Financial Information as of March 31, 2014

(The English translation of the
"Yukashoken-Houkokusho" for
the year ended March 31, 2014)

Nissan Motor Co., Ltd.

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【Document Submitted】	Securities Report (“Yukashoken-Houkokusho”)
【Article of the Applicable Law Requiring Submission of This Document】	Article 24, Paragraph 1 of the Financial Instruments and Exchange Law
【Filed to】	Director, Kanto Local Finance Bureau
【Date of Submission】	June 26, 2014
【Business Year】	115th Fiscal Year (From April 1, 2013 To March 31, 2014)
【Company Name】	Nissan Jidosha Kabushiki-Kaisha
【Company Name (in English)】	Nissan Motor Co., Ltd.
【Position and Name of Representative】	Carlos Ghosn, President
【Location of Head Office】	2, Takaracho, Kanagawa-ku, Yokohama-shi, Kanagawa
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【Place Where Available for Public Inspection】	Tokyo Stock Exchange, Inc. 2-1, Nihonbashi Kabutocho, Chuo-ku, Tokyo

Part I Information on the Company

1. Overview of the Company

1. Key financial data and trends

(1) Consolidated financial data

Fiscal year		111th	112th	113th	114th	115th
Year ended		March 31, 2010	March 31, 2011	March 31, 2012	March 31, 2013	March 31, 2014
Net sales	Millions of yen	7,517,277	8,773,093	9,409,026	8,737,320	10,482,520
Ordinary income	Millions of yen	207,747	537,814	535,090	504,421	527,189
Net income	Millions of yen	42,390	319,221	341,433	341,117	389,034
Comprehensive income	Millions of yen	—	189,198	290,600	721,860	796,533
Net assets	Millions of yen	3,015,105	3,273,783	3,449,997	4,036,030	4,671,528
Total assets	Millions of yen	10,214,820	10,736,693	11,072,053	12,442,337	14,703,403
Net assets per share	Yen	663.90	703.16	750.77	890.38	1,035.06
Basic net income per share	Yen	10.40	76.44	81.67	81.39	92.82
Diluted net income per share	Yen	—	—	—	—	92.82
Net assets as a percentage of total assets	%	26.5	27.4	28.4	30.0	29.5
Return on equity	%	1.59	11.30	11.22	9.92	9.64
Price earnings ratio	Times	77.02	9.65	10.79	11.08	9.91
Cash flows from operating activities	Millions of yen	1,177,226	667,502	696,297	412,257	728,123
Cash flows from investing activities	Millions of yen	(496,532)	(331,118)	(685,053)	(838,047)	(1,080,416)
Cash flows from financing activities	Millions of yen	(663,989)	110,575	(308,457)	433,817	396,925
Cash and cash equivalents at end of fiscal year	Millions of yen	761,495	1,153,453	840,871	711,901	832,716
Employees ( ) represents the average number of part-time employees not included in the above numbers	Number	151,698 (17,600) 157,624 (17,908)	155,099 (27,816) 159,398 (28,089)	157,365 (34,775) 161,513 (35,099)	130,274 (22,442) 136,625 (23,307)	142,925 (21,750) 147,939 (22,642)

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

2. Effective from the 115th fiscal year, International Financial Reporting Standards (IFRS) 11 *Joint Arrangements*, which was released on May 12, 2011, and International Accounting Standards (IAS) 19 *Employee Benefits*, which was released on June 16, 2011, have been applied in some foreign subsidiaries and affiliates, and key financial data and trends for the 114th fiscal year are adjusted.

3. 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.

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		111th	112th	113th	114th	115th
Year ended		March 31, 2010	March 31, 2011	March 31, 2012	March 31, 2013	March 31, 2014
Net sales	Millions of yen	2,899,166	3,432,989	3,734,336	3,526,252	3,737,844
Ordinary income (loss)	Millions of yen	294,116	(6,919)	(62,424)	111,526	457,281
Net income (loss)	Millions of yen	262,403	(24,018)	(74,826)	74,847	425,494
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	1,901,847	1,952,080	1,815,674	1,790,353	2,144,281
Total assets	Millions of yen	4,131,243	4,241,367	4,214,783	4,060,408	4,726,430
Net assets per share	Yen	433.32	435.04	403.86	398.22	477.04
Cash dividends per share (Interim cash dividends included herein)	Yen (Yen)	— (—)	10 (5)	20 (10)	25 (12.5)	30 (15)
Basic net income (loss) per share	Yen	59.86	(5.37)	(16.71)	16.67	94.77
Diluted net income per share	Yen	—	—	—	—	94.77
Net assets as a percentage of total assets	%	46.0	46.0	43.0	44.0	45.3
Return on equity	%	14.85	(1.25)	(3.98)	4.16	21.65
Price earnings ratio	Times	13.38	—	—	54.29	9.71
Cash dividends as a percentage of net income	%	—	—	—	149.96	31.66
Employees ( ) represents the average number of part-time employees not included in the above numbers	Number	29,878 (399)	28,403 (1,707)	24,240 (2,943)	23,605 (2,671)	23,085 (2,858)

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

2. Diluted net income per share for the 112th fiscal year and 113th fiscal year is not presented because a net loss per share was recorded although potential 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 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 1971	Construction of the Tochigi Plant was completed.
October 1973	Construction of the Sagamihara 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.
November 1981	Nissan Motor Acceptance Corporation (currently a consolidated subsidiary) was established.
November 1982	Construction of the Aguascalientes plant of Nissan Mexicana, S.A. de C.V. was completed.
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.
May 1991	Construction of Kanda Wharf was completed.
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 (currently an affiliate accounted for by the equity method) 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., a consolidated subsidiary).
April 2000	Nissan North America, Inc. merged with Nissan Motor Manufacturing Corporation U.S.A.
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 an interest in Renault 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	Nissan North America, Inc. established a new plant in Canton, Mississippi.
July 2003	Dongfeng Motor Co., Ltd. (currently an affiliate accounted for by the equity method) commenced its operations in China.
April 2004	The Company made Siam Nissan Automobile (currently Nissan Motor (Thailand) Co., Ltd., a consolidated subsidiary) into a subsidiary through underwriting of third party allocation of new shares.
May 2004	A plant of Dongfeng Motor Co., Ltd., was completed in Huadu, China.
January 2005	The Company made Calsonic Kansei Corporation (currently a consolidated subsidiary) through underwriting of third party allocation of new shares.
December 2007	Renault Nissan Automotive India Private Limited (currently a consolidated subsidiary) was established.
January 2008	Nissan International SA (currently a consolidated subsidiary) 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.
August 2011	Nissan Motor Kyushu Co., Ltd. (currently a consolidated subsidiary) was incorporated from the Kyushu Plant of the Company as its parent organization.
March 2013	The Company acquired an interest in AVTOVAZ through Nissan International Holdings B.V. (currently a consolidated subsidiary) and Alliance Rostec Auto B.V. (currently an affiliate accounted for by the equity method).
November 2013	Construction of the second plant of Nissan Mexicana, S.A. de C.V. (currently a consolidated subsidiary), was completed in Aguascalientes, Mexico.
April 2014	Construction of a plant of Nissan Do Brasil Automóveis Ltda. (currently a consolidated subsidiary) was completed in Resende, Brazil.
May 2014	Construction of the second plant of PT. Nissan Motor Indonesia (currently a consolidated subsidiary) was completed in Purwakarta, Indonesia.

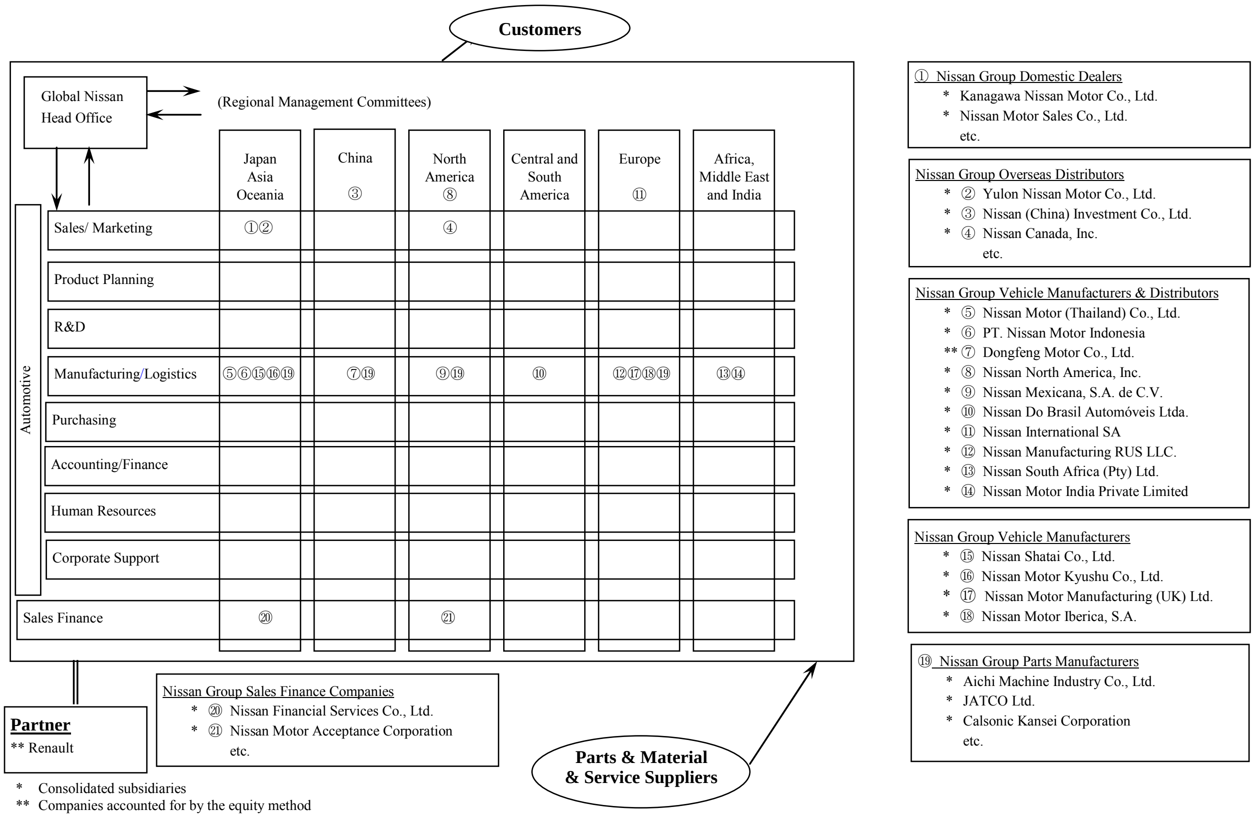
3. Description of business

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 respective businesses and manages their business operations group-wide. Also it operates the Global Nissan Group through six 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:

Global Nissan Group



* Consolidated subsidiaries
** Companies accounted for by the 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 among above mentioned are as follows:
  Nissan Shatai Co., Ltd. – Tokyo, and Calsonic Kansei Corporation – Tokyo

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					
						Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
				Percentage	(Indirect holdings)	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	45.79	(0.00)	4	—	—	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	2	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	—	3	2	—	None	Selling automotive parts to NML	None
JATCO Ltd.	Fuji-shi, Shizuoka	29,935	Manufacturing and selling automotive parts	74.96	—	4	2	—	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	—	3	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	41.59	—	4	1	—	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	196,000 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	—	5	2	—	None	Purchasing products manufactured by NML	Leasing of land and buildings 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)	4	4	—	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					
						Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
				Percentage	(Indirect holdings)	Transferred	Concurrent	Dispatched			
		Millions of yen		%	%	Number	Number	Number	Millions of yen		
Nissan Finance Co., Ltd.	Nishi-ku, Yokohama-shi	2,491	Finance	100.00	—	—	6	—	459,986 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)	4	1	—	None	Purchasing products manufactured by NML	None
Nissan Motor Sales Co., Ltd.	Minato-ku, Tokyo	480	Selling automobiles and parts	100.00	—	4	—	1	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)	6	—	2	None	Purchasing parts for repairs from NML	None
Nissan Car Rental Solutions Co., Ltd.	Nishi-ku, Yokohama-shi	90	Car rentals	100.00	(100.00)	1	3	—	None	Purchasing automobiles for car rental business from NML	None
Other domestic consolidated subsidiaries		55 companies									
Total domestic consolidated subsidiaries		72 companies									

Name of company	Location	Capital	Description of principal business	Percentage of voting rights held by NML		Relationship with NML					
						Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
				Percentage	(Indirect holdings)	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	(48.00)	—	—	1	None	None	None
☆ Nissan International Holdings B.V.	Amsterdam, The Netherlands	Millions of Euro 1,932	Holding company for subsidiaries	100.00	—	—	3	—	13,630 funded as working capital	None	None
Nissan West Europe S.A.S.	Voisins-le-Bretonneux, 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 £ stg. 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 £ stg. 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	—	None	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)	—	1	—	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 and parts	100.00	(100.00)	—	2	—	None	Purchasing products manufactured by NML	None
☆◎ Nissan North America, Inc.	Franklin, Tennessee, U.S.A.	Millions of US$ 1,792	Managing subsidiaries in North America and manufacturing and selling automobiles and parts	100.00	—	—	—	—	61,752 funded as working capital	Purchasing products manufactured by NML	None
Nissan Motor Acceptance Corporation	Franklin, Tennessee, U.S.A.	Millions of US$ 500	Financing wholesale and retail sales of automobiles in the U.S.A.	100.00	(100.00)	—	2	—	166,403 funded as working capital	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					
						Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
				Percentage	(Indirect holdings)	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	Providing 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	(63.27)	—	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	—	51,460 funded as working capital	Purchasing products manufactured by NML	None
Nissan Do Brasil Automóveis Ltda.	Curitiba, Parana, Brazil	Millions of BRL 1,115	Manufacturing and selling automobiles and parts	100.00	—	—	—	7	63,217 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	—	18,414 funded as working capital	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)	—	—	—	None	Purchasing products manufactured by NML	None
Nissan New Zealand Ltd.	Auckland, New Zealand	Millions of NZ$ 51	Selling automobiles and parts	100.00	—	—	—	—	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	—	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	2,429 funded as working capita	Purchasing products manufactured by NML	None
☆ Renault Nissan Automotive India Private Limited	Oragadam, Kanchipuram District, India	Millions of INR 40,017	Manufacturing and selling automobiles and parts	70.00	—	—	—	1	16,018 funded as working capital	Purchasing products manufactured by NML	None
PT. Nissan Motor Indonesia	Kota Bukit Indah, Purwakarta, Indonesia	Millions of INR 974,600	Manufacturing and selling automobiles and parts	75.00	—	1	1	—	11,424 funded as working capita	Purchasing products manufactured by NML	None
Nissan Motor (Thailand) Co., Ltd.	Bangsaothong, Samutpraken, Thailand	Millions of THB 1,944	Manufacturing and selling automobiles and parts	75.00	—	—	2	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					
						Concurrent positions/offices held by directors			Loans	Business transactions	Leasing of fixed assets
				Percentage	(Indirect holdings)	Transferred	Concurrent	Dispatched			
				%	%	Number	Number	Number	Millions of yen		
※ Yulon Nissan Motor Co., Ltd	Miaoli, Republic of China	Millions of TWD 3,000	Selling automobiles and parts	40.00	—	1	2	1	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	81 companies										
Total foreign consolidated subsidiaries	109 companies										
Total consolidated subsidiaries	181 companies										

