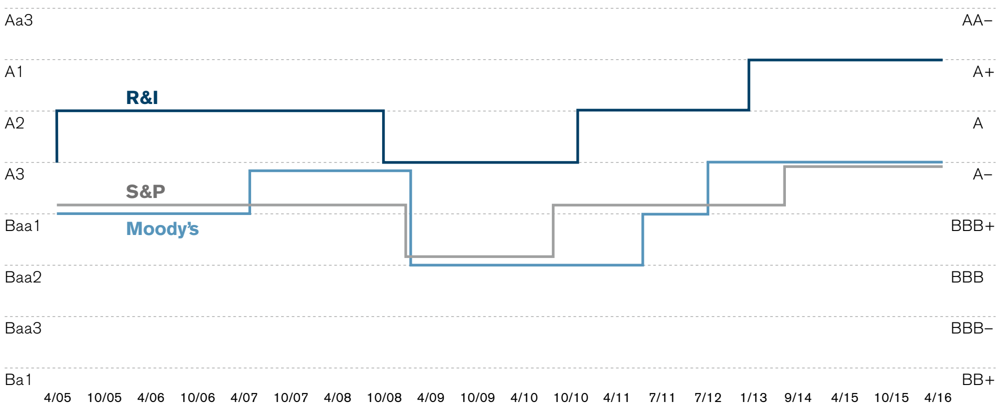
For fiscal 2015, Nissan achieved a positive free cash flow of 481.2 billion yen. At the end of fiscal 2015, our net automotive cash improved from the previous fiscal year to 1,502.9 billion yen.

The Company continues to maintain a close focus on its inventory of new vehicles. Inventory stood at 790,000 units at the end of fiscal 2015. Nissan continues to manage inventory carefully in order to limit its impact on free cash flow.

Long-term credit rating

Nissan's long-term credit rating with Rating & Investment Information, Inc. (R&I) is A+ with a stable outlook. The Standard & Poor's (S&P) long-term credit rating for Nissan is A– with a positive outlook. Nissan's credit rating with Moody's is A3 with a stable outlook.

Corporate Ratings



Sales finance

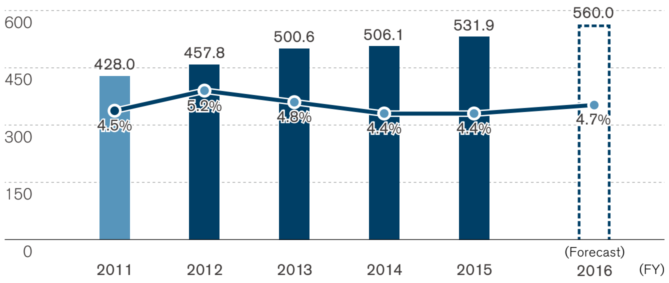
Due to the increase in retail sales, total financial assets of the sales finance segment increased by 4.7% to 9,719.9 billion yen from 9,281.3 billion yen in fiscal 2014. The sales finance segment generated 232.1 billion yen in operating profits in fiscal 2015 from 195.5 billion yen in fiscal 2014.

Investment policy

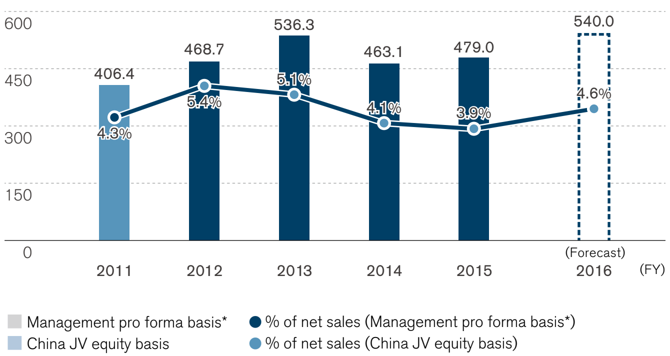
The company used capital expenditures in order to ensure Nissan's future competitiveness. In fiscal 2015, capital expenditures totaled 479.0 billion yen, which was 3.9% of net sales.

R&D expenditures totaled 531.9 billion yen. These funds were used to develop new technologies and products. One of the Company's strengths is its extensive collaboration and development structure with Renault's R&D team, resulting from the Alliance.

