

## **Financial Information as of March 31, 2013**

(The English translation of the  
“Yukashoken-Houkokusho” for  
the year ended March 31, 2013)

**Nissan Motor Co., Ltd.**

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<b>【Cover】</b>	
<b>【Document Submitted】</b>	Securities Report (“Yukashoken-Houkokusho”)
<b>【Article of the Applicable Law Requiring Submission of This Document】</b>	Article 24, Paragraph 1, of the Financial Instruments and Exchange Law
<b>【Filed to】</b>	Director, Kanto Local Finance Bureau
<b>【Date of Submission】</b>	June 27, 2013
<b>【Business Year】</b>	114th Fiscal Term (From April 1, 2012 To March 31, 2013)
<b>【Company Name】</b>	Nissan Jidosha Kabushiki-Kaisha
<b>【Company Name (in English)】</b>	Nissan Motor Co., Ltd.
<b>【Position and Name of Representative】</b>	Carlos Ghosn, President
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# Part I Information on the Company

## 1. Overview of the Company

### 1. Key financial data and trends

#### (1) Consolidated financial data

Fiscal year		110th	111th	112th	113th	114th
Year ended		March 31, 2009	March 31, 2010	March 31, 2011	March 31, 2012	March 31, 2013
Net sales	Millions of yen	8,436,974	7,517,277	8,773,093	9,409,026	9,629,574
Ordinary income (loss)	Millions of yen	(172,740)	207,747	537,814	535,090	529,320
Net income (loss)	Millions of yen	(233,709)	42,390	319,221	341,433	342,446
Comprehensive income	Millions of yen	—	—	189,198	290,600	734,657
Net assets	Millions of yen	2,926,053	3,015,105	3,273,783	3,449,997	4,073,993
Total assets	Millions of yen	10,239,540	10,214,820	10,736,693	11,072,053	12,805,170
Net assets per share	Yen	644.60	663.90	703.16	750.77	890.73
Basic net income (loss) per share	Yen	(57.38)	10.40	76.44	81.67	81.70
Diluted net income per share	Yen	—	—	—	—	—
Net assets as a percentage of total assets	%	25.6	26.5	27.4	28.4	29.2
Return on equity	%	(7.62)	1.59	11.30	11.22	9.95
Price earnings ratio	Times	—	77.02	9.65	10.79	11.08
Cash flows from operating activities	Millions of yen	890,726	1,177,226	667,502	696,297	390,897
Cash flows from investing activities	Millions of yen	(573,584)	(496,532)	(331,118)	(685,053)	(957,137)
Cash flows from financing activities	Millions of yen	(135,013)	(663,989)	110,575	(308,457)	455,627
Cash and cash equivalents at end of year	Millions of yen	746,912	761,495	1,153,453	840,871	798,361
Employees ( ) represents the average number of part-time employees not included in the above numbers	Number	155,659 (20,107) 160,422 (20,649)	151,698 (17,600) 157,624 (17,908)	155,099 (27,816) 159,398 (28,089)	157,365 (34,775) 161,513 (35,099)	160,530 (36,449) 166,881 (37,314)

Notes: 1. Net sales are presented exclusive of consumption tax.

2. Diluted net income per share for the 110th fiscal year is not presented because a net loss per share was recorded although dilutive securities existed. Diluted net income per share for the 111th fiscal year, 112th fiscal year, 113th fiscal year and 114th fiscal year is not presented because the Company had no securities with dilutive effects.

3. Price earnings ratio for the 110th fiscal year is not presented because a net loss per share is recorded.

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.

## (2) Non-consolidated financial data

Fiscal year		110th	111th	112th	113th	114th
Year ended		March 31, 2009	March 31, 2010	March 31, 2011	March 31, 2012	March 31, 2013
Net sales	Millions of yen	3,053,312	2,899,166	3,432,989	3,734,336	3,526,252
Ordinary income (loss)	Millions of yen	61,956	294,116	(6,919)	(62,424)	111,526
Net income (loss)	Millions of yen	(7,385)	262,403	(24,018)	(74,826)	74,847
Common stock	Millions of yen	605,813	605,813	605,813	605,813	605,813
Number of shares issued	Thousands	4,520,715	4,520,715	4,520,715	4,520,715	4,520,715
Net assets	Millions of yen	1,635,545	1,901,847	1,952,080	1,815,674	1,790,353
Total assets	Millions of yen	3,967,294	4,131,243	4,241,367	4,214,783	4,060,408
Net assets per share	Yen	372.63	433.32	435.04	403.86	398.22
Cash dividends per share (Interim cash dividends included herein)	Yen (Yen)	11 (11)	— (—)	10 (5)	20 (10)	25 (12.5)
Basic net income (loss) per share	Yen	(1.68)	59.86	(5.37)	(16.71)	16.67
Diluted net income per share	Yen	—	—	—	—	—
Net assets as a percentage of total assets	%	41.2	46.0	46.0	43.0	44.0
Return on equity	%	(0.43)	14.85	(1.25)	(3.98)	4.16
Price earnings ratio	Times	—	13.38	—	—	54.29
Cash dividends as a percentage of net income	%	—	—	—	—	149.96
Employees ( ) represents the average number of part-time employees not included in the above numbers	Number	30,389 (329)	29,878 (399)	28,403 (1,707)	24,240 (2,943)	23,605 (2,671)

Notes: 1. Net sales are presented exclusive of consumption tax.

2. Diluted net income per share for the 110th fiscal year, 112th fiscal year and 113th fiscal year is not presented because a net loss per share was recorded although dilutive securities existed. Diluted net income per share for the 111th fiscal year and 114th fiscal year is not presented because the Company had no securities with dilutive effects.

3. Price earnings ratio and cash dividends as a percentage of net income for the 110th fiscal year, 112th fiscal year and 113th fiscal year are not stated because a net loss per share was recorded. Cash dividends as a percentage of net income for the 111th fiscal year are not stated because no cash dividends were distributed.

## 2. History

December 1933	Jidosha Seizo Co., Ltd., predecessor of Nissan Motor Co., Ltd. was established with invested capital of ¥10 million in Takaracho, Kanagawa-ku, Yokohama-shi, through the joint capital investment of Nippon Sangyo K.K. and Tobata Imono K.K.
May 1934	Construction of the Yokohama Plant was completed.
June 1934	The Company changed its name to Nissan Motor Co., Ltd.
April 1935	First vehicle was manufactured off the production line through the integrated production at the Yokohama Plant.
August 1943	Construction of the Fuji Plant (formerly the Yoshiwara Plant) was completed.
September 1944	The head office was moved to Nihonbashi, Tokyo, and the Company changed its name to Nissan Heavy Industries, Ltd.
January 1946	The headquarters moved to Takaracho, Kanagawa-ku, Yokohama-shi.
August 1949	The Company changed its name to Nissan Motor Co., Ltd.
January 1951	The Company's stock was listed on the Tokyo Stock Exchange.
May 1951	The Company acquired an interest in Shin-Nikkoku Kogyo Co., Ltd. (currently Nissan Shatai Co., Ltd.; a consolidated subsidiary).
May 1958	Exportation of passenger cars to the United States of America was commenced.
September 1960	Nissan Motor Corporation in U.S.A. was established.
September 1961	Nissan Mexicana, S.A. de C.V. (currently a consolidated subsidiary), a joint venture with Marubeni-Iida Co., Ltd. (currently Marubeni Corporation) was established in Mexico City, Mexico.
March 1962	Construction of the Oppama Plant was completed.
March 1965	The Company acquired an interest in Aichi Machine Industry Co., Ltd. (currently a consolidated subsidiary).
May 1965	Construction of the Zama Plant was completed.
August 1966	The Company merged Prince Motor Company and, accordingly, the Murayama Plant and others became a part of the Company.
July 1967	Construction of the Honmoku Wharf (a base for exporting) was completed.
January 1968	The headquarters moved to the Company's new building in the Ginza area of Tokyo.
March 1970	The Company commenced the marine engine business.
March 1971	Construction of the Tochigi Plant was completed.
October 1973	Construction of the Sagami-hara Parts Center was completed.
June 1977	Construction of the Kyushu Plant was completed.
January 1980	The Company acquired an interest in Motor Iberica, S.A. (currently Nissan Motor Iberica, S.A.; a consolidated subsidiary) in Spain.
July 1980	Nissan Motor Manufacturing Corporation U.S.A. was established.
November 1981	The Nissan Technical Center was completed in Atsugi-shi.
November 1981	Nissan Motor Acceptance Corporation (currently a consolidated subsidiary) was established.
January 1983	Nissan Gakuen (car mechanics' school, currently Nissan Automobile Technical College) was opened.
February 1984	Nissan Motor Manufacturing (UK) Ltd. (currently a consolidated subsidiary) was established.
November 1984	Construction of the Oppama Wharf was completed.
April 1989	Nissan Europe N. V. was established in the Netherlands.
January 1990	Former Nissan North America, Inc. was established in the United States of America.
January 1994	Construction of the Iwaki Plant was completed.
April 1994	The business in the North America region was reorganized and Nissan North America, Inc. (currently a consolidated subsidiary) was newly established.
March 1995	Production of vehicles was discontinued at the Zama Plant.
December 1998	Nissan North America, Inc. merged with Nissan Motor Corporation in U.S.A.
March 1999	The Company and Renault signed an agreement for a global alliance, including equity participation.

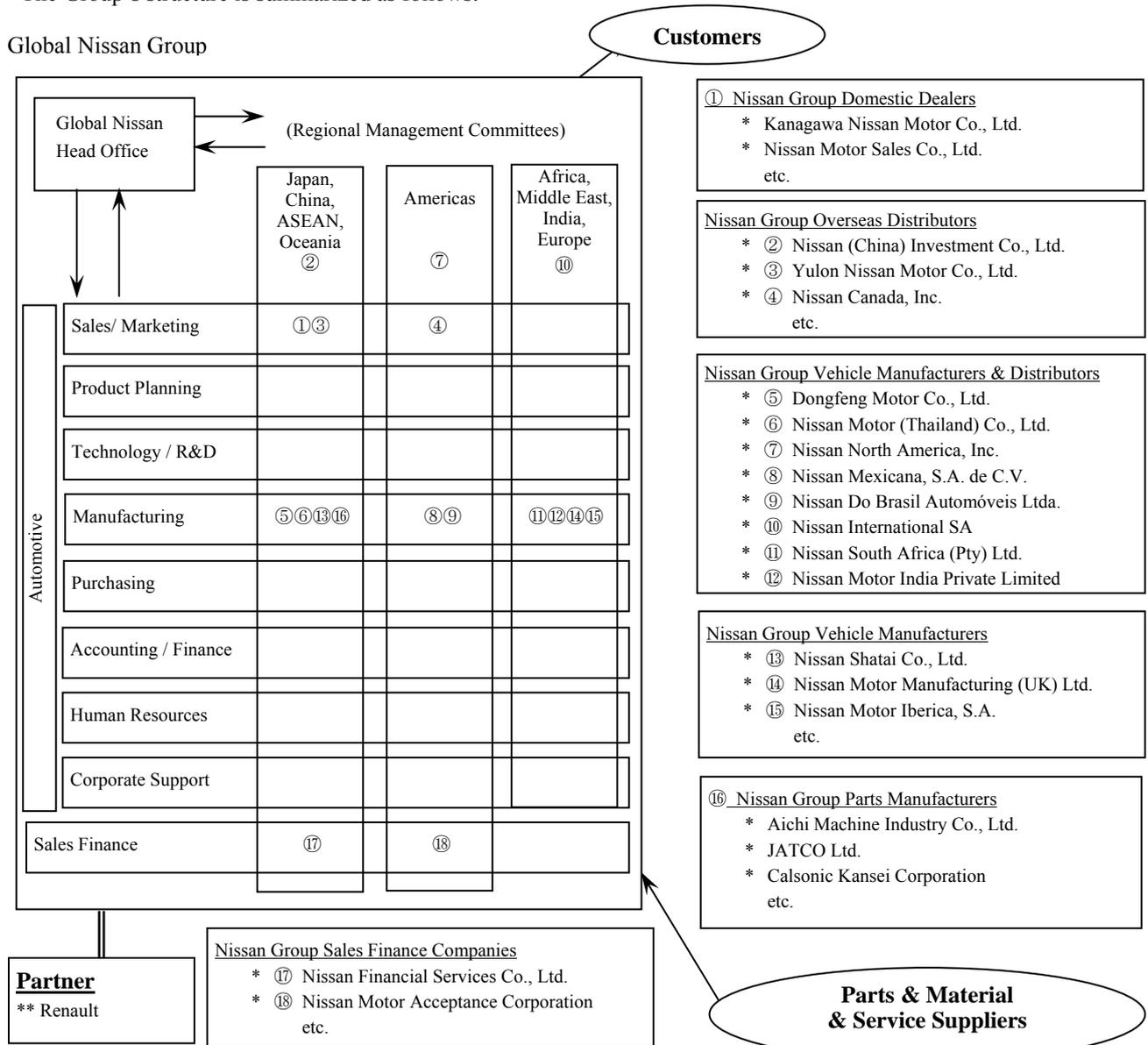
July 1999	The Company sold its business related to the Fuji Plant to TransTechnology Ltd., which merged with JATCO Co., Ltd. into JATCO TransTechnology (currently JATCO Ltd.).
April 2000	Nissan North America, Inc. merged with Nissan Motor Manufacturing Corporation U.S.A.
July 2000	The Company sold its aerospace-related business to I.H.I. Aerospace Co., Ltd.
March 2001	Production of vehicles was discontinued at the Murayama Plant.
March 2002	Renault increased its stake in the Company to 44.4%.
March 2002	The Company acquired Renault's shares through Nissan Finance Co., Ltd. (currently a consolidated subsidiary).
March 2002	The Company established Renault Nissan BV, a management organization with Renault.
August 2002	Nissan Europe SAS (currently a consolidated subsidiary) was established to reorganize business in Europe.
March 2003	The Company liquidated Nissan Europe N.V.
May 2003	The Company established a new plant in Canton, Mississippi.
July 2003	Dongfeng Motor Co., Ltd. commenced its operations in China.
January 2008	Nissan International SA began managing sales and manufacturing operations in Europe.
August 2009	The Global Headquarters moved to Yokohama.
April 2010	The Company entered into an agreement with Renault and Daimler AG on a strategic cooperative relationship including equity participation.
May 2010	Nissan Motor India Private Limited and Renault Nissan Automotive India Private Limited started commercial production in India.
August 2011	Nissan Motor Kyushu Co., Ltd. was incorporated from the Kyushu Plant of the Company as its parent organization.

3. Description of business

The Nissan Group (the “Group” or “Nissan”) consists of Nissan Motor Co., Ltd. (“the Company” or “NML”), subsidiaries, affiliates, and other associated companies. Its main businesses include manufacturing and sales of vehicles, marine products and related parts. In addition, the Group provides sales finance services to support sales activities of the above businesses.

The Group has established the Global Nissan Head Office to function as its global headquarters. It decides group resource allocation to the above businesses and periodically reviews their operating results. Also it operates the Global Nissan Group through three Regional Management Committees and handles cross-regional matters such as research & development, purchasing, manufacturing, and so forth.

The Group’s structure is summarized as follows:



\* Consolidated subsidiaries  
\*\* Companies accounted for by equity method

- In addition to the above companies, \*Nissan Trading Co., Ltd., \*Nissan Network Holdings Co., Ltd. and others are included in the Group.
- The Group’s consolidated subsidiaries listed on the domestic stock exchanges are as follows:  
Nissan Shatai Co., Ltd. – Tokyo, and Calsonic Kansei Corporation – Tokyo
- Americas includes North America, Central America and South America.

#### 4. Information on subsidiaries and affiliates

##### (1) Consolidated subsidiaries

Name of company	Location	Capital	Description of principal business	Percentage of voting rights held by NML		Relationship with NML					
				Percentage	(Indirect holdings)	Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
						Transferred	Concurrent	Dispatched			
		Millions of yen		%	%	Number	Number	Number	Millions of yen		
# ☆※ Nissan Shatai Co., Ltd.	Hiratsuka-shi, Kanagawa	7,905	Manufacturing and selling automobiles and parts	45.85	(0.02)	5	—	—	None	Manufacturing products on behalf of NML	Mutually leasing land and buildings with NML
Nissan Motor Kyushu Co., Ltd.	Kanda-machi, Miyako-gun, Fukuoka	10	Entrusted manufacturing automobiles and automotive parts	100.00	—	2	2	1	None	Manufacturing products on behalf of NML	Leasing of land, buildings and production facilities etc. owned by NML
Aichi Machine Industry Co., Ltd.	Atsuta-ku, Nagoya-shi	8,518	Manufacturing and selling automotive parts	100.00	—	4	2	—	None	Selling automotive parts to NML	None
JATCO Ltd.	Fuji-shi, Shizuoka	29,935	Manufacturing and selling automotive parts	74.96	—	4	1	—	None	Selling automotive parts to NML	Leasing of land, buildings and production facilities owned by NML
Nissan Kohki Co., Ltd.	Samukawa-machi, Koza-gun, Kanagawa	2,020	Manufacturing and selling automotive parts	97.73	—	2	3	—	None	Selling automotive parts to NML	Leasing of production facilities owned by NML
# ※ Calsonic Kansei Corporation	Kita-ku, Saitama-shi	41,456	Manufacturing and selling automotive parts	41.60	—	4	—	—	None	Selling automotive parts to NML	None
Automotive Energy Supply Corporation	Zama-shi, Kanagawa	2,345	Development, manufacturing and selling secondary lithium ion batteries	51.00	—	—	4	1	None	Selling automotive parts to NML	Leasing of buildings owned by NML
Nissan Group Finance Co., Ltd.	Nishi-ku, Yokohama-shi	90	Finance	100.00	(100.00)	—	6	—	None	Extending loans to NML's domestic subsidiaries	Leasing of buildings owned by NML
Nissan Trading Co., Ltd.	Totsuka-ku, Yokohama-shi	320	Importing, exporting and selling automobiles, automotive parts and other	100.00	—	2	1	—	None	Importing automotive parts on behalf of NML	None
# Nissan Financial Services Co., Ltd.	Mihama-ku, Chiba-shi	16,388	Arranging installment sales and automobile leases	100.00	—	4	4	1	260,000 funded as working capital	Automobile leases	Leasing company vehicles to NML
Autech Japan, Inc.	Chigasaki-shi, Kanagawa	480	Developing, manufacturing and selling limited edition automobiles	100.00	—	6	2	—	None	Purchasing products manufactured by NML	Leasing of land and buildings for business owned by NML
Nissan Network Holdings Co., Ltd.	Nishi-ku, Yokohama-shi	90	Business management of the domestic sales network, as well as selling, purchasing, leasing and entrusted management of real estate	100.00	(7.68)	3	5	—	None	Leasing and entrusted management of real estate	Leasing land and buildings for employees' welfare facilities to NML

Name of company	Location	Capital	Description of principal business	Percentage of voting rights held by NML		Relationship with NML					
				Percentage	(Indirect holdings)	Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
						Transferred	Concurrent	Dispatched			
Nissan Finance Co., Ltd.	Nishi-ku, Yokohama-shi	Millions of yen 2,491	Finance	% 100.00	% —	Number —	Number 6	Number —	Millions of yen 518,424 funded as working capital	Extending loans to NML's domestic subsidiaries	None
Kanagawa Nissan Motor Co., Ltd.	Nishi-ku, Yokohama-shi	90	Selling automobiles and parts	100.00	(100.00)	3	2	—	None	Purchasing products manufactured by NML	None
Nissan Motor Sales Co., Ltd.	Minato-ku, Tokyo	480	Selling automobiles and parts	100.00	—	2	2	—	None	Purchasing products manufactured by NML	None
Nissan Parts Chuo Sales Co., Ltd.	Isogo-ku, Yokohama-shi	545	Selling parts for automobile repairs	80.61	(34.37)	8	—	—	None	Purchasing parts for repairs from NML	None
Nissan Car Rental Solutions Co., Ltd.	Mihama-ku, Chiba-shi	90	Car rentals	100.00	(100.00)	1	3	1	None	Purchasing automobiles for car rental business from NML	None
Other domestic consolidated subsidiaries		57 companies									
Total domestic consolidated subsidiaries		74 companies									

Name of company	Location	Capital	Description of principal business	Percentage of voting rights held by NML		Relationship with NML					
				Percentage	(Indirect holdings)	Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
						Transferred	Concurrent	Dispatched			
				%	%	Number	Number	Number	Millions of yen		
☆ Nissan Europe S.A.S.	Montigny le Bretonneux, Yvelines, France	Millions of Euro 1,626	Holding company for European subsidiaries and pan-European operational support	100.00	—	—	—	—	None	None	None
☆ Nissan International Holdings B.V.	Amsterdam, The Netherlands	Millions of Euro 1,932	Holding company for subsidiaries	100.00	—	—	3	—	None	None	None
Nissan West Europe S.A.S	Trappes, Yvelines, France	Millions of Euro 6	Selling automobiles and parts	100.00	(100.00)	—	—	—	None	Purchasing products manufactured by NML	None
Nissan Motor (GB) Ltd.	Rickmansworth, Hertfordshire, United Kingdom	Millions of £ 136	Selling automobiles and parts	100.00	(100.00)	—	—	—	None	Purchasing products manufactured by NML	None
☆ Nissan Holding (UK) Ltd.	Washington Road, Tyne & Wear, United Kingdom	Millions of Euro 871	Holding company for British subsidiaries	100.00	(100.00)	—	—	—	None	None	None
Nissan Italia S.P.A.	Rome, Italy	Millions of Euro 6	Selling automobiles and parts	100.00	(100.00)	—	—	—	None	Purchasing products manufactured by NML	None
Nissan Motor Manufacturing (UK) Ltd.	Washington Road, Tyne & Wear, United Kingdom	Millions of £ 250	Manufacturing and selling automobiles and parts, as well as vehicle development, technical survey, evaluation and certification in Europe	100.00	(100.00)	—	1	—	None	Purchasing products manufactured by NML	None
Nissan International SA	Rolle, Vaud, Switzerland	Millions of Euro 37	Managing sales and manufacturing operations in Europe	100.00	(100.00)	—	1	—	52,316 funded as working capital	Purchasing products manufactured by NML	None
☆ Nissan Motor Iberica, S.A.	Barcelona, Spain	Millions of Euro 726	Manufacturing and selling automobiles and parts	99.79	(93.23)	—	—	—	None	Purchasing products manufactured by NML	None
Nissan Iberia, S.A.	Barcelona, Spain	Millions of Euro 12	Selling automobiles and parts	100.00	(100.00)	—	—	—	None	Purchasing products manufactured by NML	None
Nissan Manufacturing RUS LLC.	Sankt-Petersburg, Russia	Millions of Rubles 5,300	Manufacturing and selling automobiles	100.00	(100.00)	—	1	—	None	Purchasing products manufactured by NML	None
☆© Nissan North America, Inc.	Franklin, Tennessee, USA	Millions of US\$ 1,792	Managing subsidiaries in North America and manufacturing and selling automobiles and parts	100.00	—	—	2	—	None	Purchasing products manufactured by NML	None
Nissan Motor Acceptance Corporation	Franklin, Tennessee, USA	Millions of US\$ 500	Financing wholesale and retail sales of automobiles in the United States	100.00	(100.00)	—	2	—	None	Financing sales of products manufactured by NML	None

Name of company	Location	Capital	Description of principal business	Percentage of voting rights held by NML		Relationship with NML					
				Percentage	(Indirect holdings)	Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
						Transferred	Concurrent	Dispatched			
				%	%	Number	Number	Number	Millions of yen		
Nissan Global Reinsurance Ltd.	Hamilton, Bermuda	Thousands of US\$ 120	Casualty insurance	100.00	(100.00)	—	3	—	None	Provide casualty insurance	None
Nissan Canada, Inc.	Mississauga, Ontario, Canada	Millions of Can\$ 71	Selling automobiles and parts, as well as financing retail sales of automobiles in Canada	100.00	(63.01)	—	1	—	None	Purchasing products manufactured by NML	None
☆ Nissan Mexicana, S.A. de C.V.	Mexico D.F., Mexico	Millions of MX Peso 17,049	Manufacturing and selling automobiles and parts	100.00	(100.00)	—	4	—	47,025 funded as working capital	Purchasing products manufactured by NML	None
Nissan Do Brasil Automóveis Ltda.	Curitiba, Parana, Brazil	Millions of BRL 415	Manufacturing and selling automobiles and parts	100.00	—	—	—	7	27,966 funded as working capital	Purchasing products manufactured by NML	None
Nissan Motor Co. (Australia) Pty. Ltd.	Dandenong, Victoria, Australia	Millions of A\$ 290	Selling automobiles and parts	100.00	(100.00)	—	1	—	None	Purchasing products manufactured by NML	None
Nissan Motor Egypt S.A.E.	6th of October City, Egypt	Millions of EG £ (L.E.) 399	Manufacturing and selling automobiles and parts	100.00	(0.02)	—	—	2	None	Purchasing products manufactured by NML	None
Nissan South Africa (Pty) Ltd.	Rosslyn, South Africa	Millions of Rand 3	Manufacturing and selling automobiles and parts	100.00	(100.00)	—	1	—	None	Purchasing products manufactured by NML	None
Nissan New Zealand Ltd.	Auckland, New Zealand	Millions of NZ\$ 51	Selling automobiles and parts	100.00	—	—	1	—	None	Purchasing products manufactured by NML	None
Nissan Middle East F.Z.E.	Dubai, UAE	Millions of Dh. 2	Selling automobiles and parts	100.00	—	—	1	1	None	Purchasing products manufactured by NML	None
Nissan Motor India Private Limited	Oragadam, Kanchipuram District, India	Millions of INR 10,300	Manufacturing and selling automobiles and parts	100.00	(100.00)	—	1	1	None	Purchasing products manufactured by NML	None
☆ Renault Nissan Automotive India Private Limited	Oragadam, Kanchipuram District, India	Millions of INR 40,017	Manufacturing automobiles and manufacturing and selling parts	70.00	—	—	—	1	8,466 funded as working capital	Purchasing products manufactured by NML	None
PT. Nissan Motor Indonesia	Kota Bukit Indah, Purwakarta, Indonesia	Millions of INR 124,600	Manufacturing automobiles and manufacturing and selling parts	75.00	—	—	—	2	None	Purchasing products manufactured by NML	None
(Note 5) Dongfeng Motor Co., Ltd.	Wuhan, Hubei, China	Millions of CNY 16,700	Manufacturing and selling automobiles and parts	50.00	(50.00)	—	4	—	None	Purchasing products manufactured by NML	None
Nissan Motor (Thailand) Co., Ltd.	Bangsaothong, Samutprakan, Thailand	Millions of THB 1,944	Manufacturing and selling automobiles and parts	75.00	—	—	3	1	None	Purchasing products manufactured by NML and selling finished cars to NML	None

Name of company	Location	Capital	Description of principal business	Percentage of voting rights held by NML		Relationship with NML					
				Percentage	(Indirect holdings)	Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
						Transferred	Concurrent	Dispatched			
※ Yulon Nissan Motor Co., Ltd	Miaoli, Republic of China	Millions of TWD 3,000	Selling automobiles and parts	%	%	Number	Number	Number	Millions of yen		
				40.00	—	—	3	2	None	Purchasing products manufactured by NML	None
☆ Nissan (China) Investment Co., Ltd.	Beijing, China	Millions of CNY 8,476	Managing business in China and selling automobiles	100.00	—	—	5	—	None	Purchasing products manufactured by NML	None
Other foreign consolidated subsidiaries		77 companies									
Total foreign consolidated subsidiaries		106 companies									
Total consolidated subsidiaries		180 companies									

## (2) Affiliates accounted for by the equity method

Name of company	Location	Capital	Description of principal business	Percentage of voting rights held by NML		Relationship with NML					
				Percentage	(Indirect holdings)	Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
						Transferred	Concurrent	Dispatched			
				%	%	Number	Number	Number	Millions of yen		
# Nissan Tokyo Sales Holdings Co., Ltd.	Shinagawa-ku, Tokyo	Millions of yen 13,752	Selling automobiles and parts	34.07	(34.07)	—	—	—	None	Purchasing products manufactured by NML	None
# (Note 6) Renault	Boulogne, Billancourt, France	Millions of Euro 1,127	Manufacturing and selling automobiles and parts	15.21	(15.21)	—	2	—	None	Joint development	None
Other affiliates accounted for by the equity method		24 companies									
Total affiliates accounted for by the equity method		26 companies									

Notes: 1. Companies marked ☆ are specified subsidiaries.

2. Companies marked # submit their securities registration statements or securities reports.

3. Net sales (excluding intercompany sales within the Group) of the company marked © (Nissan North America, Inc.) exceeded 10% of consolidated net sales for the year ended March 31, 2013. Therefore, the key financial data for Nissan North America, which consolidates the financial data for its 28 subsidiaries, are shown below.

(1) Net sales	¥3,128,953 million
(2) Ordinary income	¥126,431 million
(3) Net income	¥85,390 million
(4) Net assets	¥928,086 million
(5) Total assets	¥5,483,838 million

4. Although the percentage of their voting rights held directly and indirectly by NML is equal to, or less than, 50%, the companies marked ※ have been consolidated because they are substantially controlled by NML.

5. Although Dongfeng Motor Co., Ltd. is a joint venture, this company is stated as a consolidated company because Dongfeng Motor Co., Ltd. has been consolidated proportionately to Nissan (China) Investment Co., Ltd. in accordance with local accounting standards.

6. Although the exercise of voting rights of the shares in Renault directly and indirectly held by the Company is restricted in accordance with the Commercial Code of France, the Company has accounted for its investment in Renault by the equity method as the Company exercises significant influence over Renault's financial and operating policies through its participation in a jointly and equally owned management company (Renault-Nissan BV) and through its Board members (comprising 50% of Renault-Nissan BV's Board of Directions). This joint venture company is treated as an affiliate because it has the power to decide business issues of importance to both Renault and Nissan based on the Articles of Incorporation of each company or on an agreement on business administration.

## 5. Employees

### (1) Consolidated companies

(As of March 31, 2013)

Geographical segment	Number of employees	
Japan	67,290	(12,970)
North America	28,637	(4,135)
(the United States included therein)	13,801	(8)
Europe	15,198	(2,527)
Asia	46,187	(16,816)
(China included therein)	34,174	(15,422)
Other overseas countries	3,218	(1)
Total	160,530	(36,449)

Notes: 1. The number of employees presented above represents full-time employees. The figures in parentheses represent the average number of part-time employees during the year ended at March 31, 2013, and are not included in the number of full-time employees.

2. The number of employees engaged in sales finance business was 2,206 (101).

### (2) The Company

(As of March 31, 2013)

Number of employees	Average age (Years)	Average years of service (Years)	Average annual salary (Yen)
23,605 (2,671)	42.6	20.5	6,996,504

Notes: 1. The number of employees presented above represents full-time employees. The figures in parentheses represent the average number of part-time employees during the year ended at March 31, 2013, and are not included in the number of full-time employees.

2. The average annual salary for employees (except managers or above) includes bonuses and overtime pay.

3. All the figures above are for the automobile business.

### (3) Trade union

Most of the Company's employees are affiliated with the ALL NISSAN MOTOR WORKERS' UNION, for which the governing body is the ALL NISSAN AND GENERAL WORKERS UNIONS, and the Japanese Trade Union Confederation (RENGO) through the CONFEDERATION OF JAPAN AUTOMOBILE WORKERS' UNIONS. The labor-management relations of the Company are stable, and the number of union members was 26,477 including those of Nissan Motor Kyushu Co., Ltd. as of March 31, 2013.

At most domestic Group companies, employees are affiliated with their respective trade unions on a company basis, and the governing body is the ALL NISSAN AND GENERAL WORKERS UNIONS.

At foreign Group companies, employees are affiliated with their respective trade unions. In Mexico, for example, workers are affiliated with a domestic trade union for which the governing body is the Confederation of Mexican Workers (CTM: Confederación de Trabajadores de México) or independent trade unions, whereas employees in the United Kingdom are affiliated with the Unite the Union, Nissan Motor Manufacturing (UK) Ltd. Branch. Local employees of other Group companies are affiliated with different types of trade unions according to the labor environment in each country.

## 2. Business Overview

### 1. Overview of business results

#### (1) Operating results

Net sales of the Group for the year ended March 31, 2013, totaled ¥9,629.6 billion, which represents an increase of ¥220.6 billion (2.3%) relative to net sales for the prior fiscal year. Operating income was ¥523.5 billion for the current fiscal year, a decrease of ¥22.3 billion (4.1%) from the prior fiscal year.

Net non-operating income was ¥5.8 billion for the current fiscal year, improved by ¥16.5 billion from the prior fiscal year. This result was primarily due to the improvement of derivative loss by ¥14.4 billion and a decrease of ¥5.4 billion in interest expense, although equity in earnings of affiliates decreased by ¥7.5 billion. Net special losses of ¥12.6 billion were recorded for the current fiscal year, deteriorating by ¥6.8 billion compared with ¥5.8 billion in net special losses for the prior fiscal year. This was primarily attributable to the deterioration of ¥32.4 billion in special gains mainly due to a decline in the gain on negative goodwill although special losses improved by ¥25.6 billion, reflecting the eliminated reporting of loss on disaster, for which ¥29.9 billion was posted a year earlier. Income before income taxes and minority interests decreased by ¥12.6 billion (2.4%) to ¥516.7 billion compared with the prior fiscal year. Finally, net income for the year ended March 31, 2013 was ¥342.4 billion, an increase of ¥1.0 billion (0.3%).

The operating results by reportable segment are summarized as follows:

#### ① Automobiles

The Group's worldwide automobile sales (on a retail basis) for the year ended March 31, 2013, increased by 69 thousand units (1.4%) from the prior fiscal year to 4,914 thousand units. The number of vehicles sold in Japan decreased by 1.3% to 647 thousand units. Vehicles sold in China decreased by 5.3% to 1,182 thousand units, those sold in North America including Mexico and Canada increased by 4.5% to 1,466 thousand units, those sold in Europe decreased by 7.5% to 660 thousand units and those in other overseas countries increased by 16.3% to 959 thousand units.

Net sales in the automobile segment (including intersegment sales) for the current fiscal year increased by ¥177.3 billion (2.0%) from the prior fiscal year to ¥9,166.1 billion.

Operating income amounted to ¥362.2 billion for the year ended March 31, 2013, a decline of ¥29.5 billion (7.5%) from the prior fiscal year. This was primarily due to sales volume decrease, negative impact from model mix, and increases in manufacturing costs and selling expenses despite an increase in profits due to a reduction in purchasing costs (including those for raw materials).

#### ② Sales finance

Net sales (including intersegment sales) for the current fiscal year increased by ¥58.4 billion (11.9%) to ¥549.0 billion. Operating income for the current fiscal year increased by ¥6.0 billion (4.3%) from that of the prior fiscal year to ¥146.1 billion.

Operating results by geographic segment are summarized as follows:

#### a. Japan

- Net sales (including intersegment sales) for the current fiscal year decreased by ¥257.6 billion (5.4%) from the prior fiscal year to ¥4,497.5 billion.
- Operating income increased by ¥120.3 billion (140.6%) from the prior fiscal year to ¥205.8 billion. Major profit-increasing factors were a reduction in purchasing costs and exchange rate fluctuations.

#### b. North America

- Net sales (including intersegment sales) for the current fiscal year increased by ¥359.8 billion (10.8%) to ¥3,704.3 billion.
- Operating income decreased by ¥32.8 billion (15.6%) from the prior fiscal year to ¥177.3 billion. This was primarily attributable to increases in selling expenses and manufacturing costs despite an increase in profits from sales volume increase.

#### c. Europe

- Net sales (including intersegment sales) for the current fiscal year were ¥1,594.5 billion, a decrease of ¥85.6 billion (5.1%) from the prior fiscal year.
- Operating income decreased by ¥19.4 billion (83.8%) from the prior fiscal year to ¥3.8 billion. Major profit-declining factors were a sales volume decrease and an increase in selling expenses.

- d. Asia
- Net sales (including intersegment sales) for the current fiscal year increased by ¥108.6 billion (5.1%) from the prior fiscal year to ¥2,233.5 billion.
  - Operating income for the current fiscal year was ¥127.8 billion, a decrease of ¥54.0 billion (29.7%) from the prior fiscal year. Major profit-declining factors were negative impact from model mix and an increase in selling expenses.
- e. Other overseas countries
- Net sales (including intersegment sales) for the current fiscal year increased by ¥193.3 billion (26.9%) from the prior fiscal year to ¥912.5 billion.
  - Operating income for the current fiscal year was ¥8.1 billion, a decrease of ¥17.4 billion (68.1%) from the prior fiscal year. Major profit-declining factors were exchange rate fluctuations and an increase in manufacturing costs.

## (2) Cash flows

Cash and cash equivalents at the end of the current fiscal year decreased by ¥42.5 billion (5.1%) from the end of the prior fiscal year to ¥798.4 billion. This reflected ¥390.9 billion in net cash provided by operating activities, ¥957.1 billion in net cash used in investing activities, and ¥455.6 billion in net cash provided by financing activities, as well as an increase of ¥67.7 billion in the effects of exchange rate changes on cash and cash equivalents and a ¥0.4 billion increase attributable to a change in the scope of consolidation.

### (Cash flows from operating activities)

Net cash provided by operating activities decreased by ¥305.4 billion to ¥390.9 billion in the current fiscal year from ¥696.3 billion provided in the prior fiscal year. This mainly reflected the shift from an increase to a decrease in trade notes and accounts payable and an increase in sales finance receivables.

### (Cash flows from investing activities)

Net cash used in investing activities increased by ¥272.0 billion to ¥957.1 billion in the current fiscal year from ¥685.1 billion used in the prior fiscal year. This was mainly due to increases in purchase of fixed assets and purchase of leased vehicles.

### (Cash flows from financing activities)

Net cash provided by financing activities was ¥455.6 billion in the current fiscal year, an increase in cash inflows of ¥764.1 billion compared with ¥308.5 billion used in the prior fiscal year. This was mainly due to the shift from a decrease to an increase in short-term borrowings

2. Production, orders received and sales

(1) Actual production

Location of manufacturers	Number of vehicles produced (units)		Change (units)	Change (%)
	Prior fiscal year	Current fiscal year		
Japan	1,198,826	1,060,157	(138,669)	(11.6)
The United States of America	577,618	671,748	94,130	16.3
Mexico	643,372	672,679	29,307	4.6
The United Kingdom	491,551	505,042	13,491	2.7
Spain	155,719	137,996	(17,723)	(11.4)
China	750,521	671,589	(78,932)	(10.5)
Thailand	189,758	234,910	45,152	23.8
Indonesia	44,015	62,795	18,780	42.7
India	132,395	200,147	67,752	51.2
South Africa	50,530	49,857	(673)	(1.3)
Brazil	32,099	31,912	(187)	(0.6)
Egypt	22	10,770	10,748	48,854.5
Total	4,266,426	4,309,602	43,176	1.0

Note: The figures for the current fiscal year in China represent the production figures for the 12-month period from January 1 to December 31, 2012. Those in the 11 other countries represent the production figures for the 12-month period from April 1, 2012 to March 31, 2013.