(2) Affiliates accounted for by the equity method

<table>
<tr><th rowspan="3">Name of company</th><th rowspan="3">Location</th><th rowspan="3">Capital</th><th rowspan="3">Description of principal business</th><th colspan="2" rowspan="2">Percentage of voting rights held by NML</th><th colspan="6">Relationship with NML</th></tr>
<tr><th colspan="3">Concurrent positions/offices held by directors</th><th rowspan="2">Loans</th><th rowspan="2">Business transactions</th><th rowspan="2">Leasing of fixed assets</th></tr>
<tr><th>Percentage</th><th>(Indirect holdings)</th><th>Transferred</th><th>Concurrent</th><th>Dispatched</th></tr>
<tr><td></td><td></td><td></td><td></td><td>%</td><td>%</td><td>Number</td><td>Number</td><td>Number</td><td>Millions of yen</td><td></td><td></td></tr>
<tr><td>#
Nissan Tokyo Sales Holdings Co., Ltd.</td><td>Shinagawa-ku, Tokyo</td><td>Millions of yen 13,752</td><td>Selling automobiles and parts</td><td>34.07</td><td>(34.07)</td><td>—</td><td>—</td><td>—</td><td>None</td><td>Purchasing products manufactured by NML</td><td>None</td></tr>
<tr><td># (Note 5)
Renault</td><td>Boulogne, Billancourt, France</td><td>Millions of Euro 1,127</td><td>Manufacturing and selling automobiles and parts</td><td>15.19</td><td>(15.19)</td><td>—</td><td>2</td><td>—</td><td>None</td><td>Joint development</td><td>None</td></tr>
<tr><td>(Note 6)
Dongfeng Motor Co., Ltd.</td><td>Wuhan, Hubei, China</td><td>Millions of CNY 16,700</td><td>Manufacturing and selling automobiles and parts</td><td>50.00</td><td>(50.00)</td><td>—</td><td>4</td><td>—</td><td>None</td><td>Purchasing products manufactured by NML</td><td>None</td></tr>
<tr><td colspan="12">Other affiliates accounted for by the equity method 26 companies</td></tr>
<tr><td colspan="12">Total affiliates accounted for by the equity method 29 companies</td></tr>
</table>

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, 2014. Therefore, the key financial data for Nissan North America, which consolidates the financial data for its 29 subsidiaries, are shown below.

(1) Net sales	¥4,171,180 million
(2) Ordinary income	¥89,972 million
(3) Net income	¥70,292 million
(4) Net assets	¥998,176 million
(5) Total assets	¥6,621,810 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 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. And also Renault is treated as other associated company because it holds 43.7% of the voting rights of the Company.

5. Employees

(1) Consolidated companies

(As of March 31, 2014)

Geographical segment	Number of employees	
Japan	65,480	(12,701)
North America	32,272	(3,747)
(the United States of America included therein)	14,616	(10)
Europe	15,931	(2,841)
Asia	24,383	(1,985)
Other overseas countries	4,859	(476)
Total	142,925	(21,750)

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, 2014, and are not included in the number of full-time employees.

2. The number of employees engaged in sales finance business was 2,295 (68).

(2) The Company

(As of March 31, 2014)

Number of employees		Average age (Years)	Average years of service (Years)	Average annual salary (Yen)
23,085	(2,858)	42.8	20.6	7,665,074

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 March 31, 2014, and are not included in the number of full-time employees.

2. The average annual salary for employees includes bonuses and overtime pay.

3. The calculation method of "Average annual salary" has been changed from the previous "employees (except managers or above)" to "all employees inclusive of managers or above" effective from the current fiscal year.

4. 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 25,995 including those of Nissan Motor Kyushu Co., Ltd. as of March 31, 2014.
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

Described in 5. Financial Information, (Changes in accounting policies), effective from the 115th fiscal year, International Financial Reporting Standards (IFRS) 11 Joint Arrangements, which was released on May 12, 2011, and International Accounting Standards (IAS) 19 Employee Benefits, which was released on June 16, 2011, have been applied in some foreign subsidiaries and affiliates, and the following descriptions are based on the adjusted amounts of the prior fiscal year.

(1) Operating results

Net sales of the Group for the year ended March 31, 2014, totaled ¥10,482.5 billion, which represents an increase of ¥1,745.2 billion (20.0%) relative to net sales for the prior fiscal year. Operating income was ¥498.4 billion for the current fiscal year, an increase of ¥59.6 billion (13.6%) from the prior fiscal year.
Net non-operating income was ¥28.8 billion for the current fiscal year, decreasing by ¥36.8 billion from the prior fiscal year. This result was primarily due to the deterioration from an exchange gain of ¥19.1 billion for the prior fiscal year to an exchange loss of ¥13.1 billion for the current fiscal year and an increase in derivative loss despite an increase in interest income by ¥5.8 billion. As a result, ordinary income increased by ¥22.8 billion (4.5%) to ¥527.2 billion compared with the prior fiscal year. Net special gains of ¥2.2 billion were recorded for the current fiscal year, improving by ¥19.3 billion from the prior fiscal year. This was primarily attributable to a year-on-year improvement of special gains by ¥11.8 billion mainly attributable to the reporting of the gain on contribution of securities to retirement benefit trust and the improvement of special losses by ¥7.5 billion attributable to a decrease in impairment loss. Income before income taxes and minority interests increased by ¥42.1 billion (8.6%) to ¥529.4 billion compared with the prior fiscal year. Finally, net income for the year ended March 31, 2014 was ¥389.0 billion, an increase of ¥47.9 billion (14.0 %) from the prior fiscal year.

The operating results by reportable segments are summarized as follows:

① Automobiles

The Group's worldwide automobile sales (on a retail basis) for the year ended March 31, 2014, increased by 274 thousand units (5.6%) from the prior fiscal year to 5,188 thousand units. The number of vehicles sold in Japan increased by 11.1% to 719 thousand units. Vehicles sold in China increased by 7.2% to 1,266 thousand units. Taking into account the impact of the partial transfer of the medium and heavy commercial vehicle-related business of Dongfeng Motor in calculating the vehicle units sold during the prior fiscal year, the Group's sales volume in China increased by 17.2% year on year. Those sold in North America including Mexico and Canada increased by 12.4% to 1,648 thousand units, those sold in Europe increased by 2.4% to 676 thousand units while those sold in other overseas countries decreased by 8.5% to 879 thousand units.

Net sales in the automobile segment (including intersegment sales) for the current fiscal year increased by ¥1,616.5 billion (19.5%) from the prior fiscal year to ¥9,896.6 billion.

Operating income amounted to ¥317.8 billion for the year ended March 31, 2014, an increase of ¥36.4 billion (12.9%) from the prior fiscal year. This was primarily due to the favorable effects of foreign exchange rates, a reduction in purchasing costs (including those for raw materials), the sales volume increase and a positive impact from model mix despite a decrease in profits due to increases in selling expenses and costs related to the product enrichment and quality issues.

② Sales finance

Net sales (including intersegment sales) for the current fiscal year increased by ¥141.6 billion (26.1%) to ¥683.8 billion. Operating income for the current fiscal year increased by ¥22.4 billion (15.8%) from that of the prior fiscal year to ¥164.7 billion.

Operating results by geographic segment are summarized as follows:

a. Japan

- Net sales (including intersegment sales) for the current fiscal year increased by ¥326.6 billion (7.3%) from the prior fiscal year to ¥4,824.1 billion.
- Operating income increased by ¥116.8 billion (56.8%) from the prior fiscal year to ¥322.6 billion.
  Major profit-increasing factors were foreign exchange rate movement and a reduction in purchasing costs.

b. North America

- Net sales (including intersegment sales) for the current fiscal year increased by ¥1,125.7 billion (30.4%) to ¥4,830.0 billion.
- Operating income increased by ¥14.5 billion (8.2%) from the prior fiscal year to ¥191.9 billion. This was primarily attributable to sales volume increase and a reduction in purchasing costs despite a decrease in profits due to a negative effect from the model mix and an increase in selling expenses.

c. Europe

- Net sales (including intersegment sales) for the current fiscal year were ¥1,881.7 billion, an increase of ¥287.2 billion (18.0%) from the prior fiscal year.
- An operating loss of ¥23.6 billion was recorded for the current fiscal year, reducing profits by ¥25.4 billion compared with operating income for the prior fiscal year. Major profit-declining factors were foreign exchange rate movement, a negative effect from the model mix and an increase in selling expenses.

d. Asia

- Net sales (including intersegment sales) for the current fiscal year increased by ¥314.5 billion (24.6%) from the prior fiscal year to ¥1,593.9 billion.
- Operating income for the current fiscal year was ¥53.3 billion, an increase of ¥8.3 billion (18.2%) from the prior fiscal year. Major profit-increasing factor was foreign exchange rate movement.

e. Other overseas countries

- Net sales (including intersegment sales) for the current fiscal year increased by ¥86.9 billion (9.5%) from the prior fiscal year to ¥999.4 billion.
- An operating loss of ¥30.0 billion was recorded for the current fiscal year, deteriorating by ¥38.1 billion from the prior fiscal year. Major profit-declining factors were sales volume decline and an increase in selling expenses.

(2) Cash flows

Cash and cash equivalents at the end of the current fiscal year increased by ¥120.8 billion (17.0%) from the end of the prior fiscal year to ¥832.7 billion. This reflected ¥728.1 billion in net cash provided by operating activities, ¥1,080.4 billion in net cash used in investing activities, and ¥396.9 billion in net cash provided by financing activities, as well as an increase of ¥74.9 billion in the effects of exchange rate changes on cash and cash equivalents and a ¥1.3 billion increase attributable to a change in the scope of consolidation.

(Cash flows from operating activities)

Net cash provided by operating activities increased by ¥315.8 billion to ¥728.1 billion in the current fiscal year from ¥412.3 billion provided in the prior fiscal year. This mainly reflected the shift from a decrease to an increase in trade notes and accounts payable in addition to an increase in income before income taxes and minority interests.

(Cash flows from investing activities)

Net cash used in investing activities increased by ¥242.4 billion to ¥1,080.4 billion in the current fiscal year from ¥838.0 billion used in the prior fiscal year. This was mainly due to an increase in purchase of leased vehicles.

(Cash flows from financing activities)

Net cash provided by financing activities was ¥396.9 billion in the current fiscal year, a decrease in cash inflows of ¥36.9 billion compared with ¥433.8 billion provided in the prior fiscal year. This was mainly due to an increase in cash dividends paid.

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	1,060,157	1,000,190	(59,967)	(5.7)
The United States of America	671,748	848,971	177,223	26.4
Mexico	672,679	708,851	36,172	5.4
The United Kingdom	505,042	516,488	11,446	2.3
Spain	137,996	140,145	2,149	1.6
Russia	—	26,243	26,243	—
Thailand	234,910	146,290	(88,620)	(37.7)
Indonesia	62,795	56,167	(6,628)	(10.6)
India	200,147	230,570	30,423	15.2
South Africa	49,857	49,190	(667)	(1.3)
Brazil	31,912	23,455	(8,457)	(26.5)
Egypt	10,770	13,583	2,813	26.1
Total	3,638,013	3,760,143	122,130	3.4

Note: The figures represent the production figures for the 12-month period from April 1, 2013 to March 31, 2014.

(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	620,466	696,790	76,324	12.3
North America	1,488,376	1,685,183	196,807	13.2
(the United States of America included therein)	1,153,946	1,312,186	158,240	13.7
Europe	689,725	739,675	49,950	7.2
Asia	383,755	330,735	(53,020)	(13.8)
Other overseas countries	664,808	606,068	(58,740)	(8.8)
Total	3,847,130	4,058,451	211,321	5.5

Note: The figures in China and Taiwan, which are included in "Asia," represent the sales figures for the 12-month period from January 1 to December 31, 2013. Those sold in Japan, North America, Europe, Other overseas countries and Asia (excluding China and Taiwan) represent vehicles sold for the 12-month period from April 1, 2013 to March 31, 2014.

3. Issues to be tackled

The Group 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.

The Group 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
The Group 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
The Group 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, The Group 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
The Group has 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, The Group aims 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 26, 2014.