R&D Expenditures



Capital Expenditures



* Based on continuation of proportionate consolidation of China JV

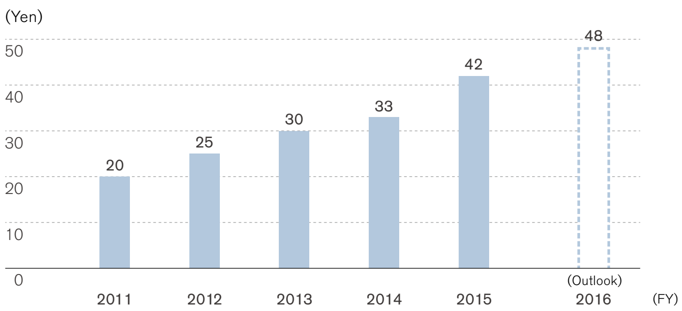
Dividend

Nissan's strategic actions reflect not only its long-term vision as a global company to create sustainable value but also the Company's commitment to maximizing total shareholder returns.

We paid year-end cash dividends of 21 yen per share for fiscal 2015. As a result, the total dividend payment for fiscal 2015, combined with the 21 yen dividend for the interim period, was 42 yen per share.

The dividend payment plan for fiscal 2016 is to be 48 yen per share, considering the business condition, risks and opportunities for the year.

Dividend per share



Fiscal 2016 Outlook (China JV Equity Basis)

In our outlook for fiscal 2016, we expect our global sales to reach 5.60 million units, an increase of 3.3% compared to fiscal 2015.

With a total industry volume assumption of 89.40 million units, a 2.6% increase year on year, our global market share is expected to grow from 6.2% to 6.3%.

In consequence of our plan, the financial forecast is as follows. We have used a foreign exchange rate assumption of 105 yen to the dollar:

Nissan's Fiscal 2016 Outlook

■ Net sales	11.80 trillion yen
■ Operating profit	710.0 billion yen
■ Net income	525.0 billion yen

FINANCIAL STATEMENTS

Consolidated balance sheets (China JV Equity basis)

(Millions of yen)

	FY2014 As of March 31, 2015	FY2015 As of March 31, 2016
Assets		
Current assets		
Cash on hand and in banks	761,074	918,771
Trade notes and accounts receivable	888,814	837,704
Sales finance receivables	6,312,874	6,653,237
Securities	41,651	73,384
Merchandise and finished goods	853,962	857,818
Work in process	90,811	86,313
Raw materials and supplies	365,224	330,435
Deferred tax assets	226,891	251,689
Other	851,168	825,080
Allowance for doubtful accounts	(75,124)	(86,858)
Total current assets	**10,317,345**	**10,747,573**
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	661,979	645,945
Machinery, equipment and vehicles, net	3,121,627	3,182,514
Land	643,940	625,152
Construction in progress	265,119	196,718
Other, net	573,574	566,573
Total property, plant and equipment	5,266,239	5,216,902
Intangible fixed assets	114,456	130,877
Investments and other assets		
Investment securities	988,733	893,688
Long-term loans receivable	14,569	7,747
Net defined benefit assets	10,078	4,691
Deferred tax assets	140,669	187,106
Other	195,927	186,962
Allowance for doubtful accounts	(2,357)	(1,903)
Total investments and other assets	1,347,619	1,278,291
Total fixed assets	**6,728,314**	**6,626,070**
Total assets	**17,045,659**	**17,373,643**

(Millions of yen)

	FY2014 As of March 31, 2015	FY2015 As of March 31, 2016
Liabilities		
Current liabilities		
Trade notes and accounts payable	1,554,399	1,479,689
Short-term borrowings	1,022,613	1,037,271
Current portion of long-term borrowings	1,376,780	1,350,894
Commercial paper	200,692	499,875
Current portion of bonds	216,942	357,998
Lease obligations	23,043	14,916
Accrued expenses	908,909	981,989
Deferred tax liabilities	64	51
Accrued warranty costs	112,989	106,536
Other	1,001,064	934,968
Total current liabilities	**6,417,495**	**6,764,187**
Long-term liabilities		
Bonds	1,095,518	969,987
Long-term borrowings	2,717,478	2,755,896
Lease obligations	18,167	14,460
Deferred tax liabilities	673,521	691,809
Accrued warranty costs	129,365	138,107
Net defined benefit liability	336,261	424,123
Other	410,592	474,329
Total long-term liabilities	**5,380,902**	**5,468,711**
Total liabilities	**11,798,397**	**12,232,898**
Net assets		
Shareholders' equity		
Common stock	605,814	605,814
Capital surplus	804,567	805,646
Retained earnings	3,811,848	4,150,740
Treasury stock	(148,239)	(148,684)
Total shareholders' equity	**5,073,990**	**5,413,516**
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	95,600	64,030
Unrealized gain and loss from hedging instruments	7,185	(4,486)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(13,945)	(13,945)
Translation adjustments	(246,776)	(582,363)
Remeasurements of defined benefit plans	(81,638)	(155,487)
Total accumulated other comprehensive income	**(239,574)**	**(692,251)**
Share subscription rights	2,294	502
Non-controlling interests	410,552	418,978
Total net assets	**5,247,262**	**5,140,745**
Total liabilities and net assets	**17,045,659**	**17,373,643**