(2) Orders received

Information on orders received has been omitted as the products manufactured after the related orders are received are immaterial to the Group.

(3) Actual sales

Sales to	Number of vehicles sold (on a consolidated basis: units)		Change (units)	Change (%)
	Prior fiscal year	Current fiscal year		
Japan	639,120	620,466	(18,654)	(2.9)
North America	1,435,718	1,488,376	52,658	3.7
(the United States included therein)	1,120,158	1,153,946	33,788	3.0
Europe	762,194	689,725	(72,469)	(9.5)
Asia	1,025,176	1,069,417	44,241	4.3
(China included therein)	760,199	694,968	(65,231)	(8.6)
Other overseas countries	593,590	664,808	71,218	12.0
Total	4,455,798	4,532,792	76,994	1.7

Note: The figures for the current fiscal year in China and Taiwan, which are included in "Asia," represent the sales figures for the 12-month period from January 1 to December 31, 2012. Those sold in Japan, Europe, North America, Other overseas countries and Asia, excluding China and Taiwan, represent vehicles sold for the 12-month period from April 1, 2012 to March 31, 2013.

### 3. Issues to be tackled

Nissan is operating its business based on the mid-term plan, “NISSAN POWER 88” for the fiscal years 2011 through 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 fiscal year 2010, and we will increase our corporate operating profit to a sustainable 8% from 6.1% in fiscal year 2010.

Nissan is implementing six strategies under NISSAN POWER 88:

#### (1) Brand power

To strengthen Nissan’s brand power, we will expand our strength in engineering and production to the sales, marketing and ownership experience. We will raise the level of interaction with our customers to create a world-class standard of service that will build lasting relationships with every Nissan car owner.

We recognize that having a stronger brand will help close the gap with our top competitors in every measurable area – from revenue generation to overall opinion and purchase intention.

#### (2) Sales power

Sales power in the midterm plan refers to fully grasping the needs of customers in each market and drastically raising sales volume and market share.

In emerging markets, we will focus on building a robust dealer network with market positioning and staffing optimized to meet the needs of local Nissan customers.

In mature markets, where our dealer network is already established, we will take a strategic approach to improve customer loyalty and improve sales efficiency by increasing sales volume per outlet.

#### (3) Enhancing quality

Nissan aims to make steady progress in improving product quality. During Nissan Power 88, our aim is to raise Nissan into the top group of global automakers in product quality and elevate Infiniti to leadership status among peer luxury products.

#### (4) Zero-emission leadership

Nissan has taken the lead as the all-time volume leader in dedicated electric vehicle sales.

Nissan’s EV lineup will include a light commercial vehicle and an all-electric premium car, to be launched by Infiniti in the near future. Together with our alliance partner Renault, we intend to put 1.5 million EVs on roads worldwide by 2016.

In addition, Nissan continues to take a leadership role in every aspect from the development of batteries, chargers and vehicle lineup to electric grid studies, battery recycling and the use of batteries for energy storage, so that we will contribute to the establishment of sustainable mobility.

#### (5) Business expansion

Regarding the 8% market share objective under Nissan Power 88, we estimate that 35% of the growth in volume will come from mature markets and 65% will come from emerging markets. We will achieve this through a steady tempo of new product launches averaging every six weeks, a continued focus on growth markets and the expansion of our Infiniti and light commercial vehicle businesses.

Investments in manufacturing capacity expansion, particularly in China, North America, Brazil and Russia, will enable us to increase sales volume.

#### (6) Cost leadership

We have been successful in reducing purchasing costs by 5% annually, due mainly to our cross-functional monozukuri activities involving our supplier base. As our production footprint is increasingly globally, we will maintain this pace by enhancing and deepening these activities in every Nissan production base across the regions. Moreover, evaluating not only purchasing costs but also logistics and in-house costs, we have set an objective to reduce total costs by 5% each year.

Together with a stronger brand, investments in products, technologies and global capacity, we aim to achieve Nissan Power 88 and grow further beyond.

#### 4. Business and other risks

With regard to disclosure in the Business Overview, Financial Information and other parts of this Securities Report, the significant items which may affect the decisions of our investors can be grouped under the following risk factors.

Any future forecasts included in the following descriptions are based on the estimates or judgment of the Group as of June 27, 2013.

##### 1. Rapid changes in the global economy and economic climate

###### (1) Economic factors

The demand for products and services provided by the Group is strongly affected by the economic conditions in each country or market in which they are offered for sale. Although the Group strives to predict change in economic climate and demands precisely and to take necessary measures in the major markets like as Japan, China, the United States of America, Mexico, Europe, Asia, Central and South America and Africa in case of greater-than-anticipated downturn such as global economic crisis it could have a significant effect on the Group's financial position and business performance.

###### (2) Situation regarding resources and energy

The demand for products and services provided by the Group largely varies depending on rapid changes in the situation surrounding various resources and energy as represented by the hike of crude oil prices. If gasoline prices continue to rise, consumer demand is forecast to shift to products with better fuel consumption and overall demand could decline in case of further hikes in gasoline prices. Any greater-than-anticipated fluctuations in such resources or the energy situation could have a significant effect on the Group's financial position and results of operations due to deterioration in operating performance and/or opportunity loss.

##### 2. Rapid changes and moves in the automotive market

The automobile industry is currently experiencing intensified market competition worldwide. To win given such intense competition, the Group maximizes its efforts in all aspects of technology development, product development and marketing strategy to timely provide products that address customer needs. Nevertheless, the failure to timely address customer needs or improper responses to environmental and/or market changes could have a significant effect on the Group's financial position and business performance.

Demand might decrease or change due to the progress of negative factors such as a decline in population, the aging society and a dwindling birthrate in a mature market, whereas demand might considerably increase in emerging markets. These changes or trends might generate favorable results for the Group with a rise in business opportunities but could result in an adverse effect on the Group's financial position and results of operations due to an excessive dependency on certain products and/or regions unless appropriate forward-looking steps are undertaken.

##### 3. Risks related to the financial market

###### (1) Fluctuations in foreign currency exchange rates

The Group's finished cars, are produced in 19 countries and regions, and are sold in more than 170 countries. The Group's procurement activities for raw materials, parts/components and services are conducted in many countries.

As the consolidated financial statements of the Group are calculated and presented in Japanese yen, the appreciation of the yen against other currencies adversely affects Group's financial results of operations, in general. In contrast, the depreciation of the yen against other currencies favorably affects Group's financial results of operations. Any sharp appreciation of the currencies of countries where the Group manufactures vehicles could lead to increases in production costs that would adversely affect the Group's competitiveness.

###### (2) Hedging of currency, interest rate and commodity price risks

The rise in market interest rates and/or in the cost of capital procurement due to the Company's decreased rating by credit rating agencies could have a significant effect on the Group's financial position and business performance.

The Group may utilize derivative transactions for the purpose of hedging its exposure to risks such as fluctuations in the foreign exchange rates of its receivables and payables denominated in foreign currencies, the interest rates of floating interest-bearing debt funded at variable interest rates and fluctuations in commodity prices. Although the Group can hedge against these risks by using derivatives transactions, the Group might miss potential gains that could result from seizing the market opportunities to profit from such fluctuation in exchange rates, interest rates and commodity prices.

###### (3) Financial asset price risk

The Company may hold marketable securities for certain reasons including strategic holding, relationship management and cash management, and there is a price fluctuation risk for such securities. Therefore, price fluctuation in the stock and bond markets could adversely affects the Company's business performance and financial position.

###### (4) Liquidity risk

The Group endeavors to raise funds from various sources such as an accumulation of internal cash generation, loan commitment agreements with financial institutions and diversification of funding sources and geographies for fund-raising by formulating relevant internal rules so that the Group can ensure an appropriate level of liquidity even if environmental changes beyond normal expectation occur in the financial market. 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 an adverse effect on the Group's financial position and business performance.

(5) Sales financing business risk

Sales financing is an integral part of the Group's business. The Global Sales Financing Business Unit was established at the Company. This dedicated internal department provides strong support to its automotive sales, while maintaining high profitability and a sound and stable financial condition through strict risk management policies. However, the sales financing companies inevitably have high exposure to interest-rate risk, residual value risk and credit risk. Accordingly, these risk factors could entail a greater-than-anticipated level of risk, which could adversely affect the Group's financial position and business performance.

(6) Counterparty credit risk

The Group does business with a variety of local counterparties including suppliers, sales companies and financial institutions in different regions around the world. The Group manages its own counterparty credit risk by conducting a comprehensive ongoing assessment of suppliers, sales companies and financial institutions' financial condition based on their financial information. Nonetheless, should unprecedented conditions such as bankruptcies be triggered by a global economic crisis, the resulting production interruption and/or troubles on any other production activity at the procurement side, and any significant default by counterparties at the sales side or financial institutions would adversely affect the Group's financial position and business performance.

(7) Employee retirement benefit expenses and obligations

The amounts of retirement benefit obligation and related expenses of the Group, which are provided for retirement benefits of employees of the Group companies, are calculated using various actuarial assumptions including the discount rate applied, the projected rate of return on plan assets and other factors. If the Group's actual results differ from those assumptions or if any of the assumptions change, the resulting effects will be accumulated and recognized systematically over future periods. The cumulative effect could adversely affect the recognition of expenses and liabilities recorded in future periods.

4. Risks related to business strategies and maintenance of competitive edge

(1) Risks involved in international activities and overseas expansion

The Group's products finished cars are produced in 19 countries and regions, and are sold in more than 170 countries. It is possible that the Group's global manufacturing and marketing activities will be extended to other countries and regions. The Group forecasts and sufficiently evaluates a wide variety of risks inherent in conducting business in overseas markets including the factors noted below. Nevertheless, each of these factors could entail unpredictable risks or a greater-than-anticipated level of risk at any place in our overseas presence without achieving the planned rate of capacity utilization and/or profitability, which could have significant effects on the Group's financial position and business performance.

- Unfavorable political or economic factors
- Legal or regulatory changes
- Changes in corporate income tax, customs duties and/or other tax system
- Labor disputes including strikes
- Difficulties in recruiting and retaining talented human resources
- Social turmoil due to terrorism, war, coup, demonstrations, rebellion, large-scale natural disaster, epidemic disease or other destabilizing factors

(2) Research and development

The Group's technology must be useful, pragmatic and user friendly. To this end, the Group anticipates the nature and scope of the market demand and then prioritizes and invests in the development of new technologies. However, any sudden and greater-than-anticipated changes in its business environment or in customer preferences or a relative decline in its competitive edge in development could impact negatively on customer acceptance with these new technologies, which could have a significant effect on the Group's business performance.

(3) Collaboration with other corporations

The Group may collaborate with other corporations that have excellent technologies to effectively acquire higher competitiveness within the short term. However, the anticipated results might not be achieved depending on the market environment of the business field concerned and/or changes in technological trends and the progress of collaborative activities with allied partners, which could adversely affect the Group's business performance.

(4) Quality of products and services

To provide products and services of superior quality, the Group endeavors to ensure and enhance maximum quality through detailed management systems from the standpoint of research and development, manufacturing and services. However, the adoption of new technology to propose higher added value might cause unexpected quality issues after sales of a product start even if it has been repeatedly tested prior to its launch with maximum care. Although the Group has insurance policies to assure the source of funding product liability claims to a certain extent, this does not necessarily mean that all damages are fully covered. If the Group were to implement significant recalls in volume and amount for the benefit of customers' safety, the Group would incur significant additional expenses that could adversely affect its financial position and business performance.

(5) Environmental and safety-related restrictions and Corporate Social Responsibility (CSR)

The automobile industry worldwide is influenced by a broad spectrum of regulations governing the emission levels of exhaust fumes, CO<sub>2</sub>/fuel economy guidelines, noise level limitations, recycling-related restrictions and safety standards. These regulations have become increasingly stringent. Indeed, compliance with such regulations is obvious to industrial corporations, and it is becoming common to comply with autonomous guidelines and stricter objectives are required in an increasing number of fields as part of CSR. Although the Company is actively committed in inside and outside of the Group to several continuous environmental activities based on the NISSAN GREEN PROGRAM 2016, the medium-term environmental action plan, the burden of ongoing development and investments has been increasing to ensure and/or maintain an advantageous position against competitors. As a consequence, a further rise in these costs could have an impact on the Group's financial position and business performance.

(6) Critical lawsuits and claims

It is possible that the Group could encounter a variety of claims or lawsuits with counterparties and/or third parties in the course of conducting business. With respect to various lawsuits and claims that the Company and the Group might encounter, the possibility exists that the Company's assertion may not be accepted or that the outcome may be significantly different from that anticipated. As a result, any such judgment verdict or settlement could adversely affect the Group's financial position and business performance.

(7) Intellectual property rights

The Group owns a wide variety of proprietary technologies and has the expertise to differentiate the Group's products making them unique from those of its competitors. These assets have proven their value in the growth of the Group's business and will continue to be of value in the future. The Group strives to protect its intellectual property assets. However, in certain markets, the Group may encounter difficulty in fully protecting the proprietary rights to its own technologies.

The Company established the Intellectual Property Rights Management Department to protect intellectual property rights in such markets, strengthen activities to protect Nissan's intellectual property rights, accumulate new intellectual property rights and perform various activities to protect and create the Brands. However, cases may arise where the Group finds itself unable to prohibit others from abusing or infringing on its intellectual property rights by imitating and manufacturing or selling similar vehicles.

(8) Recruitment and retaining of talented human resources

The Company considers human resources to be the most important corporate assets. The Company therefore focuses its efforts on recruiting talented people globally, enhancing the development of human resources and implementing fairer and more transparent performance evaluation systems. However, industrial competition to secure talented people is intense. Should appropriate recruitment and/or retaining of such desirable human resources not go according to plan, such an unsuccessful personnel development strategy could adversely affect and reduce the competitiveness of the Group on a long-term basis.

(9) Compliance and reputation

The Group always takes appropriate preventive measures and conducts regular audits with regard to compliance of laws and regulations including necessary information security measures for the protection of personal and confidential information. Furthermore, the Group has strived to streamline the relevant systems to rapidly cope with any possible detection of compliance-related incidents to prevent their adverse effects on trust in and/or the reputation of the Company. Nevertheless, in view of increasing expectations relative to CSR in contemporary society, delayed, insufficient and/or improper responses on compliance-related issues could adversely affect the confidence and/or reputation of the Group, thereby adversely affecting the Group's results of operations through, for example, a possible decline in sales resulting from a damaged reputation.

5. Continuation of business

(1) Large-scale natural disasters

The Group's corporate headquarters and many of its manufacturing facilities are located in Japan, where the statistically proven probability of earthquakes is higher than in many other countries. The Group has developed basic guidelines on earthquake risk management, and has organized a global task force (COO is the head) to direct disaster prevention and recovery activities. In addition, the Group has been strengthening its manufacturing facilities with anti-seismic reinforcement. However, if a severe earthquake were to hit one of the Group's key facilities causing a halt in production, this would adversely affect the Group's financial position and results of operations.

The Group addresses preventive measures and the improvement of emergency response systems to prepare for risks other than earthquakes, including fires, typhoons, floods and epidemics of new types of influenza. Nevertheless, if any of these risk factors occurs or spreads on an unprecedented scale, such risk could adversely affect the Group's financial position and business performance.

In the wake of the Great East Japan Earthquake that occurred in March 2011, various unforeseen risks emerged as listed below.

- The risk that plant operations could be restricted, to a significant extent, because a scheduled power failure is forcibly implemented or a long-term power shortage continues.
- The risk that plant employees and/or suppliers could not restore operations or operate facilities within areas of limited or no access, in which people cannot restore or operate facilities based on an evacuation directive to restrict or prohibit entry due to radioactive pollution from a nuclear power generation plant.

- The risk that the acceptance of parts and/or products could be rejected or postponed by customers because of radioactive pollution, as well as the risk of sluggish sales due to harmful rumors.
- The risk of tsunamis, for which damage projections (e.g., the height of a tsunami and the scope of the expected devastated areas) are now much more severe than previously anticipated, in the event of any significant earthquakes such as the “Nankai Trough Earthquake”.

The Group is currently studying and addressing effective countermeasures to solve these problems. However, these risks often cannot be handled by the Company alone and may entail certain costs to implement actions, and therefore could have an impact on the Group’s financial position and business performance.

(2) Purchase of raw materials and parts

The Group purchases raw materials, parts/components and services from many suppliers by reason of its business structure. In recent years, the use of rare metals, of which production volume is extremely small and production mines are limited to several restricted areas of a few countries, has been increasing, in association with the implementation of new technologies. The unpredictable fluctuation of market conditions resulting from a drastic change in the supply-demand balance or a radical change in the political situation of a production country could entail a greater-than-anticipated level of risk in the stable procurement of necessary raw materials, parts/components or services on an ongoing basis, which could adversely affect the Group’s financial position and business performance.

(3) Dependency on specific suppliers

If procurement of higher technology or higher quality is pursued at more competitive pricing, actual orders might sometimes concentrate on only one or a small limited number of suppliers. Although the Company has reviewed its supply chains, including secondary and tertiary suppliers, and addressed their reinforcement measures, a possible suspension of supply due to any unforeseen accident or any delay or deficit in supply could lead to the forced suspension of the Nissan Group’s production plants, thereby adversely affecting the Group’s financial position and business performance.

(4) Computer information system

Almost all the Group’s business activities depend on computerized information systems, and such information systems and networks have become increasingly complicated and sophisticated. Nowadays, it is impossible to process routine business operations without services available through these system networks. Given such circumstances, various incidents such as large-scale natural disasters, fires and electricity shutdowns could be risk factors that are detrimental to the Group’s information systems. In addition, artificial threats have been rising rapidly, including computer virus infection and increasingly sophisticated cyber-attacks.

To cope with these risk factors, the Company has taken a variety of hardware-based and software-oriented measures, including the preparation of Business Continuity Plan (“BCP”) and the improvement of security countermeasures. However, the possible occurrence of any greater-than-anticipated disaster, cyber-attack or infection from a computer virus could cause incidents such as the suspension of business operations due to system outage, the disappearance of important data, and theft or leakage of confidential information and/or private information. Consequently, such incidents could adversely affect the Group’s financial position, as well as the Group’s business performance and/or the reputation of reliability.

5. Important business contracts

Company which entered into agreement	Counterparty	Country	Agreement	Date on which agreement entered into
Nissan Motor Co., Ltd. (Filer of this Securities Report)	Renault	France	Overall alliance in the automobile business including equity participation	March 27, 1999
Nissan Motor Co., Ltd. (Filer of this Securities Report)	Daimler AG Renault	Germany France	Agreement on a strategic cooperative relationship including equity participation	April 7, 2010

## 6. Research and development activities

The Group has been proactively conducting research and development activities in diverse fields such as global environmental conservation and safety to realize the durable motorized society.

The research and development costs of the Group amounted to ¥469.9 billion for this fiscal year.

The Group's research and development organization and the results of its activities are summarized as follows:

### (1) Research and development organization

The Group's domestic research and development activities are promoted by Nissan Shatai Co., Ltd., Nissan Techno Co., Ltd., and Nissan Motor Light Truck Co., Ltd., for vehicle development and by Aichi Machine Industry Co., Ltd., JATCO Ltd., etc., for unit development, under the designated delegation of roles and via close collaboration with the Company, for which the central R&D body is the Nissan Technical Center (in Atsugi-shi, Kanagawa).

In the Western countries, Nissan North America, Inc., in the United States, Nissan Mexicana, S.A. de C.V., in Mexico, Nissan Motor Manufacturing (UK) Ltd. with its development facilities in the United Kingdom and Belgium, and Nissan Motor Iberica, S.A., in Spain, design and develop several vehicle models. In February 2013, the Group opened a new research center in Sunnyvale City, Silicon Valley called Nissan Research Center Silicon Valley (NRC-SV) as a principal research base that will undertake part of the research center function. Initial projects at the NRC-SV will be research of autonomous vehicles based on our state-of-the-art Information and Communication Technology (ICT) development.

In Asia, Nissan (China) Investment Co., Ltd., Dongfeng Motor Co., Ltd., a joint venture in China with Dongfeng Motor Group Co., Ltd., Yulon Nissan Motor Co., Ltd., a joint venture in Taiwan with Yulon Motor Co., Ltd., Nissan Motor Asia Pacific Co., Ltd., in Thailand, Renault Nissan Technology and Business Centre India Private Limited and Nissan Ashok Leyland Technologies Ltd. in India design and develop several vehicle models. Moreover, Nissan Motor Asia Pacific Co., Ltd., which undertakes the research center function in the ASEAN region, announced a project to expand facilities and increase the scope of local responsibility for the purpose of better responding to customer needs in the relevant regions.

Nissan Do Brasil Automóveis Ltda. in South America and Nissan South Africa (Pty) Ltd. in South Africa partially engage in the development of locally produced vehicles.

Nissan and Renault, partners in the Business Alliance since fiscal 1999, have been active in the shared use of their vehicle platforms, joint development and the mutual supply of powertrains, and collaboration in the research and development of advanced technologies so that both companies can improve their future research and development potential. Both partners have enhanced cooperation in the electric vehicle (EV) field, and jointly-developed batteries are mounted onboard EVs that have been released by both companies. Meanwhile, as for the strategic cooperative relationship with Daimler AG, the Company is working on sharing powertrain and platform for common use. Furthermore, to accelerate the commercialization of Fuel-Cell Electric Vehicle (FCEV) technology with Daimler and Ford, Nissan signed a three-party agreement to promote joint development of common FCEV systems while reducing the initial investment cost required for the development of relevant FCEV technologies.

### (2) New vehicles launched

In Japan, the Group introduced a full model change to the "NOTE," a compact car. Overseas, the Group introduced a full model change to the "ALTIMA" in North America and the "SYLPHY" in China.

### (3) Development of new technologies

Regarding the environment, the Group announced the "NISSAN GREEN PROGRAM 2016", Nissan's new medium-term environmental action program. The program sets forth three priority domains: "Reduce carbon footprint," "Shift to renewable energies" and "Increase diversity of resources." To address these tasks, the Group's technology development is focused in four priority activities in the action program: "No.1 in zero-emission vehicles," "Leading fuel efficiency," "Leading low corporate carbon footprint" and "Leading closed-loop recycling."

As for "No.1 in zero-emission vehicles," the Group has set a cumulative sales target of 1.5 million units of zero emission vehicles with alliance partner Renault by the end of fiscal 2016. The "Nissan LEAF," 100% EV model, of which sales started in December 2010 in Japan and the United States, has been already sold in the United Kingdom, Portugal, Canada and other countries. Having sold a cumulative total of 58 thousand units by the end of fiscal year 2012, the Nissan LEAF achieved the top global share in the EV category. In parallel with this key initiative, the Renault-Nissan Alliance entered into partnership agreements with more than 100 countries and regions on the enhanced use of zero-emission vehicles and various activities have been promoted toward the improvement and streamlining of related policies, systems and/or infrastructure. The Nissan LEAF, which has been highly acclaimed by customers in Japan and globally, underwent a minor change in November 2012 in anticipation of its enhanced use, achieved a driving distance of 228 km (JC08) at full-charge conditions, and was launched in Japan followed by the United States and Europe.

In addition, the Group plans to launch at least three more EV models by fiscal 2016. The Group announced the concept of the "e-NV200," a 100% electric commercial vehicle, and the "Infiniti LE" luxury sedan, and development activities are under way to launch mass-production of these models in the market.

In August 2011, the Company released the new “LEAF to Home” power supply system, which enables car users to supply electricity from EVs to their houses as an initiative that proposes new EV values for contemporary society. In fiscal year 2012, Nissan won Ministry Prize of Economy, Trade and Industry in the Grand Prize for Excellence in Energy Efficiency and Conservation program for energy savings made possible.

Thus, the Group is leading a comprehensive approach to the goal of a zero-emission society.

As for “Leading fuel efficiency,” the Group is endeavoring to improve the fuel economy of Nissan vehicles sold in Japan, China, Europe and the United States.

In Japan, a smart simple hybrid, the “S-HYBRID,” was first mounted onboard the “SERENA,” a model released in August 2012, realizing best-in class fuel economy (Note). In addition, the “DIG-S (Eco-Supercharger)” was mounted onboard the “NOTE,” which was released in September 2012, realizing the No. 1 low fuel consumption in the registered gasoline-powered vehicle class together with a comfortable driving feel.

Globally, the “ALTIMA,” which was released in June 2012 in the United States, and the new “LATI0” and “SYLPHY” models were equipped with the new-generation xtronic continuously variable transmission (CVT) system to extend the lineup of low-fuel consumption vehicle models.

In addition, the Group will mount a one-motor, two-clutch FWD hybrid system onboard the “PATHFINDER HYBRID,” which will be released in 2013 in the United States.

The Group intends to launch 15 hybrid vehicle models by the end of fiscal year 2016 and promote low fuel-consumption technology compatible with the respective models while taking into account the interior space and usability.

The Group also focuses on the development of light materials to increase fuel efficiency and in March 2013, the Group announced the world first incorporate onboard adoption of the 1.2 gigapascals (Gpa) class, high-formability, high tensile strength steel (for cold press) for mass-produced vehicles. Starting with its adoption for the “INFINITI Q50” model to be introduced in 2013 in the United States, its further adoption will be promoted globally.

Regarding safety, the Group intends to produce safer vehicles to achieve the goal of reducing by half the number of Nissan-automobiles-related deaths and serious injuries (compared to 1995) by 2015 via the analysis of actual accidents. This goal was achieved in 2009 in Japan and the United Kingdom, six years ahead of schedule. At present, under the Blue Citizenship initiative as a part of Nissan’s CSR activities, the Group has a goal of further reducing by half the above number of Nissan-automobiles-related deaths and serious injuries by 2020 toward the ultimate goal of zero injuries. To this end, with a perspective of reducing the number of traffic accidents, the Group has been promoting the development of a technology that allows the vehicle to support its passengers to stay away from danger based on “Safety Shields,” which is a sophisticated and positive approach to safety issues. In November 2012, the world’s first “Pedal Misapplication Prevention Assist (with a function to detect a parking space)” was mounted onboard the “ELGRAND” to help detect potential pedal misapplication and reduce accidents when parking. In addition, the Group announced an emergency steering avoidance support system, which provides not only automatically controlled braking but also automatic steering in a situation where a vehicle is on the verge of an immediate collision with any obstacle.

Furthermore, the Group released its next-generation “Nissan Common Module Family” for vehicle development of new models in 2013 or later as a new technology to drastically improve mass-production advantages due to extensive use of common vehicle structures, components and parts.

The Nissan Group will always be actively involved in research and development activities designed to launch new and highly competitive products on the market and to pioneer advanced technologies for the future with the aim of achieving targets under the Nissan Power 88 plan.

(Note) 2.0L class minivan for eight passengers. Minivan refers to vehicles which are made in Japan with three rows of seats. (Minivan sales ranking data are based on Nissan figures.)

## 7. Analysis of financial position, operating results and cash flows

The following analysis and discussions of the Group's financial position and operating results are, in principle, based on the consolidated financial statements.

Any future forecasts included in the following descriptions are based on the best estimates or judgment of the Group as of June 27, 2013, the date of filing this Securities Report.

### (1) Significant accounting policies and estimates

The Group's consolidated financial statements are prepared in accordance with accounting principles generally accepted in Japan. The preparation of consolidated financial statements requires management to select and apply the accounting policies and to make certain estimates which affect the amounts of the assets, liabilities, revenues and expenses reported in the consolidated financial statements and accompanying notes. Although management believes that the estimates made reasonably reflect past experience as well as present circumstances, the actual results could differ substantially because of the uncertainty inherent in those estimates.

The significant accounting policies applied by the Group in the preparation of the consolidated financial statements are explained in "5. Financial Information [Significant accounting policies]". In management's opinion, the following significant accounting policies could materially affect the estimates made in the consolidated financial statements:

#### i) Allowance for doubtful receivables

The allowance for doubtful receivables is provided to cover losses on bad debts based on an estimate of the collectibility of receivables. The Group may need to increase the allowance or incur losses on bad debts if the financial circumstances of its customers were to deteriorate and if their ability to pay their debts was thus impaired.

#### ii) Accrual for warranty costs

The accrual for warranty costs is 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 historical experience. The Group places a high priority on safety and does its best to enhance safety from the standpoint of research and development, manufacturing and sales. However, if the estimates of future warranty costs were significantly different from the actual costs incurred due to product defects and other variables, the Group could incur a loss on the provision of additional accrual for warranty costs.

#### iii) Retirement benefit expenses

Retirement benefit expenses and the related obligations are calculated based on various actuarial assumptions to cover the retirement benefits to be paid to eligible employees upon retirement. The assumptions include the discount rate applied, future levels of compensation, the projected rate of return on pension plan assets, retirement rates, and other factors. If the actual results were to differ from those assumptions or if the assumptions were changed, the resulting effects would be accumulated and recognized systematically over future periods. Accordingly, the cumulative effect could impact the recognition of expenses and liabilities recorded in future periods.

### (2) Analysis of operating results

#### (Sales)

Given the global total industrial volume (TIV) of 79.33 million units for the current fiscal year, which was an increase of 4.8% year on year from 75.69 million units for the prior fiscal year, the Group's global sales for the year ended March 31, 2013, increased by 1.4% year on year to 4,914 thousand units.

In Japan, TIV increased by 9.6% year on year to 5,210 thousand units. Meanwhile, the Group's domestic sales volume decreased by 1.3% to 647 thousand units, market share dropped by 1.4% year on year to 12.4% owing to insufficient supply in the mini-car market and improper timing for the launch of the new NOTE, whose sales failed to catch up with the overall demand growth. However, the Group's performance has improved, thereby resulting in a year-on-year improvement of 0.5% to 13.9% in the market share in the fourth quarter due to effective countermeasures taken to regain lost market share.

In China, TIV grew by 6.1% to 18.21 million units. The Group's sales volume decreased by 5.3% to 1,182 thousand units, and the full-year market share for the current fiscal year decreased 0.8% to 6.5%. This marked sales decline was mainly caused by the island dispute.

TIV in the U.S. market increased by 11.6% year on year to 14.71 million units. The Group's sales volume in the United States increased by 5.4% to 1,138 thousand units.

In Mexico, the Group maintained the top branded position with the market share of 24.8% and sales volume of 248 thousand units. At present, Nissan models account for five of the top 10 models in the sales ranking, and Nissan Mexicana has won the first position according to the customer satisfaction index (CSI) survey and second position according to the sales satisfaction index (SSI) survey.

In Europe, including Russia, TIV decreased by 6.4% year on year to 17.18 million units. The Group's sales volume was affected by the sluggish market conditions, decreased by 7.5% to 660 thousand units.

In addition to the lingering debt crisis in the Euro zone, an intensified incentive competition considerably affected the Group's sales activity. Another significant negative factor was that no new models have been launched in the past two years. Regardless of such a stringent business environment, the Group maintained its market share of 3.9% in Europe, with its highest market shares in Spain, the United Kingdom and France.

In other markets, including Asia, Oceania, Africa, Central and South America and the Middle East, the Group's sales volume increased by 16.3% to 959 thousand units. In these markets, the Group's sales grew remarkably in many countries, recording high growth rates almost twice the TIV growth. For example, sales volume in Thailand surged by 80.4% year on year to 138 thousand units. Sales volume also increased by 18.4% to 96 thousand units in Brazil and 20.8% to 184.7 thousand units in the Middle East.

(Operating results)

i) Net sales

Consolidated net sales for the year under review were ¥9,629.6 billion, an increase of ¥220.6 billion year on year.

ii) Operating income

Consolidated operating income totaled ¥523.5 billion for the current fiscal year, a decrease of ¥22.3 billion from ¥545.8 billion for the prior fiscal year.

Major profit-increasing/declining factors in the change in consolidated operating income were as follows:

- Foreign exchange rates movement resulted in a ¥30.2 billion positive contribution. This mainly reflected the high appreciation of the U.S. dollar against the yen.
- The reduction in purchasing costs including the decline in raw material costs had a positive contribution of ¥190.4 billion.
- Sales volume and model mix had a negative impact of ¥57.2 billion.
- Increase in selling expenses had a negative impact of ¥53.5 billion.
- R&D costs increased by ¥37.0 billion.
- Production costs increased by ¥53.7 billion.
- The sales financing business had a slight positive contribution of ¥0.2 billion.
- The other variance was a profit-declining factor of ¥41.7 billion, including the decline in profits at affiliates and at sales companies in Japan, the decline in profit in the used car business and an increase in import costs in Brazil due to revisions to the Mexico-Brazil FTA (free trade agreement).

iii) Non-operating income and expenses

Net non-operating income amounted to ¥5.8 billion for the current fiscal year, improving by ¥16.5 billion from non-operating expenses of ¥10.7 billion for the prior fiscal year. This result was mainly due to the improvement of derivative loss by ¥14.4 billion and a decrease of ¥5.4 billion in interest paid despite a decrease of ¥7.5 billion in the equity in earnings of affiliates.

iv) Special gains and losses

Net special losses of ¥12.6 billion were recorded for the current fiscal year, which was a deterioration of ¥6.8 billion compared with special losses of ¥5.8 billion for the prior fiscal year. This was primarily attributable to a ¥32.4 billion deterioration of special gains due to a decline in gain on negative goodwill and other factors, although special losses improved by ¥25.6 billion, reflecting the eliminated reporting of loss on disaster, for which ¥29.9 billion was posted a year earlier.

v) Income taxes

Income taxes for the current fiscal year decreased by ¥5.2 billion from the prior fiscal year to ¥146.3 billion.

vi) Income attributable to minority interests

The income attributable to minority interests for the current fiscal year decreased by ¥8.4 billion to ¥28.0 billion.

vii) Net income

Consolidated net income increased by ¥1.0 billion from ¥341.4 billion for the prior fiscal year to ¥342.4 billion for the current fiscal year.

viii) Net interest-bearing debt in the automobile business

As the cash and cash equivalents in the automobile business as of the end of the current fiscal year exceeded interest-bearing debt, the Group had net cash of ¥915.9 billion in the cash position.

ix) Free cash flows in the automobile business

The free cash flows in the automobile business for the current fiscal year were positive ¥248.6 billion.

### (3) Analysis of sources of capital and liquidity

#### 1. Cash flows

Cash and cash equivalents at the end of the current fiscal year decreased by ¥42.5 billion (5.1%) from the end of the prior fiscal year to ¥798.4 billion. This reflected ¥390.9 billion in net cash provided by operating activities, ¥957.1 billion in net cash used in investing activities, and ¥455.6 billion in net cash provided by financing activities, as well as an increase of ¥67.7 billion in the effects of exchange rate changes on cash and cash equivalents and a ¥0.4 billion increase attributable to a change in the scope of consolidation.

(Cash flows from operating activities)

Net cash provided by operating activities decreased by ¥305.4 billion to ¥390.9 billion in the current fiscal year from ¥696.3 billion provided in the prior fiscal year. This mainly reflected the shift from an increase to a decrease in trade notes and accounts payable and an increase in sales finance receivables.

(Cash flows from investing activities)

Net cash used in investing activities increased by ¥272.0 billion to ¥957.1 billion in the current fiscal year from ¥685.1 billion used in the prior fiscal year. This was mainly due to increases in purchase of fixed assets and purchase of leased vehicles.

(Cash flows from financing activities)

Net cash provided by financing activities was ¥455.6 billion in the current fiscal year, an increase in cash inflows of ¥764.1 billion compared with ¥308.5 billion used in the prior fiscal year. This was mainly due to the shift from a decrease to an increase in short-term borrowings.

#### 2. Financial policies

Financial activities within the Group are managed centrally by the Treasury Department of the Company, which functions as the global treasurer. Several activities are underway within the Group to improve funding efficiency through the implementation of a global cash management system.

The Group has developed a basic financial strategy under which the Group raises funds from appropriate sources and maintains an appropriate level of liquidity and a sound financial position so that the Group can make investments in research and development activities, capital expenditures and its finance business on a timely basis.

It is necessary to pay careful attention to the liquidity of funds in view of the drastic environmental changes in the financial markets and other relevant concerns. However, as the Company has entered into loan commitment agreements with major international banks in addition to the cash and cash equivalents as above, the Company believes that a level of liquidity sufficient to meet the Group's funding requirements is being maintained.

Whether or not the Company and its finance subsidiaries can raise funds without collateral and the related costs depends upon the credit rating of the Company. Currently, the Company's credit rating is investment grade; however, this favorable rating is not presented herein with the intention of inviting the purchase or holding of the Company's debt securities.

### 3. Equipment and Facilities

#### 1. Overview of capital expenditures

The Nissan Group (the Company and its consolidated subsidiaries) invested ¥524.5 billion during this fiscal year, in particular, to accelerate the development of new products, safety and environmental technology and on efficiency improvement of the production system.

#### 2. Major equipment and facilities

The Group's major equipment and facilities are summarized as follows:

Notes: 1. "Other" in net book value consists of tools, furniture and fixtures and construction in progress.

2. "Number of employees" indicates the number of full-time employees. The figures in parentheses represent the average number of part-time employees during the year ended at March 31, 2013, and are not included in the number of full-time employees.

##### (1) The Company

(As of March 31, 2013)

Location	Address	Description	Net book value						Number of employees (Persons)
			Land		Buildings & structures (Millions of yen)	Machinery & vehicles (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
			Area (m <sup>2</sup> )	Amount (Millions of yen)					
Yokohama Plant	Kanagawa-ku and Tsurumi-ku, Yokohama-shi, Kanagawa	Automobile parts production facilities	505,434	370	24,455	34,992	2,848	62,666	2,631 (654)
Oppama Plant (including the Research Center)	Yokosuka-shi, Kanagawa	Vehicle production facilities	1,852,370	29,203	30,976	24,840	5,738	90,759	2,769 (531)
Tochigi Plant	Kaminokawa-cho, Tochigi	Vehicle production facilities	2,926,049	4,443	21,661	39,102	12,226	77,435	4,502 (407)
Nissan Motor Kyushu Co., Ltd. (Note 1)	Kanda-machi, Fukuoka	Vehicle production facilities	2,355,196	29,849	32,678	25,431	4,662	92,621	89 (10)
Iwaki Plant	Iwaki-shi, Fukushima	Automobile parts production facilities	207,493	3,862	7,335	8,707	991	20,896	502 (138)
Head Office departments and other	Atsugi-shi and Isehara-shi, Kanagawa	R&D facilities	1,356,489	25,426	78,268	45,477	18,960	168,133	9,060 (596)
	Nishi-ku, Yokohama-shi, Kanagawa	Head office	10,000	6,455	21,970	788	6,862	36,076	1,749 (116)

Notes: 1. All of the vehicle production facilities are lent to Nissan Motor Kyushu Co., Ltd., to which manufacturing of the Company's products is entrusted.