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 20 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) Marketable securities 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, market environment 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. Global Sales Financing Business Unit 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 sales companies, financial institutions and suppliers in many regions around the world. The Group is exposed to the risk that such counterparties could default on their obligations. The Group manages to mitigate its own counterparty credit risk by conducting a comprehensive ongoing assessment of these counterparties based on their financial information. Nonetheless, should unprecedented conditions such as bankruptcies of sales companies, financial institutions and suppliers be triggered by a global economic crisis, that could 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 long-term expected rates of return on plan assets and other factors. When the Group's actual results differ from those assumptions or when any of the assumptions change, the resulting effects will be accumulated and recognized regularly over future periods; therefore, 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 20 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 in the future to other countries and regions mainly in the emerging nations. 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_2/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, even if the perpetrator of an improper act is its secondary or tertiary supplier, the Company could be criticized for social responsibility and 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, which is composed of major members of the Management Council, 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 ¥500.6 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 of America, 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 2013, the Group opened the Nissan Research Center Silicon Valley (NRC-SV) office for the research of autonomous vehicles and 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. The development of the DATSUN "GO", which was released in March 2014, was locally carried out exclusively for the Indian market. Moreover, Nissan Motor Asia Pacific Co, Ltd., which is the core R&D base in the ASEAN region, expanded new facilities from 2013 and increased the scope of local responsibility to improve its capabilities to respond 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 restructured their sharing of roles in the next-generation research domains to be undertaken by both in the pursuit of efficiency improvement of management resources. In this innovative project, both parties are accelerating the adoption of common vehicle platforms, the planning and implementation of the common powertrain strategy and more streamlined use of experimental facilities located globally. 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, the parties are engaged in the joint development of common FCEV systems.

(2) New vehicles under development

In Japan, the Group launched the "DAYZ" and the "DAYZ ROOX", which are new mini-car models. The Group introduced a full model change to the "SKYLINE," the "X-TRAIL" and the "TEANA." Overseas, the Group introduced a full model change to the "INFINITI Q50" and the "ROGUE" in North America, the "X-TRAIL" and the "TEANA" in China, and "QASHQAI" in Europe. The Group also launched a new model DATSUN "GO", a DATSUN-brand car revived for the emerging nations, in India.

(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 five priority activities in action plans: "Penetration of Zero-Emission Vehicles," "Wider Application of Fuel-Efficient Vehicles," "Corporate Carbon Footprint Minimization," "New Natural Resource Usage Minimization" and "Environmental Management Enhancement."

As for "Penetration of Zero-Emission Vehicles," the "Nissan LEAF," 100% EV model, of which sales started in December 2010 in Japan and the United States of America, has expanded its sales to 35 countries on four continents. With a cumulative total of 110 thousand units by the end of March 2014, the Nissan LEAF achieved the top global share of 48% in the EV category. During fiscal year 2014, the Group will start sales of the "e-NV200," a 100% EV, as a second EV model in the European and Japanese markets.

In July 2013, by applying the "LEAF to Home" power supply system, which enables car users to supply electricity from EVs to their houses, the Group started demonstration experiments for the "Vehicle to Building" system at the Nissan Advanced Technology Center (NATC) in Atsugi-shi, Kanagawa, which allows up to six Nissan LEAFs to be simultaneously connected to a building/condominium's power distribution board, enabling to reduce electricity cost by providing power from the vehicle to the building during the day at peak hours when electricity is most expensive.

As for "Wider Application of Fuel-Efficient Vehicles," the Group is endeavoring to improve the fuel economy of Nissan vehicles sold in Japan, China, Europe and the United States of America. The "Lithium-ion batteries," the "Intelligent dual clutch control hybrid system" and the "Xtronic continuously variable transmission (CVT)" are positioned as three core technologies in this domain. Optimum low fuel consumption technologies will be adopted to newly launched models by taking into account such factors as interior space, utility and price. In fiscal year 2013, the "DAYZ" (*1) launched in Japan, the “INFINITI QX60” (*2) launched in the United States of America, the “NOTE” (*3) and the “QASHQAI” (*4) launched in Europe achieved the top-class fuel economy. The intelligent dual clutch control hybrid system for rear wheel drive (FR) vehicles, of which power performance and energy efficiency are improved compared with conventional types, was adopted to the “INFINITI Q50” and “SKYLINE” models. In addition, the intelligent dual clutch control hybrid system for front wheel drive (FF) vehicles, which has realized a compact size in combination with the Xtronic transmission, was adopted for the first time to the “PATHFINDER” and the “INFINITI QX60” in the U.S. market.

The Group also focuses on reduction of car body weight to increase fuel efficiency. In fiscal year 2013, the Group adopted the world first 1.2 gigapascals (Gpa) class, high-formability, high tensile strength steel (for cold press) onboard the “INFINITI Q50” and “SKYLINE” model. This enables us to reduce the body weight by approximately 40 kg, partly supported by other measures incorporated.

Regarding safety, the Group aimed 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 traffic accidents. This goal already has been achieved in Japan, the United States of America, and the United Kingdom. At present, the Group has a goal of further reducing by half the above number of Nissan-automobiles-related deaths and serious injuries by 2020 toward zero fatalities and serious injuries as a supreme goal. 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 Shield,” which is a sophisticated and positive approach to safety issues. The Group has realized the “All-Around Driving Support System” aimed at protecting the driver from risks for all directions with a 360-degree view around the vehicle including the world’s first “Predictive Forward Collision Warning (PFCW)” system adopted to the “INFINITI Q50” and “SKYLINE” models. The Group promotes the adoption of an emergency braking system to help the driver avoid a rear-end collision with the vehicle in front of the driver. The system has been adopted to the “INFINITI Q50” in the U.S. market; the “SKYLINE,” the “SERENA,” the “NOTE” and the “X-TRAIL” in the Japanese market; and the “QASHQAI” in the European market.

Furthermore, in August 2013, the Group publicly released its “Autonomous Drive” prototype car, on which is adopted autonomous driving technology that can be expected to significantly reduce the number of traffic accidents, in the United States of America and announced its target of launching commercially viable Autonomous Drive (AD) vehicles by 2020. Nissan’s AD technology has functions to recognize and monitor the surrounding vehicles, pedestrians and traffic signals using cameras, laser scanners and radar installed on the vehicle; determine responses on the mounted computer; and control the motors, steering and brakes for continuous autonomous driving.

In September 2013, Nissan obtained Japan’s first license plate for a demonstrative experiment on public roads toward the realization of its autonomous driving system. Nissan’s vehicle equipped with its AD feature participated in a test on a public road in November 2013; the test was planned and proposed by the Ministry of Economy, Trade and Industry, and Prime Minister Abe attended this event. The demonstrative experiment started on the Sagami Expressway in Kanagawa Prefecture.

The Company also focuses not only on environmental and safety technologies but also on technology development that makes driving fun, as well as comfortable and convenient for drivers. For example, the world’s first “Direct Adaptive Steering” technology which controls tire movements by transforming the steering wheel movements into electrical signal has been adopted to the “INFINITI Q50” and “SKYLINE” models. Furthermore, the “Smart Rearview Mirror”, which is equipped with a high-resolution camera mounted on the rear of the vehicle that provides the driver with a clear rear view, was introduced at the Geneva Motor Show in March 2014.

The “Nissan Common Module Family (CMF)” technology was released in 2012 as an innovative technology to drastically improve mass-production advantages due to extensive use of common vehicle structures, components and parts. The Group first adopted the CMF onboard the “ROGUE” in the U.S. market, the “X-TRAIL” in the Japanese market and the “QASHQAI” in the European market.

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.

*1: DAYZ: 29.2 km/L (JC08 model). A tall station wagon-type, light-duty vehicle of with full height of 1,550 mm or more.
*2: INFINITI QX60: 26 mpg (combination mode for city/highway driving); for up to seven passengers, the Ward’s 2013 luxury large SUV segment.
*3: NOTE: 4.3 L/100 km (manual transmission model, European fuel consumption standards); B-segment gasoline vehicle.
*4: QASHQAI: 5.6 L/100 km (gasoline vehicles, European fuel consumption standards), 3.8 L/100 km (diesel vehicles, European fuel consumption standards); gasoline/diesel crossover SUV segment.

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 26, 2014, 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 accounts

Allowance for doubtful accounts is provided to cover losses on bad debts based on an estimate of the collectability 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) Accrued warranty costs

Accrued 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

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 long-term expected rates of return on plan assets and other factors. When the Group's actual results differ from those assumptions or when any of the assumptions change, the resulting effects will be accumulated and recognized regularly over future periods. The cumulative effect could adversely affect the recognition of expenses and liabilities recorded in future periods.

(2) Analysis of operating results

(Sales)

The global total industrial volume (TIV) totaled 83.11 million units for the current fiscal year, an increase of 4.8% year on year. The Group's global sales for the year ended March 31, 2014, increased by 5.6% year on year, which exceeded the growth rate of TIV, to 5,188 thousand units, accounting for a global market share of 6.2%.

In Japan, TIV increased by 9.2% year on year to 5,690 thousand units. Meanwhile, the Group's domestic sales volume increased by 11.1%, which exceeded the growth rate of TIV, to 719 thousand units, accounting for a global market share of 12.6%. Sales of the DAYZ series and the new "X-TRAIL" model, for which the "Nissan Common Module Family (CMF) technology was adopted for the first time, considerably contributed to this favorable performance.

In China, for which the fiscal year is accounted for on a calendar-year basis, the Group's sales volume growth was higher than that of the market expansion. TIV grew by 14.0% year on year to 20.75 million units. The Group's sales volume increased by 7.2% year on year to 1,266 thousand units. Taking into account the impact of the partial transfer of the medium and heavy commercial vehicle-related business of Dongfeng Motor in calculating the units sold during the prior fiscal year, the Group's sales volume in China increased by 17.2% year on year. Although sales in the first half were affected by the island dispute, the "QASHQAI" and the new "SYLPHY," as well as new models of the "VENUCIA" and "INFINITI" brands, contributed to the overall sales increase.

The Group also increased remarkably its sales in North America. TIV increased by 6.4 % year on year to 15.65 million units, while the Group's sales volume in the United States of America increased by 13.0% to 1,285 thousand units. Favorable sales of the new "ROGUE" and the "ALTIMA" considerably contributed to this sales volume increase.

In Canada, TIV increased by 4.6% year on year to 1.70 million units. The Group's sales volume increased by 20.9%, which exceeded the growth rate of TIV, to 96 thousand units mainly due to favorable sales of the new "ROGUE" model.

In Mexico, the Group maintained the top branded position with the market share of 24.9% and sales volume of 265 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.

In Europe including Russia, in which the momentum of market recovery has been growing, TIV increased by 1.8% year on year to 17.49 million units. The Group's sales volume increased by 2.4% to 676 thousand units, and the Group maintained its market share of 3.9%.
Sales volume increased in Japan, China, North America and Europe, while sales volume was unstable in other markets such as Asia, Oceania, and Central and South America, the regions that were affected by unfavorable foreign exchange rate movement, changes in governmental policy and/or adverse financial impacts.
In other markets, the Group's sales volume decreased by 8.5% to 879 thousand units. In Asia and Oceania, the Group's sales volume decreased by 17.8% to 363 thousand units. The Group's sales volume also decreased by 16.1% in Central and South America to 186 thousand units. Meanwhile, the Group's sales volume increased by 22.5% to 226 thousand units in the Middle East, partially offsetting the decline of sales volume in other markets.

In the emerging nations' markets, the Group has seen promising signs. For example, the new DATSUN "GO" was launched recently and the new "TERRANO" model has been well received in India.

Global sales of the Group were positive on the whole although sales conditions remain unstable in several specific emerging countries.

(Operating results)

i) Net sales
Consolidated net sales for the current fiscal year were ¥10,482.5 billion, an increase of ¥1,745.2 billion year on year. This increase in revenue is mainly attributable to the correction of the yen appreciation and sales volume increase.

ii) Operating income
Consolidated operating income totaled ¥498.4 billion for the current fiscal year, an increase of ¥59.6 billion from the prior fiscal year.

Major profit-increasing/declining factors in the change of consolidated operating income were foreign exchange rate movement attributable to the correction of the yen appreciation against the U.S. dollar, a reduction in purchasing costs and sales volume increase, which were partly offset by increases in selling expenses, costs related to the product enrichment and quality issues.

iii) Non-operating income and expenses
Net non-operating income amounted to ¥28.8 billion for the current fiscal year, decreasing by ¥36.8 billion from net non-operating income of ¥65.6 billion for the prior fiscal year. This result was mainly due to the deterioration from an exchange gain of ¥19.1 billion for the prior fiscal year to an exchange loss of ¥13.1 billion for the current fiscal year and an increase in derivative loss, despite an increase in interest income of ¥5.8 billion.

iv) Special gains and losses
Net special gains amounted to ¥2.2 billion, improving by ¥19.3 billion compared with net special losses of ¥17.1 billion for the prior fiscal year. This was primarily attributable to a year-on-year improvement of special gains by ¥11.8 billion mainly attributable to the reporting of the gain on contribution of securities to retirement benefit trust and the improvement of special losses by ¥7.5 billion due to a decrease in impairment loss.

v) Income taxes
Income taxes for the current fiscal year decreased by ¥9.2 billion from the prior fiscal year to ¥115.1 billion.

vi) Income attributable to minority interests
The income attributable to minority interests for the current fiscal year increased by ¥3.4 billion to ¥25.3 billion.

vii) Net income
Consolidated net income increased by ¥47.9 billion from ¥341.1 billion for the prior fiscal year to ¥389.0 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 ¥1,015.9 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 ¥199.7 billion.

(3) Analysis of sources of capital and liquidity

1. Cash flows

Cash and cash equivalents at the end of the current fiscal year increased by ¥120.8 billion (17.0%) from the end of the prior fiscal year to ¥832.7 billion. This reflected ¥728.1 billion in net cash provided by operating activities, ¥1,080.4 billion in net cash used in investing activities, and ¥396.9 billion in net cash provided by financing activities, as well as an increase of ¥74.9 billion in the effects of exchange rate changes on cash and cash equivalents and a ¥1.3 billion increase attributable to a change in the scope of consolidation.

(Cash flows from operating activities)

Net cash provided by operating activities increased by ¥315.8 billion to ¥728.1 billion in the current fiscal year from ¥412.3 billion provided in the prior fiscal year. This mainly reflected the shift from a decrease to an increase in trade notes and accounts payable in addition to an increase in income before income taxes and minority interests.

(Cash flows from investing activities)

Net cash used in investing activities increased by ¥242.4 billion to ¥1,080.4 billion in the current fiscal year from ¥838.0 billion used in the prior fiscal year. This was mainly due to an increase in purchase of leased vehicles.