Consolidated statement of income (China JV Equity basis)

(Millions of yen)

	FY2014 (From April 1, 2014 to March 31, 2015)	FY2015 (From April 1, 2015 to March 31, 2016)
Net sales	11,375,207	12,189,519
Cost of sales	9,241,341	9,796,998
Gross profit	2,133,866	2,392,521
Selling, general and administrative expenses		
Advertising expenses	336,792	342,213
Service costs	93,606	130,530
Provision for warranty costs	133,567	137,941
Other selling expenses	255,044	234,456
Salaries and wages	392,969	393,739
Retirement benefit expenses	17,511	16,137
Supplies	4,222	3,901
Depreciation and amortization	44,826	45,056
Provision for doubtful accounts	52,079	63,586
Amortization of goodwill	1,837	5,111
Other	211,852	226,573
Total selling, general and administrative expenses	**1,544,305**	**1,599,243**
Operating income	**589,561**	**793,278**
Non-operating income		
Interest income	25,323	26,467
Dividends income	6,425	5,966
Equity in earnings of affiliates	106,513	122,524
Derivative income	—	37,683
Exchange gain	66,185	—
Miscellaneous income	17,813	11,726
Total non-operating income	**222,259**	**204,366**
Non-operating expenses		
Interest expense	29,167	24,806
Derivative loss	58,379	—
Exchange loss	—	96,452
Amortization of net retirement benefit obligation at transition	9,098	—
Miscellaneous expenses	20,944	14,114
Total non-operating expenses	**117,588**	**135,372**
Ordinary income	**694,232**	**862,272**

(Millions of yen)

	FY2014 (From April 1, 2014 to March 31, 2015)	FY2015 (From April 1, 2015 to March 31, 2016)
Special gains		
Gain on sales of fixed assets	20,008	9,011
Gain on sales of investment securities	2,022	23,338
Gain on contribution of securities to retirement benefit trust	17,725	—
Insurance income	—	5,287
Other	4,147	4,762
Total special gains	**43,902**	**42,398**
Special losses		
Loss on sales of fixed assets	3,299	4,937
Loss on disposal of fixed assets	17,069	13,274
Impairment loss	16,103	42,087
Quality-related costs	—	90,700
Other	14,242	20,738
Total special losses	**50,713**	**171,736**
Income before income taxes	**687,421**	**732,934**
Income taxes–current	224,010	149,920
Income taxes–deferred	(26,686)	30,221
Total income taxes	**197,324**	**180,141**
Net income	**490,097**	**552,793**
Net income attributable to non-controlling interests	**32,523**	**28,952**
Net income attributable to owners of the parent	**457,574**	**523,841**

Consolidated statement of cash flows (China JV Equity basis)

(Millions of yen)