2. The above table has been prepared based on the location of the equipment.

3. The figures for each plant include those at adjoining facilities for employees' social welfare, warehouses and laboratories and the related full-time employees.

##### (2) Domestic subsidiaries

(As of March 31, 2013)

Company	Location	Address	Description	Net book value						Number of employees (Persons)
				Land		Buildings & structures (Millions of yen)	Machinery & vehicles (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
				Area (m <sup>2</sup> )	Amount (Millions of yen)					
JATCO Ltd.	Fuji Office and other	Fuji-shi, Shizuoka, etc.	Automobile parts production facilities	1,086,274	16,646	26,776	64,957	8,618	116,997	5,954 (1,229)
Nissan Shatai Co., Ltd.	Shonan Plant and other	Hiratsuka-shi, Kanagawa, etc.	Vehicle production facilities	820,098	14,520	10,941	26,197	30,429	82,087	2,043 (396)
Aichi Machine Industry Co., Ltd.	Atsuta Plant and other	Atsuta-ku, Nagoya-shi, Aichi, etc.	Automobile parts production facilities	401,972	27,373	8,993	23,580	2,412	62,358	1,877 (171)
Calsonic Kansei Corporation	Gunma Plant and other	Ora-cho, Gunma, etc.	Automobile parts production facilities	612,631	14,994	14,847	13,341	3,723	46,905	3,635 (102)
Nissan Network Holdings Co., Ltd.	Head office and other	Yokohama-shi, Kanagawa, etc.	Facilities for automobile sales, etc.	3,246,613	379,143	76,130	100	955	456,328	14 (-)

## (3) Foreign subsidiaries

(As of March 31, 2013)

Company	Location	Address	Description	Net book value						Number of employees (Persons)
				Land		Buildings & structures (Millions of yen)	Machinery & vehicles (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
				Area (m <sup>2</sup> )	Amount (Millions of yen)					
Nissan North America, Inc.	Production plant for vehicles and parts and other facilities	Smyrna, Tennessee, Canton, Mississippi, USA	Production facilities for vehicles and parts	13,728,296	4,491	66,842	99,054	151,468	321,855	9,950 (4)
Nissan Mexicana, S.A. de C.V.	Production plant for vehicles and parts and other facilities	Morelos, Mexico, and Aguascalientes, Mexico	Production facilities for vehicles and parts	7,069,527	7,624	14,636	29,728	87,750	139,738	9,540 (3,650)
Nissan Motor Iberica S.A.	Production plant for vehicles and parts	Barcelona, Madrid and other, Spain	Production facilities for vehicles and parts	700,087	256	18,000	13,038	18,384	49,678	4,221 (575)
Nissan Motor Manufacturing (UK) Ltd.	Production plant for vehicles and parts	Sunderland, Tyne & Wear, United Kingdom	Production facilities for vehicles and parts	2,861,491	1,549	17,095	24,816	37,821	81,281	5,213 (1,665)
Renault Nissan Automotive India Private Limited	Production plant for vehicles and parts	Oragadam, Kanchipuram District, India	Production facilities for vehicles and parts	2,468,582	3,309	15,170	33,505	18,371	70,355	6,155 (0)
Nissan Motor (Thailand) Co., Ltd.	Production plant for vehicles and parts	Bangsaothong, Samutpraken, Thailand	Production facilities for vehicles and parts	995,432	1,025	1,503	7,279	35,647	45,454	2,324 (33)
Nissan Manufacturing RUS LLC.	Production plant for vehicles	Sankt-Petersburg, Russia	Production facilities for vehicles	1,650,603	519	11,064	18,554	14,444	44,581	2,111 (54)

Note: In addition to the above, other major leased assets are presented as follows:

## Major leased assets

Company	Location	Address	Lessor	Description	Area (m <sup>2</sup> )	Lease Fees (Thousands of yen/month)
Nissan Motor Co., Ltd.	Information System Center	Atsugi-shi, Kanagawa	Fujitsu Limited	Building	24,564	81,589
Nissan Motor Iberica S.A.	Part of the plant site	Barcelona, Spain	Zona Franca Association of Industrial Area	Land	518,000	16,902

Notes: 1. Lease fees are presented exclusive of consumption tax.

2. Employees working in or with the leased assets are included in "Major equipment and facilities" above.

## Information by reportable segment

Reportable segment	Net book value						Number of employees (Persons)
	Land		Buildings & structures (Millions of yen)	Machinery & vehicles (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	
	Area (m <sup>2</sup> )	Amount (Millions of yen)					
Sales finance	16,535	0	111	1,543,562	47,791	1,591,464	2,206 (101)

Note: There was no major idle equipment or facility at present.

## 3. Plans for new additions or disposals

## (1) New additions and renovations

During the fiscal 2013 (From April 1, 2013 To March 31, 2014), the Group plans to invest ¥520.0 billion in capital expenditures, which will be financed out of its own funds.

## (2) Disposals and sales

Except for disposals and sales conducted in the course of the Group's routine renewal of its equipment and facilities, there is no plan for significant disposals or sales.

#### 4. Corporate Information

##### 1. Information on the Company's shares

##### (1) Number of shares and other

##### ① Number of shares

Type	Number of shares authorized to be issued
Common stock	6,000,000,000
Total	6,000,000,000

##### ② Number of shares issued

Type	Number of shares issued		Stock exchanges on which the Company is listed	Description
	As of March 31, 2013	As of June 27, 2013 (filing date of this Securities Report)		
Common stock	4,520,715,112	4,520,715,112	First Section of the Tokyo Stock Exchange	The number of shares constituting a unit is 100.
Total	4,520,715,112	4,520,715,112	—	—

Note: The number of shares issued as of the filing date of the Securities Report does not include those issued upon the exercise of the share subscription rights during the period from June 1, 2013, through the filing date of this Securities Report.

(2) Status of the share subscription rights

The Company has issued share subscription rights in accordance with Articles 280-20 and 280-21 of the former Commercial Code of Japan revised in 2001.

Second share subscription rights (issued on April 16, 2004)

	As of March 31, 2013	As of May 31, 2013
Number of share subscription rights	90,208units	90,195units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	Common stock: The number of shares constituting a unit is 100.	Common stock: The number of shares constituting a unit is 100.
Number of shares to be issued upon the exercise of the share subscription rights	9,020,800shares	9,019,500shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	¥120,200 (¥1,202 per share)	¥120,200 (¥1,202 per share)
Exercise period	From April 17, 2006 To June 19, 2013	From April 17, 2006 To June 19, 2013
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	Issue price: ¥1,202 Amount per share to be credited to common stock: ¥601	Issue price: ¥1,202 Amount per share to be credited to common stock: ¥601
Conditions for the exercise of the share subscription rights	※	※
Transfer of the share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

- ※ ① Partial exercise of the share subscription rights is not allowed.
- ② Individuals to whom the share subscription rights are granted (the “Holders”) must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.
- ③ The Company’s operating results must meet certain predetermined targets.
- ④ The Holders shall achieve their own predetermined performance targets.

The details concerning conditions ② to ④ above and certain other conditions shall be as set forth in the “Share Subscription Rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

Third share subscription rights (issued on April 25, 2005)

	As of March 31, 2013	As of May 31, 2013
Number of share subscription rights	78,355units	77,984units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	Common stock: The number of shares constituting a unit is 100.	Common stock: The number of shares constituting a unit is 100.
Number of shares to be issued upon the exercise of the share subscription rights	7,835,500shares	7,798,400shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	¥111,900 (¥1,119 per share)	¥111,900 (¥1,119 per share)
Exercise period	From April 26, 2007 To June 23, 2014	From April 26, 2007 To June 23, 2014
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	Issue price: ¥1,119 Amount per share to be credited to common stock: ¥560	Issue price: ¥1,119 Amount per share to be credited to common stock: ¥560
Conditions for the exercise of the share subscription rights	※	※
Transfer of the share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

- ※ ① Partial exercise of the share subscription rights is not allowed.
- ② Individuals to whom the share subscription rights are granted (the “Holders”) must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.
- ③ The Company’s operating results must meet certain predetermined targets.
- ④ The Holders shall achieve their own predetermined performance targets.

The details concerning conditions ② to ④ above and certain other conditions shall be as set forth in the “Share Subscription Rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

Fourth share subscription rights (issued on May 8, 2006)

	As of March 31, 2013	As of May 31, 2013
Number of share subscription rights	78,218units	78,218units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	Common stock: The number of shares constituting a unit is 100.	Common stock: The number of shares constituting a unit is 100.
Number of shares to be issued upon the exercise of the share subscription rights	7,821,800shares	7,821,800shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	¥152,600 (¥1,526 per share)	¥152,600 (¥1,526 per share)
Exercise period	From May 9, 2008 To June 20, 2015	From May 9, 2008 To June 20, 2015
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	Issue price: ¥1,526 Amount per share to be credited to common stock: ¥763	Issue price: ¥1,526 Amount per share to be credited to common stock: ¥763
Conditions for the exercise of the share subscription rights	※	※
Transfer of the share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

- ※ ① Partial exercise of the share subscription rights is not allowed.
- ② Individuals to whom the share subscription rights are granted (the “Holders”) must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.
- ③ The Company’s operating results must meet certain predetermined targets.
- ④ The Holders shall achieve their own predetermined performance targets.

The details concerning conditions ② to ④ above and certain other conditions shall be as set forth in the “Share Subscription Rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

The Company has issued share subscription rights in accordance with Articles 236, 238 and 239 of the Company law.

Fifth share subscription rights (issued on May 8, 2007)

	As of March 31, 2013	As of May 31, 2013
Number of share subscription rights	6,500units	6,500units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	Common stock: The number of shares constituting a unit is 100.	Common stock: The number of shares constituting a unit is 100.
Number of shares to be issued upon the exercise of the share subscription rights	650,000shares	650,000shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	¥133,300 (¥1,333 per share)	¥133,300 (¥1,333 per share)
Exercise period	From May 9, 2009 To June 26, 2016	From May 9, 2009 To June 26, 2016
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	Issue price: ¥1,333 Amount per share to be credited to common stock: ¥667	Issue price: ¥1,333 Amount per share to be credited to common stock: ¥667
Conditions for the exercise of the share subscription rights	※	※
Transfer of the share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

- ※ ① Partial exercise of the share subscription rights is not allowed.
- ② The Holders must continue their service with the Company or its subsidiaries or affiliates (“the Company, etc.”) in the state of being employed or entrusted.
- ③ The Company’s operating results must meet certain predetermined targets.
- ④ The Holders shall achieve their own predetermined performance targets.
- ⑤ A Holder shall be unable to exercise his/her share subscription rights if he/she violates any applicable laws or various internal rules of the Company, etc.
- ⑥ A Holder shall be unable to exercise his/her share subscription rights if he/she is subject to a disciplinary action equivalent to or more serious than a suspension of attendance, which is stipulated in the Working Regulations of the Company, etc.
- ⑦ A Holder shall be unable to exercise his/her share subscription rights if he/she abandons the share subscription rights.

The details concerning conditions ② to ⑦ above and certain other conditions shall be as set forth in the “Share subscription rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

Sixth share subscription rights (issued on December 21, 2007)

	As of March 31, 2013	As of May 31, 2013
Number of share subscription rights	3,600units	3,600units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	Common stock: The number of shares constituting a unit is 100.	Common stock: The number of shares constituting a unit is 100.
Number of shares to be issued upon the exercise of the share subscription rights	360,000shares	360,000shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	¥120,500 (¥1,205 per share)	¥120,500 (¥1,205 per share)
Exercise period	From April 1, 2010 To June 19, 2017	From April 1, 2010 To June 19, 2017
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	Issue price: ¥1,205 Amount per share to be credited to common stock: ¥603	Issue price: ¥1,205 Amount per share to be credited to common stock: ¥603
Conditions for the exercise of the share subscription rights	※	※
Transfer of the share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

- ※ ① Partial exercise of the share subscription rights is not allowed.
- ② The Holders must continue their service with the Company or its subsidiaries or affiliates (“the Company, etc.”) in the state of being employed or entrusted.
- ③ The Company’s operating results must meet certain predetermined targets.
- ④ The Holders shall achieve their own predetermined performance targets.
- ⑤ A Holder shall be unable to exercise his/her share subscription rights if he/she violates any applicable laws or various internal rules of the Company, etc.
- ⑥ A Holder shall be unable to exercise his/her share subscription rights if he/she is subject to a disciplinary action equivalent to or more serious than a suspension of attendance, which is stipulated in the Working Regulations of the Company, etc.
- ⑦ A Holder shall be unable to exercise his/her share subscription rights if he/she abandons the share subscription rights.

The details concerning conditions ② to ⑦ above and certain other conditions shall be as set forth in the “Share subscription rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

Seventh share subscription rights (issued on May 16, 2008)

	As of March 31, 2013	As of May 31, 2013
Number of share subscription rights	30,420units	29,608units
Number of share subscription rights held by the Company included in the share subscription rights	—	—
Type of shares to be issued upon the exercise of the share subscription rights	Common stock: The number of shares constituting a unit is 100.	Common stock: The number of shares constituting a unit is 100.
Number of shares to be issued upon the exercise of the share subscription rights	3,042,000shares	2,960,800shares
Amount to be subscribed upon the exercise of the share subscription rights (Yen)	¥97,500 (¥975 per share)	¥97,500 (¥975 per share)
Exercise period	From May 17, 2010 To April 23, 2018	From May 17, 2010 To April 23, 2018
Upon the exercise of the share subscription rights, issue price and amount per share to be credited to common stock (Yen)	Issue price: ¥975 Amount per share to be credited to common stock: ¥488	Issue price: ¥975 Amount per share to be credited to common stock: ¥488
Conditions for the exercise of the share subscription rights	※	※
Transfer of the share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—	—

- ※ ① Partial exercise of the share subscription rights is not allowed.
- ② The Holders must continue their service with the Company or its subsidiaries or affiliates (“the Company, etc.”) in the state of being employed or entrusted.
- ③ The Holders shall achieve their own predetermined performance targets.
- ④ A Holder shall be unable to exercise his/her share subscription rights if he/she violates any applicable laws or various internal rules of the Company, etc.
- ⑤ A Holder shall be unable to exercise his/her share subscription rights if he/she is subject to a disciplinary action equivalent to or more serious than a suspension of attendance, which is stipulated in the Working Regulations of the Company, etc.
- ⑥ A Holder shall be unable to exercise his/her share subscription rights if he/she abandons the share subscription rights.

The details concerning conditions ② to ⑥ above and certain other conditions shall be as set forth in the “Share subscription rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.

## (3) Exercise status of bonds with share subscription rights containing a clause for exercise price adjustment

Not applicable

## (4) Right plans

Not applicable

## (5) Changes in the number of shares issued and the amount of common stock and other

Period	Changes in the number of shares issued (Thousands)	Balance of the number of shares issued (Thousands)	Changes in common stock (Millions of yen)	Balance of common stock (Millions of yen)	Changes in additional paid-in capital (Millions of yen)	Balance of additional paid-in capital (Millions of yen)
From April 1, 2002 To March 31, 2003 (Note)	3,670	4,520,715	1,257	605,813	1,257	804,470

Note: Increase due to conversion of convertible bonds.

## (6) Details of shareholders

(As of March 31, 2013)

Classification	Status of shares (1 unit = 100 shares)								Shares under one unit
	National and local governments	Financial institutions	Securities companies	Other corporations	Foreign shareholders (other than individuals)	Foreign shareholders (individuals only)	Individuals and other	Total	
Number of shareholders (persons)	—	146	76	1,420	713	244	248,404	251,003	—
Number of shares held (units)	—	7,192,674	435,953	902,169	32,601,822	35,357	4,032,590	45,200,565	658,612
Shareholding Ratio (%)	—	15.91	0.96	2.00	72.13	0.08	8.92	100.00	—

Note: Treasury stock of 30,926,126 shares are included in "Individuals and other" at 309,261 units, and in "Shares under one unit" at 26 shares.

## (7) Principal shareholders

(As of March 31, 2013)

Name	Address	Number of shares held (Thousands)	Number of shares held as a percentage of total shares issued (%)
Renault S.A. (Standing agent: Settlement & Clearing Services Division, Mizuho Corporate Bank, Ltd.)	13/15 Quai Le Gorot, 92100 Boulogne, Billancourt, France (4-16-13 Tsukishima, Chuo-ku, Tokyo)	1,962,037	43.40
THE CHASE MANHATTAN BANK, N.A., LONDON SPECIAL ACCOUNT NO. 1 (Standing agent: Settlement & Clearing Services Division, Mizuho Corporate Bank, Ltd.) (Note 1)	WOOLGATE HOUSE, COLEMAN STREET, LONDON EC2P 2HD, ENGLAND (4-16-13 Tsukishima, Chuo-ku, Tokyo)	141,710	3.13
Japan Trustee Services Bank Ltd. (Trust account)	1-8-11 Harumi, Chuo-ku, Tokyo	122,411	2.71
The Master Trust Bank of Japan Ltd. (Trust account)	2-11-3 Hamamatsu-cho, Minato-ku, Tokyo	121,241	2.68
JP Morgan Chase Bank 380055 (Standing agent: Settlement & Clearing Services Division, Mizuho Corporate Bank, Ltd.)	270 Park Avenue, New York, NY 10017, United States (4-16-13 Tsukishima, Chuo-ku, Tokyo)	79,464	1.76
Government of Singapore Investment Corporation Pte Ltd. (Standing agent: Tokyo Branch, The Hongkong and Shanghai Banking Corporation Limited)	168 Robinson Road, #37-01 Capital Tower, Singapore 068912 (3-11-1 Nihonbashi, Chuo-ku, Tokyo)	77,889	1.72
Nippon Life Insurance Company	1-6-6 Marunouchi, Chiyoda-ku, Tokyo	65,888	1.46
SSBT OD05 OMNIBUS ACCOUNT-TREATY CLIENTS (Standing agent: Tokyo Branch, The Hongkong and Shanghai Banking Corporation Limited)	338 Pitt Street, Sydney, NSW 2000, Australia (3-11-1 Nihonbashi, Chuo-ku, Tokyo)	62,128	1.37
The Chase Manhattan Bank, N.A. London S.L. Omnibus Account (Standing agent: Settlement & Clearing Services Division, Mizuho Corporate Bank, Ltd.)	WOOLGATE HOUSE, COLEMAN STREET, LONDON EC2P 2HD, ENGLAND (4-16-13 Tsukishima, Chuo-ku, Tokyo)	61,079	1.35
Japan Trustee Services Bank Ltd. (Trust account 9)	1-8-11 Harumi, Chuo-ku, Tokyo	59,775	1.32
Total	—	2,753,622	60.91

Notes: 1. Daimspain, S.L., which is the Daimler AG's wholly-owned subsidiary, substantially holds 140,142 thousand shares of the Company although they are in custody of The Chase Manhattan Bank, N.A. London. Special Account No. 1 on the shareholders' register.

2. The Company received a copy of the Significant Share Holdings Report and other documents, which purport that Alliance Bernstein L.P. and others held the following numbers of Nissan shares as of August 14, 2009. However, as the Company could not confirm the number of shares effectively held by Alliance Bernstein and other corporations, their names were not included in the list of principal shareholders above.

The substance of the Significant Share Holdings Report is as follows:

Name	Address	Number of shares held (Thousands)	Number of shares held as a percentage of total shares issued (%)
Alliance Bernstein L.P.	1345 Avenue of the Americas, New York, NY 10105 U.S.A.	182,229	4.03
AXA Rosenberg Investment Management Ltd.	1-17-3 Shirogane, Minato-ku, Tokyo	18,471	0.41
Alliance Bernstein Japan Ltd.	Marunouchi Trust Tower Main Building, 1-8-3 Marunouchi, Chiyoda-ku, Tokyo	10,745	0.24
Total	—	211,445	4.68

## (8) Status of voting rights

## ① Shares issued

(As of March 31, 2013)

Classification	Number of shares (Shares)	Number of voting rights (Units)	Description
Shares with full voting rights (Treasury stock, etc.)	(Treasury stock) Common stock 30,926,100	—	—
	(Crossholding stock) Common stock 265,200	—	—
Shares with full voting rights (Others)	Common stock 4,488,865,200	44,888,652	—
Shares under one unit	Common stock 658,612	—	—
Total shares issued	4,520,715,112	—	—
Total voting rights held by all shareholders	—	44,888,652	—

Note: “Shares under one unit” include 26 shares of treasury stock and 30 crossholding shares.

## Crossholding shares under one unit (As of March 31, 2013)

Shareholder	Number of shares
Kai Nissan Motor Co., Ltd.	30

## ② Treasury stock, etc.

(As of March 31, 2013)

Shareholders	Addresses of shareholders	Number of shares held under own name	Number of shares held under the names of others	Total	% of interest
		Shares	Shares	Shares	%
Treasury stock: Nissan Motor Co., Ltd.	2 Takara-cho, Kanagawa-ku, Yokohama-shi, Kanagawa	30,926,100	—	30,926,100	0.68
Crossholding stock: Kochi Nissan Prince Motor Sales Co., Ltd.	2-21 Asahi-cho, Kochi-shi, Kochi	105,600	—	105,600	0.00
Kai Nissan Motor Co., Ltd.	706 Kamiimai-cho, Kofu-shi, Yamanashi	37,800	36,100	73,900	0.00
Nissan Prince Kagawa Sales Co., Ltd.	1037 Ikuno-cho, Zentsuji-shi, Kagawa	35,200	—	35,200	0.00
Kagawa Nissan Motor Co., Ltd.	1-1-8 Hanazono-cho, Takamatsu-shi, Kagawa	4,800	100	4,900	0.00
NDC Sales Co., Ltd.	2-39-1, Mimomi, Narashino-shi, Chiba	45,600	—	45,600	0.00
Total		31,155,100	36,200	31,191,300	0.69

Note: The shares included in “Number of shares held under the names of others” represents those held by Nissan’s crossholding share association (address: 1-1-1 Takashima, Nishi-ku, Yokohama-shi, Kanagawa). (Fractional numbers under 100 have been omitted.)

(9) Stock option plans

The Company has adopted a stock option plan (the “Plan”) under which share subscription rights are granted to directors and employees of the Company and its subsidiaries and affiliates in accordance with the former Commercial Code of Japan revised in 2001 and the Company law.

The details of the Plan which were approved at the annual general meetings of the shareholders are summarized as follows:

The Plan under Articles 280-20 and 280-21 of the former Commercial Code of Japan revised in 2001

Resolution at 104th annual general meeting of the shareholders:

Date for resolution	June 19, 2003								
Individuals covered by the Plan	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Employees of the Company</td> <td style="text-align: right;">590</td> </tr> <tr> <td>Directors of the Company’s subsidiaries</td> <td style="text-align: right;">96</td> </tr> <tr> <td>Employees of the Company’s subsidiaries</td> <td style="text-align: right;">4</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: right;">690</td> </tr> </table>	Employees of the Company	590	Directors of the Company’s subsidiaries	96	Employees of the Company’s subsidiaries	4	Total	690
Employees of the Company	590								
Directors of the Company’s subsidiaries	96								
Employees of the Company’s subsidiaries	4								
Total	690								
Type of shares to be issued upon the exercise of the share subscription rights	Common stock: The number of shares constituting a unit is 100.								
Number of share subscription rights	127,700 units								
Number of shares to be issued upon the exercise of the share subscription rights	12,770,000 shares								
Amount to be subscribed upon the exercise of the share subscription rights	¥120,200 (¥1,202 per share) *								
Exercise period	From April 17, 2006 To June 19, 2013								
Conditions for the exercise of the share subscription rights	<p>① Partial exercise of each share subscription right is not allowed.</p> <p>② Individuals to whom the share subscription rights are granted (the “Holders”) must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.</p> <p>③ The Company’s operating results must meet certain predetermined targets.</p> <p>④ The Holders shall achieve their own predetermined performance targets.</p> <p>The details concerning conditions ② to ④ above and certain other conditions shall be as set forth in the “Share subscription rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.</p>								
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.								
Matters relating to subrogation payment	—								
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—								

\* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the “Exercise Price Adjustment Formula”), respectively, with the resulting fractions less than ¥1 to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of the exercise of share subscription rights and the exercise of warrants for the purchase of shares of common stock under the Commercial Code of Japan before the enforcement of the Law Regarding Partial Revision of the Commercial Code, etc. (Law No. 128, 2001)).

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

Resolution at 105th annual general meeting of the shareholders:

Date for resolution	June 23, 2004								
Individuals covered by the Plan	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Employees of the Company</td> <td style="text-align: right;">620</td> </tr> <tr> <td>Directors of the Company's subsidiaries</td> <td style="text-align: right;">88</td> </tr> <tr> <td>Employees of the Company's subsidiaries</td> <td style="text-align: right;">4</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: right;">712</td> </tr> </table>	Employees of the Company	620	Directors of the Company's subsidiaries	88	Employees of the Company's subsidiaries	4	Total	712
Employees of the Company	620								
Directors of the Company's subsidiaries	88								
Employees of the Company's subsidiaries	4								
Total	712								
Type of shares to be issued upon the exercise of the share subscription rights	Common stock: The number of shares constituting a unit is 100.								
Number of share subscription rights	131,500 units								
Number of shares to be issued upon the exercise of the share subscription rights	13,150,000 shares								
Amount to be subscribed upon the exercise of the share subscription rights	¥111,900 (¥1,119 per share) *								
Exercise period	From April 26, 2007 To June 23, 2014								
Conditions for the exercise of the share subscription rights	<p>① Partial exercise of each share subscription right is not allowed.</p> <p>② Individuals to whom the share subscription rights are granted (the "Holders") must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.</p> <p>③ The Company's operating results must meet certain predetermined targets.</p> <p>④ The Holders shall achieve their own predetermined performance targets.</p> <p>The details concerning conditions ② to ④ above and certain other conditions shall be as set forth in the "Share subscription rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.</p>								
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.								
Matters relating to subrogation payment	—								
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—								

\* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the "Exercise Price Adjustment Formula"), respectively, with the resulting fractions less than ¥1 to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of the exercise of share subscription rights and the exercise of warrants for the purchase of shares of common stock under the Commercial Code of Japan before the enforcement of the Law Regarding Partial Revision of the Commercial Code, etc. (Law No. 128, 2001)).

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

Resolution at 106th annual general meeting of the shareholders:

Date for resolution	June 21, 2005						
Individuals covered by the Plan	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">Employees of the Company</td> <td style="text-align: right;">456</td> </tr> <tr> <td>Directors of the Company's subsidiaries</td> <td style="text-align: right;">72</td> </tr> <tr> <td style="text-align: center;">Total</td> <td style="text-align: right;">528</td> </tr> </table>	Employees of the Company	456	Directors of the Company's subsidiaries	72	Total	528
Employees of the Company	456						
Directors of the Company's subsidiaries	72						
Total	528						
Type of shares to be issued upon the exercise of the share subscription rights	Common stock: The number of shares constituting a unit is 100.						
Number of share subscription rights	130,750 units						
Number of shares to be issued upon the exercise of the share subscription rights	13,075,000 shares						
Amount to be subscribed upon the exercise of the share subscription rights	¥152,600 (¥1,526 per share) *						
Exercise period	From May 9, 2008 To June 20, 2015						
Conditions for the exercise of the share subscription rights	<p>① Partial exercise of each share subscription right is not allowed.</p> <p>② Individuals to whom the share subscription rights are granted (the "Holders") must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.</p> <p>③ The Company's operating results must meet certain predetermined targets.</p> <p>④ The Holders shall achieve their own predetermined performance targets.</p> <p>The details concerning conditions ② to ④ above and certain other conditions shall be as set forth in the "Share subscription rights Allocation Agreement" executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.</p>						
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.						
Matters relating to subrogation payment	—						
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—						

\* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the "Exercise Price Adjustment Formula"), respectively, with the resulting fractions less than ¥1 to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of the exercise of share subscription rights and the exercise of warrants for the purchase of shares of common stock under the Commercial Code of Japan before the enforcement of the Law Regarding Partial Revision of the Commercial Code, etc. (Law No. 128, 2001)).

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

The Plan under Articles 236, 238 and 239 of the Company law

Resolution at 107th annual general meeting of the shareholders:

Date for resolution	June 27, 2006
Individuals covered by the Plan	Employees of the Company 23
Type of shares to be issued upon the exercise of the share subscription rights	Common stock: The number of shares constituting a unit is 100.
Number of share subscription rights	6,800 units
Number of shares to be issued upon the exercise of the share subscription rights	680,000 shares
Amount to be subscribed upon the exercise of the share subscription rights	¥133,300 (¥1,333 per share)*
Exercise period	From May 9, 2009 To June 26, 2016
Conditions for the exercise of the share subscription rights	<p>① Partial exercise of each share subscription right is not allowed.</p> <p>② Individuals to whom the share subscription rights are granted (the “Holders”) must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.</p> <p>③ The Company’s operating results must meet certain predetermined targets.</p> <p>④ The Holders shall achieve their own predetermined performance targets.</p> <p>⑤ A Holder shall not be able to exercise his/her share subscription rights in case he/she violates any applicable laws or various internal rules of the Company, etc.</p> <p>⑥ A Holder shall not be able to exercise his/her share subscription rights in case he/she is subject to a disciplinary action equivalent to or more serious than a suspension of attendance, which is stipulated in the Working Regulations of the Company, etc.</p> <p>⑦ A Holder shall not be able to exercise his/her share subscription rights in case he/she abandons the share subscription rights.</p> <p>The details concerning conditions ② to ⑦ above and certain other conditions shall be as set forth in the “Share subscription rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.</p>
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—

\* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the “Exercise Price Adjustment Formula”), respectively, with the resulting fractions less than ¥1 to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of i) the purchase of treasury stock of shares under Article 194 (Request from shareholders who own shares under one unit against the Company to sell shares so that such shareholder’s shares become one unit of shares) of the Company law, ii) conversion of securities to be converted or convertible to the Company’s shares of common stock or iii) share subscription rights with which the holder can request issuance of the Company’s shares of common stock) (including those attached to the bonds with share subscription rights)).

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

Resolution at 108th annual general meeting of the shareholders:

Date for resolution	June 20, 2007
Individuals covered by the Plan	Employees of the Company 12
Type of shares to be issued upon the exercise of the share subscription rights	Common stock: The number of shares constituting a unit is 100.
Number of share subscription rights	3,600 units
Number of shares to be issued upon the exercise of the share subscription rights	360,000 shares
Amount to be subscribed upon the exercise of the share subscription rights	¥120,500 (¥1,205 per share)*
Exercise period	From April 1, 2010 To June 19, 2017
Conditions for the exercise of the share subscription rights	<ul style="list-style-type: none"> <li>① Partial exercise of each share subscription right is not allowed.</li> <li>② Individuals to whom the share subscription rights are granted (the “Holders”) must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.</li> <li>③ The Company’s operating results must meet certain predetermined targets.</li> <li>④ The Holders shall achieve their own predetermined performance targets.</li> <li>⑤ A Holder shall not be able to exercise his/her share subscription rights in case he/she violates any applicable laws or various internal rules of the Company, etc.</li> <li>⑥ A Holder shall not be able to exercise his/her share subscription rights in case he/she is subject to a disciplinary action equivalent to or more serious than a suspension of attendance, which is stipulated in the Working Regulations of the Company, etc.</li> <li>⑦ A Holder shall not be able to exercise his/her share subscription rights in case he/she abandons the share subscription rights.</li> </ul> <p>The details concerning conditions ② to ⑦ above and certain other conditions shall be as set forth in the “Share subscription rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.</p>
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—

\* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the “Exercise Price Adjustment Formula”), respectively, with the resulting fractions less than ¥1 to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of i) the purchase of treasury stock of shares under Article 194 (Request from shareholders who own shares under one unit against the Company to sell shares so that such shareholder’s shares become one unit of shares) of the Company law, ii) conversion of securities to be converted or convertible to the Company’s shares of common stock or iii) share subscription rights with which the holder can request issuance of the Company’s shares of common stock) (including those attached to the bonds with share subscription rights)).

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

Resolution at 108th annual general meeting of the shareholders:

Date for resolution	June 20, 2007
Individuals covered by the Plan	Employees of the Company 121
Type of shares to be issued upon the exercise of the share subscription rights	Common stock: The number of shares constituting a unit is 100.
Number of share subscription rights	36,200 units
Number of shares to be issued upon the exercise of the share subscription rights	3,620,000 shares
Amount to be subscribed upon the exercise of the share subscription rights	¥97,500 (¥975 per share)*
Exercise period	From May 17, 2010 To April 23, 2018
Conditions for the exercise of the share subscription rights	<p>① Partial exercise of each share subscription right is not allowed.</p> <p>② Individuals to whom the share subscription rights are granted (the “Holders”) must continue their service with the Company or its subsidiaries or affiliates in the state of being employed or entrusted until the share subscription rights become exercisable.</p> <p>③ The Holders shall achieve their own predetermined performance targets.</p> <p>④ A Holder shall not be able to exercise his/her share subscription rights in case he/she violates any applicable laws or various internal rules of the Company, etc.</p> <p>⑤ A Holder shall not be able to exercise his/her share subscription rights in case he/she is subject to a disciplinary action equivalent to or more serious than a suspension of attendance, which is stipulated in the Working Regulations of the Company, etc.</p> <p>⑥ A Holder shall not be able to exercise his/her share subscription rights in case he/she abandons the share subscription rights.</p> <p>The details concerning conditions ② to ⑥ above and certain other conditions shall be as set forth in the “Share subscription rights Allocation Agreement” executed and entered into by and between the Company and each Holder based on a resolution of the Board of Directors.</p>
Transfer of share subscription rights	Any and all transfers of share subscription rights must be approved by the Board of Directors of the Company.
Matters relating to subrogation payment	—
Matters relating to the issuance of share subscription rights as a result of organizational restructuring action	—

\* If either of the cases 1) or 2) below takes place on or after the date for issuance, the exercise price shall be adjusted by applying the following formula (hereinafter the “Exercise Price Adjustment Formula”), respectively, with the resulting fractions less than ¥1 to be rounded up.

1) If the Company conducts a stock split or a reverse stock split for the Company shares of common stock:

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{1}{\text{Ratio of stock split/reverse stock split}}$$

2) If the Company issues shares of common stock or disposes of its treasury stock at prices less than the then-current market price (excluding cases of i) the purchase of treasury stock of shares under Article 194 (Request from shareholders who own shares under one unit against the Company to sell shares so that such shareholder’s shares become one unit of shares) of the Company law, ii) conversion of securities to be converted or convertible to the Company’s shares of common stock or iii) share subscription rights with which the holder can request issuance of the Company’s shares of common stock) (including those attached to the bonds with share subscription rights)).

$$\text{Adjusted exercise price} = \text{Exercise price before adjustment} \times \frac{\text{Number of shares already issued} + \frac{\text{Number of shares to be issued} \times \text{Exercise price per share}}{\text{Market price per share}}}{\text{Number of shares already issued} + \text{Number of shares to be issued}}$$

2. Acquisition of treasury stock

Type of shares: Acquisition of shares of common stock under Article 155, Items 7 and 13, of the Company law

(1) Acquisition of treasury stock based on a resolution approved at the annual general meeting of the shareholders  
Not applicable

(2) Acquisition of treasury stock based on a resolution approved by the Board of Directors  
Not applicable

(3) Acquisition of treasury stock not based on a resolution approved at the annual general meeting of the shareholders or on a resolution approved by the Board of Directors  
Acquisition of shares of common stock under Article 155, Item 7, of the Company law

Classification	Number of shares (Thousands)	Total amount (Millions of yen)
Treasury stock acquired during the current fiscal year	5	4
Treasury stock acquired during the period for acquisition	2	1

Note: "Treasury stock acquired during the period for acquisition" does not include the number of shares less than one unit purchased during the period from June 1, 2013, to the filing date of this Securities Report.

Acquisition of shares of common stock under Article 155, Item 13, of the Company law

Classification	Number of shares (Thousands)	Total amount (Millions of yen)
Treasury stock acquired during the current fiscal year	2	1
Treasury stock acquired during the period for acquisition	—	—

Note: This acquisition was conducted pursuant to the request for purchase from shareholders who dissent from the share exchange which was conducted between the Company and Aichi Machine Industry Co., Ltd. in accordance with Article 797, Paragraph 1, of the Company law.

(4) Current status of the disposition and holding of acquired treasury stock

Classification	Current fiscal year		Period for acquisition	
	Number of shares (Thousands)	Total disposition amount (Millions of yen)	Number of shares (Thousands)	Total disposition amount (Millions of yen)
Acquired treasury stock for which subscribers were solicited	—	—	—	—
Acquired treasury stock that was disposed of	—	—	—	—
Acquired treasury stock for which transfer of shares was conducted in association with merger/stock exchange/corporate separation	—	—	—	—
Other (Acquired treasury stock that was disposed of instead of issuing shares due to the exercise of share subscription rights)	—	—	120	121,441
Number of shares of treasury stock held	30,926	—	30,808	—

Note: "Number of shares" and "Total disposition amount" during the "Period for acquisition" do not include the number of shares of treasury stock acquired during the period from June 1, 2013, to the filing date of this Securities Report and the acquired treasury stock that was disposed of instead of issuing shares due to the exercise of share subscription rights.

### 3. Dividend policy

The Company positions the return of profits to shareholders as one of the most important management policies, and adherence to a globally competitive dividend standard is Nissan's strategy as well as a key that defines its relationship with shareholders.

The Company's basic policy on the distribution of dividends from surplus is twice annually, that is, an interim dividend and a year-end dividend, as the Company has determined in its Articles of Incorporation that the Company may distribute interim dividends as stipulated in Article 454, Paragraph 5, of the Company law. The final decision-making organization is the Board of Directors for the interim dividend, and a general meeting of the shareholders for the year-end dividend.

As for the distribution of dividends from surplus for the year ended March 31, 2013, the Company's interim dividend was ¥12.5 per share and the year-end dividend was ¥12.5 per share. As a result, the Company's annual dividend was ¥25 per share.

The Company intends to apply its internal reserve to preparations for future business development and R&D costs.

Note: Dividends from surplus for which the record date belongs to the fiscal year ended March 31, 2013, are as follows:

Date of resolution	Total dividend amount (Millions of yen)	Dividend per share (Yen)
Board of Directors meeting held on November 6, 2012	56,122	12.5
Annual general meeting of the shareholders held on June 25, 2013	56,122	12.5

### 4. Changes in the market price of the Company's shares

#### (1) Highest and lowest prices during the past five years

	110th fiscal year	111th fiscal year	112th fiscal year	113th fiscal year	114th fiscal year
Year-end	March 2009	March 2010	March 2011	March 2012	March 2013
Highest (Yen)	998	826	894	898	1,034
Lowest (Yen)	261	357	600	614	639

Note: The above prices are those quoted on the First Section of the Tokyo Stock Exchange.