(Cash flows from financing activities)

Net cash provided by financing activities was ¥396.9 billion in the current fiscal year, a decrease in cash inflows of ¥36.9 billion compared with ¥433.8 billion provided in the prior fiscal year. This was mainly due to an increase in cash dividends paid.

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 Group has entered into loan commitment agreements with major international banks in addition to the cash and cash equivalents as above, the Group believes that a level of liquidity sufficient to meet the Group's funding requirements is being maintained.
Whether or not the Group can raise funds without collateral and the related costs depends upon the credit rating of the Group. Currently, the Group'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 Group's debt securities.

3. Equipment and Facilities

1. Overview of capital expenditures

The Nissan Group (the Company and its consolidated subsidiaries) invested ¥536.3 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, 2014, and are not included in the number of full-time employees.

(1) The Company

(As of March 31, 2014)

Location	Address	Description	Net book value: Land Area (m^2)	Net book value: Land Amount (Millions of yen)	Buildings & structures (Millions of yen)	Machinery & vehicles (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	Number of employees (Persons)
Yokohama Plant	Kanagawa-ku and Tsurumi-ku, Yokohama-shi, Kanagawa	Automobile parts production facilities	505,434	370	24,741	31,294	2,330	58,735	2,474 (547)
Oppama Plant (including the Research Center)	Yokosuka-shi, Kanagawa	Vehicle production facilities	1,844,577	29,150	30,523	20,723	4,373	84,769	2,684 (280)
Tochigi Plant	Kaminokawa-cho, Tochigi	Vehicle production facilities	2,926,049	4,443	20,560	35,528	9,878	70,410	4,257 (801)
Nissan Motor Kyushu Co., Ltd. (Note 1)	Kanda-machi, Fukuoka	Vehicle production facilities	2,355,196	29,849	31,711	22,673	4,733	88,966	110 (14)
Iwaki Plant	Iwaki-shi, Fukushima	Automobile parts production facilities	207,493	3,862	7,018	7,059	1,073	19,012	502 (132)
Head Office departments and other	Atsugi-shi and Isehara-shi, Kanagawa	R&D facilities	1,356,489	25,426	76,797	44,862	19,132	166,218	9,123 (659)
	Nishi-ku, Yokohama-shi, Kanagawa	Head office	10,000	6,455	21,391	763	5,797	34,407	1,730 (158)

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, 2014)

Company	Location	Address	Description	Net book value: Land Area (m^2)	Net book value: Land Amount (Millions of yen)	Buildings & structures (Millions of yen)	Machinery & vehicles (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	Number of employees (Persons)
JATCO Ltd.	Fuji Office and other	Fuji-shi, Shizuoka, etc.	Automobile parts production facilities	1,094,981	16,646	26,043	52,965	8,404	104,058	5,648 (916)
Nissan Shatai Co., Ltd.	Shonan Plant and other	Hiratsuka-shi, Kanagawa, etc.	Vehicle production facilities	803,879	14,426	11,438	23,079	17,908	66,851	1,988 (288)
Aichi Machine Industry Co., Ltd.	Atsuta Plant and other	Atsuta-ku, Nagoya-shi, Aichi, etc.	Automobile parts production facilities	401,972	27,373	9,088	19,512	4,062	60,035	1,818 (136)
Calsonic Kansei Corporation	Gunma Plant and other	Ora-cho, Gunma, etc.	Automobile parts production facilities	608,677	14,966	14,035	11,815	3,429	44,245	3,600 (135)
Nissan Network Holdings Co., Ltd.	Head office and other	Yokohama-shi, Kanagawa, etc.	Facilities for automobile sales, etc.	3,111,654	371,483	73,666	97	2,053	447,299	12 (-)

(3) Foreign subsidiaries

(As of March 31, 2014)

Company	Location	Address	Description	Net book value: Land Area (m^2)	Land Amount (Millions of yen)	Buildings & structures (Millions of yen)	Machinery & vehicles (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	Number of employees (Persons)
Nissan North America, Inc.	Production plant for vehicles and parts and other facilities	Smyrna, Tennessee, Canton,Mississippi, USA, etc.	Production facilities for vehicles, parts and others	26,156,575	6,861	75,479	122,132	189,562	394,034	11,381 (8)
Nissan Mexicana, S.A. de C.V.	Production plant for vehicles and parts	Morelos, Mexico, and Aguascalientes, Mexico	Production facilities for vehicles, parts and others	7,069,527	10,201	28,069	50,305	85,149	173,723	11,575 (3,444)
Nissan Motor Iberica S.A.	Production plant for vehicles and parts	Barcelona, Madrid, Spain, etc.	Production facilities for vehicles and parts	700,067	422	19,972	14,068	41,247	75,708	4,187 (676)
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	1,854	19,469	40,226	67,445	128,993	5,655 (1,935)
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	3,271	15,750	48,740	6,296	74,057	6,259 (-)
Nissan Motor (Thailand) Co., Ltd.	Production plant for vehicles and parts	Bangsaothong, Samutpraken, Thailand	Production facilities for vehicles and parts	995,164	1,015	1,659	6,049	50,835	59,559	3,836 (41)
Nissan Manufacturing RUS LLC.	Production plant for vehicles and parts	Sankt-Petersburg, Russia	Production facilities for vehicles and parts	1,650,603	493	10,100	16,923	32,993	60,509	2,315 (49)
Nissan Do Brasil Automóveis Ltda	Production plant for vehicles and parts and other facilities	Resende, Rio de Janeiro, Brazil	Production facilities for vehicles and parts and others	—	—	625	1,611	71,982	74,218	1,919 (-)

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

Major leased assets

Company	Location	Address	Lessor	Description	Area (m^2)	Lease Fees (Thousands of yen/month)
Nissan Motor Co., Ltd.	Information System Center	Atsugi-shi, Kanagawa	Fujitsu Limited	Building	24,564	78,592
Nissan Motor Iberica S.A.	Part of the plant site	Barcelona, Spain	Zona Franca Association of Industrial Area	Land	518,000	19,831

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 segments

Reportable segments	Net book value: Land Area (m^2)	Land Amount (Millions of yen)	Buildings & structures (Millions of yen)	Machinery & vehicles (Millions of yen)	Other (Millions of yen)	Total (Millions of yen)	Number of employees (Persons)
Sales finance	16,535	0	112	1,868,779	54,482	1,923,373	2,295 (68)

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

3. Plans for new additions or disposals

(1) New additions and renovations

During fiscal year 2014 (From April 1, 2014 To March 31, 2015), the Group plans to invest ¥525.0 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, 2014	As of June 26, 2014 (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, 2014, 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.

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

	As of March 31, 2014	As of May 31, 2014
Number of share subscription rights	77,984units	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	7,798,400shares	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, 2014	As of May 31, 2014
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 Corporate Law.

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

	As of March 31, 2014	As of May 31, 2014
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, 2014	As of May 31, 2014
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, 2014	As of May 31, 2014
Number of share subscription rights	29,558units	29,558units
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	2,955,800shares	2,955,800shares
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, 2014)

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)	—	163	77	1,375	766	299	251,293	253,973	—
Number of shares held (units)	—	6,516,063	680,946	857,747	33,103,203	35,846	4,006,991	45,200,796	635,512
Shareholding Ratio (%)	—	14.42	1.51	1.90	73.24	0.07	8.86	100.00	—

Note: Treasury stock of 30,811,635 shares are included in “Individuals and other” at 308,116 units, and in “Shares under one unit” at 35 shares.

(7) Principal shareholders

(As of March 31, 2014)

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 Bank, Ltd.)	13-15 QUAI ALPHONSE LE GALLO 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 Bank, Ltd.) (Note 1)	WOOLGATE HOUSE, COLEMAN STREET, LONDON EC2P 2HD, ENGLAND (4-16-13 Tsukishima, Chuo-ku, Tokyo)	144,927	3.21
Japan Trustee Services Bank Ltd. (Trust account)	1-8-11 Harumi, Chuo-ku, Tokyo	98,616	2.18
The Master Trust Bank of Japan Ltd. (Trust account)	2-11-3 Hamamatsu-cho, Minato-ku, Tokyo	97,340	2.15
GIC PRIVATE LIMITED (Standing agent: Tokyo Branch, Hongkong and Shanghai Banking Corporation Limited)	168 ROBINSON ROAD #37-01 CAPITAL TOWER, SINGAPORE 068912 (3-11-1 Nihonbashi, Chuo-ku, Tokyo)	66,028	1.46
Nippon Life Insurance Company	1-6-6 Marunouchi, Chiyoda-ku, Tokyo	65,888	1.46
JP Morgan Chase Bank 385632 (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	25 BANK STREET, CANARY WHARF, LONDON, E14 5JP, UNITED KINGDOM (4-16-13 Tsukishima, Chuo-ku, Tokyo)	55,813	1.23
Moxley & Co. LLC (Standing agent: Sumitomo Mitsui Banking Corporation)	270 PARK AVENUE, NEW YORK, NY 10017-2070, U.S.A. (1-2-3 Otemachi, Chiyoda-ku, Tokyo)	41,779	0.92
The Bank of New York 133522 (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	RUE MONTOYERSTRAAT 46, 1000 BRUSSELS, BELGIUM (4-16-13 Tsukishima, Chuo-ku, Tokyo)	37,970	0.84
JP Morgan Chase Bank 380055 (Standing agent: Settlement & Clearing Services Division, Mizuho Bank, Ltd.)	270 PARK AVENUE, NEW YORK, NY 10017, U.S.A. (4-16-13 Tsukishima, Chuo-ku, Tokyo)	37,075	0.82
Total	—	2,607,473	57.67

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 Shirokane, 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, 2014)

Classification	Number of shares (Shares)	Number of voting rights (Units)	Description
Shares with full voting rights (Treasury stock, etc.)	(Treasury stock) Common stock 30,811,600	—	—
	(Crossholding stock) Common stock 266,800	—	—
Shares with full voting rights (Others)	Common stock 4,489,001,200	44,890,012	—
Shares under one unit	Common stock 635,512	—	—
Total shares issued	4,520,715,112	—	—
Total voting rights held by all shareholders	—	44,890,012	—

Note: "Shares under one unit" include 35 shares of treasury stock and 30 crossholding shares.

Crossholding shares under one unit (As of March 31, 2014)

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

② Treasury stock, etc.

(As of March 31, 2014)

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	30,811,600	—	30,811,600	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	37,600	75,400	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		31,040,600	37,800	31,078,400	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 Corporate 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 105th annual general meeting of the shareholders:

Date for resolution	June 23, 2004
Individuals covered by the Plan	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	① Partial exercise of each share subscription right 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.
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)).

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

Resolution at 106th annual general meeting of the shareholders:

Date for resolution	June 21, 2005
Individuals covered by the Plan	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	① Partial exercise of each share subscription right 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.
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)).

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

The Plan under Articles 236, 238 and 239 of the Corporate 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	① Partial exercise of each share subscription right 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. 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. 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. ⑦ A Holder shall not be able to exercise his/her share subscription rights in case 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.
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 Corporate 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)).

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

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	① Partial exercise of each share subscription right 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. 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. 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. ⑦ A Holder shall not be able to exercise his/her share subscription rights in case 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.
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 Corporate 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)).

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

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	① Partial exercise of each share subscription right 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 Holders shall achieve their own predetermined performance targets. 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. 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. ⑥ A Holder shall not be able to exercise his/her share subscription rights in case 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.
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 Corporate 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)).

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

2. Acquisition of treasury stock

Type of shares: Acquisition of shares of common stock under Article 155, Item 7, of the Corporate 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

Classification	Number of shares (Thousands)	Total amount (Millions of yen)
Treasury stock acquired during the current fiscal year	10	9
Treasury stock acquired during the period for acquisition	1	0

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, 2014, to the filing date of this Securities Report.

(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)	125	126	—	—
Number of shares of treasury stock held	30,812	—	30,813	—

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, 2014, 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 Corporate 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, 2014, the Company's interim dividend was ¥15 per share and the year-end dividend was ¥15 per share. As a result, the Company's annual dividend was ¥30 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, 2014, are as follows:

Date of resolution	Total dividend amount (Millions of yen)	Dividend per share (Yen)
Board of Directors meeting held on November 1, 2013	62,873	15
Annual general meeting of the shareholders held on June 24, 2014	62,877	15

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

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

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

	111th fiscal year	112th fiscal year	113th fiscal year	114th fiscal year	115th fiscal year
Year-end	March 2010	March 2011	March 2012	March 2013	March 2014
Highest (Yen)	826	894	898	1,034	1,250
Lowest (Yen)	357	600	614	639	824

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 2013	November	December	January 2014	February	March
Highest (Yen)	1,029	992	942	974	943	923
Lowest (Yen)	945	850	858	882	824	842