	FY2014 (From April 1, 2014 to March 31, 2015)	FY2015 (From April 1, 2015 to March 31, 2016)
Cash flows from operating activities		
Income before income taxes and minority interests	687,421	732,934
Depreciation and amortization (for fixed assets excluding leased vehicles)	398,982	424,881
Depreciation and amortization (for long term prepaid expenses)	28,003	18,666
Depreciation and amortization (for leased vehicles)	355,292	389,339
Impairment loss	16,103	42,087
Gain on contribution of securities to retirement benefit trust	(17,725)	—
Increase (decrease) in allowance for doubtful receivables	13,471	16,669
Loss (gain) for residual value risk of leased vehicles	41,911	53,737
Quality-related costs	—	90,700
Interest and dividend income	(31,748)	(32,433)
Interest expense	112,823	111,906
Equity in losses (earnings) of affiliates	(106,513)	(122,524)
Loss (gain) on sales of fixed assets	(16,709)	(4,074)
Loss on disposal of fixed assets	17,069	13,274
Loss (gain) on sales of investment securities	(2,022)	(23,338)
Decrease (increase) in trade notes and accounts receivable	(64,118)	15,171
Decrease (increase) in sales finance receivables	(707,321)	(830,209)
Decrease (increase) in inventories	(82,435)	(17,244)
Increase (decrease) in trade notes and accounts payable	125,840	217,587
Amortization of net retirement benefit obligation at transition	9,098	—
Retirement benefit expenses	26,789	13,581
Payments related to net defined benefit assets and liabilities	(25,815)	(29,854)
Other	55,372	55,978
Subtotal	**833,768**	**1,136,834**
Interest and dividends received	25,793	33,222
Proceeds from dividends income from affiliates accounted for by equity method	145,780	144,961
Interest paid	(114,659)	(110,439)
Income taxes paid	(197,899)	(277,565)
Net cash provided by operating activities	**692,747**	**927,013**

(Millions of yen)

	FY2014 (From April 1, 2014 to March 31, 2015)	FY2015 (From April 1, 2015 to March 31, 2016)
Cash flows from investing activities		
Net decrease (increase) in short-term investments	3,405	4,855
Purchase of fixed assets	(513,268)	(531,251)
Proceeds from sales of fixed assets	88,318	80,320
Purchase of leased vehicles	(1,070,654)	(1,385,990)
Proceeds from sales of leased vehicles	537,721	560,861
Payments of long-term loans receivable	(534)	(3,018)
Collection of long-term loans receivable	310	8,285
Purchase of investment securities	(25,591)	(24,869)
Proceeds from sales of investment securities	6,104	25,192
Proceeds from (payments for) sales of subsidiaries' shares resulting in changes in the scope of consolidation	(156)	—
Proceeds from (payments for) purchase of subsidiaries' shares resulting in changes in the scope of consolidation	—	(6,354)
Net decrease (increase) in restricted cash	(36,258)	44,839
Other	(11,422)	(2,150)
Net cash used in investing activities	**(1,022,025)**	**(1,229,280)**
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	445,170	420,085
Proceeds from long-term borrowings	981,970	1,824,367
Proceeds from issuance of bonds	325,513	270,592
Repayments of long-term borrowings	(1,094,942)	(1,545,177)
Redemption of bonds	(238,124)	(212,033)
Proceeds from non-controlling interests	6,242	4,914
Purchase of treasury stock	(61)	(28,325)
Proceeds from sales of treasury stock	618	303
Repayments of lease obligations	(34,047)	(23,093)
Cash dividends paid	(132,054)	(157,239)
Cash dividends paid to non-controlling interests	(14,389)	(23,788)
Net cash provided by financing activities	**245,896**	**530,606**
Effects of exchange rate changes on cash and cash equivalents	**50,660**	**(45,107)**
Increase (decrease) in cash and cash equivalents	**(32,722)**	**183,232**
Cash and cash equivalents at beginning of the period	832,716	802,612
Increase due to inclusion in consolidation	2,618	6,251
Cash and cash equivalents at end of the period	**802,612**	**992,095**

EXECUTIVES

DIRECTORS OF THE BOARD AND AUDITORS

Representative Directors

Carlos Ghosn
President and Chairman

Hiroto Saikawa
Greg Kelly

Directors

Hideyuki Sakamoto
Fumiaki Matsumoto
Kimiyasu Nakamura
Toshiyuki Shiga
Jean-Baptiste-Duzan
Bernard Rey

Auditors

Hidetoshi Imazu
Toshiyuki Nakamura
Motoo Nagai
Shigetoshi Andoh

(As of June 22, 2016)

EXECUTIVE COMMITTEE MEMBERS


Carlos Ghosn


Hiroto Saikawa


Joseph G. Peter


Trevor Mann


Philippe Klein


Jose Munoz


Kimiyasu Nakamura


Hideyuki Sakamoto


Fumiaki Matsumoto


Daniele Schillaci

CORPORATE OFFICERS

Chief Executive Officer
Chairman and President
Carlos Ghosn*

Chief Competitive Officer
Vice Chairman
Hiroto Saikawa*

Chief Financial Officer
Joseph G. Peter*
Finance
Control
IR
M&A Support
Global Sales Finance Business Unit
Administration for Affiliated Companies,
Global IS/IT