#### (2) Highest and lowest prices during the past six months

Month	October 2012	November	December	January 2013	February	March
Highest (Yen)	710	815	844	944	1,011	1,034
Lowest (Yen)	639	658	755	816	901	897

Note: The above prices are those quoted on the First Section of the Tokyo Stock Exchange.

5. Members of the Board of Directors and Statutory Auditors

Function	Position	Name (Date of birth)	Career profile		Term of office (period)	Number of shares owned (Thousands)
Representative Director, Director Chairman and President	CEO	Carlos Ghosn (March 9, 1954)	1996 October 1996 December 1999 June 2000 June 2001 June 2003 June 2005 April  2008 June 2009 May	Joined Renault Executive Vice President of Renault Director and COO of the Company President and COO of the Company President and CEO of the Company Co-Chairman, President and CEO of the Company President and CEO of Renault President and Chairman of Renault Nissan BV (Current position) Chairman, President and CEO of the Company (Current position) Chairman, President and CEO of Renault (Current position)	Two years from June 2013	3,111
Representative Director	COO	Toshiyuki Shiga (September 16, 1953)	1976 April 1999 July  2000 April 2005 April 2005 June	Joined the Company General Manager of Corporate Planning Dept. and Alliance Coordination Office of the Company Senior Vice President of the Company COO of the Company Director and COO of the Company (Current position)	Two years from June 2013	93
Representative Director	Executive Vice President	Hiroto Saikawa (November 14, 1953)	1977 April 2000 October 2003 April 2005 April 2005 June  2006 May	Joined the Company General Manager of Purchasing Strategy Dept. of the Company Senior Vice President of the Company Executive Vice President of the Company Executive Vice President and Director of the Company (Current position) Director of Renault (Current position)	Two years from June 2013	5
Director	Executive Vice President	Colin Dodge (September 1, 1955)	1984 December  1993 January 1999 January 2000 January 2003 April  2007 April 2009 April 2009 April 2009 June  2011 June	Joined Nissan Motor Manufacturing (UK) Ltd. (NMUK) Production Director, NMUK Executive Director of Operations, NMUK Deputy Managing Director, NMUK Managing Director, NMUK and Senior Vice President (in charge of Production, Purchase and SCM) of Nissan Europe S.A.S. Senior Vice President of the Company Chairman and President of Nissan International SA Executive Vice President of the Company Executive Vice President and Director of the Company (Current position) Chairman and President of Nissan North America, Inc. (Current position)	Two years from June 2013	2
Director	Executive Vice President	Mitsuhiro Yamashita (April 17, 1953)	1979 April 2001 February  2002 April  2004 April 2005 April 2005 June	Joined the Company General Manager of Vehicle Design Engineering Dept. No.1 of the Company President of Nissan Technical Center North America Inc. Senior Vice President of the Company Executive Vice President of the Company Executive Vice President and Director of the Company (Current position)	Two years from June 2013	73
Director	Executive Vice President	Hidetoshi Imazu (May 15, 1949)	1972 April 1998 April  2002 April 2007 April 2007 June	Joined the Company General Manager, Chassis Engineering Div. of the Company Senior Vice President of the Company Executive Vice President of the Company Executive Vice President and Director of the Company (Current position)	Two years from June 2013	55

Function	Position	Name (Date of birth)	Career profile		Term of office (period)	Number of shares owned (Thousands)
Representative Director	Senior Vice President	Greg Kelly (September 15, 1956)	1988 March 1993 August  2000 April 2005 October  2008 April 2009 April 2012 June	Joined Nissan North America, Inc. Director of Personnel Dept., Nissan North America, Inc. Senior Director of Personnel Dept., Nissan North America, Inc. Vice President (in charge of personnel and organizational development) of Nissan North America, Inc. Corporate Vice President of the Company Senior Vice President of the Company Senior Vice President and Director of the Company (Current position)	Two years from June 2013	1
Director		Jean Baptiste Duzan (September 7, 1946)	1982 September 1992 January 2009 June	Joined Renault Senior Vice President of Renault Director of the Company (Current position)	Two years from June 2013	1
Director		Katsumi Nakamura (June 23, 1953)	1978 April 1997 July  1998 July  1999 July  2000 January  2001 April 2003 July 2008 May 2009 June	Joined the Company Senior Manager of Corporate Planning Department of the Company Senior Manager of Product development Policy Planning Office of the Company Senior Manager of Product Strategy and Product Planning Division of the Company Program Director of Program Directors Office of the Company Senior Vice President of the Company President of Dongfeng Motor Co., Ltd. Executive Vice President of Renault (Current position) Director of the Company (Current position)	Two years from June 2013	30
Statutory Auditor	Standing	Masahiko Aoki (October 14, 1944)	1969 July 1992 July  1998 June 1999 June 2002 April  2008 April 2008 June	Joined the Company General Manager (Human Resources Development Dept.) of the Company Director of the Company Senior Vice President of the Company President of Nissan Koei Co., Ltd. (currently NISSAN CREATIVE SERVICES CO., LTD.) Director and Advisor of NISSAN CREATIVE SERVICES CO., LTD. Statutory Auditor of the Company (Current position)	Four years from June 2012	46
Statutory Auditor	Standing	Toshiyuki Nakamura (July 26, 1951)	1974 April 1998 June  2002 April 2003 April  2004 June 2005 June  2006 April 2006 June	Joined The Bank of Yokohama, Ltd. General Manager (Finance Dept.) of The Bank of Yokohama, Ltd. Executive Officer and General Manager, Kawasaki Branch of The Bank of Yokohama, Ltd. Managing Executive Officer, General Manager, Kawasaki Branch and General Manager, Sales Division at the Kawasaki and Yokohama-kita Block of The Bank of Yokohama, Ltd. Representative Director and COO of The Bank of Yokohama, Ltd. Representative Director and General Manager, Sales Promotion Dept. and CS Promotion Dept., of The Bank of Yokohama, Ltd. Director of The Bank of Yokohama, Ltd. Statutory Auditor of the Company (Current position)	Four years from June 2010	19

Function	Position	Name (Date of birth)	Career profile		Term of office (period)	Number of shares owned (Thousands)
Statutory Auditor	Standing	Mikio Nakura (March 12, 1948)	1971 April 1994 June 1996 May 1999 June 2001 April 2002 April 2003 March 2004 September 2010 June	Joined The Industrial Bank of Japan, Ltd. Senior Manager, Capital Market Division of The Industrial Bank of Japan, Ltd. Directeur général, Kowa Management (France) of Kowa Real Estate Co., Ltd. Executive Officer, Sales Department No. 10 of The Industrial Bank of Japan, Ltd. Managing Executive Officer, The Industrial Bank of Japan, Ltd. Managing Executive Officer, Mizuho Corporate Bank, Ltd. Managing Executive Officer, Kowa Real Estate Co., Ltd. Representative Director and President of Kowa Real Estate Co., Ltd. Statutory Auditor of the Company (Current position)	Four years from June 2010	14
Statutory Auditor	Part-time	Shigetoshi Andoh (March 30, 1942)	1964 April 1990 June 1993 December 1996 June 1999 July 2001 June 2002 November 2004 June 2010 June 2012 June	Joined The Sanwa Bank, Limited Director of The Sanwa Bank, Limited Managing Director of The Sanwa Bank, Limited Senior Managing Director of The Sanwa Bank, Limited Director and President of TOYO KOGYO Co., Ltd. Director and Executive Vice President of Nippon Shinpan Co., Ltd. Chairman of Nippon Shinpan Co., Ltd. Chairman of Hitachi Zosen Corporation Counselor of Hitachi Zosen Corporation (Current position) Statutory Auditor of the Company (Current position)	Four years from June 2012	3
Total						3,453

- Notes: 1. Jean Baptiste Duzan is outside director of the Company.
2. Toshiyuki Nakamura, Mikio Nakura and Shigetoshi Andoh are outside statutory auditors.
3. The Company set up a Corporate Officer system in order to revitalize the Board of Directors by segregating decision-making and control functions from the executive functions and to enable capable individuals to be appointed based solely on their ability.

The number of Corporate Officers is 47 including the 7 directors listed above (Carlos Ghosn, Toshiyuki Shiga, Hiroto Saikawa, Colin Dodge, Mitsuhiro Yamashita, Hidetoshi Imazu and Greg Kelly). The 40 other members are as follows: Andy Palmer, Joseph G. Peter, Takao Katagiri and Trevor Mann (Executive Vice Presidents), Shiro Nakamura, Hitoshi Kawaguchi, Atsushi Shizuta, Yasuhiro Yamauchi, Shigeaki Kato, Akira Sakurai, Hideyuki Sakamoto, Toshiaki Otani, Johan de Nysschen and Takao Asami (Senior Vice Presidents) and Asako Hoshino, Celso Guiotoko, Joji Tagawa, Toshifumi Hirai, Atsushi Hirose, Shunichi Toyomasu, Tsuyoshi Yamaguchi, Makoto Yoshimoto, Vincent Cobee, Shohei Kimura, Hideto Murakami, Shuichi Nishimura, Yusuke Takahashi, Hiroshi Karube, Simon Sproule, Motohiro Matsumura, Norio Ota, Rakesh Kochhar, Toru Hasegawa, Keno Kato, Noboru Tateishi, Roel De Vries, Tony Laydon and Kunio Nakaguro (Corporate Vice Presidents) and Kimio Tomita and Haruyoshi Kumura (Fellows).

## 6. Corporate governance

### (1) Status of corporate governance

#### Basic corporate governance policy

Corporate governance is one of the important responsibilities of the Company's management, and its most important role is to clarify the duties and responsibilities of the members of the management team. At the Company, clear management objectives and policies are published for the benefit of the shareholders and investors, and achievements and results are announced early and with as much transparency as possible. The enhancement of corporate governance by full and fair disclosure is the responsibility of management.

#### a) Corporate governance system

##### (1) Summary of the Company's corporate governance system and the reason for adopting this system

The Company adopts a corporate governance system, under which oversight by the Board of Directors and audits by the Statutory Auditors shall be executed, and a Corporate Officer system for the purpose of pursuing transparency and improving of flexibility, clarifying managerial responsibility and ensuring appropriate supervision to and audits of Directors' execution of duties.

The Company's Board of Directors makes decisions on important business operations and supervises the execution of duties by the respective Directors. The number of Directors is nine (9), of which one (1) is an Outside Director. The structure of the Board of Directors is simplified in the pursuit of more efficient and flexible management, and the authority for business execution is clearly delegated as much as possible to corporate officers and employees. Furthermore, several conference bodies have been established to deliberate and discuss important corporate matters and the execution of daily business affairs.

The Company has established the Board of Statutory Auditors, which consists of four (4) Statutory Auditors including three (3) Outside Statutory Auditors, to properly audit the execution of Directors' duties. Three (3) of the four (4) Statutory Auditors are full-time Statutory Auditors. Two (2) of them are highly independent.

##### (2) Status of the Company's internal control systems

The Company focuses on highly transparent management internally and externally, and aims to conduct consistent and efficient management to firmly achieve its specific commitments. Under this basic policy, the Company's Board of Directors has determined "systems to ensure proper and appropriate corporate operations" in accordance with the Company Law and the Company Law Enforcement Regulations, and appointed a Director in charge of general internal control. The summary and status of such systems are as follows.

##### i) Systems to ensure efficient execution of duties by the Directors

- a. The Company has the Board of Directors, which decides material business activities of the Company and checks on the execution of duties of the individual Directors. In addition, Statutory Auditors who comprise the Board of Auditors audit the execution of duties of the Directors.
- b. For the purposes of effective and efficient management, the Board of Directors is relatively small, and delegates responsibilities to corporate officers and employees based upon a transparent structure.
- c. The Company uses a proven system of Executive Committee where key business issues such as business strategies of the Company are reviewed and discussed, as well as Operations Committee where operational business decisions are reviewed and discussed.
- d. For review and discussion of the regional and specific business area operations, the Company utilizes Management Committees.
- e. In order to promote cross functional activities, cross functional teams - CFTs - are organized. CFTs detect problems and challenges and propose solutions to line organizations.
- f. The Company implements a clear and transparent Delegation of Authority procedure for the purpose of speeding up and clarifying the decision making processes.
- g. The Company ensures an efficient and effective management of its business by determining and sharing management policy and business direction through establishment of the mid-term management plan and the annual business plan.

##### ii) Systems to ensure compliance of employees' and Directors' execution of duties with Laws and Articles of Incorporation

- a. The Company implements the "Global Code of Conduct", which explains acceptable behaviors of all employees working at the Group companies of the Company worldwide and promotes understanding by them.
- b. In order to ensure rigorous and strict compliance with the code of conduct, education programs such as the e-learning system are offered.
- c. With regard to members of the Board of Directors as well as corporate officers of the Company, the Company establishes "Guidance for Directors and Corporate Officers regarding Compliance", which explains the acceptable behaviors of the members of the Board of Directors and the corporate officers.
- d. The Company stands firm and take appropriate actions against anti-social forces or groups. If any Director, corporate officer or employee is approached by such forces or groups, the said individual shall promptly report such matter to his/her superiors and specific committee, and shall follow their instructions.

- e. All Directors, corporate officers and employees are encouraged to use good conduct, and to neither directly nor indirectly, be involved in any fraud blackmail or other improper or criminal conduct. In cases of becoming aware of any such impropriety or illegal activity, or the risk thereof, in addition to acting resolutely against it, he/she shall promptly report such matter to his/her respective superiors and specific committee, and shall follow their instructions.
  - f. For the purpose of monitoring and ensuring compliance with the code of conduct, the Company establishes the Global Compliance Committee.
  - g. The Company implements the “Easy Voice System,” by which the employees are able to submit their opinions, questions and requests, as well as report an act that may be suspected as a violation of compliance, freely and directly to the Company’s management.
  - h. The Company is committed to continually implementing relevant company rules, including, for example, the “Global Rules for the Prevention of Insider Trading” and the “Rules for the Protection of Personal Information”. The Company continually offers education programs to employees as part of its program to promote the understanding and compliance with such corporate rules.
  - i. The Company is committed to improve and enhance the internal control systems to ensure accuracy and reliability of its financial reports in accordance with the Financial Instruments and Exchange Law together with its related rules and standards.
  - j. The Company establishes a department specialized in internal audit for the purpose of regularly monitoring the Company and Group companies’ businesses and their compliance with laws, their respective Articles of Incorporation and the codes of corporate conduct.
- iii) Rules and systems for proper management of risk and loss
- a. The Company minimizes the possibility of risk occurrences and, if they occur, mitigates the magnitude of losses by sensing such risks as early as possible and implementing appropriate countermeasures. In order to achieve such objectives, the Company and its Group companies implement the “Global Risk Management Policy.”
  - b. Management of material company-wide risks is assigned mainly to each of the members of the Executive Committee, who are responsible to monitor, manage and implement necessary measures.
  - c. Concerning the management of other specific business risks beyond those supervised directly by the Executive Committee, they are handled by each manager in the business function who will evaluate, prepare and implement the necessary measures to minimize such risks.
- iv) Systems to ensure accurate records and the retention of information of Directors’ execution of duties
- a. The Company prepares full and accurate minutes of meetings of the Board of Directors in accordance with laws and the board regulations and ensures they are retained and managed in a secure environment.
  - b. In performing business activities by various divisions and departments, matters to be decided pursuant to the “Delegation of Authority” are decided by either electronic system or written documents, and are retained and managed either electronically or in writing.
  - c. While the departments in charge are responsible for proper and strict retention and management of such information, Directors, Statutory Auditors and others have access to any records as required for the purpose of performing their business activities.
  - d. In line with the “Information Security Policy”, the Company endeavors to enhance proper and strict retention and management of information and to prevent improper use of information and unintended disclosure of such information.
- v) Systems to ensure proper and legitimate business activities of the Group companies
- a. The Company establishes various Management Committees which are group-wide organizations in order to ensure proper, efficient and consistent Group management.
  - b. In Management Committee meetings, the Company provides its Group companies with important information and shares with them management policies; this ensures that the business decisions of all Group companies are made efficiently and effectively.
  - c. Each Group company implements its own explicit and transparent delegation of authority procedures.
  - d. Each Group company implements a code of conduct in line with the “Global Code of Conduct.” establishes a compliance committee and ensures full compliance with all laws and our corporate code of conduct. The Global Compliance Committee regularly monitors these companies and works to ensure further strict compliance with laws, the Articles of Incorporation and the corporate ethics. In addition, Group companies implement the “Easy Voice System,” which ensures that employees are able to directly communicate to the Group company or to the Company directly their opinions, questions and requests.
  - e. The internal audit department of the Company periodically carries out local audits on the business of Group companies for the purpose of monitoring and confirming legal compliance, relevant Articles of Incorporation as well as management of business risks. Major Group companies establish their own internal audit departments and perform internal audits under the supervision of the Company’s internal audit department.
  - f. The Company’s Statutory Auditors and Group companies’ Statutory Auditors have periodic meetings to share information and exchange opinion from the viewpoint of consolidated management for the purpose of ensuring effective auditing of the Group companies.

- vi) Organization of employee(s) supporting Statutory Auditors, and systems showing their independence from the Directors
  - a. The Company has the Statutory Auditors' Office to support the activities of the Statutory Auditors. A dedicated manager(s) is assigned and performs his/her duties under the supervision and responsibility of the Statutory Auditors.
  - b. The Statutory Auditors make appraisal of dedicated manager's performance, and his/her move to another department and his/her disciplinary action are subject to prior approval of the Board of Statutory Auditors.
- vii) Systems by which Directors and employee report business issues to the Statutory Auditors
  - a. The Statutory Auditors determine their annual audit plan and perform their audit activities in accordance with that plan. The annual audit plan includes schedules of reports by various divisions. Directors and employees make reports in accordance with the annual audit plan.
  - b. When Directors detect any incidents which result in or could result in a materially negative impact to the Company, they are required to immediately report such incidents to the Statutory Auditors.
  - c. Directors and employees are required to make an ad-hoc report to the Statutory Auditors regarding the situation of business activities when so requested.
  - d. The internal audit department periodically reports to the Statutory Auditors its internal audit plan and the results of the internal audits performed.
- viii) System to ensure effective and valid auditing by the Statutory Auditors
  - a. At least 50% of the Statutory Auditors are Outside Statutory Auditors to ensure effective and independent auditing. The Statutory Auditors hold periodical meetings in order to exchange and share information and their respective opinions. Ad-hoc meetings are also held whenever deemed necessary.
  - b. The Statutory Auditors have periodical meetings with Representative Directors (including the President) and exchange views and opinions.

(3) Outline of the limited liability contract (Agreement set forth in Article 427, Paragraph 1, of the Company Law)

The Company's Outside Directors and Statutory Auditors hold a limited liability contract with the Company as stipulated by Article 423, Paragraph 1, of the Company Law. The contract prescribes that the maximum amount for which the Outside Directors and Outside Statutory Auditors are liable shall be the higher of ¥5 million or the lowest limit specified by statute.

b) Internal audits and corporate audits by the Statutory Auditors

The Company has the global internal audit function (13 persons in the Company and 79 persons globally), an independent group, to handle internal auditing tasks. Under the control of the Chief Internal Audit Officer, audit teams set up in each region carry out efficient, effective auditing of the Company's activities on a group-wide and global basis. Audits are conducted based on the audit plans, which have been approved by the Operations Committee, and the audit results are reported to the relevant corporate officers related to the audits. The audit results are regularly reported to the Statutory Auditors.

Each Statutory Auditor oversees the execution of duties of the respective Directors in compliance with the Company's audit standard and guidelines as stipulated by the Board of Statutory Auditors. In addition, the Company has set up the Statutory Auditors' Office, the staff of which assists the Statutory Auditors in conducting their duties. The Statutory Auditors oversee the execution of the Directors' duties by attending the Board of Directors' meetings and other significant meetings and hearing from the Directors on their business reports regularly and whenever necessary. The Statutory Auditors also meet regularly with the Representative Directors to exchange opinions on wide range of issues.

The Board of Statutory Auditors endeavors to enhance audit efficiency by sharing information among the Statutory Auditors. The Statutory Auditors also receive regular reports on the results of inspections and audit plans from, and exchange opinions with, the internal audit department. Such information is taken into consideration for statutory audit. In addition, the Statutory Auditors receive similar reports from the independent auditors, as well as detailed explanations on the status of the quality control of internal audits, to confirm whether their oversight is at a suitable level. There is no difference or distinction between Outside Statutory Auditors and other Statutory Auditors with regard to the auditing system of Statutory Auditors and their mutual collaboration with relevant internal control departments and the independent Auditors.

c) Outside Directors and Outside Statutory Auditors

The Company has one (1) Outside Director and three (3) Outside Statutory Auditors.

Jean-Baptiste Duzan once served as Senior Vice President of Renault. There are no special relations of interest between him and the Company for the fiscal year ended March 31, 2013. There is an agreement entered into by and between Renault and the Company with regard to an overall alliance in the automobile business including equity participation. At the end of the year under review, Renault held 43.4% of the Company's shares (number of shares held as a percentage of total shares issued) and the Company held 15.0% of Renault's shares (number of shares held as a percentage of total shares issued, including those under indirect shareholdings). In addition, two incumbent board members concurrently serve as Directors at the Company and Renault, and an ex-officer of Renault serves as Director of the Company. Although the Company and Renault had transactions such as selling and purchasing automotive parts for the fiscal year ended March 31, 2013, the disclosure of a summary is omitted because such transactions may be judged to have no impact on the judgment of shareholders and investors in view of the transaction scale thereof. There are no other relations

of interest between Renault and the Company.

The Company has appointed him as Outside Director assuming that he would give valuable advice on Nissan's businesses based on the synergies created through the collaboration with Renault and the broad and sophisticated perspective from his abundant experience as a manager and his wide-ranging insight.

There are no special relations of interest between each Outside Statutory Auditor and the Company.

Outside Statutory Auditor Toshiyuki Nakamura was once a Representative Director of The Bank of Yokohama, Ltd. Although The Bank of Yokohama, Ltd. and the Company had transactions such as cash in banks or borrowings for the fiscal year ended March 31, 2013, the disclosure of a summary is omitted because such transactions may be judged to have no impact on the judgment of shareholders and investors in view of the transaction scale thereof. There are no other relations of interest between The Bank of Yokohama, Ltd. and the Company.

Outside Statutory Auditor Mikio Nakura was once the Representative Director and President of Kowa Real Estate Co., Ltd. There are no relations of interest between Kowa Real Estate Co., Ltd. and the Company.

Outside Statutory Auditor Shigetoshi Andoh was once the Chairman of Nippon Shinpan Co., Ltd. (currently Mitsubishi UFJ NICOS Co., Ltd.), and the Chairman of Hitachi Zosen Corporation. Although Mitsubishi UFJ NICOS Co., Ltd. and the Company had transactions for the fiscal year ended March 31, 2013, the disclosure of a summary is omitted because such transactions may be judged to have no impact on the judgment of shareholders and investors in view of the transaction scale thereof. There are no other relations of interest between Mitsubishi UFJ NICOS Co., Ltd. and the Company. Meanwhile, there are no relations of interest between Hitachi Zosen Corporation and the Company.

The Company has appointed them as Outside Statutory Auditors judging that they will perform their duties based on a broad and sophisticated perspective given their abundant experience and wide-ranging insight as managers.

The Company endeavors to appoint and ensure highly independent Outside Directors and Statutory Auditors who would have no conflicts of interest with ordinary shareholders with reference to the standards regarding the independency of independent directors and auditors at the Tokyo Stock Exchange (the standards set forth in III 5. (3)-2 in the "Guidelines on Listing Management, etc."), although the Company has not specifically stipulated standards or guidelines regarding independency from the Company for the purpose of designating outside directors and statutory auditors.

#### d) Compensation paid to Directors and Statutory Auditors

Compensation paid to the Company's Directors consists of an amount of remuneration in cash and share appreciation rights (SARs) as resolved at the 104th annual shareholders' meeting held on June 19, 2003. The cash remuneration is limited to a maximum of ¥2,990 million per annum as resolved at the 109th annual shareholders' meeting held on June 25, 2008. The amount to be paid to each Director is determined in function of the Director's contributions to Company performance and in reference to a regular benchmarking of executive pay of a peer group of large multi-national companies conducted by the Company's compensation consultant, Towers Watson.

Directors are eligible to earn SARs as an incentive to boost in a sustainable way the profitable growth of the Company. To earn the SARs for which they are eligible Directors must achieve objectives that are directly related to achievement of the Company's business plan. This incentive is limited to the equivalent of 6 million shares of the Company's common stock per annum as resolved at the 111th annual shareholders' meeting held on June 23, 2010.

The remuneration paid to the Statutory Auditors is limited to a yearly amount of ¥120 million as resolved at the 106th annual shareholders' meeting held on June 21, 2005. This compensation is designed within this limit to promote stable and transparent auditing.

For the current fiscal year, the amounts disbursed to the Directors and the Statutory Auditors were as follows:

<Total remuneration by each position>

Category	(Millions of yen)			
	Total Remuneration	Basic Remuneration	SAR	Numbers
Directors (except for Outside Directors)	1,842	1,746	96	9
Statutory Auditors (except for Outside Statutory Auditors )	28	28	—	1
Outside Directors and Outside Statutory Auditors	70	70	—	5

<Individuals whose remuneration exceeds JPY100 million>

(Millions of yen)

Name	Position	Category	Total Remuneration	Basic Remuneration	SAR
Carlos Ghosn	Director	The Company	988	988	—
Toshiyuki Shiga	Director	The Company	153	124	29
Hiroto Saikawa	Director	The Company	117	103	14
Colin Dodge	Director	The Company	275	250	25
Mitsuhiro Yamashita	Director	The Company	113	99	14
Hidetoshi Imazu	Director	The Company	109	95	14

Note: The above mentioned amount of share appreciation rights (SAR) is the expense recorded based on the fair value, calculated by using the share price as of March 31, 2013. Payment is not fixed with the fair value.

<The procedures to determine the amount of remuneration>

The chairman of the Board of the Company in consultation with the representative directors and taking into account existing contracts determined the compensation of each director after reviewing the director's performance and the results of the benchmarking of executive pay survey conducted by the Company's compensation consultant.

e) Status of stocks held

i) Stocks for investment held for any purposes other than investment purpose

Number of stocks: 42

Total of the amounts recorded in the balance sheet: ¥107,022 million

ii) Holding classification, stocks, number of shares held, amount recorded in the balance sheet and holding purpose of the stocks for investment held for any purposes other than pure investment purposes

(Prior fiscal year)

Specific stocks for investment

Stocks	Number of shares held by the Company	Amount recorded in the balance sheet (Millions of yen)	Holding Purpose
Daimler AG	16,448,378	82,084	Maintain a strategic cooperative relationship
Unipres Corporation	5,273,000	13,504	Maintain a relationship in automotive parts supply
Tan Chong Motor Holdings Berhad	37,333,324	4,537	Maintain a relationship in manufacturing and sales
MITSUBA Corporation	1,742,729	1,397	Maintain a relationship in automotive parts supply
Terumo Corporation	150,000	593	Maintain the trade relations
Star Flyer Inc.	30,000	120	Maintain the trade relations

Note: There are six (6) applicable specific stocks for investment inclusive of those for which the amount recorded in the balance sheet is less than one-hundredth (1/100) of shareholders' equity.

"Amount recorded in the balance sheet" of Tan Chong Motor Holdings Berhad and the following three (3) companies is less than one-hundredth (1/100) of shareholders' equity.

Stocks subject to deemed holding

Stocks	Number of shares held by the Company	Amount recorded in the balance sheet (Millions of yen)	Holding purpose
IBJ Leasing Company, Limited	1,750,000	3,752	Maintain the relations with Group companies

(Current fiscal year)

Specific stocks for investment

Stocks	Number of shares held by the Company	Amount recorded in the balance sheet (Millions of yen)	Holding Purpose
Daimler AG	16,448,378	84,794	Maintain a strategic cooperative relationship
Unipres Corporation	5,273,000	11,358	Maintain a relationship in automotive parts supply
Tan Chong Motor Holdings Berhad	37,333,324	5,829	Maintain a relationship in manufacturing and sales
MITSUBA Corporation	1,742,729	1,676	Maintain a relationship in automotive parts supply
Terumo Corporation	150,000	607	Maintain the trade relations
Star Flyer Inc.	60,000	135	Maintain the trade relations

Note: There are six (6) applicable specific stocks for investment inclusive of those for which the amount recorded in the balance sheet is less than one-hundredth (1/100) of shareholders' equity.

"Amount recorded in the balance sheet" of Tan Chong Motor Holdings Berhad and the following three (3) companies is less than one-hundredth (1/100) of shareholders' equity.

Stocks subject to deemed holding

Stocks	Number of shares held by the Company	Amount recorded in the balance sheet (Millions of yen)	Holding purpose
IBJ Leasing Company, Limited	1,750,000	5,055	Maintain the relations with Group companies

iii) Stocks for investment held solely for investment purpose  
Not applicable

f) Audit of financial statements

The Company appoints Ernst & Young ShinNihon LLC as its independent auditors. The Certified Public Accountants engaged in the audit of financial statements are as follows:

The name of the Certified Public Accountants engaged in the financial statement audit	
Designated Liability-Limited and Engagement Partner	Kenji Ota
Designated Liability-Limited and Engagement Partner	Yoji Murohashi
Designated Liability-Limited and Engagement Partner	Koki Ito
Designated Liability-Limited and Engagement Partner	Hiroshi Kaya

※As the years of continuous service in audit are less than seven years for all the Certified Public Accountants, the relevant statement is omitted.

※Ernst & Young ShinNihon LLC has taken its own autonomous measures so that each Engagement Partner is not involved in the audit of the Company's financial statements for a period over a predetermined tenure.

Assistants to the audit of the financial statements were 31 Certified Public Accountants and 46 others, including junior accountants, successful applicants who have passed the Certified Public Accountants examination and system specialists.

g) Requisite number of Directors

The Company stipulates in its Articles of Incorporation that not less than six (6) Directors shall be elected.

h) Requirement of a resolution for electing Directors

The Company stipulates in its Articles of Incorporation that a resolution for the election of Directors shall be adopted by a majority vote of shareholders present holding not less than one-third (1/3) of the shares with voting rights held by shareholders entitled to exercise their voting rights, with regard to the requirement of a resolution for electing Directors.

i) Decision-making organization for payment of interim dividends

The Company has determined in its Articles of Incorporation that the Company may, upon resolution by the Board of Directors, distribute interim dividends so that the Company may flexibly distribute profits to shareholders.

j) Decision-making organization for acquisition of the Company's shares

The Company has determined in its Articles of Incorporation that the Company may acquire its own shares through market transactions by a resolution of the Board of Directors as stipulated in Article 165, Paragraph 2, of the Company Law, so that the Company can conduct flexible and agile capital policies.

k) Exemption from liabilities of the Directors and the Statutory Auditors

The Company has determined in its Articles of Incorporation, as stipulated in Article 426, Paragraph 1 of the Company Law, that the Company may, by a resolution of the Board of Directors, release Directors (including ex-Directors) and Statutory Auditors (including ex-Statutory Auditors) from liabilities as stipulated in Article 423, Paragraph 1, of the Company Law, to the extent permitted by laws and regulations, so that they can fully demonstrate their roles expected in executing their duties.

(2) Content of audit fee

a) Content of the remuneration to the Certified Public Accountants engaged in the financial statement audit

(Millions of yen)

Category	Prior fiscal year		Current fiscal year	
	Remuneration to be paid for auditing and attestation	Remuneration to be paid for non-audit services	Remuneration to be paid for auditing and attestation	Remuneration to be paid for non-audit services
The Company	496	19	476	18
Consolidated subsidiaries	463	68	450	36
Total	959	87	926	54

b) Content of other important remuneration

(Prior fiscal year)

Several overseas consolidated subsidiaries paid a total of ¥1,189 million as the remuneration to be paid for auditing and attestation and ¥70 million as the remuneration to be paid for non-audit services to respective Ernst & Young auditing firms that belong to the global Ernst & Young network, of which Ernst & Young ShinNihon LLC is a group member.

(Current fiscal year)

Several overseas consolidated subsidiaries paid a total of ¥1,420 million as the remuneration to be paid for auditing and attestation and ¥194 million as the remuneration to be paid for non-audit services to respective Ernst & Young auditing firms that belong to the global Ernst & Young network, of which Ernst & Young ShinNihon LLC is a group member.

c) Content of the non-audit services provided by the Certified Public Accountants engaged in the financial statement audit to the submitter of this Securities Report (the Company)

(Prior fiscal year)

The Company pays remuneration for the non-audit services provided by the Certified Public Accountants regarding their surveys and examination of financial matters, their advice on documents to be disclosed in English and so forth.

(Current fiscal year)

The Company pays remuneration for the non-audit services provided by the Certified Public Accountants regarding their advice on documents to be disclosed in English, consolidation system implementation support and so forth.

d) Policy on determining the audit fee

Audit fee is appropriately determined with due consideration for audit plan, audit scope, the time needed to audit and so forth, having the Board of Statutory Auditors' consent, not to spoil the independency of the Certified Public Accountants engaged in the financial statement audit.

## 5. Financial Information

### 1. Basis of preparation of the consolidated financial statements and the non-consolidated financial statements

- (1) The consolidated financial statements of the Company are prepared in accordance with the Ministry of Finance Ordinance No. 28, 1976 “Regulations Concerning the Terminology, Forms and Preparation Methods of Consolidated Financial Statements.”
- (2) The non-consolidated financial statements of the Company are prepared in accordance with the Ministry of Finance Ordinance No. 59, 1963 “Regulations Concerning the Terminology, Forms and Preparation Methods of Non-Consolidated Financial Statements.”

### 2. Auditing and attestation

The consolidated and the non-consolidated financial statements for the fiscal year ended March 31, 2013 (from April 1, 2012 to March 31, 2013) were audited by Ernst & Young ShinNihon LLC, in accordance with Article 193-2, Paragraph 1, of the Financial Instruments and Exchange Law.

### 3. Particular efforts to secure the appropriateness of the consolidated financial statements

- (1) To ensure correct understanding of accounting standards, etc., and to correspond appropriately to any changes in these standards, etc., the Company gathers information by acquiring membership in the Financial Accounting Standards Foundation and other means.
- (2) To properly prepare consolidated financial statements and other documents according to the accounting standards generally accepted as fair and reasonable in Japan, the Company improves its internal regulations and ensures that these regulations are disseminated and observed.
- (3) To prepare financial reports in accordance with the International Financial Reporting Standards (IFRSs), the Company has developed unified accounting standards for the Company Group for circulation among its consolidated companies and supplements these standards by providing information on important accounting matters that require particular attention. This information is accessible to said companies whenever necessary as a guide for preparing their financial reports. Currently, the Company’s consolidated companies prepare their financial reports for consolidation in accordance with the IFRSs as part of the reports submitted to the Company. These reports are reviewed through analytical and other methods by the Company’s accounting managers, who have specialized expertise on the IFRSs, and any reports found imperfect must be corrected and resubmitted.

The Group’s unified accounting standards are regularly updated to reflect any relevant revisions to the IFRSs. In addition, the Company ensures that its consolidated companies are kept informed of such updates and, regarding particularly important revisions, prepares accounting instructions and educates the accounting personnel of the consolidated companies as needed. As a part of the activities, the accounting personnel participates IFRSs seminars organized by audit firms and other organizations, thereby accumulating specialized expertise within the Company.

The Company participates in the roundtables and workshops held by the International Accounting Standards Board and responds to the invitation for public comments on exposure drafts, thereby keeping on top of forthcoming revisions to the IFRSs. The Company’s opinion from the viewpoint of a preparer of financial statements has contributed to the preparation, revision and global expansion of the IFRSs.