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 Joined Renault 1996 December Executive Vice President of Renault 1999 June Director and COO of the Company 2000 June President and COO of the Company 2001 June President and CEO of the Company 2003 June Co-Chairman, President and CEO of the Company 2005 April President and CEO of Renault President and Chairman of Renault Nissan BV (Current position) 2008 June Chairman, President and CEO of the Company (Current position) 2009 May Chairman, President and CEO of Renault (Current position)	Two years from June 2013	3,117
Representative Director	CCO	Hiroto Saikawa (November 14, 1953)	1977 April Joined the Company 2000 October General Manager of Purchasing Strategy Dept. of the Company 2003 April Senior Vice President of the Company 2005 April Executive Vice President of the Company 2005 June Director and Executive Vice President of the Company 2006 May Director of Renault (Current position) 2013 April Director, Executive Vice President and CCO of the Company 2014 April Director and CCO of the Company (Current position)	Two years from June 2013	6
Representative Director	Vice Chairman	Toshiyuki Shiga (September 16, 1953)	1976 April Joined the Company 1999 July General Manager of Corporate Planning Dept. and Alliance Coordination Office of the Company 2000 April Senior Vice President of the Company 2005 April COO of the Company 2005 June Director and COO of the Company 2013 November Director and Vice Chairman of the Company (Current position)	Two years from June 2013	97
Representative Director	Senior Vice President	Greg Kelly (September 15, 1956)	1988 March Joined Nissan North America, Inc. 1993 August Director of Personnel Dept., Nissan North America, Inc. 2000 April Senior Director of Personnel Dept., Nissan North America, Inc. 2005 October Vice President (in charge of personnel and organizational development) of Nissan North America, Inc. 2008 April Corporate Vice President of the Company 2009 April Senior Vice President of the Company 2012 June Director and Senior Vice President of the Company 2014 April Director and Alliance EVP, Senior Vice President of the Company (Current position)	Two years from June 2013	1
Director	Executive Vice President	Hideyuki Sakamoto (April 15, 1956)	1980 April Joined the Company 2005 April Project Manager of Vehicle Design Engineering Dept. No.3 of the Company 2008 April Corporate Vice President of the Company 2012 April Senior Vice President of the Company 2014 April Executive Vice President of the Company 2014 June Director and Executive Vice President of the Company (Current position)	One year from June 2014	17
Director	Executive Vice President	Fumiaki Matsumoto (December 8, 1958)	1981 April Joined the Company 2002 April Project Manager of NPW Promotion Dept., Production Business Div. of the Company 2003 April General Manager of NPW Promotion Dept., Production Business Div. of the Company 2010 April President of Dongfeng Motor Co., Ltd. 2014 April Executive Vice President of the Company 2014 June Director and Executive Vice President of the Company (Current position)	One year from June 2014	3

Function	Position	Name (Date of birth)	Career profile			Term of office (period)	Number of shares owned (Thousands)
Director		Mitsuhiko Yamashita (April 17, 1953)	1979 2001 2002 2004 2005 2005 2014	April February April April April June April	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 Director and Executive Vice President of the Company Director of the Company (Current position)	Two years from June 2013	77
Director		Jean Baptiste Duzan (September 7, 1946)	1982 1992 2009	September January June	Joined Renault Senior Vice President of Renault Director of the Company (Current position)	Two years from June 2013	1
Director		Bernard Rey (September 6, 1946)	1988 1998 1999 2000 2007 2011 2014	 April April April November June	Project Director of Renault Officer in charge of International Dept. of Renault Vice President of the Company Senior Vice President of the Company Senior Vice President of Renault Retired from Renault Director of the Company (Current position)	One year from June 2014	0
Statutory Auditor	Standing	Hidetoshi Imazu (May 15, 1949)	1972 1998 2002 2007 2007 2014 2014	April April April April June April June	Joined the Company General Manager, Chassis Engineering Div. of the Company Senior Vice President of the Company Executive Vice President of the Company Director and Executive Vice President of the Company Director of the Company Statutory Auditor of the Company (Current position)	Four years from June 2014	58
Statutory Auditor	Standing	Toshiyuki Nakamura (July 26, 1951)	1974 1998 2002 2003 2004 2005 2006 2006	April June April April June June April 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 2014	21
Statutory Auditor	Standing	Motoo Nagai (March 4, 1954)	1977 1999 2002 2007 2011 2011 2014	April December April April April June June	Joined Industrial Bank of Japan, Limited Deputy General Manager of Integration Risk Management Dept., Industrial Bank of Japan, Limited General Manager of Integration Risk Management Dept., Mizuho Corporate Bank, Ltd. Managing Executive Officer of Mizuho Corporate Bank, Ltd. Deputy President (Executive Officer) of Mizuho Trust & Banking Co., Ltd. Deputy President (Executive Officer and Director) of Mizuho Trust & Banking Co., Ltd. Statutory Auditor of the Company (Current position)	Four years from June 2014	–

Function	Position	Name (Date of birth)	Career profile		Term of office (period)	Number of shares owned (Thousands)
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	5
Total						3,403

Notes:

1. Jean Baptiste Duzan is outside director of the Company.
2. Toshiyuki Nakamura, Motoo Nagai and Shigetoshi Andoh are outside statutory auditors.
3. The Company sets 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 51 including the 6 directors listed above (Carlos Ghosn, Hiroto Saikawa, Toshiyuki Shiga, Greg Kelly, Hideyuki Sakamoto, and Fumiaki Matsumoto). The 45 other members are as follows: Andy Palmer (CPLO); Joseph G. Peter (CFO); Trevor Mann (CPO); Takao Katagiri, Jose Munoz, Kimiyasu Nakamura, Tsuyoshi Yamaguchi and Shohei Kimura (Executive Vice Presidents); Shiro Nakamura, Hitoshi Kawaguchi, Yasuhiro Yamauchi, Akira Sakurai, Johan de Nysschen, Takao Asami, Jun Seki, Jose Luis Valls, Takashi Hata and Paul Willcox (Senior Vice Presidents); Asako Hoshino, Celso Guiotoko, Joji Tagawa, Toshifumi Hirai, Atsushi Hirose, Shunichi Toyomasu, Vincent Cobee, Yusuke Takahashi, Hiroshi Karube, Norio Ota, Rakesh Kochhar, Toru Hasegawa, Keno Kato, Noboru Tateishi, Roel De Vries, Tony Laydon, Kunio Nakaguro, Mitsuro Antoku, Arun Bajaj, Naoya Fujimoto, Toshihiro Hirai, Hari Nada, Hiroshi Nagaoka, Akihiro Otomo, Atul Pasricha and Nobuya Uranishi (Corporate Vice Presidents); and Haruyoshi Kumura (Fellow).

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 Corporate Law and the Corporate 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 an Executive Committee where key issues such as business strategies, important transactions and investments are reviewed and discussed, as well as other committee meetings where routine 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 an internal whistle-blowing system with internal and external points of contact, 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.
k. Diverse activities related to the Renault-Nissan alliance including those regarding the jointly operated functions are conducted under the direction and oversight of the Board of Directors, the Executive Committee and the relevant Corporate Officers of the Company. The relevant decision making is conducted based on the "Delegation of Authority" procedures by the Board of Directors, the relevant Corporate Officers or employees of the Company in accordance with the applicable laws and regulations.

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 the members of the Risk Management 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. The Company works to streamline the "Information Security Policy" and the "Global Information Management Policy," enhance proper and strict retention and management of information and prevent leakage and/or improper use of information. In addition, the Company establishes the Information Security Committee to comprehensively manage companywide information security and for decision making related information security.

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 an internal whistle-blowing 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 Corporate 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 Corporate 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 80 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 Chief Competitive Officer Meeting, 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, 2014. 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, 2014, 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, 2014, 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 Motoo Nagai was once the Managing Executive Officer of Mizuho Corporate Bank, Ltd. (currently Mizuho Bank, Ltd.), and the Deputy President (Executive Officer and Director) of Mizuho Trust & Banking Co., Ltd. Although Mizuho Bank, Ltd., and the Company had transactions such as cash in banks or borrowings for the fiscal year ended March 31, 2014, 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. Although Mizuho Trust & Banking Co., Ltd., and the Company had transactions such as cash in banks or borrowings for the fiscal year ended March 31, 2014, 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.
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, 2014, 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 number of the Company's shares owned by each of the Outside Director and Statutory Auditors is stated in "5. Members of the Board of Directors and Statutory Auditors."
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 up to 6 million shares of the Company's common stock per annum as resolved at the 114th annual shareholders' meeting held on June 25, 2013.
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>

(Millions of yen)

Category	Total Remuneration	Basic Remuneration	SAR	Numbers
Directors (except for Outside Directors)	1,704	1,653	51	8
Statutory Auditors (except for Outside Statutory Auditors)	29	29	—	1
Outside Directors and Outside Statutory Auditors	72	72	—	4

<Individuals whose remuneration exceeds ¥100 million>

(Millions of yen)

Name	Position	Category	Total Remuneration	Basic Remuneration	SAR
Carlos Ghosn	Director	The Company	995	995	—
Hiroto Saikawa	Director	The Company	135	120	15
Colin Dodge	Director	The Company	165	165	—
Mitsuhiko Yamashita	Director	The Company	109	96	13
Hidetoshi Imazu	Director	The Company	109	96	13

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, 2014. 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: 41

Total of the amounts recorded in the balance sheet: ¥189,547 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	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 common stock.

“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 common stock.

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

(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	160,321	Maintain a strategic cooperative relationship
Renesas Electronics Corporation	25,000,000	19,675	Maintain a relationship in automotive parts supply
Tan Chong Motor Holdings Berhad	37,333,324	6,550	Maintain a relationship in manufacturing and sales
Star Flyer Inc.	60,000	113	Maintain the trade relations
MITSUBA Corporation	729	1	Maintain a relationship in automotive parts supply

Note: There are five (5) 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 common stock.
“Amount recorded in the balance sheet” of Star Flyer Inc. and the following one (1) company is less than one-hundredth (1/100) of common stock.

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	4,555	Maintain the relations with Group companies
MITSUBA Corporation	1,742,000	2,950	Maintain a relationship in automotive parts supply
UNIPRES CORPORATION	31,700	58	Maintain a relationship in automotive parts supply

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 Yoji Murohashi
Designated Liability-Limited and Engagement Partner Takeshi Hori
Designated Liability-Limited and Engagement Partner Koki Ito
Designated Liability-Limited and Engagement Partner Masayuki Nakamura

※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 35 Certified Public Accountants and 44 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 Corporate 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 Corporate 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 Corporate 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 statements 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	476	18	475	45
Consolidated subsidiaries	450	36	440	43
Total	926	54	915	88

b) Content of other important remuneration

(Prior 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.

(Current fiscal year)
Several overseas consolidated subsidiaries paid a total of ¥1,789 million as the remuneration to be paid for auditing and attestation and ¥204 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 advice on documents to be disclosed in English, implementation support for consolidated accounting system 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 IFRS and internal control 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 statements 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" (hereinafter the "Regulations for Consolidated Financial Statements").
Pursuant to Article 3, Paragraph 2, of the Supplementary Provisions of the "Cabinet Office Ordinance Partially Amending the Regulations Concerning the Terminology, Forms and Preparation Methods of Financial Statements" (Cabinet Office Ordinance No. 61 dated September 21, 2012), comparative information included in the consolidated financial statements for the fiscal year (from April 1, 2013 to March 31, 2014) are prepared in accordance with the Regulations for Consolidated Financial Statements before the amendment.

(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" (hereinafter the "Regulations for Non-Consolidated Financial Statements").
Pursuant to Article 2, Paragraph 2, of the Supplementary Provisions of the "Cabinet Office Ordinance Partially Amending the Regulations Concerning the Terminology, Forms and Preparation Methods of Financial Statements" (Cabinet Office Ordinance No. 61 dated September 21, 2012), comparative information included in the non-consolidated financial statements for the fiscal year (from April 1, 2013 to March 31, 2014) are prepared in accordance with the Regulations for Non-Consolidated Financial Statements before the amendment.
As the Company falls under the category of a company filing financial statements prepared in accordance with special provisions, the non-consolidated financial statements of the Company are prepared in accordance with Article 127 of the Regulations for Non-Consolidated Financial Statements.

2. Auditing and attestation

The consolidated and the non-consolidated financial statements for the fiscal year ended March 31, 2014 (from April 1, 2013 to March 31, 2014) 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, 2013)		Current fiscal year (As of March 31, 2014)
Assets				
Current assets				
Cash on hand and in banks		604,357		822,863
Trade notes and accounts receivable		583,112		785,954
Sales finance receivables	※3,※6	4,161,925	※3,※6	5,033,558
Securities		107,652		13,470
Merchandise and finished goods		663,889		769,676
Work in process		97,952		94,386
Raw materials and supplies		283,418		287,789
Deferred tax assets		244,133		210,395
Other	※6	511,744	※6	650,143
Allowance for doubtful accounts		(43,664)		(58,956)
Total current assets		7,214,518		8,609,278
Fixed assets				
Property, plant and equipment				
Buildings and structures, net		600,336		615,127
Machinery, equipment and vehicles, net	※2	2,265,006	※2	2,658,776
Land		644,656		642,932
Construction in progress		250,858		337,635
Other, net		421,482		503,568
Total property, plant and equipment	※1,※3	4,182,338	※1,※3	4,758,038
Intangible fixed assets	※3,※4	75,446	※3,※4	92,334
Investments and other assets				
Investment securities	※5	717,555	※5	930,293
Long-term loans receivable		13,052		13,529
Deferred tax assets		83,705		117,437
Other		158,420		185,047
Allowance for doubtful accounts		(2,697)		(2,553)
Total investments and other assets		970,035		1,243,753
Total fixed assets		5,227,819		6,094,125
Total assets		12,442,337		14,703,403

(Millions of yen)

		Prior fiscal year (As of March 31, 2013)		Current fiscal year (As of March 31, 2014)
Liabilities				
Current liabilities				
Trade notes and accounts payable		1,168,584		1,511,910
Short-term borrowings	※3	519,796	※3	706,576
Current portion of long-term borrowings	※3	779,856	※3	910,546
Commercial papers		219,453		151,175
Current portion of bonds		181,336		226,590
Lease obligations		32,673		32,838
Accrued expenses		598,890		693,438
Deferred tax liabilities		116		316
Accrued warranty costs		80,311		93,151
Other		672,245		860,709
Total current liabilities		4,253,260		5,187,249
Long-term liabilities				
Bonds		671,693		918,783
Long-term borrowings	※3	2,352,170	※3	2,682,381
Lease obligations		22,795		23,580
Deferred tax liabilities		555,249		605,140
Accrued warranty costs		89,021		105,884
Accrued retirement benefits		164,672		—
Net defined benefit liability		—		216,583
Other		297,447		292,275
Total long-term liabilities		4,153,047		4,844,626
Total liabilities		8,406,307		10,031,875
Net assets				
Shareholders' equity				
Common stock		605,814		605,814
Capital surplus		804,470		804,485
Retained earnings		3,252,876		3,526,646
Treasury stock		(149,549)		(149,315)
Total shareholders' equity		4,513,611		4,787,630
Accumulated other comprehensive income				
Unrealized holding gain and loss on securities		20,897		81,630
Unrealized gain and loss from hedging instruments		(8,578)		(7,015)
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting		(13,945)		(13,945)
Translation adjustments		(780,137)		(469,202)
Remeasurements of defined benefit plans		—		(40,444)
Total accumulated other comprehensive income		(781,763)		(448,976)
Share subscription rights		2,415		2,401
Minority interests		301,767		330,473
Total net assets		4,036,030		4,671,528
Total liabilities and net assets		12,442,337		14,703,403