Chief Performance Officer
Trevor Mann*
Responsible for 6 management committees
Global Aftersales
Global Datsun Business Unit

Chief Planning Officer
Philippe Klein*
Global Product Planning
Global Program Management
Global Market Intelligence
Vehicle Information Technology

Executive Vice President
Jose Munoz*
Region : North America

Executive Vice President
Kimiyasu Nakamura*
Region : Japan, Asia, Oceania
TCSX
(Total Customer Satisfaction Function)

Executive Vice President
Hideyuki Sakamoto*
Product Engineering

Executive Vice President
Fumiaki Matsumoto*
Manufacturing & SCM Operations

Executive Vice President
Daniele Schillaci*
Global Marketing & Sales
Global Dealer Network
Global Product Marketing
Zero Emission Vehicle &
Battery Business

Executive Vice President
Tsuyoshi Yamaguchi
Alliance Technology Development

Executive Vice President
Yasuhiro Yamauchi
Alliance Purchasing

Senior Vice Presidents
Shiro Nakamura
Hitoshi Kawaguchi
Takao Asami
Jun Seki
Jose Luis Valls
Takashi Hata
Paul Willcox
Roland Krueger
Arun Bajaj
Asako Hoshino
Rakesh Kochhar
Hari Nada
Christian Mardrus
Noboru Tateishi

Corporate Vice Presidents
Celso Guiotoko
Joji Tagawa
Vincent Cobee
Yusuke Takahashi
Hiroshi Karube
Keno Kato
Roel De Vries
Tony Laydon
Kunio Nakaguro
Mitsuro Antoku
Naoya Fujimoto
Toshihiro Hirai
Hiroshi Nagaoka
Akihiro Otomo
Atul Pasricha
Nobuya Uranishi
Philippe Guerin-Boutaud
Allan Rushforth
Kent O'Hara
Leon Dorssers
Alfonso Albaisa
Atsuhiko Hayakawa
Yoshikazu Nakai
Kinichi Tanuma
Haruhiko Yoshimura

Fellow
Haruyoshi Kumura
Shunichi Toyomasu

Vice Chairman
Toshiyuki Shiga

(As of end of July 2016)

* Executive Committee Members

CORPORATE GOVERNANCE & INTERNAL CONTROL

Details of this section are reported on the Company's website, "Blue Citizenship: Nissan's CSR." Please see the Sustainability Report and the Current State of Nissan's Risk Management.

CORPORATE GOVERNANCE SYSTEM

Nissan believes that enhancing its corporate governance is one of its most important business issues. Ensuring clear management responsibility is a key way to achieve this. Nissan announces clear management targets and policies to all its stakeholders and discloses its performance promptly with a high degree of transparency.

Information regarding the following is provided in the Company's Sustainability Report.

- Corporate Governance System in Detail
- Internal Control Systems
- Independent Internal Audits

COMPLIANCE

In promoting corporate social responsibility (CSR), it is essential that each employee practices compliance with high ethical standards. In order to raise compliance awareness throughout the Company, Nissan has established a Global Compliance Office, as well as specialized departments, and appointed officers to promote compliance policy in each region where it operates.

Information regarding the following is provided in the Company's Sustainability Report.

- Employees and Compliance
- Security-Related Export Controls
- Promoting Thorough Compliance
- Nissan's Stance Against Discrimination and Harassment
- Internal Reporting System for Corporate Soundness

RISK MANAGEMENT

Nissan defines risks as anything that might prevent it from achieving its business goals. By detecting risks as early as possible, examining them, planning the necessary measures to address them and implementing those measures, the Company works to minimize the materialization of risks as well as the impact they cause.

Information regarding the following is provided in the Company's Sustainability Report.

- Principles for and Approach to Corporate Risk Management
- Protecting Personal Data and Reinforcing Information Security

Information regarding the following is provided in the Current State of Nissan's Risk Management

- Risks Related to Financial Market
- Risks Related to Business Strategies and Maintenance of Competitiveness
- Business Continuity

website

Please see the 2016 Sustainability Report, p. 100, for more information on Corporate Governance & Internal Control.

website

Please see the Current State of Nissan's Risk Management for more information on risk management.