## 1. Consolidated Financial Statements

(1) Consolidated financial statements

① Consolidated balance sheet

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
<b>Assets</b>		
Current assets		
Cash on hand and in banks	765,423	690,817
Trade notes and accounts receivable	820,008	712,165
Sales finance receivables ※3,※6	3,210,342	4,161,925
Securities	77,476	107,651
Merchandise and finished goods	665,262	711,402 ※3
Work in process	153,228	104,259
Raw materials and supplies	200,476	309,460
Deferred tax assets	266,540	244,133
Other ※3,※6	506,947	608,588 ※3,※6
Allowance for doubtful accounts	(55,630)	(53,296)
Total current assets	6,610,072	7,597,104
Fixed assets		
Property, plant and equipment		
Buildings and structures, net	615,921	641,915
Machinery, equipment and vehicles, net ※2	1,874,277	2,326,711 ※2
Land	649,509	644,656
Construction in progress	255,333	313,243
Other, net	336,206	436,088
Total property, plant and equipment ※1,※3	3,731,246	4,362,613 ※1,※3
Intangible fixed assets ※4	120,114	121,698 ※3,※4
Investments and other assets		
Investment securities ※5	371,259	448,862 ※5
Long-term loans receivable	5,617	13,111
Deferred tax assets	92,378	103,200
Other	144,605	161,296
Allowance for doubtful accounts	(3,238)	(2,714)
Total investments and other assets	610,621	723,755
Total fixed assets	4,461,981	5,208,066
Total assets	11,072,053	12,805,170

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
<b>Liabilities</b>		
Current liabilities		
Trade notes and accounts payable	1,377,254	1,336,234
Short-term borrowings	※3 244,582	※3 519,180
Current portion of long-term borrowings	※3 822,268	※3 779,881
Commercial papers	38,437	219,453
Current portion of bonds	187,198	181,336
Lease obligations	38,190	32,678
Accrued expenses	660,369	659,970
Deferred tax liabilities	136	116
Accrued warranty costs	85,535	87,424
Other	691,259	743,973
<b>Total current liabilities</b>	<b>4,145,228</b>	<b>4,560,245</b>
Long-term liabilities		
Bonds	584,962	678,585
Long-term borrowings	※3 1,877,997	※3 2,352,450
Lease obligations	34,584	22,795
Deferred tax liabilities	486,699	555,249
Accrued warranty costs	100,431	93,519
Accrued retirement benefits	159,369	164,503
Accrued directors' retirement benefits	544	395
Other	232,242	303,436
<b>Total long-term liabilities</b>	<b>3,476,828</b>	<b>4,170,932</b>
<b>Total liabilities</b>	<b>7,622,056</b>	<b>8,731,177</b>
<b>Net assets</b>		
Shareholders' equity		
Common stock	605,814	605,814
Capital surplus	804,470	804,470
Retained earnings	3,009,090	3,254,206
Treasury stock	(149,542)	(149,549)
<b>Total shareholders' equity</b>	<b>4,269,832</b>	<b>4,514,941</b>
Accumulated other comprehensive income		
Unrealized holding gain and loss on securities	16,979	20,897
Unrealized gain and loss from hedging instruments	(5,108)	(8,578)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	(13,945)	(13,945)
Translation adjustments	(1,121,059)	(780,013)
<b>Total accumulated other comprehensive income</b>	<b>(1,123,133)</b>	<b>(781,639)</b>
Share subscription rights	2,415	2,415
Minority interests	300,883	338,276
<b>Total net assets</b>	<b>3,449,997</b>	<b>4,073,993</b>
<b>Total liabilities and net assets</b>	<b>11,072,053</b>	<b>12,805,170</b>

② Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Net sales	9,409,026	9,629,574
Cost of sales	※1,※2 7,772,832	※1,※2 8,022,658
Gross profit	1,636,194	1,606,916
Selling, general and administrative expenses		
Advertising expenses	203,650	229,067
Service costs	66,181	55,099
Provision for warranty costs	77,278	71,320
Other selling expenses	141,508	131,660
Salaries and wages	333,745	329,771
Retirement benefit expenses	24,630	11,855
Supplies	5,445	4,544
Depreciation and amortization	48,718	48,361
Provision for doubtful accounts or reversal of provision for doubtful accounts	(8,127)	6,199
Amortization of goodwill	5,251	4,612
Other	192,076	190,884
Total selling, general and administrative expenses	※1 1,090,355	※1 1,083,372
Operating income	545,839	523,544
Non-operating income		
Interest income	17,174	14,866
Dividends income	5,776	4,846
Equity in earnings of affiliates	19,103	11,643
Exchange gain	14,756	19,388
Miscellaneous income	12,343	15,279
Total non-operating income	69,152	66,022
Non-operating expenses		
Interest expense	32,892	27,471
Amortization of net retirement benefit obligation at transition	10,146	9,947
Derivative loss	20,816	6,360
Miscellaneous expenses	16,047	16,468
Total non-operating expenses	79,901	60,246
Ordinary income	535,090	529,320

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)		Current fiscal year (From April 1, 2012 To March 31, 2013)	
<b>Special gains</b>				
Gain on sales of fixed assets	※3	8,716	※3	10,998
Gain on sales of investment securities		10,643		1,597
Gain on negative goodwill	※4	24,086	※4	110
Gain on contribution of securities to retirement benefit trust		7,048		-
Insurance income		-		1,082
Gain on transfer of business		-		8,070
Other		5,498		1,753
<b>Total special gains</b>		<b>55,991</b>		<b>23,610</b>
<b>Special losses</b>				
Loss on sale of fixed assets	※3	1,924	※3	1,597
Loss on disposal of fixed assets		7,106		8,247
Impairment loss	※5	12,117	※5	12,352
Loss on disaster	※6	29,867		-
Other		10,738		14,020
<b>Total special losses</b>		<b>61,752</b>		<b>36,216</b>
<b>Income before income taxes and minority interests</b>		<b>529,329</b>		<b>516,714</b>
Income taxes-current		115,185		105,659
Income taxes-deferred		36,321		40,692
<b>Total income taxes</b>		<b>151,506</b>		<b>146,351</b>
<b>Income before minority interests</b>		<b>377,823</b>		<b>370,363</b>
Income attributable to minority interests		36,390		27,917
<b>Net income</b>		<b>341,433</b>		<b>342,446</b>

Consolidated statement of comprehensive income

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Income before minority interests	377,823	370,363
Other comprehensive income		
Unrealized holding gain and loss on securities	(5,286)	2,152
Unrealized gain and loss from hedging instruments	(1,564)	(3,019)
Translation adjustments	(57,863)	341,313
The amount for equity method company portion	(22,510)	23,848
Total of other comprehensive income	※1 (87,223)	※1 364,294
Comprehensive income	290,600	734,657
(Breakdown of comprehensive income)		
Parent company portion of comprehensive income	258,398	683,939
Minority interest portion of comprehensive income	32,202	50,718

③ Consolidated statement of changes in net assets

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
<b>Shareholders' equity</b>		
Common stock		
Balance at the beginning of current period	605,814	605,814
Balance at the end of current period	605,814	605,814
Capital surplus		
Balance at the beginning of current period	804,470	804,470
Balance at the end of current period	804,470	804,470
Retained earnings		
Balance at the beginning of current period	2,733,253	3,009,090
Changes of items during the period		
Cash dividends paid	(62,748)	(94,306)
Net income	341,433	342,446
Disposal of treasury stock	(2,848)	-
Changes in the scope of consolidation	-	(181)
Changes in the scope of equity method	-	(2,843)
Total changes of items during the period	275,837	245,116
Balance at the end of current period	3,009,090	3,254,206
Treasury stock		
Balance at the beginning of current period	(162,024)	(149,542)
Changes of items during the period		
Purchase of treasury stock	(9,028)	(7)
Disposal of treasury stock	21,510	-
Total changes of items during the period	12,482	(7)
Balance at the end of current period	(149,542)	(149,549)
<b>Total shareholders' equity</b>		
Balance at the beginning of current period	3,981,513	4,269,832
Changes of items during the period		
Cash dividends paid	(62,748)	(94,306)
Net income	341,433	342,446
Purchase of treasury stock	(9,028)	(7)
Disposal of treasury stock	18,662	-
Changes in the scope of consolidation	-	(181)
Changes in the scope of equity method	-	(2,843)
Total changes of items during the period	288,319	245,109
Balance at the end of current period	4,269,832	4,514,941

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
<b>Accumulated other comprehensive income</b>		
Unrealized holding gain and loss on securities		
Balance at the beginning of current period	20,862	16,979
Changes of items during the period		
Net changes of items other than those in shareholders' equity	(3,883)	3,918
Total changes of items during the period	(3,883)	3,918
Balance at the end of current period	16,979	20,897
Unrealized gain and loss from hedging instruments		
Balance at the beginning of current period	1,904	(5,108)
Changes of items during the period		
Net changes of items other than those in shareholders' equity	(7,012)	(3,470)
Total changes of items during the period	(7,012)	(3,470)
Balance at the end of current period	(5,108)	(8,578)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting		
Balance at the beginning of current period	(13,945)	(13,945)
Balance at the end of current period	(13,945)	(13,945)
Translation adjustments		
Balance at the beginning of current period	(1,048,919)	(1,121,059)
Changes of items during the period		
Net changes of items other than those in shareholders' equity	(72,140)	341,046
Total changes of items during the period	(72,140)	341,046
Balance at the end of current period	(1,121,059)	(780,013)
<b>Total accumulated other comprehensive income</b>		
Balance at the beginning of current period	(1,040,098)	(1,123,133)
Changes of items during the period		
Net changes of items other than those in shareholders' equity	(83,035)	341,494
Total changes of items during the period	(83,035)	341,494
Balance at the end of current period	(1,123,133)	(781,639)
<b>Share subscription rights</b>		
Balance at the beginning of current period	2,415	2,415
Balance at the end of current period	2,415	2,415
<b>Minority interests</b>		
Balance at the beginning of current period	329,953	300,883
Changes of items during the period		
Net changes of items other than those in shareholders' equity	(29,070)	37,393
Total changes of items during the period	(29,070)	37,393
Balance at the end of current period	300,883	338,276

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
<b>Total net assets</b>		
Balance at the beginning of current period	3,273,783	3,449,997
<b>Changes of items during the period</b>		
Cash dividends paid	(62,748)	(94,306)
Net income	341,433	342,446
Purchase of treasury stock	(9,028)	(7)
Disposal of treasury stock	18,662	-
Changes in the scope of consolidation	-	(181)
Changes in the scope of equity method	-	(2,843)
Net changes of items other than those in shareholders' equity	(112,105)	378,887
<b>Total changes of items during the period</b>	<b>176,214</b>	<b>623,996</b>
Balance at the end of current period	3,449,997	4,073,993

## ④ Consolidated statement of cash flows

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
<b>Cash flows from operating activities</b>		
Income before income taxes and minority interests	529,329	516,714
Depreciation and amortization (for fixed assets excluding leased vehicles)	364,122	352,376
Depreciation and amortization (for long-term prepaid expenses)	20,852	18,836
Depreciation and amortization (for leased vehicles)	195,370	219,155
Impairment loss	12,117	12,352
Loss on disaster	8,245	-
Gain on contribution of securities to retirement benefit trust	(7,048)	-
Gain on negative goodwill	(24,086)	(110)
Increase (decrease) in allowance for doubtful receivables	(23,968)	(6,112)
Provision for residual value risk of leased vehicles (net changes)	10,095	12,378
Interest and dividend income	(22,950)	(19,712)
Interest expense	87,890	85,183
Loss (gain) on sales of fixed assets	(6,792)	(9,401)
Loss on disposal of fixed assets	7,106	8,247
Loss (gain) on sales of investment securities	(10,624)	(1,564)
Loss (gain) on transfer of business	-	(8,070)
Decrease (increase) in trade notes and accounts receivable	(89,495)	123,816
Decrease (increase) in sales finance receivables	(432,957)	(561,046)
Decrease (increase) in inventories	(70,615)	10,408
Increase (decrease) in trade notes and accounts payable	317,945	(147,345)
Amortization of net retirement benefit obligation at transition	10,146	9,947
Retirement benefit expenses	55,141	30,324
Retirement benefit payments made against related accrual	(62,695)	(46,178)
Other	(2,051)	(33,152)
Subtotal	865,077	567,046
Interest and dividends received	23,070	20,143
Interest paid	(85,398)	(87,798)
Income taxes paid	(106,452)	(108,494)
Net cash provided by operating activities	696,297	390,897
<b>Cash flows from investing activities</b>		
Net decrease (increase) in short-term investments	1,597	24
Purchase of fixed assets	(400,623)	(526,818)
Proceeds from sales of fixed assets	27,458	60,255
Purchase of leased vehicles	(625,646)	(709,995)
Proceeds from sales of leased vehicles	317,211	323,615
Payments of long-term loans receivable	(4,222)	(8,439)
Collection of long-term loans receivable	22,816	239
Purchase of investment securities	(17,340)	(34,155)
Proceeds from sales of investment securities	6,124	2,332
Proceeds from sales of subsidiaries' shares resulting in changes in the scope of consolidation	537	15,106
Net decrease (increase) in restricted cash	17,336	(14,722)
Payment for transfer of business	-	※2 (56,644)
Other	(30,301)	(7,935)
Net cash used in investing activities	(685,053)	(957,137)

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(536,782)	377,439
Proceeds from long-term borrowings	1,379,490	1,122,914
Proceeds from issuance of bonds	135,329	242,754
Repayments of long-term borrowings	(1,034,056)	(952,145)
Redemption of bonds	(88,459)	(182,877)
Proceeds from minority shareholders	2,606	9,942
Purchase of treasury stock	(9,015)	(7)
Repayments of lease obligations	(81,118)	(52,944)
Cash dividends paid	(62,748)	(94,306)
Cash dividends paid to minority shareholders	(13,704)	(15,143)
Net cash provided by (used in) financing activities	(308,457)	455,627
Effects of exchange rate changes on cash and cash equivalents	(15,630)	67,723
Increase (decrease) in cash and cash equivalents	(312,843)	(42,890)
Cash and cash equivalents at beginning of the period	1,153,453	840,871
Increase due to inclusion in consolidation	261	548
Decrease due to exclusion from consolidation	-	(168)
Cash and cash equivalents at end of the period	※1 840,871	※1 798,361

## [Notes to Consolidated Financial Statements]

(Basis of consolidated financial statements)

### 1. Scope of consolidation

#### (1) Number of consolidated companies: 180

- Domestic companies: 74
- Foreign companies: 106

The names of principal consolidated companies are omitted here because they are provided in “4. Information on subsidiaries and affiliates” under “1. Overview of the Company.”

Calsonic Kansei (Shanghai) Automotive Technology R&D Co. Limited. and six other companies have been newly established and included in the scope of consolidation in the current fiscal year. Calsonic Kansei UK Limited and one other company, which were unconsolidated subsidiaries accounted for by the equity method in the prior fiscal year, and Nissan Global Company Limited, which was an unconsolidated subsidiary not accounted for by the equity method in the prior fiscal year, have been included in the scope of consolidation in the current fiscal year because their importance has increased. Meanwhile, companies that have been excluded from the scope of consolidation in the current fiscal year are Nissan Forklift Co., Ltd. and 23 other companies, whose shares held by the Company have been sold; Nissan Buhin Shizuoka Hanbai Co., Ltd. which has been dissolved due to a merger; Calsonic Kansei (Shanghai) Corp. for which the importance has changed; and Nissan Property (UK) Limited and two other companies, which have been liquidated.

#### (2) Number of unconsolidated subsidiaries: 114

- Domestic companies: 71  
Nissan Marine Co., Ltd. and others
- Foreign companies: 43  
Calsonic Kansei Spain, S.A. and others

These unconsolidated subsidiaries are small in terms of their total assets, sales, net income or loss, retained earnings and others, and do not have a significant effect on the consolidated financial statements. As a result, they have been excluded from consolidation.

### 2. Equity method

#### (1) Number of companies accounted for by the equity method: 59

- Unconsolidated subsidiaries: 33 (18 domestic and 15 foreign companies)  
Nissan Marine Co., Ltd., Calsonic Kansei Spain, S.A. and others

Calsonic Kansei UK Limited and one other company, which were unconsolidated subsidiaries accounted for by the equity method in the prior fiscal year, have been included in the scope of consolidation in the current fiscal year because their importance has increased. Nissan Shatai Manufacturing Co., Ltd. and five other companies, which were unconsolidated subsidiary not accounted for by the equity method, have been included in the scope of the equity method because their importance has increased. Nissan Forklift Kyushu Co., Ltd. and four other companies, which were unconsolidated subsidiaries accounted for by the equity method in the prior fiscal year, have been excluded because the shares held by the Company have been sold. Nissan Teilepot Mitte GmbH has been dissolved due to a merger.

- Affiliates: 26 (18 domestic and 8 foreign companies)  
Renault, Nissan Tokyo Sales Holdings Co., Ltd. and others

Alliance Rostec Auto BV has been newly established through a joint capital investment and included in the scope of the equity method.

#### (2) Number of companies not accounted for by the equity method: 114

- Unconsolidated subsidiaries: 81  
Nissan Shatai Computer Service Co., Ltd. and others
- Affiliates: 33  
Siam Calsonic Co., Ltd. and others

These companies are not accounted for by the equity method, as their impact is not significant on the consolidated net income or loss, consolidated retained earnings and others.

#### (3) No adjustments are made to the financial statements of the companies accounted for by the equity method even if their accounting period is different from that of the Company.

### 3. Accounting period of consolidated subsidiaries

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

December 31:

Nissan Mexicana, S.A. de C.A.  
NR Finance Mexico S.A. de C.V, SOFOM E.N.R.  
NR Finance Service, S.A. de C.V.  
Aprite (GB) Ltd.  
Nissan Manufacturing RUS LLC.  
Nissan Motor Ukraine Ltd.  
Nissan Do Brasil Automóveis Ltda.  
JATCO Mexico, S.A. De C.V.  
Yulon Nissan Motor Co., Ltd.  
Nissan (China) Investment Co., Ltd.  
Dongfeng Motor Co., Ltd.  
Dongfeng Nissan Auto Finance Co., Ltd.  
Nissan Shanghai Co., Ltd.

Calsonic Kansei Mexicana, S.A. de R.L. de C.V.

Calsonic Kansei (China) Holding Corp.

Calsonic Kansei (Guangzhou) Corp.

Calsonic Kansei (Wuxi) Corp.

Calsonic Kansei (Xiangyang) Corp.

Calsonic Kansei Components (Wuxi) Corp.

Calsonic Kansei (Guangzhou) Components Corp.

CK KS Engineering (Guangzhou) Tooling Center Corp.

Calsonic Kansei (Shanghai) Automotive Technology R&D Co. Limited.

Nissan Trading China Co., Ltd. has changed its fiscal year end from December 31 to March 31, and the current fiscal year includes 15 months from January 1, 2012 to March 31, 2013.

#### (2) Of these 22 companies, the financial statements of Nissan Mexicana, S.A. de C.A. and seven other subsidiaries are consolidated by using their financial statements as of the parent fiscal year end which are prepared solely for consolidation purposes. For Dongfeng Motor Co., Ltd., Yulon Nissan Motor Co., Ltd. and 12 other subsidiaries are consolidated by using their financial statements as of their respective fiscal year end, and necessary adjustments are made to their financial statements to reflect any significant transactions from 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. Costs of securities sold are 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.

##### ② Derivative financial instruments

Derivative financial instruments are stated at fair value.

##### ③ Inventories

Inventories held for the purpose of ordinary sale are stated principally at cost, cost being determined by the first-in, first-out method. (The balance sheet amounts are determined by writing down the book value according to a decrease in profitability.)

#### (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 property, plant and equipment 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 normal receivables and on an estimate of the collectibility of receivables from companies in financial difficulty.

- 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.
- ③ Accrued retirement benefits  
Accrued retirement benefits or prepaid pension costs are recorded principally at an amount calculated based on the retirement benefit obligation and the fair value of the pension plan assets at the end of the current fiscal year.  
The net retirement benefit obligation at transition is being amortized over a period of 15 years by the straight-line method.  
Prior 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.  
Actuarial gain or loss is amortized from the year following the year in which the gain or loss is recognized primarily by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees.
- ④ Accrued directors' retirement benefits  
Accrued directors' retirement benefits are provided at an amount to be required at the year-end according to internal regulations.
- (4) Reporting of significant revenue and expenses
- ① Reporting of revenue from finance lease transactions  
Interest income is recognized over the fiscal years concerned.
- (5) Foreign currency translation  
Receivables and payables denominated in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date, and differences arising from the translation are charged or credited to income.  
Assets and liabilities of the foreign consolidated subsidiaries are translated into yen at the rates of exchange in effect at the balance sheet date, and revenue and expense accounts are translated at the average rates of exchange in effect during the year. Differences arising from the translation are presented as translation adjustments and minority interests in net assets.
- (6) Significant hedge accounting method
- ① Hedge accounting method  
Deferral hedge accounting is adopted, in principle. Foreign exchange contracts, except those for accounts receivable denominated in a foreign currency, are subject to appropriation if they satisfy the requirements for appropriation treatment. For interest rate swaps, special treatment is applied if the swaps satisfy the requirements for special treatment.
- ② Hedging instruments and hedged items
- Hedging instruments.....Derivative transactions
  - Hedged items.....Hedged items are primarily receivables and payables denominated in foreign currencies.
- ③ Hedging policy  
Based on the internal risk management rules and authority regarding derivative transactions, expected risks such as fluctuations in foreign exchange and interest rate are hedged within certain extent
- ④ Assessment of hedge effectiveness  
Hedge effectiveness is not assessed if the substantial terms and conditions of the hedging instruments and the hedged transactions are the same.
- (7) Amortization of goodwill and negative goodwill  
Goodwill and the negative goodwill that accrued on or before March 31, 2010, have been amortized evenly over periods not exceeding 20 years, during which their effect can be recognized, determined based on their materiality. However, immaterial goodwill and negative goodwill are charged or credited to income in the year of acquisition. Negative goodwill that accrued on or after April 1, 2010, is credited to income in the year of acquisition.
- (8) Cash and cash equivalents in the consolidated statement 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.
- (9) Accounting for consumption taxes  
Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.
- (10) Adoption of consolidated taxation system  
The Company and some of its subsidiaries have been adopted the consolidated taxation system.

(Accounting standards to be adopted)

1. Domestic subsidiaries and affiliates

(1) ASBJ Statement No. 26 “Accounting Standard for Retirement Benefits” and ASBJ Guidance No. 25 “Guidance on Accounting Standard for Retirement Benefits”

① Overview

Under the revised “Accounting Standard for Retirement Benefits” and “Guidance on Accounting Standard for Retirement Benefits,” which were released on May 17, 2012, actuarial gains or losses and prior service costs that are yet to be recognized in profit or loss should be recognized within the net asset section, after being adjusted for tax effects, and any difference between retirement benefit obligations and plan assets should be recognized as a liability or an asset. In addition, the revised standard allows the choice of the benefit formula basis for attributing the expected benefit to periods, in addition to the straight-line basis, and revises the method for determining the discount rate.

② Scheduled date of adoption

To be adopted at the end of the fiscal year ending March 31, 2014 for consolidated financial statements.

The revision concerning the method of attributing the expected benefit to periods will be applied from the beginning of the fiscal year ending March 31, 2015.

Because they include specific transitional provisions, the revised accounting standard and guidance are not applied retrospectively to prior periods’ financial statements.

③ Effect of adoption

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

2. Foreign subsidiaries and affiliates

(1) IFRS 11 *Joint Arrangements*

① Overview

IFRS 11 *Joint Arrangements*, which was released on May 12, 2011, replaces IAS 31 *Interests in Joint Ventures* and SIC 13 *Jointly Controlled Entities—Non-Monetary Contributions by Ventures*.

IFRS 11 reclassifies and defines joint arrangements into two—joint operations and joint ventures—instead of the three defined in IAS 31. Joint ventures are stripped of the free choice of using the equity method or proportionate consolidation; investments in joint ventures must now be accounted for by the equity method.

② Scheduled date of adoption

April 1, 2013

③ Effect of adoption

Adopting IFRS 11 to the Company’s consolidated financial statements for the fiscal year ended March 31, 2013 would decrease net sales, operating income by ¥892.3 billion and ¥82.7 billion, respectively. There is no effect on net income. Total assets and total net assets would decrease by ¥363.3 billion and ¥36.3 billion, respectively.

(2) IAS 19 *Employee Benefits*

① Overview

The IASB released a number of amendments to IAS 19 on June 16, 2011. The revised IAS 19 removes the option of deferred recognition of actuarial gains or losses relating to defined-benefit pension plans and requires immediate recognition as other comprehensive income. Current and past service costs, gains and losses on settlements, and net interest income or expenses are recognized in profit or loss, whereas all of the other net changes in defined benefit assets or liabilities are recognized in other comprehensive income and not presented as consolidated profit or loss.

② Scheduled date of adoption

April 1, 2013

③ Effect of adoption

Pursuant to ASBJ PITF (Practical Issues Task Force) No. 18 “Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements,” actuarial gain or losses recognized as other comprehensive income of retirement benefits prepared in accordance with the aforementioned IAS19 for some foreign subsidiaries are modified to include in profit or loss over periods which are shorter than the average remaining years of service of the eligible employees in accordance with ASBJ Statement No.26 “Accounting Standard for Retirement Benefits”. As a result, the effect of adopting IAS 19 on the Company’s consolidated financial statements will be insignificant.

(Changes in presentation)

(Consolidated statement of income)

“Write-down of investments and receivables” and “Special addition to retirement benefits,” which were presented as separate accounts under “Special losses” in the prior fiscal year, have been included in “Other” in the current fiscal year due to their decreased financial materiality.

To reflect this change, ¥1,218 million of “Write-down of investments and receivables” and ¥4,200 million of “Special addition to retirement benefits” separately stated under “Special losses” in the prior fiscal year have been reclassified into “Other” in the consolidated statement of income for the prior fiscal year provided herein.

(Consolidated statement of cash flows)

“Payments for restructuring of domestic dealers,” which was presented as a separate account under “Cash flows from investing activities” 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, a negative ¥927 million of “Payments for restructuring of domestic dealers” stated in the consolidated statement of cash flows in the prior fiscal year has been reclassified into “Other” under “Cash flows from investing activities” in the consolidated statement of cash flows for the prior fiscal year provided herein.

(For consolidated balance sheet)

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

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Accumulated depreciation of property, plant and equipment	4,252,049	4,597,122
(Accumulated depreciation of leased assets included)	173,599	157,699

2 ※2 “Machinery, equipment and vehicles, net” included the following assets leased to others under lease agreements. (Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Assets leased to others under lease agreements	1,206,995	1,541,516

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, 2012)	Current fiscal year (As of March 31, 2013)
Sales finance receivables	1,025,991	1,392,491
Merchandise and finished goods	-	85
Current assets, other	2,844	22
Property, plant and equipment	501,526	597,805
Intangible fixed assets	-	9
Total	1,530,361	1,990,412

(2) Liabilities secured by the above collateral (Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Short-term borrowings	73,216	347,282
Long-term borrowings (including the current portion)	892,787	1,197,089
Total	966,003	1,544,371

4 Guarantees and others

Prior fiscal year (As of March 31, 2012)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	※89,330	Guarantees for employees' housing loans and others
49 foreign dealers and 9 other companies	1,416	Guarantees for loans and others
Total	90,746	

※ Allowance for doubtful accounts is provided for these loans mainly based on past experience.

(2) Commitments to provide guarantees

Guarantees	Balance of commitments to provide guarantees (Millions of yen)	Description of liabilities guaranteed
Hibikinada Development Co., Ltd.	191	Commitments to provide guarantees for loans

Current fiscal year (As of March 31, 2013)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	※77,736	Guarantees for employees' housing loans and others
4 other companies	374	Guarantees for loans and others
<b>Total</b>	<b>78,110</b>	

※ Allowance for doubtful accounts is provided for these loans mainly based on past experience.

(2) Commitments to provide guarantees

Guarantees	Balance of commitments to provide guarantees (Millions of yen)	Description of liabilities guaranteed
Hibikinada Development Co., Ltd.	162	Commitments to provide guarantees for loans

5 Discounted notes receivables	(Millions of yen)	
	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Discounted notes receivables	424	567

6 ※4 "Intangible fixed assets" include goodwill.	(Millions of yen)	
	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Goodwill	52,328	46,448

7 ※5 Investments in unconsolidated subsidiaries and affiliates	(Millions of yen)	
	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Investments in stock of unconsolidated subsidiaries and affiliates	263,753	338,878
(Investments in stock of joint ventures included)	4,721	5,295

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, 2012)	Current fiscal year (As of March 31, 2013)
Lease receivables	25,399	27,056
Lease investment assets	57,781	55,136

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, 2012)	Current fiscal year (As of March 31, 2013)
Total credit lines of overdrafts and loans	123,630	148,472
Loans receivable outstanding	56,468	78,199
Unused credit lines	67,162	70,273

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.

(For consolidated statement of income)

1 ※1 Total research and development costs (Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Research and development costs included in manufacturing costs and selling, general and administrative expenses	428,018	469,912

2 ※2 The ending inventory balance represents after write-down of book value when their carrying amounts become unrecoverable, and the write-down (after offsetting the reversal of the prior year's write-down) are as follows.

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Cost of sales	432	3,228

3 ※3 Gain and loss on sales of fixed assets

Prior fiscal year (From April 1, 2011 To March 31, 2012)

Gain on sales of fixed assets primarily consisted of a gain on the sale of land and buildings of ¥6,666 million. Loss on sales of fixed assets primarily consisted of a loss on the sale of land and buildings of ¥608 million, a loss on the sale of machinery and equipment of ¥328 million and a loss on the sale of vehicles of ¥633 million.

Current fiscal year (From April 1, 2012 To March 31, 2013)

Gain on sales of fixed assets primarily consisted of a gain on the sale of land and buildings of ¥8,013 million. Loss on sales of fixed assets primarily consisted of a loss on the sale of land and buildings of ¥488 million, a loss on the sale of machinery and equipment of ¥818 million and a loss on the sale of vehicles of ¥254 million.

4 ※4 Gain on negative goodwill

Prior fiscal year (From April 1, 2011 To March 31, 2012)

Gain on negative goodwill primarily resulted from the exchange of shares, effective March 22, 2012, with Aichi Machine Industry Co., Ltd. to make it a wholly-owned subsidiary of the Company.

Current fiscal year (From April 1, 2012 To March 31, 2013)

This information is not provided due to its low materiality.

5 ※5 Impairment loss

Prior fiscal year (From April 1, 2011 To March 31, 2012)

The following loss on impairment of fixed assets was recorded.

Usage	Type	Location	Amount (Millions of yen)
Idle assets	Land, Buildings and structures, Machinery, equipment and vehicles and others	Hiratsuka-shi, Kanagawa, and 24 other locations	5,901
Assets to be sold	Land, Buildings and structures	Sano-shi, Tochigi, and 13 other locations	1,219
Assets to be disposed of	Land, Buildings and structures, Machinery, equipment and vehicles and others	Chuo-ku, Tokyo, and 50 other locations	4,997

The Group bases its grouping for assessing the impairment loss on fixed assets on its business segments (automobiles and sales finance) and the regional segments that are mutually complementary with each other. However, 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 due to a significant decline in their market value by reducing their net book value to the respective recoverable value of each asset. Such loss amounted to ¥12,117 million has been recorded as a special loss in the accompanying consolidated statement of income. This impairment loss consisted of losses of ¥5,901 million on idle assets (land - ¥187 million, building and structures - ¥3,179 million, machinery, equipment and vehicles - ¥783 million and others - ¥1,752 million) and losses of ¥1,219 million on assets to be sold (land - ¥671 million and building and structures - ¥548 million), and losses of ¥4,997 million on assets to be disposed of (land - ¥2,399 million, buildings and structures - ¥1,483 million, machinery, equipment and vehicles - ¥600 million and others - ¥515 million).

The recoverable value of these assets was measured with their net sale value, which was estimated based on an appraisal value for the idle assets and those to be disposed of, or a sales contract for the assets to be sold.

Current fiscal year (From April 1, 2012 To March 31, 2013)

The following loss on impairment of fixed assets was recorded.

Usage	Type	Location	Amount (Millions of yen)
Idle assets	Land, Buildings and structures, Machinery, equipment and vehicles and others	Sapporo-shi, Hokkaido, and 18 other locations	935
Assets to be sold	Land, Buildings and structures and others	Miyazaki-shi, Miyazaki, and 17 other locations	1,471
Assets to be disposed of	Land, Buildings and structures, Machinery, equipment and vehicles and others	Shinagawa-ku, Tokyo, and 31 other locations	9,946

The Group bases its grouping for assessing the impairment loss on fixed assets on its business segments (automobiles and sales finance) and the regional segments that are mutually complementary with each other. However, 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 due to a significant decline in their market value by reducing their net book value to the respective recoverable value of each asset. Such loss amounted to ¥12,352 million has been recorded as a special loss in the accompanying consolidated statement of income. This impairment loss consisted of losses of ¥935 million on idle assets (land - ¥202 million, building and structures - ¥578 million, machinery, equipment and vehicles - ¥148 million and others - ¥7 million) and losses of ¥1,471 million on assets to be sold (land - ¥1,043 million, building and structures - ¥316 million and others - ¥112 million), and losses of ¥9,946 million on assets to be disposed of (land - ¥6,382 million, buildings and structures - ¥2,585 million, machinery, equipment and vehicles - ¥111 million and others - ¥868 million).

The recoverable value of these assets was measured with their net sale value, which was estimated based on an appraisal value for the idle assets and those to be disposed of, or a sales contract for the assets to be sold.

## 6 ※6 Loss on disaster

Prior fiscal year (From April 1, 2011 To March 31, 2012)

The substance of the loss on disaster is as follows.

	(Millions of yen)
Loss due to the Great East Japan Earthquake:	
Fixed costs during the suspension of operations	12,251
The loss on disposal of damaged assets and repair expenses	3,367
Other	5,508
<b>Total</b>	<b>21,126</b>
Recovery cost related to the impact on supply chains by the flood in Thailand	8,741

Current fiscal year (From April 1, 2012 To March 31, 2013)

Not applicable.

(For consolidated statement of comprehensive income)

※1 Reclassification adjustments and tax effects concerning other comprehensive income

	(Millions of yen)	
	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Unrealized holding gain and loss on securities:		
Amount arising during the period	(10,462)	3,180
Reclassification adjustments for gains and losses realized in net income	(327)	-
Before tax-effect adjustment	(10,789)	3,180
Amount of tax effects	5,503	(1,028)
Unrealized holding gain and loss on securities	(5,286)	2,152
Unrealized gain and loss from hedging instruments:		
Amount arising during the period	(4,357)	(4,206)
Reclassification adjustments for gains and losses realized in net income	(1,229)	(282)
Adjustments of acquisition cost for assets	2,054	(581)
Before tax-effect adjustment	(3,532)	(5,069)
Amount of tax effects	1,968	2,050
Unrealized gain and loss from hedging instruments	(1,564)	(3,019)
Translation adjustments:		
Amount arising during the period	(58,069)	335,932
Reclassification adjustments for gains and losses realized in net income	206	5,381
Before tax-effect adjustment	(57,863)	341,313
Amount of tax effects	-	-
Translation adjustments	(57,863)	341,313
The amount for equity method company portion:		
Amount arising during the period	(22,718)	23,343
Reclassification adjustments for gains and losses realized in net income	208	505
Before tax-effect adjustment	(22,510)	23,848
Amount of tax effects	-	-
The amount for equity method company portion	(22,510)	23,848
Total other comprehensive income	(87,223)	364,294

(For consolidated statement of changes in net assets)

Prior fiscal year (From April 1, 2011 To March 31, 2012)

1. Shares issued and outstanding / Treasury stock

(Thousands of shares)

Types of share	At the beginning of current fiscal year	Increase	Decrease	At the end of current fiscal year
Shares issued: Common stock	4,520,715	—	—	4,520,715
Treasury stock: Common stock	337,578	13,008	21,183	329,403

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

Increase due to the acquisition of treasury stocks according to a resolution of the Board of Directors	13,000
Increase due to the purchase of stocks of less than a standard unit	5
Increase in stocks held by affiliates accounted for by the equity method	3

2. Details of the decrease are as follows:

Disposal of treasury stocks to exchange with stocks of Aichi Machine Industry Co., Ltd. for the purpose to own wholly ratio of its shares	21,183
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2. Share subscription rights

Company	Description	Type of shares to be issued	Number of shares to be issued (in thousands)			Balance at the end of current fiscal year (Millions of yen)
			At the beginning of current fiscal year	Increase	Decrease	
Parent company	Subscription rights as stock options			—		2,415
Total				—		2,415

3. Dividends

(1) Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Cut-off date	Effective date
Annual general meeting of the shareholders on June 29, 2011	Common stock	20,916	5	March 31, 2011	June 30, 2011
Meeting of the Board of Directors on November 2, 2011	Common stock	41,832	10	September 30, 2011	November 29, 2011

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

(2) Dividends, which the cutoff date was in the year ended March 31, 2012, and the effective date of which is in the year ending March 31, 2013

Resolution	Type of shares	Total dividends (Millions of yen)	Source of dividends	Dividends per share (Yen)	Cut-off date	Effective date
Annual general meeting of the shareholders on June 26, 2012	Common stock	41,914	Retained earnings	10	March 31, 2012	June 27, 2012

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, 2012 To March 31, 2013)

1. Shares issued and outstanding / Treasury stock

(Thousands of shares)

Types of share	At the beginning of current fiscal year	Increase	Decrease	At the end of current fiscal year
Shares issued: Common stock	4,520,715	—	—	4,520,715
Treasury stock: Common stock	329,403	25	—	329,428

Note: Details of the increase are as follows:

(Thousands of shares)

Increase due to the purchase of stocks of less than a standard unit	5
Increase due to the purchase of stocks from shareholders who opposed to the exchange of shares between the Company and Aichi Machine Industry Co., Ltd.	2
Increase in stocks held by affiliates accounted for by the equity method	18

2. Share subscription rights

Company	Description	Type of shares to be issued	Number of shares to be issued (in 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	Subscription rights as stock options			—			2,415
Total				—			2,415

3. Dividends

(1) Dividends paid

Resolution	Type of shares	Total dividends (Millions of yen)	Dividends per share (Yen)	Cut-off date	Effective date
Annual general meeting of the shareholders on June 26, 2012	Common stock	41,914	10	March 31, 2012	June 27, 2012
Meeting of the Board of Directors on November 6, 2012	Common stock	52,392	12.5	September 30, 2012	November 27, 2012

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

(2) Dividends, which the cutoff date was in the year ended March 31, 2013, and the effective date of which is in the year ending March 31, 2014

Resolution	Type of shares	Total dividends (Millions of yen)	Source of dividends	Dividends per share (Yen)	Cut-off date	Effective date
Annual general meeting of the shareholders on June 25, 2013	Common stock	52,392	Retained earnings	12.5	March 31, 2013	June 26, 2013

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

(For consolidated statement of cash flows)

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

	(Millions of yen)	
	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Cash on hand and in banks	765,423	690,817
Time deposits with maturities of more than three months	(2,025)	(107)
Cash equivalents included in securities*	77,473	107,651
Cash and cash equivalents	840,871	798,361

\*This represents short-term, highly liquid investments readily convertible into cash held by foreign subsidiaries

2 Significant non-cash transactions

Prior fiscal year (From April 1, 2011 To March 31, 2012)

Transactions related to the exchange of shares with Aichi Machine Industry Co., Ltd. to make it a wholly-owned subsidiary

	(Millions of yen)
Decrease in treasury stocks	21,510
Loss on disposal of treasury stocks	2,848
Additional purchase of stocks of the subsidiary	18,662

Current fiscal year (From April 1, 2012 To March 31, 2013)

Not applicable.

- 3 ※2 Breakdown of assets and liabilities relating to a transfer of business as a consideration for cash and cash equivalents

Prior fiscal year (From April 1, 2011 To March 31, 2012)

Not applicable.

Current fiscal year (From April 1, 2012 To March 31, 2013)

Breakdown of the assets and liabilities relating to the transfer of part of the medium and heavy commercial vehicle business of Dongfeng Motor Co., Ltd., a joint venture in China, and the relationship between the transfer price of said business and payment for transfer of business:

	(Millions of yen)
Current assets	199,838
Fixed assets	55,361
Current liabilities	(218,975)
Long-term liabilities	(2,683)
Minority interests	(7,504)
Translation adjustments	546
Gain on business transfer of business	8,070
Business Transfer price	34,653
Account receivable relating to the transfer price	(7,091)
Cash and cash equivalents	(84,206)
Payment for transfer of business	(56,644)

(For lease transactions)

1. Finance lease transactions

(Lessees' accounting)

(1) Leased assets

Leased assets primarily consist of dies and automobile manufacturing equipment.

(2) Depreciation method for leased assets

Described in "4 (2) Depreciation of property, plant and equipment" under Significant accounting policies.

(Lessors' accounting)

(1) Breakdown of lease investment assets

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Lease income receivable	59,604	56,590
Estimated residual value	2,789	2,786
Interest income equivalent	(4,612)	(4,240)
Lease investment assets	57,781	55,136

(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, 2012)

(Millions of yen)

	Lease receivables	Lease investment assets
Due within one year	10,469	20,338
Due after one year but within two years	9,573	10,445
Due after two years but within three years	2,504	8,835
Due after three years but within four years	1,700	5,019
Due after four years but within five years	872	2,595
Due after five years	281	12,372

Current fiscal year (As of March 31, 2013)

(Millions of yen)

	Lease receivables	Lease investment assets
Due within one year	14,280	14,581
Due after one year but within two years	10,535	10,412
Due after two years but within three years	1,529	7,513
Due after three years but within four years	500	4,621
Due after four years but within five years	179	2,231
Due after five years	33	17,232

2. Operating lease transactions

(Lessees' accounting)

Future minimum lease payments subsequent to March 31, 2012 and March 31, 2013, are summarized as follows.