② Consolidated statement of income and consolidated statement of comprehensive income

Consolidated statement of income

(Millions of yen)

		Prior fiscal year (From April 1, 2012 To March 31, 2013)		Current fiscal year (From April 1, 2013 To March 31, 2014)
Net sales		8,737,320		10,482,520
Cost of sales	※1,※2	7,289,987	※1,※2	8,636,063
Gross profit		1,447,333		1,846,457
Selling, general and administrative expenses				
Advertising expenses		214,076		289,098
Service costs		50,671		100,255
Provision for warranty costs		68,363		107,480
Other selling expenses		129,337		204,953
Salaries and wages		311,139		354,908
Retirement benefit expenses		11,306		25,174
Supplies		3,581		3,637
Depreciation and amortization		46,031		43,515
Provision for doubtful accounts		6,248		31,869
Amortization of goodwill		2,104		1,814
Other		165,654		185,389
Total selling, general and administrative expenses	※1	1,008,510	※1	1,348,092
Operating income		438,823		498,365
Non-operating income				
Interest income		11,276		17,064
Dividends income		4,672		6,013
Equity in earnings of affiliates		80,186		78,815
Exchange gain		19,092		—
Miscellaneous income		8,796		9,254
Total non-operating income		124,022		111,146
Non-operating expenses				
Interest expense		26,312		28,677
Amortization of net retirement benefit obligation at transition		9,947		9,075
Derivative loss		6,359		18,166
Exchange loss		—		13,063
Miscellaneous expenses		15,806		13,341
Total non-operating expenses		58,424		82,322
Ordinary income		504,421		527,189

(Millions of yen)

		Prior fiscal year (From April 1, 2012 To March 31, 2013)		Current fiscal year (From April 1, 2013 To March 31, 2014)
Special gains				
Gain on sales of fixed assets	※3	10,775	※3	9,168
Gain on sales of investment securities		1,549		3,774
Gain on contribution of securities to retirement benefit trust		—		12,175
Other		2,945		2,011
Total special gains		15,269		27,128
Special losses				
Loss on sales of fixed assets	※4	1,020	※4	1,694
Loss on disposal of fixed assets		8,247		11,456
Impairment loss	※5	12,280	※5	2,130
Special addition to retirement benefits		789		4,744
Other		10,021		4,915
Total special losses		32,357		24,939
Income before income taxes and minority interests		487,333		529,378
Income taxes-current		86,065		131,990
Income taxes-deferred		38,229		(16,939)
Total income taxes		124,294		115,051
Income before minority interests		363,039		414,327
Income attributable to minority interests		21,922		25,293
Net income		341,117		389,034

Consolidated statement of comprehensive income

(Millions of yen)

		Prior fiscal year (From April 1, 2012 To March 31, 2013)		Current fiscal year (From April 1, 2013 To March 31, 2014)
Income before minority interests		363,039		414,327
Other comprehensive income				
Unrealized holding gain and loss on securities		1,502		52,417
Unrealized gain and loss from hedging instruments		(3,019)		790
Translation adjustments		308,903		205,966
The amount for equity method company portion		51,435		123,033
Total of other comprehensive income	※1	358,821	※1	382,206
Comprehensive income		721,860		796,533
(Breakdown of comprehensive income)				
Parent company portion of comprehensive income		682,486		762,268
Minority interest portion of comprehensive income		39,374		34,265

③ Consolidated statement of changes in net assets

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

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized holding gain and loss on securities	Unrealized gain and loss from hedging instruments
Balance at the beginning of current period	605,814	804,470	3,009,090	(149,542)	4,269,832	16,979	(5,108)
Cumulative effect of changes in accounting policies							
Retained earnings as restated	605,814	804,470	3,009,090	(149,542)	4,269,832	16,979	(5,108)
Changes of items during the period							
Cash dividends paid			(94,306)		(94,306)		
Net income			341,117		341,117		
Purchase of treasury stock				(7)	(7)		
Disposal of treasury stock							
Changes in the scope of consolidation			(181)		(181)		
Changes in the scope of equity method			(2,843)		(2,843)		
Net changes of items other than those in shareholders' equity						3,918	(3,470)
Total changes of items during the period			243,787	(7)	243,780	3,918	(3,470)
Balance at the end of current period	605,814	804,470	3,252,876	(149,549)	4,513,611	20,897	(8,578)

	Accumulated other comprehensive income				Shares subscription rights	Minority interests	Total net assets
	Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	Translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	(13,945)	(1,121,059)	—	(1,123,133)	2,415	300,883	3,449,997
Cumulative effect of changes in accounting policies						(35,223)	(35,223)
Retained earnings as restated	(13,945)	(1,121,059)	—	(1,123,133)	2,415	265,660	3,414,774
Changes of items during the period							
Cash dividends paid							(94,306)
Net income							341,117
Purchase of treasury stock							(7)
Disposal of treasury stock							
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		340,922		341,370		36,107	377,477
Total changes of items during the period		340,922		341,370		36,107	621,257
Balance at the end of current period	(13,945)	(780,137)	—	(781,763)	2,415	301,767	4,036,030

Current fiscal year (From April 1, 2013 To March 31, 2014)

(Millions of yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized holding gain and loss on securities	Unrealized gain and loss from hedging instruments
Balance at the beginning of current period	605,814	804,470	3,252,876	(149,549)	4,513,611	20,897	(8,578)
Changes of items during the period							
Cash dividends paid			(115,265)		(115,265)		
Net income			389,034		389,034		
Purchase of treasury stock				(11)	(11)		
Disposal of treasury stock		15		245	260		
Changes in the scope of consolidation							
Changes in the scope of equity method							
Net changes of items other than those in shareholders’ equity						60,733	1,563
Total changes of items during the period		15	273,770	234	274,019	60,733	1,563
Balance at the end of current period	605,814	804,485	3,526,646	(149,315)	4,787,630	81,630	(7,015)

	Accumulated other comprehensive income				Shares subscription rights	Minority interests	Total net assets
	Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	Translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	(13,945)	(780,137)	—	(781,763)	2,415	301,767	4,036,030
Changes of items during the period							
Cash dividends paid							(115,265)
Net income							389,034
Purchase of treasury stock							(11)
Disposal of treasury stock							260
Changes in the scope of consolidation							
Changes in the scope of equity method							
Net changes of items other than those in shareholders’ equity		310,935	(40,444)	332,787	(14)	28,706	361,479
Total changes of items during the period		310,935	(40,444)	332,787	(14)	28,706	635,498
Balance at the end of current period	(13,945)	(469,202)	(40,444)	(448,976)	2,401	330,473	4,671,528

④ Consolidated statement of cash flows

(Millions of yen)

	Prior fiscal year (From April 1, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Cash flows from operating activities		
Income before income taxes and minority interests	487,333	529,378
Depreciation and amortization (for fixed assets excluding leased vehicles)	329,459	364,926
Depreciation and amortization (for long term prepaid expenses)	18,836	24,086
Depreciation and amortization (for leased vehicles)	219,155	288,276
Impairment loss	12,280	2,130
Gain on contribution of securities to retirement benefit trust	—	(12,175)
Increase (decrease) in allowance for doubtful receivables	(6,283)	12,160
Provision for residual value risk of leased vehicles (net changes)	12,378	11,633
Interest and dividend income	(15,948)	(23,077)
Interest expense	84,025	101,451
Equity in losses (earnings) of affiliates	(80,186)	(78,815)
Loss (gain) on sales of fixed assets	(9,755)	(7,474)
Loss on disposal of fixed assets	8,247	11,456
Loss (gain) on sales of investment securities	(1,520)	(3,774)
Decrease (increase) in trade notes and accounts receivable	104,140	(173,228)
Decrease (increase) in sales finance receivables	(550,158)	(587,060)
Decrease (increase) in inventories	(14,804)	(38,057)
Increase (decrease) in trade notes and accounts payable	(93,228)	334,367
Amortization of net retirement benefit obligation at transition	9,947	9,075
Retirement benefit expenses	31,767	37,701
Retirement benefit payments made against related accrual	(44,287)	—
Payments made against net defined benefit liability	—	(36,658)
Other	(2,804)	38,523
Subtotal	498,594	804,844
Interest and dividends received	15,814	20,654
Proceeds from dividends income from affiliates accounted for by equity method	59,966	98,907
Interest paid	(86,847)	(99,861)
Income taxes paid	(75,270)	(96,421)
Net cash provided by operating activities	412,257	728,123
Cash flows from investing activities		
Net decrease (increase) in short-term investments	(25)	(3,360)
Purchase of fixed assets	(455,703)	(551,808)
Proceeds from sales of fixed assets	59,714	79,578
Purchase of leased vehicles	(709,995)	(1,004,141)
Proceeds from sales of leased vehicles	323,615	465,501
Payments of long-term loans receivable	(8,439)	(1,292)
Collection of long-term loans receivable	239	254
Purchase of investment securities	(33,628)	(37,617)
Proceeds from sales of investment securities	2,200	2,223
Proceeds from (payments for) sales of subsidiaries' shares resulting in changes in the scope of consolidation	15,106	(1,321)
Proceeds (parchase) from purchase of subsidiaries' shares resulting in changes in the scope of consolidation	—	972
Net decrease (increase) in restricted cash	(22,727)	(8,628)
Other	(8,404)	(20,777)
Net cash used in investing activities	(838,047)	(1,080,416)

(Millions of yen)

	Prior fiscal year (From April 1, 2012 To March 31, 2013)		Current fiscal year (From April 1, 2013 To March 31, 2014)	
Cash flows from financing activities				
Net increase (decrease) in short-term borrowings		354,254		(19,920)
Proceeds from long-term borrowings		1,122,914		1,373,644
Proceeds from issuance of bonds		236,311		444,666
Repayments of long-term borrowings		(952,033)		(1,058,838)
Redemption of bonds		(182,877)		(181,628)
Proceeds from minority shareholders		9,514		9,599
Purchase of treasury stock		(7)		(11)
Proceeds from sales of treasury stock		—		127
Repayments of lease obligations		(52,941)		(44,312)
Cash dividends paid		(94,306)		(115,265)
Cash dividends paid to minority shareholders		(7,012)		(11,137)
Net cash provided by financing activities		433,817		396,925
Effects of exchange rate changes on cash and cash equivalents		50,550		74,850
Increase (decrease) in cash and cash equivalents		58,577		119,482
Cash and cash equivalents at beginning of the period		652,944		711,901
Increase due to inclusion in consolidation		548		1,333
Decrease due to exclusion from consolidation		(168)		—
Cash and cash equivalents at end of the period	※1	711,901	※1	832,716

[Notes to Consolidated Financial Statements]

(Basis of consolidated financial statements)

1. Scope of consolidation
   (1) Number of consolidated companies: 181
   - Domestic companies: 72
   - Foreign companies: 109

   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."

   Nissan Financial Services New Zealand Pty Ltd. and two other companies have been newly established and included in the scope of consolidation in the current fiscal year. JATCO (Thailand) Co., Ltd., and one other company, which were unconsolidated subsidiaries accounted for by the equity method in the prior fiscal year, and Infiniti Motor Co., Ltd., 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. Through the additional acquisition of its shares, Siam Calsonic Co., Ltd., which was an affiliate not accounted for by the equity method in the prior fiscal year, has been included in the scope of consolidation in the current fiscal year. Meanwhile, companies that have been excluded from the scope of consolidation in the current fiscal year are Nissan Satio Nara Co., Ltd., whose shares held by the Company have been sold and Nissan Motor Insurance, which has been dissolved due to a merger. Moreover, Nissan Motor (China) Co., Ltd., and one other company, were liquidated; Dongfeng Motor Co., Ltd., which was a consolidated company in the prior fiscal year, is no longer a consolidated company of the Company due to the application of a new accounting standard; and Okayama Nissan Motor Co., Ltd., is no longer a subsidiary of the Company because part of its shares held by the Company were sold.

   (2) Number of unconsolidated subsidiaries: 117
   - Domestic companies: 71
     Nissan Marine Co., Ltd. and others
   - Foreign companies: 46
     Calsonic Kansei Spain, S.A. and others

   These unconsolidated subsidiaries are immaterial in terms of their total assets, sales, net income or loss, retained earnings and others, and do not have a significant 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: 60
   - Unconsolidated subsidiaries: 31 (18 domestic and 13 foreign companies)
     Nissan Marine Co., Ltd., Calsonic Kansei Spain, S.A. and others

   JATCO (Thailand) Co., Ltd., 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.
   - Affiliates: 29 (19 domestic and 10 foreign companies)
     Renault, Dongfeng Motor Co., Ltd., Nissan Tokyo Sales Holdings Co., Ltd. and others

   Dongfeng Motor Co., Ltd., which was a consolidated company in the prior fiscal year, has been included in the scope of the equity method due to the application of a new accounting standard. Okayama Nissan Motor Co., Ltd., Which was a consolidated subsidiary, has been included in the scope of the equity method because part of its shares held by the Company were sold. RNSF Holdings, Inc., which was an affiliate not accounted for by the equity method in the prior fiscal year, has been included in the scope of the equity method because its importance has increased.

   (2) Number of companies not accounted for by the equity method: 114
   - Unconsolidated subsidiaries: 86
     Nissan Shatai Computer Service Co., Ltd. and others
   - Affiliates: 28
     Taiwan 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 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.
Siam Calsonic Co., Ltd.

(2) Of these 22 companies, Nissan Mexicana, S.A. de C.A. and 7 other subsidiaries are consolidated by using their financial statements as of the parent fiscal year end which are prepared solely for consolidation purposes. Yulon Nissan Motor Co., Ltd. and 13 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

①Securities

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.

②Derivative financial instruments

Derivative financial instruments are stated at fair value.

③Inventories

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

(3) Basis for significant reserves

①Allowance 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.

②Accrued 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.

③Accrued retirement benefits

To mainly provide for employees' retirement benefits, accrued retirement benefits or prepaid pension costs are recorded at an amount calculated based on the retirement benefit obligation and pension plan assets.

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

Past service cost is being amortized as incurred by the straight-line method over periods (principally 6 to 15 years) which are shorter than the average remaining years of service of the eligible employees.

Actuarial gain and loss are amortized in the year following the year in which actuarial gain and loss are recognized by the straight-line method over periods (principally 12 to 27 years) which are shorter than the average remaining years of service of the eligible employees. Certain foreign consolidated subsidiaries have adopted the corridor approach for actuarial gain and loss and amortize such over the average remaining years of services of the eligible employees or the average life expectancy of the eligible employees.

(4) Accounting for retirement benefits

① In calculating retirement benefit obligation, the straight-line attribution is applied to allocate projected retirement benefits to the periods until the end of the current fiscal year.

②Amortization of actuarial gain or loss, prior service cost and net retirement benefit obligation at transition

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

Past service cost is being amortized as incurred by the straight-line method over periods (principally 6 to 15 years) which are shorter than the average remaining years of service of the eligible employees.

Actuarial gain and loss are amortized in the year following the year in which actuarial gain and loss are recognized by the straight-line method over periods (principally 12 to 27 years) which are shorter than the average remaining years of service of the eligible employees. Certain foreign consolidated subsidiaries have adopted the corridor approach for actuarial gain and loss and amortize such over the average remaining years of services of the eligible employees or the average life expectancy of the eligible employees.

Actuarial gain and loss, past service costs and net retirement benefit obligation at transition that are yet to be recognized as gains or losses are recorded as remeasurements of defined benefit plans presented in accumulated other comprehensive income of the net asset section, after being adjusted for tax effects.

(5) Reporting of significant revenue and expenses

Reporting of revenue from finance lease transactions

Interest income is recognized over the fiscal years concerned.

(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.

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.

(7) Hedge accounting method

①Hedge accounting method

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.

②Hedging instruments and hedged items

· Hedging instruments.....Derivative transactions

· Hedged items..... Mainly receivables and payables denominated in foreign currencies and others.

③Hedging 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.

④Assessment of hedge effectiveness

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

(8) Amortization of goodwill

Goodwill and negative goodwill in consolidated subsidiaries and in companies accounted for by the equity method which had occurred before March 31, 2010 have been amortized over periods not exceeding 20 years determined based on their expected life.

However, immaterial differences are charged or credited to income in the year of acquisition.

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

(9) 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.

(10) Accounting for consumption taxes

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

(11) Adoption of consolidated taxation system

The Company and some of its subsidiaries have been adopted the consolidated taxation system.

(Changes in accounting policies)

1. International Financial Reporting Standards (IFRS) 11 *Joint Arrangements*

   Certain foreign subsidiaries and affiliates have applied International Financial Reporting Standards (IFRS) 11 *Joint Arrangements* (released on May 12, 2011), effective from the year ended March 31, 2014. Until the prior fiscal year, Nissan (China) Investment Co., Ltd., a consolidated subsidiary of the Company, which had proportionally consolidated its joint venture Dongfeng Motor Co., Ltd., in accordance with International Accounting Standards (IAS) 31 *Interests in Joint Arrangement*, applies the equity method to its investments in Dongfeng Motor Co., Ltd. effective from the year ended March 31, 2014.

   This change in accounting policy due to the revision of the aforementioned accounting standard has been retrospectively applied to the Company's consolidated financial statements for the year ended March 31, 2013. As a result, the Company's consolidated net sales, operating income, ordinary income and income before income taxes and minority interests presented in Consolidated Statement of Income for the year ended March 31, 2013, decreased by ¥892,254 million, ¥82,768 million, ¥22,946 million and ¥27,428 million, respectively, compared with the corresponding figures before the retrospective application. There was no effect on consolidated net income. The retrospective application also decreased the Company's consolidated total assets, total liabilities and net assets as of March 31, 2013, presented in the Consolidated Balance Sheet for the prior fiscal year by ¥363,322 million, ¥326,995 million and ¥36,327 million, respectively. And, the Company's consolidated net assets as of April 1, 2012 presented in the Consolidated Statement of Changes in Net Assets decreased by ¥35,223 million.

   There was no effect on amount of per share.

2. International Accounting Standards (IAS) 19 *Employee Benefits*

   Certain foreign subsidiaries and affiliates have applied International Accounting Standards (IAS) 19 *Employee Benefits* (released on June 16, 2011), effective from the year ended March 31, 2014. As a result, there are several changes in recognition method, such as for actuarial gains and losses, past service cost and interest on the net defined benefit liability.

   This change in accounting policy due to the revision of the aforementioned accounting standard has been applied retrospectively to the Company's consolidated financial statements, for the year ended March 31, 2013. The effect of retrospective application of the aforementioned accounting standard on the Company's consolidated financial statements for the year ended March 31, 2013 was immaterial. And, there was no effect on the beginning balance of net assets presented in the Consolidated Statement of Changes in Net Assets for the year ended March 31, 2013.

   The effect on amount of per share was immaterial.

3. ASBJ Statement No. 26 *Accounting Standard for Retirement Benefits* and ASBJ Guidance No.25 *Guidance on Accounting Standard for Retirement Benefits*

   ASBJ Statement No. 26 *Accounting Standard for Retirement Benefits* (released on May 17, 2012, hereinafter "the Standard") and ASBJ Guidance No. 25 *Guidance on Accounting Standard for Retirement Benefits* (released on May 17, 2012, hereinafter "the Guidance") have been applied effective the end of fiscal year ended March 31, 2014, except items stated in the paragraph 35 of the standard and the paragraph 67 of the guidance.

   The treatment, in which any difference between retirement benefit obligations and plan assets is recorded as the net defined benefit liability, has been applied and actuarial gains and losses, past service costs and net retirement benefit obligation at transition that are yet to be recognized as gains or losses are recorded as the net defined benefit liability.

   The effect of adoption of the standard and the guidance is recognized by adjusting remeasurements of defined benefit plans presented in accumulated other comprehensive income of the net asset section at the end of fiscal year ended March 31, 2014, in accordance with the treatment of transition stated in the paragraph 37 of the standard. As a result, net defined benefit liability is recorded with the amount of ¥216,583 million and total accumulated other comprehensive income decreased by ¥40,444 million as of the end of fiscal year ended March 31, 2014.

   The effect of this change on Amount per share is explained in the applicable notes.

(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

The aforementioned standard and guidance released on May 17, 2012, allow the choice of the benefit formula basis for attributing projected benefits to periods, in addition to the straight-line basis, and revise the method for determining the discount rate.

② Scheduled date of adoption

April 1, 2014

③ Effect of adoption

Adopting ASBJ Statement No.26 and ASBJ Guidance No.25 to the Company’s consolidated balance sheet is estimated a decrease in retained earnings by approximately ¥41 billion at the beginning of the fiscal year ended Mach 31, 2015. The effect on the Company’s consolidated statement of income will be insignificant.

(2) Accounting Standard for Business Combinations (ASBJ Statement No. 21)
Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22)
Accounting Standard for Business Divestitures (ASBJ Statement No. 7)
Accounting Standard for Earnings Per Share (ASBJ Statement No. 2)
Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures (ASBJ Guidance No. 10), and
Guidance on Accounting Standard for Earnings Per Share (ASBJ Guidance No. 4)

① Overview

Major amendments made by the aforementioned standards and guidance released on September 13, 2013, concern the following: the recognition of a change in a parent company’s equity interest in its subsidiaries that continue to be under its control as a result of the additional acquisition of the shares of those subsidiaries or other means; the recognition of acquisition-related expenses; a change in the designation of net income; a change in the designation of minority interests to non-controlling interests; and accounting based on provisional estimates.

② Scheduled date of adoption

Currently under consideration.

③ Effect of adoption

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

(Changes in presentation)

1. Consolidated balance sheet

“Accrued directors’ retirement benefits,” which was presented as a separate account under “Long-term liabilities” 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, ¥395 million of “Accrued directors’ retirement benefits” separately stated under “Long-term liabilities” in the prior fiscal year has been reclassified into “Other” in the consolidated balance sheet for the prior fiscal year provided herein.

2. Consolidated statement of income

(1) “Gain on negative goodwill” and “Insurance income,” which were presented as separate accounts under “Special gains” 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, ¥110 million of “Gain on negative goodwill” and ¥1,082 million of “Insurance income” separately stated under “Special gains” in the prior fiscal year have been reclassified into “Other” in the consolidated statement of income for the prior fiscal year provided herein.

(2) “Special addition to retirement benefits,” which was included in “Other” under “Special losses” in the prior fiscal year, has been presented as a separate account in the current fiscal year due to its increased financial materiality.
To reflect this change, ¥789 million of “Other” under “Special losses” in the prior fiscal year has been reclassified into “Special addition to retirement benefits” in the consolidated statement of income for the prior fiscal year provided herein.

3. Consolidated statement of cash flows

(1) “Equity in losses (earnings) of affiliates” and “Proceeds from dividends income from affiliates accounted for by equity method,” which were included in “Other” under “Cash flows from operating activities” in the prior fiscal year, have been presented as separate accounts in the current fiscal year due to their increased financial materiality. It depends on the change in consolidation method from proportionate consolidation to equity method, which is the result of applying IFRS 11 “*Joint Arrangements*” to Dongfeng Motor Co., Ltd., a joint venture, as explained in changes in accounting policies.
To reflect this change, “Equity in losses (earnings) of affiliates” and “Proceeds from dividends income from affiliates accounted for by equity method” have been presented separately as ¥(80,186) million and ¥59,966 million respectively, in the “Cash flows from operating activities” in the prior fiscal year herein, as restated retrospectively.

(2) “Gain on negative goodwill,” which was presented as a separate account under “Cash flows from operating 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, ¥(110) million of “Gain on negative goodwill” separately stated under “Cash flows from operating activities” in the prior fiscal year has been reclassified into “Other” 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, 2013)	Current fiscal year (As of March 31, 2014)
Accumulated depreciation of property, plant and equipment	4,447,501	4,765,030
(Accumulated depreciation of leased assets included)	157,699	132,528

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, 2013)	Current fiscal year (As of March 31, 2014)
Assets leased to others under lease agreements	1,541,516	1,877,356

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, 2013)	Current fiscal year (As of March 31, 2014)
Sales finance receivables	1,392,350 (1,380,594)	1,774,677 (1,643,853)
Property, plant and equipment	597,827 (523,878)	606,073 (491,295)
Intangible fixed assets	9	83
Total	1,990,186	2,380,833

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

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
Short-term borrowings	347,058 (347,058)	426,116 (426,116)
Long-term borrowings (including the current portion)	1,197,089 (1,105,926)	1,441,349 (1,225,844)
Total	1,544,147	1,867,465

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

4 Guarantees and others

Prior fiscal year (As of March 31, 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
Total	78,110	

※ 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

Current fiscal year (As of March 31, 2014)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	※66,673	Guarantees for employees' housing loans and others
9 foreign dealers	427	Guarantees for loans and others
Total	67,100	

※ 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.	134	Commitments to provide guarantees for loans

5 Discounted notes receivables (Millions of yen)

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
Discounted notes receivables	567	279

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

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
Goodwill	21,000	19,231

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

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
Investments in stock of unconsolidated subsidiaries and affiliates	608,817	738,851
(Investments in stock of joint ventures included)	286,787	376,247

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, 2013)	Current fiscal year (As of March 31, 2014)
Lease receivables	27,056	32,369
Lease investment assets	55,136	53,192

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, 2013)	Current fiscal year (As of March 31, 2014)
Total credit lines of overdrafts and loans	148,472	189,520
Loans receivable outstanding	78,199	96,558
Unused credit lines	70,273	92,962

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, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Research and development costs included in manufacturing costs and selling, general and administrative expenses	457,831	500,595

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 fiscal year's write-down) are as follows.

(Millions of yen)

	Prior fiscal year (From April 1, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Cost of sales	3,134	196

3 ※3 Gain on sales of fixed assets

Prior 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 ¥7,936 million.

Current fiscal year (From April 1, 2013 To March 31, 2014)

Gain on sales of fixed assets primarily consisted of a gain on the sale of land and buildings of ¥7,184 million.

4 ※4 Loss on sales of fixed assets

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

Loss on sales of fixed assets primarily consisted of a loss on the sale of land and buildings of ¥479 million, a loss on the sale of machinery and equipment of ¥250 million and a loss on the sale of vehicles of ¥254 million.

Current fiscal year (From April 1, 2013 To March 31, 2014)

Loss on sales of fixed assets primarily consisted of a loss on the sale of land and buildings of ¥673 million, a loss on the sale of machinery and equipment of ¥608 million and a loss on the sale of vehicles of ¥338 million.

5 ※5 Impairment loss

Prior 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 15 other locations	863
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 ¥12,280 million has been recorded as a special loss in the accompanying consolidated statement of income. This impairment loss consisted of losses of ¥863 million on idle assets (land - ¥202 million, building and structures - ¥557 million, machinery, equipment and vehicles - ¥98 million and others - ¥6 million), 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.

Current fiscal year (From April 1, 2013 To March 31, 2014)

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	Rosslyn, South Africa, and 8 other locations	603
Assets to be sold	Buildings and structures	Atsugi-shi, Kanagawa, and 1 other location	222
Assets to be disposed of	Land, Buildings and structures, Machinery, equipment and vehicles and others	Mississippi, U.S.A., and 21 other locations	1,305

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 ¥2,130 million has been recorded as a special loss in the accompanying consolidated statement of income. This impairment loss consisted of losses of ¥603 million on idle assets (land - ¥36 million, building and structures - ¥144 million, machinery, equipment and vehicles - ¥7 million and others - ¥416 million), losses of ¥222 million on assets to be sold (building and structures - ¥222 million), and losses of ¥1,305 million on assets to be disposed of (land - ¥23 million, buildings and structures - ¥390 million and machinery, and equipment and vehicles - ¥207 million and others - ¥685 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.