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Due in one year or less	5,685	7,685
Due after one year	35,676	49,202
Total	41,361	56,887

(Lessors' accounting)

Future minimum lease income subsequent to March 31, 2012 and March 31, 2013, are summarized as follows.

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Due in one year or less	236,170	280,075
Due after one year	253,080	253,113
Total	489,250	533,188

(For financial instruments)

## 1. Financial Instruments

### (1) Policies on financial instruments

The Group's cash is managed through short-term deposits and appropriate repurchase agreement transactions for the purpose of efficient cash management at appropriate risk. Investment in equity/bond-related products is also authorized. With regard to such investment with price fluctuation risk, a strict risk management is implemented, consisting of regular monitoring of mark-to-market and internal reporting.

The financing has been diversified, such as bank loans, bond issues, commercial paper issues, and liquidation of securities, 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 or trading purposes.

The sales financing business provides the Group's financial services including auto loans and leases, which are supplied to customers following a strict credit assessment, and inventory financing, which is supplied to 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 financing is an integral part of the Group's core business. The Group provides auto loans and leases to customers who purchase the Group's products and also inventory financing and working capital loans to dealers. Sales finance receivables are exposed to the credit risk of the respective customers as is the case with trade notes and accounts receivable.

#### 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) Stock options

Stock options are used primarily to hedge against the adverse impact of fluctuations in share prices.

##### (7) Commodity futures contracts

Commodity futures 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 "Hedge accounting" under "Significant accounting policies" described earlier.

### (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 sheet, there remain 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 operation 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 Monthly Hedge Policy Meeting, which is attended by the Chief Financial Officer and the staff in charge. 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 Accounting Section and the Risk Management Section. Commodity futures contracts 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 on a daily basis to the Chief Financial Officer and on an annual basis to the Board of Directors. Credit risk is monitored quantitatively by taking into account Renault's valuation methods principally based on the counterparties' external credit ratings and their net assets. The Finance Department sets a maximum upper limit on positions with each of the counterparties and monitors the balances of open positions every day.

#### ② Management of credit risk

The Group does business with a variety of local counterparties including suppliers and dealers in different regions of the world. The Group manages suppliers credit risk regarding the continuation of production activity by conducting an annual assessment of their financial condition based on their financial information. Meanwhile, the Group has established transaction terms and conditions for operating receivables in Japan and overseas based on the 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 derivatives, the Group is exposed to the risk that counterparties could default and jeopardize future profits. We believe that this risk is insignificant as the Group enters into derivative transactions only with financial institutions that have a sound credit profile. The Group enters into derivative transactions with Renault Finance S.A. ("RF"), a specialized financial subsidiary of the Renault Group, which, the Company believes, is not subject to any such material risk. This is because 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.

#### 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. 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. Meanwhile, in the sales financing business, the Group minimizes the liquidity risk by focusing on thorough Asset Liability Management, especially in major markets, and matching assets and liabilities.

### (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 sheet, the fair value and the difference as of March 31, 2012, and March 31, 2013, for various financial instruments. Assets and liabilities, for which it is deemed difficult to measure the fair value, are not included in the tables below. (Refer to Note 2.)

Prior fiscal year (As of March 31, 2012)

(Millions of yen)			
	Amount recorded in the consolidated balance sheet	Fair value	Difference
(1) Cash on hand and in banks	765,423	765,423	—
(2) Trade notes and accounts receivable Allowance for doubtful accounts <sup>1</sup>	820,008 (16,593)		
	803,415	803,415	—
(3) Sales finance receivables <sup>2</sup> Allowance for doubtful accounts <sup>1</sup>	3,157,794 (34,749)		
	3,123,045	3,123,070	25
(4) Securities and investment securities	358,457	305,847	(52,610)
(5) Long-term loans receivable Allowance for doubtful accounts <sup>1</sup>	5,617 (708)		
	4,909	5,107	198
<b>Total assets</b>	<b>5,055,249</b>	<b>5,002,862</b>	<b>(52,387)</b>
(1) Trade notes and accounts payable	1,377,254	1,377,254	—
(2) Short-term borrowings	244,582	244,582	—
(3) Commercial papers	38,437	38,437	—
(4) Bonds <sup>3</sup>	772,160	788,797	(16,637)
(5) Long-term borrowings <sup>3</sup>	2,700,265	2,722,747	(22,482)
(6) Lease obligations <sup>3</sup>	72,774	74,798	(2,024)
<b>Total liabilities</b>	<b>5,205,472</b>	<b>5,246,615</b>	<b>(41,143)</b>
<b>Derivative transactions<sup>4</sup></b>	<b>(14,963)</b>	<b>(14,963)</b>	<b>—</b>

1. The allowance for doubtful accounts, which is individually reported as part of trade notes and accounts receivable, sales finance receivables and long-term loans receivable, is deducted.

2. The amount recorded in the consolidated balance sheet for sales finance receivables includes (¥52,548) million of deferred installments income and others.

3. Bonds, long-term borrowings and lease obligations include the current portion of bonds, the current portion of long-term borrowings and lease obligations under current liabilities, respectively.

4. Net receivables and payables, which were derived from derivative transactions, are presented in net amounts, and any item for which the total becomes a net liability is indicated in parentheses.

Current fiscal year (As of March 31, 2013)

(Millions of yen)			
	Amount recorded in the consolidated balance sheet	Fair value	Difference
(1) Cash on hand and in banks	690,817	690,817	—
(2) Trade notes and accounts receivable Allowance for doubtful accounts <sup>1</sup>	712,165 (16,500)		
	695,665	695,665	—
(3) Sales finance receivables <sup>2</sup> Allowance for doubtful accounts <sup>1</sup>	4,112,878 (32,430)		
	4,080,448	4,150,518	70,070
(4) Securities and investment securities	423,834	428,730	4,896
(5) Long-term loans receivable Allowance for doubtful accounts <sup>1</sup>	13,111 (795)		
	12,316	12,285	(31)
<b>Total assets</b>	<b>5,903,080</b>	<b>5,978,015</b>	<b>74,935</b>
(1) Trade notes and accounts payable	1,336,234	1,336,234	—
(2) Short-term borrowings	519,180	519,180	—
(3) Commercial papers	219,453	219,453	—
(4) Bonds <sup>3</sup>	859,921	879,452	(19,531)
(5) Long-term borrowings <sup>3</sup>	3,132,331	3,155,478	(23,147)
(6) Lease obligations <sup>3</sup>	55,473	56,141	(668)
<b>Total liabilities</b>	<b>6,122,592</b>	<b>6,165,938</b>	<b>(43,346)</b>
<b>Derivative transactions<sup>4</sup></b>	<b>(26,286)</b>	<b>(26,286)</b>	<b>—</b>

1. The allowance for doubtful accounts, which is individually reported as part of trade notes and accounts receivable, sales finance receivables and long-term loans receivable, is deducted.

2. The amount recorded in the consolidated balance sheet for sales finance receivables includes (¥49,047) million of deferred installments income and others.

3. Bonds, long-term borrowings and lease obligations include the current portion of bonds, the current portion of long-term borrowings and lease obligations under current liabilities, respectively.

4. Net receivables and payables, which were derived from derivative transactions, are presented in net amounts, and any item for which the total becomes a net liability is indicated in parentheses.

(Note 1) Calculation method of the fair value of financial instruments and matters relating to securities and derivative transactions

Assets:

(1) Cash on hand and in banks and (2) Trade notes and accounts receivable

Fair value is calculated based on the book value as these assets are settled within a short time and the fair value is almost equal to the book value.

(3) Sales finance receivables

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

(4) Securities and investment securities

Fair value of stocks is based on the prices traded at the stock exchange. Fair value of unlisted foreign investment trusts is based on the book value as these are settled within a short time and fair value is almost equal to the book value.

Refer to the Notes to "For securities" with regard to the noteworthy matters provided for each type of securities, classified by holding purpose.

(5) 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.

Liabilities:

(1) Trade notes and accounts payable, (2) Short-term borrowings and (3) Commercial papers

Fair value is calculated based on the book value as these liabilities are settled within a short time and fair value is almost equal to the book value.

(4) 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.

(5) Long-term borrowings and (6) 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.

Derivative transactions:

Refer to the notes in "For derivative transactions."

(Note 2) The amounts of financial instruments recorded in the consolidated balance sheets for which it is deemed difficult to measure the fair value

(Millions of yen)

Classification	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Unlisted stocks	90,278	132,679

Unlisted stocks are not included in (4) Securities and investment securities, as it is deemed difficult to measure the fair value because they are nonmarketable and future cash flows cannot be estimated.

(Note 3) Redemption schedule after the balance sheet date for monetary receivables and securities with maturity dates

Prior fiscal year (As of March 31, 2012)

(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	765,423	—	—	—
Trade notes and accounts receivable	820,008	—	—	—
Sales finance receivables <sup>1</sup>	1,389,005	1,728,485	38,912	1,392
Long-term loans receivable	486	2,708	1,697	726
Total	2,974,922	1,731,193	40,609	2,118

1. The amount of sales finance receivables includes (¥52,548) million of deferred installment income and others.

Current fiscal year (As of March 31, 2013)

(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	690,817	—	—	—
Trade notes and accounts receivable	712,165	—	—	—
Sales finance receivables <sup>1</sup>	1,821,272	2,251,995	37,852	1,759
Long-term loans receivable	492	11,203	782	634
Total	3,224,746	2,263,198	38,634	2,393

1. The amount of sales finance receivables includes (¥49,047) million of deferred installment income and others.

(Note 4) 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, 2012)

(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	244,582	—	—	—	—	—
Commercial papers	38,437	—	—	—	—	—
Bonds	187,198	178,004	162,573	109,385	85,000	50,000
Long-term borrowings	822,268	630,743	449,363	371,859	336,313	89,719
Lease obligations	38,190	22,375	7,036	3,054	717	1,402
Total	1,330,675	831,122	618,972	484,298	422,030	141,121

Current fiscal year (As of March 31, 2013)

(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	519,180	—	—	—	—	—
Commercial papers	219,453	—	—	—	—	—
Bonds	181,336	218,541	207,001	95,000	138,043	20,000
Long-term borrowings	779,881	688,342	812,340	495,473	271,737	84,558
Lease obligations	32,678	13,329	4,879	2,224	1,336	1,027
Total	1,732,528	920,212	1,024,220	592,697	411,116	105,585

(For securities)

1. Other securities

Prior fiscal year (As of March 31, 2012)

(Millions of yen)

Types of securities	Carrying value	Acquisition cost	Difference
(Securities whose carrying value exceeds their acquisition cost)			
Stock	102,027	75,615	26,412
Subtotal	102,027	75,615	26,412
(Securities whose carrying value does not exceed their acquisition cost)			
Stock	1,638	1,738	(100)
Others	77,473	77,473	—
Subtotal	79,111	79,211	(100)
Total	181,138	154,826	26,312

Current fiscal year (As of March 31, 2013)

(Millions of yen)

Types of securities	Carrying value	Acquisition cost	Difference
(Securities whose carrying value exceeds their acquisition cost)			
Stock	106,569	76,359	30,210
Subtotal	106,569	76,359	30,210
(Securities whose carrying value does not exceed their acquisition cost)			
Stock	102	120	(18)
Others	107,651	107,651	—
Subtotal	107,753	107,771	(18)
Total	214,322	184,130	30,192

2. Other securities sold during the fiscal year

Prior fiscal year (From April 1, 2011 To March 31, 2012)

(Millions of yen)

Type of securities	Sales proceeds	Total gain	Total loss
Stock	1,704	485	(55)
Total	1,704	485	(55)

Current fiscal year (From April 1, 2012 To March 31, 2013)

(Millions of yen)

Type of securities	Sales proceeds	Total gain	Total loss
Stock	1,789	305	(28)
Total	1,789	305	(28)

3. Securities for which an impairment loss was recognized

Prior fiscal year (From April 1, 2011 To March 31, 2012)

For the prior fiscal year, an impairment loss of ¥190 million was recognized for stock in other securities.

Current fiscal year (From April 1, 2012 To March 31, 2013)

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, 2012)

(Millions of yen)

Classification	Type	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Forward foreign exchange contracts:				
	Sell:				
	USD	379	—	0	0
	THB	9,644	—	109	109
	KRW	7,198	—	50	50
	Buy:				
	USD	2,966	—	(2)	(2)
	Swaps:				
	EUR	94,632	90,208	(3,441)	(3,441)
	USD	216,967	168,516	(2,811)	(2,811)
	GBP	14,840	6,739	(822)	(822)
CAD	24,335	24,335	(215)	(215)	
AUD	4,334	—	(15)	(15)	
	Total	—	—	(7,147)	(7,147)

Note: Calculation of fair value is based on the discounted cash flows and others.

Current fiscal year (As of March 31, 2013)

(Millions of yen)

Classification	Type	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Forward foreign exchange contracts:				
	Sell:				
	USD	25	—	0	0
	THB	9,822	—	191	191
	Buy:				
	USD	61	—	0	0
	Swaps:				
	EUR	108,437	6,557	(5,471)	(5,471)
	USD	21,768	21,768	(133)	(133)
	GBP	23,749	—	(1,284)	(1,284)
	CAD	27,846	—	92	92
	BRL	28,494	28,494	476	476
	CNY	10,117	10,117	516	516
	KRW	9,314	—	(1,620)	(1,620)
INR	1,044	1,044	(179)	(179)	
HKD	399	—	(67)	(67)	
	Total	—	—	(7,479)	(7,479)

Note: Calculation of fair value is based on the discounted cash flows and others.

## (2) Interest-related transactions

Prior fiscal year (As of March 31, 2012)

(Millions of yen)

Classification	Type	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Swaps:				
	Receive floating/pay fixed	44,994	30,444	(207)	(207)
	Receive fixed/pay floating	8,290	1,362	39	39
	Options				
	Caps sold (Premium)	334,030 (—)	181,742 (—)	192	192
	Caps purchased (Premium)	334,030 (—)	181,742 (—)	(192)	(192)
Total		—	—	(168)	(168)

Note: Calculation of fair value is based on the discounted cash flows and others.

Current fiscal year (As of March 31, 2013)

(Millions of yen)

Classification	Type	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Swaps:				
	Receive floating/pay fixed	117,846	88,690	(120)	(120)
	Receive fixed/pay floating	33,646	24,146	46	46
	Options				
	Caps sold (Premium)	576,222 (—)	208,966 (—)	220	220
	Caps purchased (Premium)	576,222 (—)	208,966 (—)	(220)	(220)
Total		—	—	(74)	(74)

Note: Calculation of fair value is based on the discounted cash flows and others.

## (3) Commodity-related transactions

Prior fiscal year (As of March 31, 2012)

(Millions of yen)

Classification	Type	Notional amounts	Portion due after one year included herein	Fair value	Valuation gain or loss
Non-market transactions	Forward contracts:				
	Buy: Aluminum	122	—	(7)	(7)
Total		—	—	(7)	(7)

Note: Calculation of fair value is based on the discounted cash flows and others.

Current fiscal year (As of March 31, 2013)

Not applicable.

## 2. Derivative transactions for which hedge accounting is adopted

### (1) Currency-related transactions

Prior fiscal year (As of March 31, 2012)

(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:	Short-term and long-term borrowings Bonds			
	EUR		44,820	44,820	(687)
	USD		3,169	—	111
	THB		24,171	18,407	871
Appropriation treatment	Forward foreign exchange contracts:	Short-term and long-term loans receivable			
	Sell:				
	USD		127	—	(5)
	Buy:	Short-term borrowings			
USD	127		—	5	
Total			—	—	295

Note: Calculation of fair value is based on discounted cash flows and others.

Current fiscal year (As of March 31, 2013)

(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:	Short-term and long-term borrowings Bonds			
	EUR		51,287	51,287	(2,750)
	USD		122,153	10,000	(1,328)
	THB		40,314	27,096	(1,650)
Appropriation treatment	Forward foreign exchange contracts:	Short-term and long-term loans receivable			
	Sell:				
	USD		100	—	(3)
	Buy:	Short-term borrowings			
USD	100		—	3	
Total			—	—	(5,728)

Note: Calculation of fair value is based on discounted cash flows and others.

## (2) Interest-related transactions

Prior fiscal year (As of March 31, 2012)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Special treatment	Swaps: Receive floating/pay fixed	Long-term borrowings	336,500	240,500	Note 2
Deferral hedge accounting	Swaps: Receive floating/pay fixed	Commercial papers, short-term and long-term borrowings, and bonds	523,998	425,370	(8,826)
Total			—	—	(8,826)

Notes: 1. Calculation of fair value is based on discounted cash flows and others.

2. The fair value of interest rate swaps which are accounted using 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 recorded as an adjustment to interest expense of hedged instruments under the special treatment.

Current fiscal year (As of March 31, 2013)

(Millions of yen)

Method of hedge accounting	Type of transactions	Major hedged items	Notional amounts	Portion due after one year included herein	Fair value
Special treatment	Swaps: Receive floating/pay fixed	Long-term borrowings	298,600	228,600	Note 2
Deferral hedge accounting	Swaps: Receive floating/pay fixed	Commercial papers, short-term and long-term borrowings, and bonds	556,137	519,903	(12,997)
Total			—	—	(12,997)

Notes: 1. Calculation of fair value is based on discounted cash flows and others.

2. The fair value of interest rate swaps which are accounted using 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 recorded as an adjustment to interest expense of hedged instruments under the special treatment.

## (3) Commodity-related transactions

Prior fiscal year (As of March 31, 2012)

(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 contracts: Buy:	Aluminum	3,943	—	(161)
		Copper	5,772	—	858
		Platinum	3,001	—	44
		Palladium	4,272	—	149
Total			—	—	890

Note: Calculation of fair value is based on discounted cash flows and others.

Current fiscal year (As of March 31, 2013)

(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 contracts: Buy:	Copper	2,528	—	(8)
Total			—	—	(8)

Note: Calculation of fair value is based on discounted cash flows and others.

(For retirement benefits)

1. Description of retirement benefit plans

The Nissan Group (consisting of the Company and its consolidated subsidiaries) 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, defined-benefit corporate pension plans and welfare pension fund plans. Certain employees may be entitled to additional special retirement benefits, depending on the conditions for the termination of their employment.

2. The following table sets forth the funded status of retirement benefit plans:

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
a. Retirement benefit obligation	(1,093,932)	(1,179,660)
b. Plan assets at fair value	797,702	905,464
c. Unfunded retirement benefit obligation (a+b)	(296,230)	(274,196)
d. Unrecognized net retirement benefit obligation at transition	30,526	18,194
e. Unrecognized actuarial gain or loss	140,192	120,105
f. Unrecognized prior service cost (a reduction of liability)	(30,517) (Note 2)	(22,622) (Note 2)
g. Net retirement benefit obligation recognized in the consolidated balance sheet (c+d+e+f)	(156,029)	(158,519)
h. Prepaid pension costs	3,340	5,984
i. Accrued retirement benefits (g-h)	(159,369)	(164,503)

- Notes: 1. In the prior fiscal year, the government-sponsored portion of the benefits under the welfare pension fund plans was included in the amounts shown in the above table.  
2. Effective April 1, 2001, the Company discontinued to provide certain benefits under the welfare pension fund plan for future services. As a result, prior service cost (a reduction of liability) was incurred.  
3. Certain subsidiaries adopted a simplified method in the calculation of their retirement benefit obligation.  
4. In addition to the accrued retirement benefits explained above, an accrual for additional retirement benefits is recognized and has been included in "Accrued expenses" in the accompanying consolidated balance sheet.  
5. The effects of a partial transition from the tax-qualified plans and lump-sum payment plans to defined contribution plans are as follows.

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Decrease in retirement benefit obligation	1,706	—
Decrease in plan assets at fair value	(812)	—
Unrecognized net retirement benefit obligation at transition	32	—
Unrecognized actuarial gain or loss	(151)	—
Decrease in accrued retirement benefits	775	—
	The amount of plan assets transferred to defined contribution plans amounted to ¥1,271 million, which was fully transferred in the current fiscal year or is to be transferred at one time or is to be transferred over the coming eight years.	—

3. The components of retirement benefit expenses were as follows:

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
a. Service cost	34,781 (Note 2)	18,955 (Note 2)
b. Interest cost	33,476	34,572
c. Expected return on plan assets	(31,931)	(34,712)
d. Amortization of net retirement benefit obligation at transition	10,146	9,947
e. Amortization of actuarial gain or loss	18,775	20,186
f. Amortization of prior service cost	(9,021) (Note 3)	(9,018) (Note 3)
g. Other	6,876	7,100
h. Retirement benefit expenses (a+b+c+d+e+f+g)	63,102	47,030
i. Loss (Gain) on implementation of defined-contribution plans	(315)	—
Total	62,787	47,030

Notes: 1. In addition to the retirement benefit expenses referred to above, additional retirement benefit expenses (¥4,268 million for the prior fiscal year, and ¥789 million for the current fiscal year) were accounted for as special losses.

2. Service cost does not include the amounts contributed by employees with respect to welfare pension fund plans.

3. Amortization of prior service cost represents the amount to be recognized for this fiscal year with respect to prior service cost explained in Note 2 to the table setting forth the funded status.

4. Retirement benefit expenses for consolidated subsidiaries adopting the simplified method are included in “a. Service cost.”

5. The effects of change in estimate of retirement benefit obligation at the welfare pension funds jointly established by multiple employers and adopting a simplified method are included in “a. Service cost” for the current year.

4. Assumptions used in accounting for the retirement benefit obligation

a. Attribution of retirement benefit obligation

The straight-line method over the estimated years of service of the eligible employees

b. Discount rates

Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Domestic companies: 2.0% – 2.3%	Domestic companies: 0.9% – 2.3%
Foreign companies: 1.8% – 5.2%	Foreign companies: 1.6% – 4.6%

c. Expected rate of return on plan assets

Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Domestic companies: mainly 3.0%	Domestic companies: mainly 3.0%
Foreign companies: 2.0% – 8.8%	Foreign companies: 1.9% – 8.8%

d. Amortization period of prior service cost

Principally 6 through 15 years

Prior service cost is amortized as incurred by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees.

e. Amortization period of actuarial gain or loss

Principally 12 through 27 years

Actuarial gain or loss is amortized from the year following the year in which the gain or loss is recognized primarily by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees. Certain foreign consolidated subsidiaries have adopted the corridor approach for the amortization of actuarial gain and loss, and amortize them over the average remaining years of service of the eligible employees or the average life expectancy of the eligible employees.

f. Amortization period of net retirement benefit obligation at transition

Mainly 15 years

(For share-based payments)

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

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Salaries and wages in Selling, general and administrative expenses	—	—

2. The amount of stock options charged as income due to their forfeiture resulting from nonuse

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Special gains	—	—

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

(1) Description of stock options

Company name	The Company 2004 Stock Options	The Company 2005 Stock Options	The Company 2006 Stock Options
Category and number of people to whom stock options are granted	The Company's employees: 590 Directors of the Company's subsidiaries: 96 Employees of the Company's subsidiaries: 4 Total: 690	The Company's employees: 620 Directors of the Company's subsidiaries: 88 Employees of the Company's subsidiaries: 4 Total: 712	The Company's employees: 456 Directors of the Company's subsidiaries: 72 Total: 528
Type and number of shares	Common stock 12,770,000 shares	Common stock 13,150,000 shares	Common stock 13,075,000 shares
Grant date	April 16, 2004	April 25, 2005	May 8, 2006
Vesting conditions	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.
Vesting period	From April 16, 2004 To April 16, 2006	From April 25, 2005 To April 25, 2007	From May 8, 2006 To May 8, 2008
Exercise period	From April 17, 2006 To June 19, 2013	From April 26, 2007 To June 23, 2014	From May 9, 2008 To June 20, 2015

Company name	The Company 2007 Stock Options [1st]	The Company 2007 Stock Options [2nd]	The Company 2008 Stock Options
Category and number of people to whom stock options are granted	The Company's employees: 23	The Company's employees: 12	The Company's employees: 121
Type and number of shares	Common stock 680,000 shares	Common stock 360,000 shares	Common stock 3,620,000 shares
Grant date	May 8, 2007	December 21, 2007	May 16, 2008
Vesting conditions	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries, or affiliates until the beginning of the exercise period. (2) The Company must achieve its targeted results. (3) The holders must achieve their respective targets.	(1) Those who hold share subscription rights (hereinafter "the holders") must remain employees or directors of the Company, its subsidiaries or affiliates until the beginning of the exercise period. (2) The holders must achieve their respective targets.
Vesting period	From May 8, 2007 To May 8, 2009	From December 21, 2007 To March 31, 2010	From May 16, 2008, To May 16, 2010
Exercise period	From May 9, 2009 To June 26, 2016	From April 1, 2010 To June 19, 2017	From May 17, 2010, To April 23, 2018

Company name	Calsonic Kansei Corporation
	2005 Stock Options
Category and number of people to whom stock options are granted	The company's directors: 9 The company's employees: 164 Directors of the company's subsidiaries: 15 Employee of the company's subsidiaries: 1 Total: 189
Type and number of shares	Common stock 1,985,000 shares
Grant date	December 5, 2005
Vesting conditions	Those who hold share subscription rights must remain employees or directors of the company, its subsidiaries, or affiliates until the beginning of the exercise period.
Vesting period	From December 5, 2005 To June 30, 2007
Exercise period	From July 1, 2007 To June 30, 2012

(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, 2013.

The number of stock options is translated into the number of shares.

① Number of stock options

Company name	The Company 2004 Stock Options	The Company 2005 Stock Options	The Company 2006 Stock Options
Share subscription rights which are not yet vested (shares):			
As of March 31, 2012	—	—	—
Granted	—	—	—
Forfeited	—	—	—
Vested	—	—	—
Balance of options not vested	—	—	—
Share subscription rights which have already been vested (shares):			
As of March 31, 2012	9,020,800	7,835,500	7,821,800
Vested	—	—	—
Exercised	—	—	—
Forfeited	—	—	—
Balance of options not exercised	9,020,800	7,835,500	7,821,800

Company name	The Company 2007 Stock Options [1st]	The Company 2007 Stock Options [2nd]	The Company 2008 Stock Options
Share subscription rights which are not yet vested (shares):			
As of March 31, 2012	—	—	—
Granted	—	—	—
Forfeited	—	—	—
Vested	—	—	—
Balance of options not vested	—	—	—
Share subscription rights which have already been vested (shares):			
As of March 31, 2012	650,000	360,000	3,042,000
Vested	—	—	—
Exercised	—	—	—
Forfeited	—	—	—
Balance of options not exercised	650,000	360,000	3,042,000

Company name	Calsonic Kansei Corporation
	2005 Stock Options
Share subscription rights which are not yet vested (shares):	
As of March 31, 2012	—
Granted	—
Forfeited	—
Vested	—
Balance of options not vested	—
Share subscription rights which have already been vested (shares):	
As of March 31, 2012	1,697,000
Vested	—
Exercised	—
Forfeited	1,697,000
Balance of options not exercised	—

② Per share prices

Company name	The Company	The Company	The Company	The Company	The Company	The Company
	2004 Stock Options	2005 Stock Options	2006 Stock Options	2007 Stock Options [1st]	2007 Stock Options[2nd]	2008 Stock Options
Exercise price (Yen)	1,202	1,119	1,526	1,333	1,205	975
Average price per share upon exercise (Yen)	—	—	—	—	—	—
Fair value per share at grant date (Yen)	—	—	222.30	136.29	205.43	168.99

Company name	Calsonic Kansei Corporation
	2005 Stock Options
Exercise price (Yen)	759
Average price per share upon exercise (Yen)	—
Fair value per share at grant date (Yen)	—

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

During the fiscal year ended March 31, 2013, there were no stock options that were granted or for which the fair value per share had been changed due to the alteration of conditions.

5. Estimation of the number of stock options vested

Because it is difficult to reasonably estimate the number of options that will expire in the future, historical data is reflected for the options that have not yet been vested, and the number of options that have actually forfeited is reflected for the options that have already been vested.

(For tax-effect accounting)

1. Significant components of deferred tax assets and liabilities

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Deferred tax assets:		
Net operating loss carry forwards	106,309	113,701
Accrued retirement benefits	59,949	66,496
Accrued warranty costs	56,005	61,893
Other	564,148	487,324
Total gross deferred tax assets	786,411	729,414
Valuation allowance	(257,076)	(166,281)
Total deferred tax assets	529,335	563,133
Deferred tax liabilities:		
Reserves under Special Taxation Measures Law, etc.	(482,558)	(576,927)
Difference between cost of investments and their underlying net equity at fair value	(60,205)	(54,158)
Unrealized holding gain on securities	(9,740)	(10,213)
Other	(104,749)	(129,867)
Total deferred tax liabilities	(657,252)	(771,165)
Net deferred tax assets	(127,917)	(208,032)

Note: Net deferred tax assets as of March 31, 2012 and 2013 are reflected in the following accounts in the consolidated balance sheets:

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Current assets—deferred tax assets	266,540	244,133
Fixed assets—deferred tax assets	92,378	103,200
Current liabilities—deferred tax liabilities	136	116
Long-term liabilities—deferred tax liabilities	486,699	555,249

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

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Statutory tax rate of the Company	40.6%	38.0%
(Reconciliation)		
• Different tax rates applied to foreign consolidated subsidiaries	(8.4%)	(5.0%)
• Tax credits	(0.8%)	(3.9%)
• Change in valuation allowance	(5.0%)	(2.8%)
• Equity in gain and loss of affiliates	(1.5%)	(0.9%)
• Dividend income from foreign consolidated subsidiaries	0.4%	1.3%
• Other	3.3%	1.6%
Effective tax rates after adoption of tax-effect accounting	28.6%	28.3%

(For business combinations)

Current fiscal year (From April 1, 2012 To March 31, 2013)

Business divestiture

1. Outline of the business divestiture

- (1) Name of the company to which the divested business is transferred  
Dongfeng Motor Group Co., Ltd. (a partner in the China-based joint venture Dongfeng Motor Co., Ltd.)
- (2) Description of the divested business  
A part of Dongfeng Motor Co., Ltd.'s business relevant to medium and heavy commercial vehicle
- (3) Main reason for the business divestiture  
With this transfer, Dongfeng Motor Co., Ltd. will concentrate its management resources on development of its passenger and light commercial vehicle businesses and the Company will aim to further enhance Dongfeng Motor Co., Ltd.'s core business through more efficient use of Nissan's resources focused on passenger and light commercial vehicles.
- (4) Date of the business divestiture: March 31, 2013  
It is planned to sell the assets and liabilities belonging to the medium and heavy commercial vehicle business unit of Dongfeng Motor Co., Ltd. after the end of the current fiscal year.
- (5) Other matters relating to the outline of the transaction including the legal form thereof  
The transaction is a business transfer with the consideration received being limited to cash and cash equivalents.

2. Outline of the accounting method applied

- (1) Amount of profit or loss for transfer  
Gain on transfer of business ¥8,070 million
  - (2) Book value and major components of the assets and liabilities relating to the transferred business

Current assets	¥199,838 million
Fixed assets	¥55,361 million
Total assets	¥255,199 million
Current liabilities	¥218,975 million
Long-term liabilities	¥2,683 million
Total liabilities	¥221,658 million
  - (3) Accounting method  
The difference between the market value of the consideration received for the business transfer and the amount corresponding to the shareholders' equity of the transferred business is recognized as profit or loss for the transfer.
3. Names of the segments in which the divested business was included: Automobile and Sales financing
4. Approximate amounts of profit or loss relating to the divested business included in the Company's consolidated statement of income for the fiscal year ended March 31, 2013
- |                  |                  |
|------------------|------------------|
| Net sales        | ¥175,765 million |
| Operating income | ¥3,764 million   |

(For asset retirement obligations)

Prior fiscal year (As of March 31, 2012)

This information is not provided due to its low materiality.

Current fiscal year (As of March 31, 2013)

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, 2012, net income from rental property amounted to ¥6,649 million and net gain on sales of rental property amounted to ¥5,784 million, whereas an impairment loss on rental property amounted to ¥2,132 million. For the fiscal year ended March 31, 2013, net income from rental property amounted to ¥6,626 million and net gain on sales of rental property amounted to ¥6,691 million, whereas an impairment loss on rental property amounted to ¥7,396 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, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Carrying value		
Balance at the beginning of the year	100,220	141,582
Increase/Decrease during the year	41,362	(10,738)
Balance at the end of the year	141,582	130,844
Fair value at the end of the year	141,328	130,509

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 Increase/Decrease during the year in prior fiscal year mainly resulted from exclusion of the lessee from the scope of consolidation (¥52,139 million).

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

(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 the Executive Committee to make decision about resource allocation and to assess their performance.

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

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

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

The segment profits or losses are based on operating income or loss. Inter-segment sales are based on the price in arms-lengths transaction. The assets of business segments are based on total assets.

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

Prior fiscal year (From April 1, 2011 To March 31, 2012)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	The year ended March 31,2012
	Automobile	Sales financing	Total		
Net sales					
(1) Sales to third parties	8,933,975	475,051	9,409,026	—	9,409,026
(2) Inter-segment sales or transfers	54,817	15,502	70,319	(70,319)	—
Total	8,988,792	490,553	9,479,345	(70,319)	9,409,026
Segment profits	391,721	140,095	531,816	14,023	545,839
Segment assets	7,774,593	5,014,926	12,789,519	(1,717,466)	11,072,053
Other items					
Depreciation and amortization expense	369,035	211,309	580,344	—	580,344
Amortization of goodwill	5,251	—	5,251	—	5,251
Interest expense (Cost of sales)	162	72,272	72,434	(17,436)	54,998
Investment amounts to equity method companies	204,193	2,138	206,331	—	206,331
Increase amounts of fixed assets and intangible fixed assets	419,887	635,312	1,055,199	—	1,055,199

Note 1: Consolidated financial statements by business segments

- The Sales financing segment consists of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Corporation (USA), NR Finance Mexico S.A. de C.V. SOFOM E.N.R (Mexico), other 7 companies, the sales finance operations of Nissan Canada Inc. (Canada) and the sales finance operations of Dongfeng Motor Co., Ltd. (China)
- The financial data on Automobile & Eliminations represent the differences between the consolidated figures and those for the Sales financing segment.

(1) Summarized consolidated balance sheets by business segments

(Millions of yen)

Accounts	Prior fiscal year (As of March 31, 2012)		
	Automobile & Eliminations	Sales financing	Consolidated total
<b>Assets</b>			
I. Current assets			
Cash on hand and in banks	705,811	59,612	765,423
Notes and accounts receivable	818,032	1,976	820,008
Sales finance receivables	(3,214)	3,213,556	3,210,342
Inventories	1,006,919	12,047	1,018,966
Other current assets	452,587	342,746	795,333
Total current assets	2,980,135	3,629,937	6,610,072
II. Fixed assets			
Property, plant and equipment, net	2,487,776	1,243,470	3,731,246
Investment securities	366,050	5,209	371,259
Other fixed assets	223,166	136,310	359,476
Total fixed assets	3,076,992	1,384,989	4,461,981
Total assets	6,057,127	5,014,926	11,072,053
<b>Liabilities</b>			
I. Current liabilities			
Notes and accounts payable	1,335,009	42,245	1,377,254
Short-term borrowings	(972,380)	2,264,865	1,292,485
Lease obligations	38,126	64	38,190
Other current liabilities	1,242,807	194,492	1,437,299
Total current liabilities	1,643,562	2,501,666	4,145,228
II. Long-term liabilities			
Bonds	339,997	244,965	584,962
Long-term borrowings	567,926	1,310,071	1,877,997
Lease obligations	34,471	113	34,584
Other long-term liabilities	479,319	499,966	979,285
Total long-term liabilities	1,421,713	2,055,115	3,476,828
Total liabilities	3,065,275	4,556,781	7,622,056
<b>Net assets</b>			
I. Shareholders' equity			
Common stock	478,046	127,768	605,814
Capital surplus	773,623	30,847	804,470
Retained earnings	2,607,587	401,503	3,009,090
Treasury stock	(149,542)	—	(149,542)
Total shareholders' equity	3,709,714	560,118	4,269,832
II. Accumulated other comprehensive income			
Translation adjustments	(1,015,841)	(105,218)	(1,121,059)
Others	2,792	(4,866)	(2,074)
Total accumulated other comprehensive income	(1,013,049)	(110,084)	(1,123,133)
III. Share subscription rights	2,415	—	2,415
IV. Minority interests	292,772	8,111	300,883
Total net assets	2,991,852	458,145	3,449,997
Total liabilities and net assets	6,057,127	5,014,926	11,072,053

Notes: 1.The sales finance receivables of Automobile & Eliminations represents 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 to the Sales financing segment amounting to ¥1,246,345 million.

## (2) Summarized consolidated statements of income by business segments

(Millions of yen)

Accounts	Prior fiscal year (From April 1, 2011 To March 31, 2012)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	8,918,473	490,553	9,409,026
Cost of sales	7,451,247	321,585	7,772,832
Gross profit	1,467,226	168,968	1,636,194
Operating income as a percentage of net sales	4.5%	28.6%	5.8%
Operating income	405,744	140,095	545,839
Financial income / expenses, net	(9,704)	(238)	(9,942)
Other non-operating income and expenses, net	597	(1,404)	(807)
Ordinary income	396,637	138,453	535,090
Income before income taxes and minority interests	390,736	138,593	529,329
Net income	253,518	87,915	341,433

## (3) Summarized consolidated statements of cash flows by business segments

(Millions of yen)

Accounts	Prior fiscal year (From April 1, 2011 To March 31, 2012)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes and minority interests	390,736	138,593	529,329
Depreciation and amortization	369,035	211,309	580,344
Decrease (increase) in finance receivables	(42,085)	(390,872)	(432,957)
Others	9,229	10,352	19,581
Net cash provided by (used in) operating activities	726,915	(30,618)	696,297
II. Cash flows from investing activities			
Proceeds from sales of investment securities	6,661	—	6,661
Proceeds from sales of fixed assets	27,069	389	27,458
Purchases of fixed assets	(369,988)	(30,635)	(400,623)
Purchases of leased vehicles	(4,933)	(620,713)	(625,646)
Proceeds from sales of leased vehicles	3,449	313,762	317,211
Others	(9,674)	(440)	(10,114)
Net cash used in investing activities	(347,416)	(337,637)	(685,053)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(680,431)	143,649	(536,782)
Net change in long-term borrowings and redemption of bonds	15,138	241,837	256,975
Proceeds from issuance of bonds	69,862	65,467	135,329
Others	(120,699)	(43,280)	(163,979)
Net cash provided by (used in) financing activities	(716,130)	407,673	(308,457)
IV. Effect of exchange rate changes on cash and cash equivalents	(15,558)	(72)	(15,630)
V. Increase (decrease) in cash and cash equivalents	(352,189)	39,346	(312,843)
VI. Cash and cash equivalents at the beginning of the period	1,132,451	21,002	1,153,453
VII. Increase due to inclusion in consolidation	261	—	261
VIII. Cash and cash equivalents at the end of the period	780,523	60,348	840,871

Notes: 1.The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥473,691 million eliminated for net increase in internal loans receivable to the Sales financing segment.

2.The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥75,600 million eliminated for net decrease in internal loans receivable to the Sales financing segment.

Note 2: Sales and profits or losses by region

Prior fiscal year (From April 1, 2011 To March 31, 2012)

(Millions of yen)

	Japan	North America	Europe	Asia	Other foreign countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	2,228,532	3,161,763	1,531,645	1,777,121	709,965	9,409,026	—	9,409,026
(2) Inter-segment sales	2,526,538	182,765	148,465	347,759	9,216	3,214,743	(3,214,743)	—
Total	4,755,070	3,344,528	1,680,110	2,124,880	719,181	12,623,769	(3,214,743)	9,409,026
Operating income	85,515	210,099	23,182	181,822	25,468	526,086	19,753	545,839

Notes: 1. Regions are representing the location of the Company and its group companies.

2. Areas are segmented based on their geographical proximity and their mutual operational relationship.

3. Major countries and areas which belong to segments other than Japan are as follows:

- (1) North America : The United States of America, Canada and Mexico
- (2) Europe : France, The United Kingdom, Spain, Russia and other European countries
- (3) Asia : China, Thailand, India and other Asian countries
- (4) Other foreign countries : Oceania, the Middle East, Central and South America excluding Mexico, and South Africa

Current fiscal year (From April 1, 2012 To March 31, 2013)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	The year ended March 31, 2013
	Automobile	Sales financing	Total		
Net sales					
(1) Sales to third parties	9,106,629	522,945	9,629,574	—	9,629,574
(2) Inter-segment sales or transfers	59,448	26,030	85,478	(85,478)	—
Total	9,166,077	548,975	9,715,052	(85,478)	9,629,574
Segment profits	362,195	146,068	508,263	15,281	523,544
Segment assets	8,216,468	6,310,841	14,527,309	(1,722,139)	12,805,170
Other items					
Depreciation and amortization expense	350,987	239,380	590,367	—	590,367
Amortization of goodwill	4,612	—	4,612	—	4,612
Interest expense (Cost of sales)	275	74,697	74,972	(17,260)	57,712
Investment amounts to equity method companies	257,856	2,255	260,111	—	260,111
Increase amounts of fixed assets and intangible fixed assets	540,692	739,743	1,280,435	—	1,280,435

Note 1: Consolidated financial statements by business segments

- The Sales financing segment for the summarized consolidated balance sheets consists of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Corporation (USA), NR Finance Mexico S.A. de C.V. SOFOM E.N.R (Mexico), other 4 companies and the sales finance operations of Nissan Canada Inc. (Canada). The Sales financing segment for the summarized consolidated statements of income and cash flows additionally includes the sales finance operations of Dongfeng Motor Co., Ltd. (China).
- The financial data on Automobile & Eliminations represent the differences between the consolidated figures and those for the Sales financing segment.

(1) Summarized consolidated balance sheets by business segments

(Millions of yen)

Accounts	Current fiscal year (As of March 31, 2013)		
	Automobile & Eliminations	Sales financing	Consolidated total
<b>Assets</b>			
I. Current assets			
Cash on hand and in banks	663,780	27,037	690,817
Notes and accounts receivable	711,058	1,107	712,165
Sales finance receivables	(125,694)	4,287,619	4,161,925
Inventories	1,107,988	17,133	1,125,121
Other current assets	644,520	262,556	907,076
Total current assets	3,001,652	4,595,452	7,597,104
II. Fixed assets			
Property, plant and equipment, net	2,771,149	1,591,464	4,362,613
Investment securities	439,886	8,976	448,862
Other fixed assets	281,642	114,949	396,591
Total fixed assets	3,492,677	1,715,389	5,208,066
Total assets	6,494,329	6,310,841	12,805,170
<b>Liabilities</b>			
I. Current liabilities			
Notes and accounts payable	1,300,219	36,015	1,336,234
Short-term borrowings	(880,060)	2,579,910	1,699,850
Lease obligations	32,615	63	32,678
Other current liabilities	1,240,968	250,515	1,491,483
Total current liabilities	1,693,742	2,866,503	4,560,245
II. Long-term liabilities			
Bonds	246,890	431,695	678,585
Long-term borrowings	421,208	1,931,242	2,352,450
Lease obligations	22,738	57	22,795
Other long-term liabilities	541,283	575,819	1,117,102
Total long-term liabilities	1,232,119	2,938,813	4,170,932
Total liabilities	2,925,861	5,805,316	8,731,177
<b>Net assets</b>			
I. Shareholders' equity			
Common stock	487,045	118,769	605,814
Capital surplus	773,623	30,847	804,470
Retained earnings	2,851,125	403,081	3,254,206
Treasury stock	(149,549)	—	(149,549)
Total shareholders' equity	3,962,244	552,697	4,514,941
II. Accumulated other comprehensive income			
Translation adjustments	(727,199)	(52,814)	(780,013)
Others	5,754	(7,380)	(1,626)
Total accumulated other comprehensive income	(721,445)	(60,194)	(781,639)
III. Share subscription rights	2,415	—	2,415
IV. Minority interests	325,254	13,022	338,276
Total net assets	3,568,468	505,525	4,073,993
Total liabilities and net assets	6,494,329	6,310,841	12,805,170

Notes: 1. The sales finance receivables of Automobile & Eliminations represents 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 to the Sales financing segment amounting to ¥1,320,981 million.

## (2) Summarized consolidated statements of income by business segments

(Millions of yen)

Accounts	Current fiscal year (From April 1, 2012 To March 31, 2013)		
	Automobile & Eliminations	Sales financing	Consolidated total
Net sales	9,080,599	548,975	9,629,574
Cost of sales	7,664,936	357,722	8,022,658
Gross profit	1,415,663	191,253	1,606,916
Operating income as a percentage of net sales	4.2%	26.6%	5.4%
Operating income	377,476	146,068	523,544
Financial income / expenses, net	(7,819)	60	(7,759)
Other non-operating income and expenses, net	13,012	523	13,535
Ordinary income	382,669	146,651	529,320
Income before income taxes and minority interests	368,781	147,933	516,714
Net income	243,138	99,308	342,446

## (3) Summarized consolidated statements of cash flows by business segments

(Millions of yen)

Accounts	Current fiscal year (From April 1, 2012 To March 31, 2013)		
	Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes and minority interests	368,781	147,933	516,714
Depreciation and amortization	350,987	239,380	590,367
Decrease (increase) in finance receivables	119,624	(680,670)	(561,046)
Others	(110,842)	(44,296)	(155,138)
Net cash provided by (used in) operating activities	728,550	(337,653)	390,897
II. Cash flows from investing activities			
Proceeds from sales of investment securities	17,438	—	17,438
Proceeds from sales of fixed assets	29,105	31,150	60,255
Purchases of fixed assets	(485,183)	(41,635)	(526,818)
Purchases of leased vehicles	(44)	(709,951)	(709,995)
Proceeds from sales of leased vehicles	774	322,841	323,615
Others	(42,038)	(79,594)	(121,632)
Net cash used in investing activities	(479,948)	(477,189)	(957,137)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(119,381)	496,820	377,439
Net change in long-term borrowings and redemption of bonds	(142,778)	130,670	(12,108)
Proceeds from issuance of bonds	6,443	236,311	242,754
Others	(61,402)	(91,056)	(152,458)
Net cash provided by (used in) financing activities	(317,118)	772,745	455,627
IV. Effect of exchange rate changes on cash and cash equivalents	58,621	9,102	67,723
V. Increase (decrease) in cash and cash equivalents	(9,895)	(32,995)	(42,890)
VI. Cash and cash equivalents at the beginning of the period	780,523	60,348	840,871
VII. Increase due to inclusion in consolidation	548	—	548
VIII. Decrease due to exclusion from consolidation	(168)	—	(168)
IX. Cash and cash equivalents at the end of the period	771,008	27,353	798,361

Notes: 1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥21,396 million eliminated for net decrease in internal loans receivable to the Sales financing segment.

2. The net change in long-term borrowings and redemption of bonds of Automobile & Eliminations includes the amount of ¥41,704 million eliminated for net increase in internal loans receivable to the Sales financing segment.

Note 2: Sales and profits or losses by region

Current fiscal year (From April 1, 2012 To March 31, 2013)

(Millions of yen)

	Japan	North America	Europe	Asia	Other foreign countries	Total	Eliminations	Consolidated
Net sales								
(1) Sales to third parties	2,092,277	3,452,243	1,387,446	1,794,086	903,522	9,629,574	—	9,629,574
(2) Inter-segment sales	2,405,229	252,078	207,031	439,438	8,934	3,312,710	(3,312,710)	—
Total	4,497,506	3,704,321	1,594,477	2,233,524	912,456	12,942,284	(3,312,710)	9,629,574
Operating income	205,772	177,353	3,754	127,826	8,119	522,824	720	523,544

Notes: 1. Regions are representing the location of the Company and its group companies.

2. Areas are segmented based on their geographical proximity and their mutual operational relationship.

3. Major countries and areas which belong to segments other than Japan are as follows:

- (1) North America : The United States of America, Canada and Mexico
- (2) Europe : France, The United Kingdom, Spain, Russia and other European countries
- (3) Asia : China, Thailand, India and other Asian countries
- (4) Other foreign countries : Oceania, the Middle East, Central and South America excluding Mexico, and South Africa

## Related information

Prior fiscal year (From April 1, 2011 To March 31, 2012)

### 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 foreign countries	Total
		U.S.A.			China		
1,946,614	2,998,518	2,510,147	1,517,301	1,954,956	1,418,577	991,637	9,409,026

Notes: 1. Regions are representing customers' location.

2. Areas are segmented based on their geographical proximity and their mutual operational relationship.

3. Major countries and areas which belong to segments other than Japan are as follows:

- (1) North America : The United States of America, Canada and Mexico
- (2) Europe : France, The United Kingdom, Spain, Russia and other European countries
- (3) Asia : China, Thailand, India and other Asian countries
- (4) Other foreign countries : Oceania, the Middle East, Central and South America excluding Mexico, and South Africa, etc.

#### (2) Property, plant and equipment

(Millions of yen)

Japan	North America		Europe	Asia		Other foreign countries	Total
		U.S.A.			China		
1,737,516	1,534,056	1,285,038	152,436	280,481	173,099	26,757	3,731,246

Notes: 1. Regions are representing 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 foreign countries : Oceania, the Middle East, Central and South America excluding Mexico, and South Africa

### 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 statement of income.

Current fiscal year (From April 1, 2012 To March 31, 2013)

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 foreign countries	Total
		U.S.A.			China		
1,904,108	3,313,296	2,770,311	1,372,970	1,919,420	1,231,173	1,119,780	9,629,574

Notes: 1. Regions are representing customers' location.

2. Areas are segmented based on their geographical proximity and their mutual operational relationship.

3. Major countries and areas which belong to segments other than Japan are as follows:

- (1) North America : The United States of America, Canada and Mexico
- (2) Europe : France, The United Kingdom, Spain, Russia and other European countries
- (3) Asia : China, Thailand, India and other Asian countries
- (4) Other foreign countries : Oceania, the Middle East, Central and South America excluding Mexico, and South Africa, etc.

(2) Property, plant and equipment

(Millions of yen)

Japan	North America		Europe	Asia		Other foreign countries	Total
		U.S.A.			China		
1,669,726	2,054,699	1,715,664	192,289	401,618	232,529	44,281	4,362,613

Notes: 1. Regions are representing 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 foreign countries : Oceania, the Middle East, Central and South America excluding Mexico, and South Africa

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 statement of income.

Information about the impairment loss of fixed assets by reportable segment

Prior fiscal year (From April 1, 2011 To March 31, 2012)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Impairment loss	11,942	175	12,117	—	12,117

Current fiscal year (From April 1, 2012 To March 31, 2013)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Impairment loss	12,352	—	12,352	—	12,352

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

Prior fiscal year (From April 1, 2011 To March 31, 2012)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Amortization of goodwill	5,251	—	5,251	—	5,251
Balance at the end of current period	52,328	—	52,328	—	52,328

Current fiscal year (From April 1, 2012 To March 31, 2013)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Amortization of goodwill	4,612	—	4,612	—	4,612
Balance at the end of current period	46,448	—	46,448	—	46,448

Information about the gain recognized on negative goodwill by reportable segment

Prior fiscal year (From April 1, 2011 To March 31, 2012)

In the Automobile segment, ¥24,086 million of gain on negative goodwill was recognized, mainly due to the share exchange effective March 22, 2012, in which Aichi Machine Industry Co., Ltd. became a wholly-owned subsidiary of the Company.

Current fiscal year (From April 1, 2012 To March 31, 2013)

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, 2011 To March 31, 2012)

There are no significant transactions to be disclosed.

Current fiscal year (From April 1, 2012 To March 31, 2013)

There are no significant transactions to be disclosed.

2. Notes on the parent company and significant affiliates

Condensed financial information of significant affiliates:

Prior fiscal year (From April 1, 2011 To March 31, 2012)

For the fiscal year ended March 31, 2012, Renault is defined as a significant affiliate for which condensed financial information (from January 1, 2011 to December 31, 2011) shall be disclosed. Such information is as follows.

Total current assets	39,654 million EUR	¥3,993,554 million
Total fixed assets	33,280 million EUR	¥3,351,629 million
Total current liabilities	38,954 million EUR	¥3,923,057 million
Total long-term liabilities	9,413 million EUR	¥947,983 million
Total net assets	24,567 million EUR	¥2,474,143 million
Net sales	42,628 million EUR	¥4,737,250 million
Income before income taxes	2,647 million EUR	¥294,161 million
Net income	2,092 million EUR	¥232,484 million

Current fiscal year (From April 1, 2012 To March 31, 2013)

For the fiscal year ended March 31, 2013, Renault is defined as a significant affiliate for which condensed financial information (from January 1, 2012 to December 31, 2012) shall be disclosed. Such information is as follows.

Total current assets	42,567 million EUR	4,882,861 million
Total fixed assets	32,847 million EUR	3,767,879 million
Total current liabilities	40,782 million EUR	4,678,103 million
Total long-term liabilities	10,085 million EUR	1,156,850 million
Total net assets	24,547 million EUR	2,815,786 million
Net sales	41,270 million EUR	4,232,239 million
Income before income taxes	2,284 million EUR	234,224 million
Net income	1,772 million EUR	181,719 million

(Amounts per share)

(Yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Net assets per share	750.77	890.73
Basic net income per share	81.67	81.70
Diluted net income per share	—	—

Notes: 1. The information on “Diluted net income per share” is not provided because we do not have potential dilutive stock.

2. The basis for calculation of the basic net income per share and the diluted net income per share is as follows.

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Basic net income per share:		
Net income (Millions of yen)	341,433	342,446
Net income attributable to shares of common stock (Millions of yen)	341,433	342,446
Average number of shares of common stock during the fiscal year (Thousands)	4,180,762	4,191,291
Diluted net income per share:		
Increase in shares of common stock (Thousands)	—	—
(Exercise of warrants (Thousands))	—	—
(Exercise of share subscription rights (Thousands))	—	—
Securities excluded from the computation of diluted net income per share, because they do not have dilutive effects.	2nd share subscription rights (the number of share subscription rights is 90,208 units) 3rd share subscription rights (the number of share subscription rights is 78,355 units) 4th share subscription rights (the number of share subscription rights is 78,218 units) 5th share subscription rights (the number of share subscription rights is 6,500 units) 6th share subscription rights (the number of share subscription rights is 3,600 units) 7th share subscription rights (the number of share subscription rights is 30,420 units) etc. Refer to “Status of share subscription rights” for a summary.	2nd share subscription rights (the number of share subscription rights is 90,208 units) 3rd share subscription rights (the number of share subscription rights is 78,355 units) 4th share subscription rights (the number of share subscription rights is 78,218 units) 5th share subscription rights (the number of share subscription rights is 6,500 units) 6th share subscription rights (the number of share subscription rights is 3,600 units) 7th share subscription rights (the number of share subscription rights is 30,420 units) etc. Refer to “Status of share subscription rights” for a summary.

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

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Total net assets (Millions of yen)	3,449,997	4,073,993
Amounts deducted from total net assets (Millions of yen)	303,298	340,691
(Share subscription rights (Millions of yen))	2,415	2,415
(Minority interests (Millions of yen))	300,883	338,276
Net assets attributable to shares of common stock at year end (Millions of yen)	3,146,699	3,733,302
The year-end number of shares of common stock used for the calculation of net assets per share (Thousands)	4,191,312	4,191,287

(Significant subsequent events)

(1) Issuance of bonds

On April 25, 2013, the Company issued unsecured bonds. The terms and conditions of these bonds are summarized as follows.

- |   |                     |   |
|---|---------------------|---|
| ① | 1. Name of bond     | 55th unsecured bonds  |
|   | 2. Principal amount | ¥100,000 million  |
|   | 3. Interest rate    | 0.415% per annum  |
|   | 4. Issue price      | ¥100 for a par value of ¥100  |
|   | 5. Maturity date    | March 20, 2018  |
|   | 6. Payment due date | April 25, 2013  |
|   | 7. Use of proceeds  | To be appropriated as part of the funds for repaying the long-term borrowings to be repaid during the fiscal year ending March 31, 2014 |
| ② | 1. Name of bond     | 56th unsecured bonds  |
|   | 2. Principal amount | ¥10,000 million   |
|   | 3. Interest rate    | 0.554% per annum  |
|   | 4. Issue price      | ¥100 for a par value of ¥100  |
|   | 5. Maturity date    | March 19, 2020  |
|   | 6. Payment due date | April 25, 2013  |
|   | 7. Use of proceeds  | To be appropriated as part of the funds for repaying the long-term borrowings to be repaid during the fiscal year ending March 31, 2014 |

⑤ Consolidated supplemental schedules

Schedule of bonds payable

Company	Description	Date of Issuance	Balance at the beginning of current year (Millions of yen)	Balance at the end of current year (Millions of yen)	Interest rate (%)	Collateral	Maturity
*1	46th unsecured bonds	June 19, 2007	64,999	—	1.76	None	June 20, 2012
*1	47th unsecured bonds	June 19, 2007	34,997	34,998	1.95	"	June 20, 2014
*1	48th unsecured bonds	September 17, 2009	35,000	—	1.453	"	September 20, 2012
*1	49th unsecured bonds	September 17, 2009	35,000	35,000	1.931	"	September 19, 2014
*1	50th unsecured bonds (Note 2)	October 26, 2009	100,000	(100,000) 100,000	1.59	"	April 19, 2013
*1	51st unsecured bonds	April 28, 2010	50,000	50,000	0.813	"	April 28, 2015
*1	52nd unsecured bonds	April 28, 2010	30,000	30,000	1.17	"	April 28, 2017
*1	53rd unsecured bonds	April 28, 2010	20,000	20,000	1.744	"	April 28, 2020
*1	54th unsecured bonds	April 28, 2011	70,000	70,000	0.871	"	April 28, 2016
*2	Bonds issued by subsidiaries (Note 2)	2010 - 2013	170,000	(60,000) 215,000	0.3 - 0.7	"	2013 - 2017
*3	Bonds issued by subsidiaries	2010 - 2013	82,049 [\$998,282 thousand]	234,826 [\$2,496,814 thousand]	1.0 - 4.5	"	2015 - 2018
*3	Bonds issued by subsidiaries (Note 2)	2007 - 2012	70,730 [MXN 11,000,000 thousand]	(21,336) [MXN 2,800,000 thousand] 59,436 [MXN 7,800,000 thousand]	4.3 - 4.9	"	2013 - 2015
*3	Bonds issued by subsidiaries	2012	—	6,892 [CNY 991,000 thousand]	5.2	"	2015
*3	Bonds issued by subsidiaries	2011	9,385 [THB 3,514,806 thousand]	3,769 [THB 1,177,904 thousand]	0.9	"	2015
Subtotal (Note 2)		—	772,160	(181,336) 859,921	—		—
Elimination of intercompany transactions		—	—	—	—		—
Total (Note 2)		—	772,160	(181,336) 859,921	—		—

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

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

3. The redemption schedule of bonds for 5 years subsequent to March 31, 2013 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
181,336	218,541	207,001	95,000	138,043

Schedule of borrowings

(Millions of yen)

Category	Balance at the beginning of current year	Balance at the end of current year	Average interest rate (%)	Maturity
Short-term borrowings	244,582	519,180	2.02	—
Current portion of long-term borrowings	822,268	779,881	0.93	—
Commercial papers	38,437	219,453	1.81	—
Current portion of lease obligations	38,190	32,678	3.37	—
Long-term borrowings (excluding current portion)	1,877,997	2,352,450	1.18	April 2014 to December 2034
Lease obligations (excluding current portion)	34,584	22,795	3.39	April 2014 to November 2024
Total	3,056,058	3,926,437	—	—

Notes: 1. The average interest rate represents the weighted-average rate applicable to the year-end balance.

2. The following table shows the aggregate annual maturities of long-term borrowings (excluding the current portion) and lease obligations (excluding the current portion) for 5 years subsequent to March 31, 2013.

(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	688,342	812,340	495,473	271,737
Lease obligations	13,329	4,879	2,224	1,336

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, 2013, were less than one hundredth (1%) of the amounts of total liabilities and net assets at the beginning and the end of the fiscal year ended March 31, 2013.

## (2) Other

## Quarterly financial information for the fiscal year ended March 31, 2013

(Millions of yen)

Cumulative period	1st Quarter (Three months ended June 30, 2012)	2nd Quarter (Six months ended September 30, 2012)	3rd Quarter (Nine months ended December 31, 2012)	4th Quarter (Fiscal year ended March 31, 2013)
Net sales	2,136,359	4,546,775	6,755,168	9,629,574
Income before income taxes and minority interests	111,157	272,475	354,962	516,714
Net income	72,277	178,296	232,388	342,446
Net income per share (¥)	17.24	42.54	55.45	81.70

Each quarter	1st Quarter (From April 1, 2012 To June 30, 2012)	2nd Quarter (From July 1, 2012 To September 30, 2012)	3rd Quarter (From October 1, 2012 To December 31, 2012)	4th Quarter (From January 1, 2013 To March 31, 2013)
Net income per share (¥)	17.24	25.30	12.91	26.26

## 2. Non-Consolidated Financial Statements

### (1) Non-consolidated financial statements

#### ① Non-consolidated balance sheet

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
<b>Assets</b>		
Current assets		
Cash on hand and in banks	193,941	130,320
Trade accounts receivable	※2 461,359	※2 250,344
Finished goods	60,364	48,361
Work in process	29,377	23,463
Raw materials and supplies	54,334	60,994
Advance payments-trade	※2 26,584	22,126
Prepaid expenses	※2 18,645	19,718
Deferred tax assets	150,688	120,018
Short-term loans receivable from subsidiaries and affiliates	705,146	633,753
Accounts receivable-other	※2 115,500	※2 92,870
Other	3,820	3,786
Allowance for doubtful accounts	(12,878)	(12,636)
Total current assets	1,806,884	1,393,122
Fixed assets		
Property, plant and equipment		
Buildings, net	229,009	225,577
Structures, net	35,219	33,501
Machinery and equipment, net	186,890	169,579
Vehicles, net	22,205	24,675
Tools, furniture and fixtures, net	98,444	84,107
Land	134,943	134,512
Construction in progress	23,006	34,816
Total property, plant and equipment	※1 729,719	※1 706,771
Intangible fixed assets		
Patent right	30	264
Leasehold right	216	165
Right of trademark	68	146
Software	22,691	19,771
Right of using facilities	78	75
Other	12,655	7,797
Total intangible fixed assets	35,741	28,220
Investments and other assets		
Investment securities	104,882	107,022
Investment in subsidiaries and affiliates	1,503,175	1,501,928
Long-term loans receivable from employees	1	0
Long-term loans receivable from subsidiaries and affiliates	14,836	299,161
Long-term prepaid expenses	※2 8,797	13,608
Other	11,128	10,888
Allowance for doubtful accounts	(384)	(314)
Total investments and other assets	1,642,437	1,932,295
Total fixed assets	2,407,898	2,667,286
Total assets	4,214,783	4,060,408

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)		Current fiscal year (As of March 31, 2013)	
<b>Liabilities</b>				
Current liabilities				
Trade notes payable		47		218
Trade accounts payable	※2	569,349	※2	488,576
Short-term borrowings	※2	15,048	※2	203,820
Current portion of long-term borrowings		69,480		140,250
Current portion of bonds		99,999		100,000
Lease obligations	※2	25,310	※2	18,878
Accounts payable-other	※2	16,540	※2	14,154
Accrued expenses	※2	276,154	※2	250,375
Income taxes payable		3,138		19,894
Advances received	※2	181,471	※2	93,018
Deposits received	※2	28,033	※2	27,137
Deposits received from employees		55,320		54,692
Unearned revenue	※2	592	※2	450
Accrued warranty costs		20,236		21,155
Other		1,749		34
Total current liabilities		1,362,473		1,432,655
Long-term liabilities				
Bonds		339,996		239,998
Long-term borrowings		511,525		421,000
Long-term loans payable to subsidiaries and affiliates		8,621		10,063
Lease obligations	※2	33,048	※2	23,882
Deferred tax liabilities		70,761		59,622
Accrued warranty costs		35,700		36,934
Accrued retirement benefits		26,198		35,130
Asset retirement obligations		934		940
Long-term deposits received	※2	170	※2	166
Other		9,677		9,662
Total long-term liabilities		1,036,635		837,400
Total liabilities		2,399,108		2,270,055

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Net assets		
Shareholders' equity		
Common stock	605,813	605,813
Capital surplus		
Legal capital surplus	804,470	804,470
Total capital surplus	804,470	804,470
Retained earnings		
Legal reserve	53,838	53,838
Other retained earnings		
Reserve for reduction of replacement cost of specified properties	69,224	64,820
Reserve for special depreciation	263	143
Unappropriated retained earnings	293,146	271,497
Total retained earnings	416,472	390,300
Treasury stock	(31,396)	(31,402)
Total shareholders' equity	1,795,360	1,769,181
Valuation, translation adjustments and others		
Unrealized holding gain and loss on securities	17,346	18,761
Unrealized gain and loss from hedging instruments	552	(5)
Total valuation, translation adjustments and others	17,899	18,756
Share subscription rights	2,415	2,415
Total net assets	1,815,674	1,790,353
Total liabilities and net assets	4,214,783	4,060,408

② Non-consolidated statement of income

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)		Current fiscal year (From April 1, 2012 To March 31, 2013)	
Net sales	※2	3,734,336	※2	3,526,252
Cost of sales				
Beginning finished goods		42,434		60,364
Cost of products manufactured	※1	3,518,958	※1	3,176,585
Total		3,561,393		3,236,949
Ending finished goods		60,364		48,361
Total cost of sales	※2,※3	3,501,029	※2,※3	3,188,588
Gross profit		233,306		337,663
Selling, general and administrative expenses	※1,※4	291,059	※1,※4	252,302
Operating income (loss)		(57,752)		85,360
Non-operating income				
Interest income	※2	4,789	※2	6,659
Dividends income	※2	20,506	※2	20,496
Rent income		1,427		1,078
Guarantee commission received	※2	8,334	※2	10,102
Exchange gain		-		13,450
Miscellaneous income		848		5,739
Total non-operating income		35,905		57,526
Non-operating expenses				
Interest expense		11,923		9,539
Interest on bonds		6,277		5,151
Interest on commercial papers		62		63
Interest on lease obligations		1,692		1,166
Exchange loss		5,351		-
Amortization of net retirement benefit obligation at transition		8,054		8,054
Provision for doubtful accounts		3,508		3,945
Miscellaneous expenses		3,707		3,440
Total non-operating expenses		40,577		31,360
Ordinary income (loss)		(62,424)		111,526

(Millions of yen)

	Prior fiscal year		Current fiscal year	
	(From April 1, 2011 To March 31, 2012)		(From April 1, 2012 To March 31, 2013)	
Special gains				
Gain on sales of fixed assets	※5	113	※5	6,689
Gain on sales of subsidiaries and affiliates' stocks		3,709		18
Gain on sales of investment securities		17		867
Gain on contribution of securities to retirement benefit trust		7,930		-
Other		559		35
Total special gains		12,330		7,611
Special losses				
Loss on sales of fixed assets	※5	91	※5	115
Loss on disposal of fixed assets	※6	3,673	※6	4,165
Impairment loss		-	※7	454
Loss on disaster	※8	17,207		-
Special addition to retirement benefits		4,200		-
Settlement package		-		1,352
Other		660		559
Total special losses		25,833		6,646
Income (loss) before income taxes		(75,926)		112,490
Income taxes-current		580		18,553
Income taxes-deferred		(1,680)		19,089
Total income taxes		(1,100)		37,642
Net income (loss)		(74,826)		74,847

Statement of manufacturing costs

Accounts	Notes	Prior fiscal year (From April 1, 2011 To March 31, 2012)			Current fiscal year (From April 1, 2012 To March 31, 2013)		
		Amounts (Millions of yen)		Ratio (%)	Amounts (Millions of yen)		Ratio (%)
I . Material costs			2,871,929	81.4		2,545,645	80.2
II . Labor costs			217,854	6.2		189,642	6.0
III. Overhead costs							
Depreciation expense		113,113			92,691		
Others		326,335	439,449	12.4	344,743	437,435	13.8
Total manufacturing costs			3,529,232	100.0		3,172,723	100.0
Work in process at beginning of period			35,117			29,377	
Total			3,564,350			3,202,101	
Work in process at end of period			29,377			23,463	
Transfer to other accounts	Note 1		16,013			2,052	
Cost of products manufactured			3,518,958			3,176,585	

Note 1: Transfer to other accounts includes transfers to “Construction in progress.” For the prior fiscal year, it includes fixed costs of ¥8,958 million during the suspension of operations due to the Great East Japan Earthquake transferred to special losses.

(Method of cost accounting)

For automobiles, the Company adopts the comprehensive standard costing under which standard costs are calculated for each product and manufacturing process and cost variances are allocated at the end of fiscal year.

③ Non-consolidated statement of changes in net assets

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
<b>Shareholders' equity</b>		
Common stock		
Balance at the beginning of current period	605,813	605,813
Balance at the end of current period	605,813	605,813
<b>Capital surplus</b>		
Legal capital surplus		
Balance at the beginning of current period	804,470	804,470
Balance at the end of current period	804,470	804,470
<b>Total capital surplus</b>		
Balance at the beginning of current period	804,470	804,470
Balance at the end of current period	804,470	804,470
<b>Retained earnings</b>		
Legal reserve		
Balance at the beginning of current period	53,838	53,838
Balance at the end of current period	53,838	53,838
Other retained earnings		
Reserve for reduction of replacement cost of specified properties		
Balance at the beginning of current period	68,277	69,224
Changes of items during the period		
Provision of reserve for reduction entry of replaced properties	4,747	3,649
Reversal of reserve for reduction entry of replaced properties	(3,799)	(8,053)
Total changes of items during the period	947	(4,403)
Balance at the end of current period	69,224	64,820
Reserve for special depreciation		
Balance at the beginning of current period	404	263
Changes of items during the period		
Provision of reserve for special depreciation	20	-
Reversal of reserve for special depreciation	(161)	(119)
Total changes of items during the period	(141)	(119)
Balance at the end of current period	263	143
<b>Unappropriated retained earnings</b>		
Balance at the beginning of current period	438,851	293,146
Changes of items during the period		
Cash dividends paid	(67,224)	(101,020)
Provision of reserve for reduction entry of replaced properties	(4,747)	(3,649)
Reversal of reserve for reduction entry of replaced properties	3,799	8,053
Provision of reserve for special depreciation	(20)	-
Reversal of reserve for special depreciation	161	119
Net income (loss)	(74,826)	74,847
Disposal of treasury stock	(2,848)	-
Total changes of items during the period	(145,704)	(21,648)
Balance at the end of current period	293,146	271,497

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
<b>Total retained earnings</b>		
Balance at the beginning of current period	561,371	416,472
<b>Changes of items during the period</b>		
Cash dividends paid	(67,224)	(101,020)
Provision of reserve for reduction entry of replaced properties	-	-
Reversal of reserve for reduction entry of replaced properties	-	-
Provision of reserve for special depreciation	-	-
Reversal of reserve for special depreciation	-	-
Net income (loss)	(74,826)	74,847
Disposal of treasury stock	(2,848)	-
<b>Total changes of items during the period</b>	<b>(144,898)</b>	<b>(26,172)</b>
Balance at the end of current period	416,472	390,300
<b>Treasury stock</b>		
Balance at the beginning of current period	(43,891)	(31,396)
<b>Changes of items during the period</b>		
Purchase of treasury stock	(9,014)	(6)
Disposal of treasury stock	21,510	-
<b>Total changes of items during the period</b>	<b>12,495</b>	<b>(6)</b>
Balance at the end of current period	(31,396)	(31,402)
<b>Total shareholders' equity</b>		
Balance at the beginning of current period	1,927,763	1,795,360
<b>Changes of items during the period</b>		
Cash dividends paid	(67,224)	(101,020)
Net income (loss)	(74,826)	74,847
Purchase of treasury stock	(9,014)	(6)
Disposal of treasury stock	18,662	-
<b>Total changes of items during the period</b>	<b>(132,403)</b>	<b>(26,178)</b>
Balance at the end of current period	1,795,360	1,769,181

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Valuation, translation adjustments and others		
Unrealized holding gain and loss on securities		
Balance at the beginning of current period	21,913	17,346
Changes of items during the period		
Net changes of items other than those in shareholders' equity	(4,566)	1,414
Total changes of items during the period	(4,566)	1,414
Balance at the end of current period	17,346	18,761
Unrealized gain and loss from hedging instruments		
Balance at the beginning of current period	(11)	552
Changes of items during the period		
Net changes of items other than those in shareholders' equity	564	(557)
Total changes of items during the period	564	(557)
Balance at the end of current period	552	(5)
Total valuation, translation adjustments and others		
Balance at the beginning of current period	21,901	17,899
Changes of items during the period		
Net changes of items other than those in shareholders' equity	(4,002)	856
Total changes of items during the period	(4,002)	856
Balance at the end of current period	17,899	18,756
Share subscription rights		
Balance at the beginning of current period	2,415	2,415
Balance at the end of current period	2,415	2,415
Total net assets		
Balance at the beginning of current period	1,952,080	1,815,674
Changes of items during the period		
Cash dividends paid	(67,224)	(101,020)
Net income (loss)	(74,826)	74,847
Purchase of treasury stock	(9,014)	(6)
Disposal of treasury stock	18,662	-
Net changes of items other than those in shareholders' equity	(4,002)	856
Total changes of items during the period	(136,406)	(25,321)
Balance at the end of current period	1,815,674	1,790,353

[Notes to Non-consolidated Financial Statements]

(Significant accounting policies)

1. Valuation methods for securities

(1) Held-to-maturity securities

Held-to maturity securities are stated at amortized cost (straight-line method).

(2) Equity securities issued by subsidiaries and affiliates

Equity securities issued by subsidiaries and affiliates are carried at cost determined by the moving average method.

(3) Other securities

① 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.

② Non-marketable securities:

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

2. Valuation methods for derivative financial instruments

Derivative financial instruments are carried at fair value.

3. Valuation methods for 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.)

4. Depreciation and amortization of fixed assets

(1) Property, plant and equipment

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

(Immaterial depreciable assets)

Assets whose acquisition costs range from ¥100 thousand to ¥200 thousand are depreciated evenly for 3 years based on the Corporation Tax Law of Japan.

(2) Intangible fixed assets

Amortization of intangible fixed assets is calculated by the straight-line method.

Amortization of software for internal use is calculated by the straight-line method over the estimated useful lives (5 years).

(3) Long-term prepaid expenses

Amortization of long-term prepaid expenses is calculated by the straight-line method.

(4) Leased assets

Depreciation of leased assets is calculated by the straight-line method based on the estimated useful lives or the lease terms and the estimated residual value.

5. Accounting for deferred charges

Bond issuance costs are fully charged to income when they are paid.

6. Foreign currency translation

Receivables and payables denominated in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date, and differences arising from the translation are charged or credited to income.

7. Basis for reserves

(1) Allowance for doubtful accounts

Allowance for doubtful accounts is provided based on past experience for normal receivables and on an estimate of the collectibility of receivables from companies in financial difficulty.

(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.

(3) Accrued retirement benefits

Accrued retirement benefits or prepaid pension costs are recorded at an amount calculated based on the retirement benefit obligation and the fair value of the pension plan assets at the end of the current fiscal year.

The net retirement benefit obligation at transition is being amortized over a period of 15 years by the straight-line method.

Prior 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.

Actuarial gain or loss is amortized from the year following the year in which the gain or loss is recognized by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees.

## 8. Hedge accounting

### ① Hedge accounting

Primarily, deferred hedge accounting is applied for derivative instruments. Short-cut method, “Furiate-Shori,” is applied for forward exchange contracts which are qualified for such treatment and related to the hedged items other than foreign currency denominated accounts receivables.

Special treatment, “Tokurei-Shori,” is applied for interest rate swaps which are qualified for such treatment.

### 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 exchange and interest rate are hedged within certain extent.

### ④ Assessment of hedge effectiveness

The assessment of hedge effectiveness is omitted when the terms of hedged items are substantially same as those of hedging instruments.

## 9. Other significant accounting policies

### (1) Accounting for the consumption taxes

Transactions subject to the consumption taxes are recorded at amounts exclusive of the consumption taxes.

### (2) Adoption of consolidated taxation system

The Company adopts the consolidated taxation system.

## (Changes in presentation)

“Write-down of investments and receivables,” which was presented as a separate account under “Special losses,” has been included in “Other” for the current fiscal year due to its decreased financial materiality.

To reflect this change, ¥184 million of “Write-down of investments and receivables” under “Special losses” in the non-consolidated statement of income for the prior fiscal year has been reclassified into “Other” in the non-consolidated statement of income for the prior fiscal year provided herein.

(For non-consolidated balance sheet)

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

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Accumulated depreciation of property, plant and equipment	1,357,728	1,366,989
(Accumulated depreciation of leased assets included above)	100,903	85,048

2 ※2 The Company has the following major assets and liabilities related to its subsidiaries and affiliates.

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)		Current fiscal year (As of March 31, 2013)
<b>(Assets)</b>			
Trade accounts receivable	377,615	Trade accounts receivable	230,460
Other	73,040	Accounts receivable-other	54,714
<b>(Liabilities)</b>			
Trade accounts payable	189,394	Trade accounts payable	183,903
Short-term borrowings	15,048	Short-term borrowings	203,820
Accrued expenses	80,971	Accrued expenses	87,908
Other	195,192	Other	108,698

3 Guarantees and others

Prior fiscal year (As of March 31, 2012)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	※ 82,437	Guarantees for employees' housing loans
Automotive Energy Supply Corporation	17,077	Guarantees for loans to purchase fixed assets
Nissan South Africa (Pty) Ltd.	3,389	Guarantees for loans for working capital
Nissan North America, Inc.	807	Guarantees for loans to purchase fixed assets
Nissan Motor Manufacturing (UK) Limited	735	Guarantees for loans to purchase fixed assets
49 domestic subsidiaries	21,095	Notes and accounts payable, etc.
Total	125,541	※ Allowance for doubtful accounts is provided based on past experience.

(2) Commitments to provide guarantees

Guarantees	Balance of commitments to provide guarantees (Millions of yen)	Description of liabilities guaranteed
Hibikinada Development Co., Ltd.	191	Commitments to provide guarantees for loans

(3) Letters of awareness

The Company issued letters of awareness regarding borrowings from financial institutions made by the following subsidiaries.

Company name	Balance of liabilities (Millions of yen)
Nissan Motor Manufacturing (UK) Limited	21,960
Nissan Motor Iberica, S.A.	21,960
Total	43,920

#### (4) Keepwell Agreements

In addition to the above, the Company entered into keepwell agreements with the following financial subsidiaries to enhance their credit worthiness.

Their balances of liabilities at the end of March 2012 were as follows.

Company name	Balance of liabilities (Millions of yen)
Nissan Motor Acceptance Corporation	1,639,869
Nissan Financial Services Co., Ltd.	443,500
Nissan Canada, Inc.	123,896
Nissan Finance Services Australia Pty Ltd.	55,542
Nissan Leasing (Thailand) Co., Ltd.	31,458
Total	2,294,267

Current fiscal year (As of March 31, 2013)

#### (1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	※ 72,023	Guarantees for employees' housing loans
Automotive Energy Supply Corporation	16,544	Guarantees for loans to purchase fixed assets
Nissan Financial Services Co., Ltd.	6,832	Guarantees for loans for working capital
Nissan South Africa (Pty) Ltd.	3,041	Guarantees for loans for working capital
Nissan Motor Manufacturing (UK) Limited	2,124	Guarantees for loans to purchase fixed assets
Nissan North America, Inc.	830	Guarantees for loans to purchase fixed assets
43 domestic subsidiaries	15,696	Notes and accounts payable, etc.
Total	117,094	※ Allowance for doubtful accounts is provided based on past experience.

#### (2) Commitments to provide guarantees

Guarantees	Balance of commitments to provide guarantees (Millions of yen)	Description of liabilities guaranteed
Hibikinada Development Co., Ltd.	162	Commitments to provide guarantees for loans

#### (3) Letters of awareness

The Company issued letters of awareness regarding borrowings from financial institutions made by the following subsidiaries.

Company name	Balance of liabilities (Millions of yen)
Nissan Motor Manufacturing (UK) Limited	24,146
Nissan Motor Iberica, S.A.	24,146
Total	48,292

#### (4) Keepwell Agreements

In addition to the above, the Company entered into keepwell agreements with the following financial subsidiaries to enhance their credit worthiness.

Their balances of liabilities at the end of March 2013 were as follows.

Company name	Balance of liabilities (Millions of yen)
Nissan Motor Acceptance Corporation	2,522,158
Nissan Financial Services Co., Ltd.	497,600
Nissan Finance Services Australia Pty Ltd.	197,069
Nissan Canada, Inc.	85,213
Nissan Leasing (Thailand) Co., Ltd.	46,822
Nissan Canada Financial Services, Inc.	44,035
Total	3,392,899

(For non-consolidated statement of income)

1 ※1 Total research and development costs (Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Research and development costs included in manufacturing costs and selling, general and administrative expenses	363,941	386,229

2 ※2 Major transactions with subsidiaries and affiliates (Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Sales	3,166,990	3,015,496
Purchase of materials	1,284,711	1,246,821
Interest income	3,898	6,108
Dividend income	15,720	16,272
Guarantee commission received	8,334	10,102

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

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Cost of sales	42	(467)

4 ※4 Major components of selling, general and administrative expenses are as follows. (Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Advertising expenses	23,228	21,252
Service costs	42,701	24,000
Provision for accrued warranty costs	21,256	19,320
Other selling expenses	27,274	31,213
Salaries and wages	71,893	62,838
Retirement benefit expenses	7,288	6,875
Outsourcing expenses	37,673	28,611
Lease expenses	11,894	12,249
Transportation and communication expenses	6,645	8,293
Depreciation and amortization	20,295	18,031

Selling expenses account for approximately 40% of the selling, general and administrative expenses in both of the prior fiscal year and the current fiscal year.

5 ※5 Gain and loss on sales of fixed assets

Prior fiscal year (From April 1, 2011 To March 31, 2012)

Gain on sales of property, plant and equipment consisted primarily of gain on sales of machinery and equipment of ¥79 million. Loss on sales of property, plant and equipment consisted primarily of loss on sales of machinery and equipment of ¥76 million.

Current fiscal year (From April 1, 2012 To March 31, 2013)

Gain on sales of property, plant and equipment consisted primarily of gain on sales of land and buildings of ¥5,973 million. Loss on sales of property, plant and equipment consisted primarily of loss on sales of machinery and equipment of ¥108 million.

## 6 ※6 Loss on disposal of fixed assets

(Millions of yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Buildings	508	910
Machinery and equipment	2,253	2,386
Tools, furniture and fixtures	751	785
Other	160	82
Total	3,673	4,165

The loss on disposal of fixed assets arises from improvements and modifications of products, the renewal of equipment and other factors.

## 7 ※7 Impairment loss

Prior fiscal year (From April 1, 2011 To March 31, 2012)

Not applicable.

Current fiscal year (From April 1, 2012 To March 31, 2013)

The following loss on impairment of fixed assets was recorded.

Usage	Type	Location	Amount (Millions of yen)
Assets to be disposed of	Buildings, machinery, and equipment, etc.	Sapporo-shi, Chuo-ku, Hokkaido	350
Assets to be disposed of	Buildings, furniture and fixtures, etc.	Nagoya-shi, Naka-ku, Aichi	104
Total			454

The Company determined that the Company, taken as whole, constituted a single group of assets because the Company's automobile business, mainly consisting of manufacturing and sales of vehicles, generates cash flows as a group. However, the Company determines whether an asset is impaired on an individual asset basis if the asset is either considered idle or is to be disposed of.

The Company has recognized an impairment loss on certain assets to be disposed of by reducing their net book value to the respective recoverable value of each asset. The resulting loss amounted to ¥454 million, which has been recorded as an impairment loss under special losses in the accompanying non-consolidated statement of income. The impairment loss arose from buildings, machinery, equipment and others.

The recoverable value of each idle asset was measured with its net sale value based on its appraisal value.

## 8 ※8 Loss on disaster

Prior fiscal year (From April 1, 2011 To March 31, 2012)

The substance of the loss on disaster is as follows.

	(Millions of yen)
Loss due to the Great East Japan Earthquake:	
Fixed costs during the suspension of operations	8,958
The loss on disposal of damaged assets and repair expenses	3,323
Other	1,549
Total	13,830

Recovery cost related to the impact on supply chains by the flood in Thailand	3,376
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Current fiscal year (From April 1, 2012 To March 31, 2013)

Not applicable.

(For non-consolidated statement of changes in net assets)

Prior fiscal year (From April 1, 2011 To March 31, 2012)

Type and number of treasury stock

Type	At the beginning of current fiscal year	Increase	Decrease	At the end of current fiscal year
Common stock (thousands of shares)	39,097	13,005	21,183	30,919

Description of the changes: (Thousands of shares)

Major reasons for the increase are as follows:

Increase due to the acquisition of treasury stocks according to a resolution of the Board of Directors 13,000  
 Increase due to the purchase of stocks of less than a standard unit 5

Major reason for the decrease is as follow:

Disposal of treasury stocks to exchange with stocks of Aichi Machine Industry Co., Ltd. which was intended to make it a wholly owned subsidiary 21,183

Current fiscal year (From April 1, 2012 To March 31, 2013)

Type and number of treasury stock

Type	At the beginning of current fiscal year	Increase	Decrease	At the end of current fiscal year
Common stock (thousands of shares)	30,919	7	—	30,926

Description of the changes: (Thousands of shares)

Major reasons for the increase are as follows:

Increase due to the purchase of stocks of less than a standard unit 5  
 Increase due to the purchase of stocks from shareholders who opposed to the exchange of shares between the Company and Aichi Machine Industry Co., Ltd. 2

(For lease transactions)

(Lessees' accounting)

1 Finance lease transactions

(1) Leased assets

Leased assets primarily consist of dies and automobile manufacturing equipment.

(2) Depreciation method for leased assets

Described in "4 (4) Leased assets" under Significant accounting policies.

2 Operating lease transactions

Future minimum lease payments subsequent to March 31, 2012 and March 31, 2013, are summarized as follows.

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Due in one year or less	276	245
Due after one year	367	286
Total	643	531

(For securities)

Investments in subsidiaries and affiliates

Prior fiscal year (As of March 31, 2012)

(Millions of yen)

	Carrying value	Estimated fair value	Difference
① Subsidiaries' shares	23,105	185,928	162,823
② Affiliates' shares	0	0	0
Total	23,105	185,928	162,823

Current fiscal year (As of March 31, 2013)

(Millions of yen)

	Carrying value	Estimated fair value	Difference
① Subsidiaries' shares	24,002	236,772	212,769
② Affiliates' shares	0	0	0
Total	24,002	236,772	212,769

Note: The amounts of investments in subsidiaries and affiliates recorded in the non-consolidated balance sheet for which it is deemed difficult to measure the fair value.

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
① Subsidiaries' shares	1,471,238	1,468,469
② Affiliates' shares	8,831	9,456

These shares are not included in "Investments in subsidiaries and affiliates" because they do not have a market value and their fair value is not easily determinable.

(For tax-effect accounting)

1. Significant components of deferred tax assets and liabilities

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Deferred tax assets:		
Tax credits carry forwards	94,481	24,813
Accrued retirement benefits	14,863	18,359
Accrued warranty costs	21,029	21,573
Other	245,803	211,801
Total gross deferred tax assets	376,178	276,548
Valuation allowance	(160,713)	(85,064)
Total deferred tax assets	215,465	191,484
Deferred tax liabilities:		
Reserves under Special Taxation Measures Law	(37,521)	(36,157)
Unrealized holding gain on securities	(9,604)	(10,376)
Other	(88,412)	(84,554)
Total deferred tax liabilities	(135,538)	(131,088)
Net deferred tax assets	79,926	60,396

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

(Millions of yen)

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Statutory tax rate of the Company	Because loss before income taxes was recorded, there is no information to be disclosed here.	38.0%
(Reconciliation)		
Items not permanently qualifying for deduction		1.6%
Dividend income excluded from gross revenue		(5.2%)
Tax credits		(3.2%)
Other		2.3%
Effective tax rate after adoption of tax-effect accounting		33.5%

(For asset retirement obligations)

Prior fiscal year (As of March 31, 2012)

This information is not provided due to its low materiality.

Current fiscal year (As of March 31, 2013)

This information is not provided due to its low materiality.

(Amounts per share)

(Yen)

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Net assets per share	403.86	398.22
Basic net income (loss) per share	(16.71)	16.67
Diluted net income per share	—	—

Notes: 1. The information on “Diluted net income per share” for the prior fiscal year is not provided because a basic net loss per share is recorded, although dilutive securities exist. The information on “Diluted net income per share” for the current fiscal year is not provided because potential dilutive securities do not exist.

2. The basis for calculation of the basic net income or loss per share and the diluted net income per share is as follows.

	Prior fiscal year (From April 1, 2011 To March 31, 2012)	Current fiscal year (From April 1, 2012 To March 31, 2013)
Basic net income (loss) per share:		
Net income (loss) (Millions of yen)	(74,826)	74,847
Net income (loss) attributable to shares of common stock (Millions of yen)	(74,826)	74,847
Average number of shares of common stock during the fiscal year (Thousands)	4,479,245	4,489,792
Diluted net income per share:		
Increase in shares of common stock (Thousands)	—	—
(Exercise of warrants)	—	—
(Exercise of share subscription rights)	—	—
Securities excluded from the computation of diluted net income per share, because they do not have dilutive effects.	2nd share subscription rights (the number of share subscription rights is 90,208 units) 3rd share subscription rights (the number of share subscription rights is 78,355 units) 4th share subscription rights (the number of share subscription rights is 78,218 units) 5th share subscription rights (the number of share subscription rights is 6,500 units) 6th share subscription rights (the number of share subscription rights is 3,600 units) 7th share subscription rights (the number of share subscription rights is 30,420 units) Refer to “Status of share subscription rights” for a summary.	2nd share subscription rights (the number of share subscription rights is 90,208 units) 3rd share subscription rights (the number of share subscription rights is 78,355 units) 4th share subscription rights (the number of share subscription rights is 78,218 units) 5th share subscription rights (the number of share subscription rights is 6,500 units) 6th share subscription rights (the number of share subscription rights is 3,600 units) 7th share subscription rights (the number of share subscription rights is 30,420 units) Refer to “Status of share subscription rights” for a summary.

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

	Prior fiscal year (As of March 31, 2012)	Current fiscal year (As of March 31, 2013)
Total net assets (Millions of yen)	1,815,674	1,790,353
Amounts deducted from total net assets (Millions of yen)	2,415	2,415
(Share subscription rights)	2,415	2,415
Net assets attributable to common shareholders at year end (Millions of yen)	1,813,259	1,787,937
The year-end number of common stock used for the calculation of net assets per share (Thousands)	4,489,796	4,489,789

(Significant subsequent events)

Issuance of bonds

On April 25, 2013, the Company issued unsecured bonds. The terms and conditions of these bonds are summarized as follows.

- |    |                      |   |
|----|----------------------|---|
| 1. | (1) Name of bond     | 55th unsecured bonds  |
|    | (2) Principal amount | ¥100,000 million  |
|    | (3) Interest rate    | 0.415% per annum  |
|    | (4) Issue price      | ¥100 for a par value of ¥100  |
|    | (5) Maturity date    | March 20, 2018  |
|    | (6) Payment due date | April 25, 2013  |
|    | (7) Use of proceeds  | To be appropriated as part of the funds for repaying the long-term borrowings to be repaid during the fiscal year ending March 31, 2014 |
| 2. | (1) Name of bond     | 56th unsecured bonds  |
|    | (2) Principal amount | ¥10,000 million   |
|    | (3) Interest rate    | 0.554% per annum  |
|    | (4) Issue price      | ¥100 for a par value of ¥100  |
|    | (5) Maturity date    | March 19, 2020  |
|    | (6) Payment due date | April 25, 2013  |
|    | (7) Use of proceeds  | To be appropriated as part of the funds for repaying the long-term borrowings to be repaid during the fiscal year ending March 31, 2014 |

④ Non-consolidated supplemental schedules

Detailed schedule of securities

Stocks		Number of shares held by the Company (Shares)	Amount recorded in the balance sheet (Millions of yen)	
Investment securities	Other securities	Daimler AG	16,448,378	84,794
		Unipres Corporation	5,273,000	11,358
		Tan Chong Motor Holdings Berhad	37,333,324	5,829
		MITSUBA Corporation	1,742,729	1,676
		Terumo Corporation	150,000	607
		Nippon Amazon Aluminum Co., Ltd.	1,158,300	554
		Trans-Tokyo Bay Highway Corporation	6,720	335
		Securities Japan, Inc.	1,117,961	265
		Japan-Mexico Hotel Investment Co., Ltd.	4,800	240
		Kansai International Airport Land Co., Ltd.	5,540	202
		Others (32 stocks)	1,585,150	1,157
		Subtotal	64,825,902	107,022
Total		64,825,902	107,022	

## Detailed schedule of fixed assets

(Millions of yen)

Type of assets	Balance at the beginning of the current fiscal year	Increase in the current fiscal year	Decrease in the current fiscal year	Balance at the end of the current fiscal year	Accumulated depreciation or amortization at the end of the current fiscal year	Depreciation or amortization for the current fiscal year	Carrying value at the end of the current fiscal year
Property, plant and equipment:							
Buildings	494,974	15,065	11,380 (399)	498,659	273,081	9,317	225,577
Structures	105,996	1,218	1,635 (5)	105,580	72,078	2,107	33,501
Machinery and equipment	906,802	50,861	51,791 (37)	905,873	736,294	40,185	169,579
Vehicles	45,987	9,671	3,897	51,762	27,087	4,872	24,675
Tools, furniture and fixtures	375,737	31,023	64,205 (11)	342,554	258,447	39,414	84,107
Land	134,943	294	725	134,512	—	—	134,512
Construction in progress	23,006	37,615	25,805	34,816	—	—	34,816
Total property, plant and equipment	2,087,448	145,751	159,439 (454)	2,073,760	1,366,989	95,897	706,771
Intangible fixed assets							
Patent right	146	267	—	414	150	34	264
Leasehold right	216	—	50	165	—	—	165
Right of trademark	201	100	—	302	156	22	146
Software	169,888	7,443	7,436	169,896	150,124	10,204	19,771
Right of using facilities	2,283	—	69	2,214	2,138	3	75
Other	25,155	419	—	25,575	17,778	5,278	7,797
Total intangible fixed assets	197,892	8,232	7,556	198,568	170,347	15,543	28,220
Long-term prepaid expenses	23,751	8,549	5,616	26,684	13,075	3,730	13,608

Notes: 1. The amounts in parentheses under “Decrease in the current fiscal year” represent impairment losses.

2. The major components of the increase and decrease in the current fiscal year are as follows.

## Increase by asset type:

	(Millions of yen)
a) Machinery and equipment	
Machine tools and equipment	20,428
Transportation equipment	12,986
Metal cutting machine	4,634

## Decrease by asset type:

	(Millions of yen)
a) Machinery and equipment	
Machine tools and equipment	21,269
Transportation equipment	11,977
Metal cutting machine	11,185
b) Tools, furniture and fixtures	
Leased assets	48,715
Model tool	8,343
Testing equipment	2,859

## Detailed schedule of allowances

(Millions of yen)

Category	Balance at the beginning of the current fiscal year	Increase in the current fiscal year	Decrease in the current fiscal year (used for intended purposes)	Decrease in the current fiscal year (others) (Note)	Balance at the end of the current fiscal year
Allowance for doubtful accounts	13,263	4,086	64	4,333	12,951
Accrued warranty costs	55,936	23,490	21,337	—	58,089

Note: Decrease in the current fiscal year (others) is due to the decrease of estimated amounts.

## (2) Details of major assets and liabilities

The major components of assets and liabilities at the end of the current fiscal year (March 31, 2013) were as follows.

## ① Cash on hand and in banks

Category	Amounts (Millions of yen)
Cash on hand	0
Cash in banks	
Savings accounts	70,155
Checking accounts	0
Foreign currency deposit accounts	164
Time deposit accounts	60,000
Total cash in banks	130,320
<b>Total</b>	<b>130,320</b>

## ② Trade accounts receivable

Customers	Amounts (Millions of yen)
Nissan North America, Inc.	40,951
Dongfeng Motor Co., Ltd.	24,689
Nissan Mexicana, S.A. de C.V.	22,931
Nissan Motor (Thailand) Co., Ltd.	19,218
Nissan International SA	16,964
Others	125,590
<b>Total</b>	<b>250,344</b>

## Generation, collection and retention of trade accounts receivable

Balance brought forward (Millions of yen) (A)	Generation in the current fiscal year (Millions of yen) (B)	Collection in the current fiscal year (Millions of yen) (C)	Balance carried forward (Millions of yen) (D)	Ratio of collection (%) $\frac{(C)}{(A)+(B)} \times 100$	Turnover $\frac{((A)+(D))/2}{(B)/365}$
461,359	3,633,700	3,844,715	250,344	93.89	35.74 days

## ③ Inventories

Accounts	Components	Amounts (Millions of yen)
Finished goods	Automobiles	24,381
	Parts	23,979
	<b>Total</b>	<b>48,361</b>
Work in process	Automobiles and parts	13,268
	Dies and jigs	10,195
	<b>Total</b>	<b>23,463</b>
Raw materials and Supplies	Raw materials	18,995
	Purchased parts and others	21,476
	Supplemental materials	1,002
	Consumable tools and equipment	1,263
	Others	18,257
	<b>Total</b>	<b>60,994</b>

## ④ Short-term loans receivable from subsidiaries and affiliates

Borrowers	Amounts (Millions of yen)
Nissan Finance Co., Ltd.	297,739
Nissan Financial Services Co., Ltd.	260,000
Nissan International SA	52,316
Nissan Do Brasil Automóveis Ltda.	13,983
Nissan Korea Co., Ltd.	9,314
Others	399
<b>Total</b>	<b>633,753</b>

## ⑤ Investments in subsidiaries and affiliates

Investees	Number of shares held	Acquisition cost (Millions of yen)	Carrying value (Millions of yen)
Nissan International Holdings B.V.	7,262,179	400,888	400,888
Nissan North America, Inc.	17,917,472	287,387	287,387
Nissan Europe S.A.S.	16,263,700	202,397	202,397
Nissan Network Holdings Co., Ltd.	4,326,125	462,023	128,217
Nissan (China) Investment Co., Ltd.	—	115,302	115,302
Others	—	512,067	367,735
<b>Total</b>	<b>—</b>	<b>1,980,066</b>	<b>1,501,928</b>

⑥ Long-term loans receivable from subsidiaries and affiliates

Borrowers	Amounts (Millions of yen)
Nissan Finance Co., Ltd.	220,685
Nissan Mexicana, S.A. de C.V.	47,025
Nissan Do Brasil Automóveis Ltda.	13,983
JATCO (Guangzhou) Automatic Transmission Ltd.	10,157
Renault Nissan Automotive India Private Limited	7,311
Total	299,161

⑦ Trade notes payable

Vendors	Amounts (Millions of yen)
RAYS Co., Ltd.	218
Total	218

Breakdown by maturity date

Maturity date	Amounts (Millions of yen)
April 2013	61
May 2013	72
June 2013	85
Total	218

⑧ Trade accounts payable

Vendors	Amounts (Millions of yen)
Nissan Shatai Co., Ltd.	57,257
JATCO Ltd.	41,875
Hitachi Automotive Systems, Ltd.	27,725
Calsonic Kansei Corporation	23,878
Sumitomo Electric Industries, Ltd.	11,075
Others	326,764
Total	488,576

⑨ Short-term borrowings

Lenders	Amounts (Millions of yen)
Nissan Finance Co., Ltd.	199,106
Nissan Middle East F.Z.E.	2,362
Nissan Singapore Pte. Ltd.	2,351
Total	203,820

⑩ Accrued expenses

Vendors	Amounts (Millions of yen)
JATCO Ltd.	24,562
Nissan Motor Light Trucks Co., Ltd.	7,984
TBWA HAKUHODO Inc.	6,045
Nissan Techno Co., Ltd.	5,031
Nissan Motor Kyushu Co., Ltd.	4,970
Others	201,781
Total	250,375

⑪ Bonds

Please refer to the Schedule of bonds payable, which is included in the consolidated supplemental schedules.

⑫ Long-term borrowings

Lenders	Amounts (Millions of yen)
Sumitomo Mitsui Trust Bank, Limited	80,000
Syndicated loan <sup>*1</sup>	77,025
Mizuho Corporate Bank, Ltd. <sup>*2</sup>	70,000
Development Bank of Japan Inc.	52,100
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	30,000
Mitsubishi UFJ Trust and Banking Corporation	30,000
Nippon Life Insurance Company	30,000
Others	51,875
Total	421,000

Notes: 1. This represents the total amount of two syndicated loan agreements.

2. The amount of borrowings attributable to the syndicated loan is not included.

(3) Other

Not applicable.

## 6. Information on Transfer and Repurchase of the Company's Stock

Fiscal year	From April 1 To March 31
General shareholders' meeting	June
Cut-off date for dividend	March 31
Cut-off dates for dividend of surplus	September 30 and March 31
Number of shares per unit of the Company's stock	100 shares
Repurchase of shares less than one unit	
Address where repurchases are processed	(Special account) 1-4-1, Marunouchi, Chiyoda-ku, Tokyo Stock Transfer Agency Business Planning Dept., Sumitomo Mitsui Trust Bank, Limited.
Administrator of shareholders' register	(Special account) 1-4-1, Marunouchi, Chiyoda-ku, Tokyo Sumitomo Mitsui Trust Bank, Limited.
Offices available for repurchase	—
Charges for repurchase	Handling charges as set by the securities companies designated by the Company for the repurchase plus the related consumption tax
Method of public notice	Public notice of the Company shall be given by electronic means; provided, however, that in the event accidents or other unavoidable reasons prevent public notice by electronic means, the notice can be given in the <i>Nihon Keizai Shimbun</i> . The electronic public notice is presented on the Company's Web site at <a href="http://www.nissan-global.com/EN/IR/">http://www.nissan-global.com/EN/IR/</a>
Special benefits to shareholders	None

Note: According to the Company's Articles of Incorporation where the rights of shareholders holding less shares than one unit are prescribed, the holder of shares less than one unit shall not be entitled to exercise the rights of shareholders in connection with such below-unit shares other than those rights listed below:

- (1) The rights stipulated in each item of Article 189, Paragraph 2, of the Company law;
- (2) The right to make a claim in accordance with Article 166, Paragraph 1, of the Company law; and
- (3) The right to subscribe for new shares or new share subscription rights in proportion to the number of the shares owned by said shareholder.

## 7. Reference Information on the Company

### 1. Information on the parent company or equivalent of the Company

The Company has no parent company or equivalent as prescribed in Article 24, Paragraph 7, Item 1, of the Financial Instruments and Exchange Law.

### 2. Other reference information

The Company filed the following documents between the beginning of the fiscal year ended March 31, 2013 and the date when this Securities Report (*Yukashoken-Hokokusho*) was filed.

- |     |   |                                      |  |   |
|-----|---|--------------------------------------|--|---|
| (1) | Securities Report and<br>Accompanying<br>Documents and<br>Confirmation Note   | Fiscal Year<br>(the 113th)           | From April 1, 2011<br>To March 31, 2012      | Submitted to the director of the Kanto<br>Local Finance Bureau on June 28,<br>2012.     |
| (2) | Internal Control Report   | Fiscal Year<br>(the 113th)           | From April 1, 2011<br>To March 31, 2012      | Submitted to the director of the Kanto<br>Local Finance Bureau on June 28,<br>2012.     |
| (3) | Quarterly<br>Securities Reports and<br>Confirmation Notes   | (The 1st quarter<br>of 114th period) | From April 1, 2012<br>To June 30, 2012       | Submitted to the director of the Kanto<br>Local Finance Bureau on July 30, 2012.        |
|     |   | (The 2nd quarter<br>of 114th period) | From July 1, 2012<br>To September 30, 2012   | Submitted to the director of the Kanto<br>Local Finance Bureau on November 8,<br>2012.  |
|     |   | (The 3rd quarter<br>of 114th period) | From October 1, 2012<br>To December 31, 2012 | Submitted to the director of the Kanto<br>Local Finance Bureau on February 13,<br>2013. |
| (4) | Extraordinary Report<br>An extraordinary report according to the provision of Article 19,<br>Paragraph 2, Item 9-2 (Matters to be resolved at the shareholders'<br>general meetings), of the Cabinet Office Ordinance on Disclosure of<br>Corporate Information, etc. |                                      |  | Submitted to the director of the Kanto<br>Local Finance Bureau on June 28,<br>2012.     |
| (5) | Shelf Registration Statement and<br>Accompanying Documents  |                                      |  | Submitted to the director of the Kanto<br>Local Finance Bureau on March 29,<br>2013.    |
| (6) | Supplemental Document to Shelf<br>Registration Statement and Accompanying<br>Documents  |                                      |  | Submitted to the director of the Kanto<br>Local Finance Bureau on April 19,<br>2013.    |

## **Part II      Information on Guarantors for the Company**

Not applicable

(For Translation Purposes Only)  
Independent Auditor's Report

June 26, 2013

The Board of Directors  
Nissan Motor Co., Ltd.

Ernst & Young ShinNihon LLC

Designated and Engagement Partner Certified Public Accountant	Kenji Ota
Designated and Engagement Partner Certified Public Accountant	Yoji Murohashi
Designated and Engagement Partner Certified Public Accountant	Koki Ito
Designated and Engagement Partner Certified Public Accountant	Hiroshi Kaya

<Financial statements audit>

Pursuant to Article 193-2, Section 1 of the Financial Instruments and Exchange Law of Japan, we have audited the accompanying consolidated financial statements of Nissan Motor Co., Ltd. included in "Financial Information" for the fiscal year from April 1, 2012 to March 31, 2013, which comprise the consolidated balance sheet, the consolidated statements of income, comprehensive income, changes in net assets, cash flows, the significant accounting policies, the other related notes and the consolidated supplemental schedules.

*Management's Responsibility 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 designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

*Auditor's Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. The purpose of an audit of the consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Nissan Motor Co., Ltd. and consolidated subsidiaries as at March 31, 2013, and their consolidated financial performance and cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

<Internal control audit>

Pursuant to Article 193-2, Section 2, of the Financial Instruments and Exchange Law of Japan, we also have audited the accompanying Management's Report on Internal Control Over Financial Reporting for the consolidated financial statements as at March 31, 2013 of Nissan Motor Co., Ltd. (the "Management's Report").

*Management's Responsibility for the Management's Report*

Management is responsible for designing and operating internal control over financial reporting, and for the preparation and fair presentation of the Management's Report in accordance with standards for assessment of internal control over financial reporting generally accepted in Japan.

Internal control over financial reporting may not prevent or detect misstatements.

*Auditor's Responsibility*

Our responsibility is to express an opinion on the Management's Report based on our internal control audit. We conducted our internal control audit in accordance with auditing standards for internal control over financial reporting generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Management's Report is free from material misstatement.

An internal control audit involves performing procedures to obtain audit evidence about the result of management's assessment on internal control over financial reporting in the Management's Report. The procedures selected depend on the auditor's judgment, including the materiality of effect on the reliability of financial reporting. An internal control audit also includes evaluating the overall presentation of the Management's Report, including disclosures on scope, procedures and conclusions of management's assessment of internal control over financial reporting.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the Management's Report referred to above, which represents that the internal control over financial reporting as at March 31, 2013 of Nissan Motor Co., Ltd. is effective, present fairly, in all material respects, the result of management's assessment on internal control over financial reporting in conformity with standards for assessment of internal control over financial reporting generally accepted in Japan.

*Conflicts of Interest*

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

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Notes:

1. The above is a digitization of the text contained in the original copy of the Independent Auditors' Report on Financial Statements and Internal Controls, which is in the custody of the Company—the submitter of this Securities Report.
2. The XBRL data is not included in the range of consolidated financial statements.

(For Translation Purposes Only)  
Independent Auditor's Report

June 26, 2013

The Board of Directors  
Nissan Motor Co., Ltd.

Ernst & Young ShinNihon LLC

Designated and Engagement Partner Certified Public Accountant	Kenji Ota
Designated and Engagement Partner Certified Public Accountant	Yoji Murohashi
Designated and Engagement Partner Certified Public Accountant	Koki Ito
Designated and Engagement Partner Certified Public Accountant	Hiroshi Kaya

Pursuant to Article 193-2, Section 1 of the Financial Instruments and Exchange Law of Japan, we have audited the accompanying non-consolidated financial statements of Nissan Motor Co., Ltd. included in "Financial Information" for the 114th fiscal year from April 1, 2012 to March 31, 2013, which comprise the non-consolidated balance sheet, the non-consolidated statements of income, changes in net assets, the significant accounting policies, the other related notes and the non-consolidated supplemental schedules.

*Management's Responsibility for the Non-Consolidated Financial Statements*

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

*Auditor's Responsibility*

Our responsibility is to express an opinion on these non-consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the non-consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error. The purpose of an audit of the non-consolidated financial statements is not to express an opinion on the effectiveness of the entity's internal control, but in making these risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the non-consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the non-consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the non-consolidated financial statements referred to above present fairly, in all material respects, the non-consolidated financial position of Nissan Motor Co., Ltd. as at March 31, 2013, and its non-consolidated financial performance for the year then ended in conformity with accounting principles generally accepted in Japan.

*Conflicts of Interest*

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

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Notes:

1. The above is a digitization of the text contained in the original copy of the Independent Auditors' Report on Financial Statements and Internal Controls, which is in the custody of the Company—the submitter of this Securities Report.
2. The XBRL data is not included in the range of consolidated financial statements.

<b>【Cover】</b>	
<b>【Document Submitted】</b>	Internal Control Report (“Naibutousei-Houkokusho”)
<b>【Article of the Applicable Law Requiring Submission of This Document】</b>	Article 24-4-4, Paragraph 1, of the Financial Instruments and Exchange Law
<b>【Filed to】</b>	Director, Kanto Local Finance Bureau
<b>【Date of Submission】</b>	June 27, 2013
<b>【Company Name】</b>	Nissan Jidosha Kabushiki-Kaisha
<b>【Company Name (in English)】</b>	Nissan Motor Co., Ltd.
<b>【Position and Name of Representative】</b>	Carlos Ghosn, President
<b>【Position and Name of Chief Financial Officer】</b>	Toshiyuki Shiga, Chief Operating Officer (Although Joseph G. Peter, Executive Vice President is put as Chief Financial Officer in “the Confirmation Note of the Accuracy of the Descriptions in the Securities Report (Yukashoken- Houkokusho)” , Toshiyuki Shiga, Chief Operating Officer who has the responsibility to design and operate internal control over financial reporting is put as Chief Financial Officer in this report.)
<b>【Location of Head Office】</b>	2, Takaracho, Kanagawa-ku, Yokohama, Kanagawa
<b>【Place Where Available for Public Inspection】</b>	Tokyo Stock Exchange, Inc. 2-1, Nihonbashi Kabutocho, Chuo-ku, Tokyo

## **1. Basic Framework of Internal Control Over Financial Reporting**

Carlos Ghosn, President of Nissan Motor Co., Ltd. (the “Company”) and Toshiyuki Shiga, Chief Operating Officer of the Company, having the responsibility to design and operate internal control over financial reporting of the Company, designs and operates such internal control of the Company in accordance with the basic framework set forth in “On the Setting of the Standards and Practice Standards for Management Assessment and Audit concerning Internal Control Over Financial Reporting (Council Opinions)” published by the Business Accounting Council.

Note that internal control aims at achieving its objectives to a reasonable extent given that all individual components of internal control are integrated, and function as a whole. Thus, internal control over financial reporting may not be able to completely prevent or detect misstatement in financial reporting.

## **2. Scope of Assessment, Assessment Date and Assessment Procedure**

Assessment of internal control over financial reporting was performed as of March 31, 2013 (i.e., the last day of this fiscal year) in accordance with assessment standards for internal control over financial reporting generally accepted in Japan.

In this assessment, the management first assessed company-level control which would have a material impact on the reliability of overall financial reporting on a consolidated basis, and based on such result, the management then selected the business processes to be assessed. In the process-level control assessment, the management assessed the effectiveness of internal control by analyzing the business processes in scope, identifying key controls that would have a material impact on the reliability of the financial reporting, and assessing the design and operation of such key controls.

Management determined the scope of assessment of internal control over financial reporting, by selecting the Company, consolidated subsidiaries and companies accounted for by the equity method based on their materiality of impacts on the reliability of financial reporting. The materiality of the impacts on the reliability of financial reporting was determined in consideration of both quantitative and qualitative aspects, and the management reasonably determined the scope of assessment of process-level control based on the result of the company-level control assessment, which included the Company, 92 consolidated subsidiaries and 1 company accounted for by the equity method. 88 consolidated subsidiaries and 58 companies accounted for by the equity method were excluded from the scope of this company-level control assessment because their quantitative and qualitative impacts were deemed insignificant.

For the purpose of determining the scope of process-level control assessment, 50 business locations were selected as “Significant Business Locations”, which comprises the Company and its consolidated subsidiaries selected in descending order based on their previous fiscal year’s consolidated net sales (after elimination) and contributed approximately two-thirds of the Company’s consolidated net sales in the aggregate. Note that the management confirmed that the scope of internal control assessment was sufficient based on this fiscal year’s consolidated net sales. In such Significant Business Locations, all business processes related to the accounts that are closely associated with the Company’s business objectives, such as sales, accounts receivable, and inventory were included in the scope of assessment.

Furthermore, regardless of the Significant Business Locations, certain business processes related to significant accounts involving estimates and management’s judgment, or related to a business or operation dealing with high-risk transactions were added to the scope of assessment as “business processes with material impacts on financial reporting.”

## **3. Assessment Result**

Based on the above mentioned assessment results, the management concluded that the internal control over financial reporting at the end of this fiscal year was effective.

## **4. Supplementary Information**

Not applicable

## **5. Special Affairs**

Not applicable

**【Cover】**

<b>【Document Submitted】</b>	Confirmation Note
<b>【Article of the Applicable Law Requiring Submission of This Document】</b>	Article 24-4-2, Paragraph 1, of the Financial Instruments and Exchange Law
<b>【Filed to】</b>	Director, Kanto Local Finance Bureau
<b>【Date of Submission】</b>	June 27, 2013
<b>【Company Name】</b>	Nissan Jidosha Kabushiki-Kaisha
<b>【Company Name (in English)】</b>	Nissan Motor Co., Ltd.
<b>【Position and Name of Representative】</b>	Carlos Ghosn, President
<b>【Position and Name of Chief Financial Officer】</b>	Joseph G. Peter, Executive Vice President
<b>【Location of Head Office】</b>	2, Takaracho, Kanagawa-ku, Yokohama, Kanagawa
<b>【Place Where Available for Public Inspection】</b>	Tokyo Stock Exchange, Inc. 2-1, Nihonbashi Kabutocho, Chuo-ku, Tokyo

## **1. Accuracy of the Descriptions in This Securities Report**

Carlos Ghosn, President of Nissan Motor Co., Ltd., and Joseph G. Peter, Executive Vice President have confirmed that this Securities Report “Yukashoken-Houkokusho (from April 1, 2012 to March 31, 2013) ” of the 114th Fiscal Term is reasonably and fairly described in accordance with the Financial Instruments and Exchange Law.

## **2. Special Affairs**

There are no noteworthy matters that are pertinent to this securities report.