(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, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Unrealized holding gain and loss on securities:		
Amount arising during the period	2,313	93,778
Reclassification adjustments for gains and losses realized in net income	—	(12,627)
Before tax-effect adjustment	2,313	81,151
Amount of tax effects	(811)	(28,734)
Unrealized holding gain and loss on securities	1,502	52,417
Unrealized gain and loss from hedging instruments:		
Amount arising during the period	(4,206)	4,103
Reclassification adjustments for gains and losses realized in net income	(282)	(1,527)
Adjustments of acquisition cost for assets	(581)	(39)
Before tax-effect adjustment	(5,069)	2,537
Amount of tax effects	2,050	(1,747)
Unrealized gain and loss from hedging instruments	(3,019)	790
Translation adjustments:		
Amount arising during the period	303,522	205,676
Reclassification adjustments for gains and losses realized in net income	5,381	290
Before tax-effect adjustment	308,903	205,966
Amount of tax effects	—	—
Translation adjustments	308,903	205,966
The amount for equity method company portion:		
Amount arising during the period	50,930	122,593
Reclassification adjustments for gains and losses realized in net income	505	440
Before tax-effect adjustment	51,435	123,033
Amount of tax effects	—	—
The amount for equity method company portion	51,435	123,033
Total other comprehensive income	358,821	382,206

(For consolidated statement of changes in net assets)

Prior 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.

Current fiscal year (From April 1, 2013 To March 31, 2014)

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	329,428	11	(411)	329,028

Note: Details of the increase are as follows: (Thousands of shares)

Increase due to the purchase of stocks of less than a standard unit 10

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

Details of the decrease are as follows:

Decrease in stocks held by affiliates accounted for by the equity method 286

Decrease due to the exercise of share subscription rights 125

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	—					2,401
Total		—					2,401

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 25, 2013	Common stock	52,392	12.5	March 31, 2013	June 26, 2013
Meeting of the Board of Directors on November 1, 2013	Common stock	62,873	15	September 30, 2013	November 26, 2013

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, 2014, and the effective date of which is in the year ending March 31, 2015

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 24, 2014	Common stock	62,877	Retained earnings	15	March 31, 2014	June 25, 2014

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 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, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Cash on hand and in banks	604,357	822,863
Time deposits with maturities of more than three months	(108)	(3,617)
Cash equivalents included in securities(*)	107,652	13,470
Cash and cash equivalents	711,901	832,716

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

(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, 2013)	Current fiscal year (As of March 31, 2014)
Lease income receivable	56,590	53,703
Estimated residual value	2,786	3,120
Interest income equivalent	(4,240)	(3,631)
Lease investment assets	55,136	53,192

(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, 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

Current fiscal year (As of March 31, 2014) (Millions of yen)

	Lease receivables	Lease investment assets
Due within one year	16,902	13,302
Due after one year but within two years	14,236	16,185
Due after two years but within three years	783	8,066
Due after three years but within four years	259	4,212
Due after four years but within five years	146	2,191
Due after five years	43	9,747

2. Operating lease transactions

(Lessees' accounting)

Future minimum lease payments subsequent to March 31, 2013 and March 31, 2014, are summarized as follows.

(Millions of yen)

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
Due in one year or less	6,434	7,943
Due after one year	37,100	36,613
Total	43,534	44,556

(Lessors' accounting)

Future minimum lease income subsequent to March 31, 2013 and March 31, 2014, are summarized as follows.

(Millions of yen)

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
Due in one year or less	279,960	326,902
Due after one year	252,994	196,304
Total	532,954	523,206

(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) 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 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 managed by using its own evaluation methods based on external credit ratings and other analyses. The Finance Department sets a maximum upper limit on positions with each of the counterparties and monitors the balances of open positions.

② Management of credit risk

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

As for financial transactions including bank deposits, short term investments and derivatives, the Group is exposed to the risk that counterparties could default on their obligations and jeopardize future profits. We believe that this risk is insignificant as the Group enters into such transactions only with financial institutions that have a sound credit profile. Therefore, we believe that the risk to incur losses from counterparty financial institution's default is low. The Group enters into derivative transactions with Renault Finance S.A. ("RF"), a specialized financial subsidiary of the Renault Group. RF enters into derivative transactions to cover such derivative transactions with the Group only with financial institutions of the highest caliber carefully selected by RF based on its own rating techniques.

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, 2013, and March 31, 2014, 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, 2013)

(Millions of yen)

	Amount recorded in the consolidated balance sheet	Fair value	Difference
(1) Cash on hand and in banks	604,357	604,357	—
(2) Trade notes and accounts receivable	583,112		
Allowance for doubtful accounts(*1)	(7,703)		
	575,409	575,409	—
(3) Sales finance receivables(*2)	4,112,878		
Allowance for doubtful accounts(*1)	(32,430)		
	4,080,448	4,150,518	70,070
(4) Securities and investment securities	422,589	427,485	4,896
(5) Long-term loans receivable	13,052		
Allowance for doubtful accounts(*1)	(777)		
	12,275	12,226	(49)
Total assets	5,695,078	5,769,995	74,917
(1) Trade notes and accounts payable	1,168,584	1,168,584	—
(2) Short-term borrowings	519,796	519,796	—
(3) Commercial papers	219,453	219,453	—
(4) Bonds(*3)	853,029	872,560	(19,531)
(5) Long-term borrowings(*3)	3,132,026	3,155,270	(23,244)
(6) Lease obligations(*3)	55,468	56,135	(667)
Total liabilities	5,948,356	5,991,798	(43,442)
Derivative transactions(*4)	(26,286)	(26,286)	—

(*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 is presented with the amount after deducting ¥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.

Current fiscal year (As of March 31, 2014)

(Millions of yen)

	Amount recorded in the consolidated balance sheet	Fair value	Difference
(1) Cash on hand and in banks	822,863	822,863	—
(2) Trade notes and accounts receivable	785,954		
Allowance for doubtful accounts(*1)	(8,803)		
	777,151	777,151	—
(3) Sales finance receivables(*2)	4,978,603		
Allowance for doubtful accounts(*1)	(41,836)		
	4,936,767	5,036,306	99,539
(4) Securities and investment securities	428,180	585,559	157,379
(5) Long-term loans receivable	13,529		
Allowance for doubtful accounts(*1)	(766)		
	12,763	12,583	(180)
Total assets	6,977,724	7,234,462	256,738
(1) Trade notes and accounts payable	1,511,910	1,511,910	—
(2) Short-term borrowings	706,576	706,576	—
(3) Commercial papers	151,175	151,175	—
(4) Bonds(*3)	1,145,373	1,160,829	(15,456)
(5) Long-term borrowings(*3)	3,592,927	3,616,470	(23,543)
(6) Lease obligations(*3)	56,418	56,488	(70)
Total liabilities	7,164,379	7,203,448	(39,069)
Derivative transactions(*4)	(7,769)	(7,769)	—

(*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 is presented with the amount after deducting ¥54,955 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, 2013)	Current fiscal year (As of March 31, 2014)
Unlisted stocks	402,618	515,583

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, 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	604,357	—	—	—
Trade notes and accounts receivable	583,112	—	—	—
Sales finance receivables(*1)	1,821,272	2,251,995	37,852	1,759
Long-term loans receivable	492	11,144	782	634
Total	3,009,233	2,263,139	38,634	2,393

(*1) The amount of sales finance receivables is presented with the amount after deducting ¥49,047 million of deferred installment income and others.

Current fiscal year (As of March 31, 2014) (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	822,863	—	—	—
Trade notes and accounts receivable	785,954	—	—	—
Sales finance receivables(*1)	2,045,002	2,796,313	135,572	1,716
Long-term loans receivable	187	12,130	647	565
Total	3,654,006	2,808,443	136,219	2,281

(*1) The amount of sales finance receivables is presented with the amount after deducting ¥54,955 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, 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	519,796	—	—	—	—	—
Commercial papers	219,453	—	—	—	—	—
Bonds	181,336	218,541	200,109	95,000	138,043	20,000
Long-term borrowings	779,856	688,316	812,314	495,447	271,711	84,382
Lease obligations	32,673	13,329	4,879	2,224	1,336	1,027
Total	1,733,114	920,186	1,017,302	592,671	411,090	105,409

Current fiscal year (As of March 31, 2014) (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	706,576	—	—	—	—	—
Commercial papers	151,175	—	—	—	—	—
Bonds	226,590	201,641	326,275	258,586	102,281	30,000
Long-term borrowings	910,546	1,060,361	873,684	453,453	229,836	65,047
Lease obligations	32,838	13,457	4,316	3,323	1,707	777
Total	2,027,725	1,275,459	1,204,275	715,362	333,824	95,824

(For securities)

1. Other securities

Prior 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	105,326	75,586	29,740
Subtotal	105,326	75,586	29,740
(Securities whose carrying value does not exceed their acquisition cost) Stock Others	100 107,651	118 107,651	(18) —
Subtotal	107,751	107,769	(18)
Total	213,077	183,355	29,722

Current fiscal year (As of March 31, 2014) (Millions of yen)

Types of securities	Carrying value	Acquisition cost	Difference
(Securities whose carrying value exceeds their acquisition cost) Stock	187,664	77,218	110,446
Subtotal	187,664	77,218	110,446
(Securities whose carrying value does not exceed their acquisition cost) Stock Others	78 13,470	90 13,470	(12) —
Subtotal	13,548	13,560	(12)
Total	201,212	90,778	110,434

2. Other securities sold during the fiscal year

Prior fiscal year (From April 1, 2012 To March 31, 2013) (Millions of yen)

Type of securities	Sales proceeds	Total gain	Total loss
Stock	322	265	—
Total	322	265	—

Current fiscal year (From April 1, 2013 To March 31, 2014) (Millions of yen)

Type of securities	Sales proceeds	Total gain	Total loss
Stock	803	452	—
Total	803	452	—

(For derivative transactions)

1. Derivative transactions for which hedge accounting is not adopted

(1) Currency-related transactions

Prior 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:				
	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.

Current fiscal year (As of March 31, 2014) (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:				
	KRW	10,173	—	(172)	(172)
	THB	6,489	—	(24)	(24)
	Buy:				
	USD	112	—	(1)	(1)
	EUR	115	—	0	0
	Swaps:				
	EUR	26,232	6,482	644	644
	USD	199,436	21,608	(7,302)	(7,302)
	GBP	16,360	—	(121)	(121)
	CAD	29,465	29,465	1,208	1,208
	BRL	61,287	46,985	(405)	(405)
	CNY	10,949	10,949	607	607
	KRW	853	—	(140)	(140)
	INR	11,500	11,500	(436)	(436)
	HKD	475	—	(33)	(33)
	MXN	6,936	6,936	(287)	(287)
Total		—	—	(6,462)	(6,462)

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, 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	576,222	208,966		
	(Premium)	(—)	(—)	220	220
	Caps purchased	576,222	208,966		
	(Premium)	(—)	(—)	(220)	(220)
Total		—	—	(74)	(74)

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

Current fiscal year (As of March 31, 2014) (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	197,005	136,122	(123)	(123)
	Receive fixed/pay floating	79,824	50,512	25	25
	Options				
	Caps sold	554,356	181,937		
	(Premium)	(—)	(—)	631	631
	Caps purchased	554,356	181,937		
	(Premium)	(—)	(—)	(631)	(631)
Total		—	—	(98)	(98)

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, 2013)

Not applicable.

Current fiscal year (As of March 31, 2014)

Not applicable.

2. Derivative transactions for which hedge accounting is adopted

(1) Currency-related transactions

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

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

Current fiscal year (As of March 31, 2014) (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:				
	EUR	Long-term borrowings and bonds	56,124	56,124	803
	USD		144,682	127,936	3,971
	AUD		110,947	—	(269)
	SGD		2,099	—	(51)
	THB	Short-term borrowings	49,477	—	(236)
Appropriation treatment	Forward foreign exchange contracts:				
	Sell:				
	RUB	Sales finance receivables	5,768	—	(40)
	Buy:				
	USD	Long-term borrowings	10,000	10,000	2,959
Total			—	—	7,137

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

(2) Interest-related transactions

Prior 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.

Current fiscal year (As of March 31, 2014) (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	289,500	189,000	Note 2
Deferral hedge accounting	Swaps: Receive floating/pay fixed	Long-term borrowings and bonds	780,130	724,832	(8,093)
Total			—	—	(8,093)

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, 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.

Current fiscal year (As of March 31, 2014) (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	5,959	—	(177)
		Aluminum	2,500	—	(45)
		Platinum	1,862	—	(31)
Total			—	—	(253)

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

(For retirement benefits)

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

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)	
a.	Retirement benefit obligation	(1,175,358)	
b.	Plan assets at fair value	903,152	
c.	Unfunded retirement benefit obligation (a+b)	(272,206)	
d.	Unrecognized net retirement benefit obligation at transition	18,194	
e.	Unrecognized actuarial gain and loss	117,946	
f.	Unrecognized past service cost (a reduction of liability)	(22,622)	(Note 1)
g.	Net retirement benefit obligation recognized in the consolidated balance sheet (c+d+e+f)	(158,688)	
h.	Prepaid pension costs	5,984	
i.	Accrued retirement benefits (g–h)	(164,672)	

Notes: 1. Effective April 1, 2001, the Company discontinued to provide certain benefits under the welfare pension fund plan for future services. As a result, past service cost (a reduction of liability) was incurred.

2. Certain subsidiaries adopted a simplified method in the calculation of their retirement benefit obligation.

3. 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.

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

		(Millions of yen)	
a.	Service cost	18,955	(Note 2)
b.	Interest cost	34,332	
c.	Expected return on plan assets	(32,614)	
d.	Amortization of net retirement benefit obligation at transition	9,947	
e.	Amortization of actuarial gain and loss	20,082	
f.	Amortization of past service cost	(9,021)	(Note 3)
g.	Other	6,939	
h.	Retirement benefit expenses (a+b+c+d+e+f+g)	48,620	
i.	Loss (Gain) on implementation of defined-contribution plans	—	
	Total	48,620	

Notes: 1. In addition to the retirement benefit expenses referred to above, additional retirement benefit expenses of ¥789 million 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 past service cost represents the amount to be recognized for this fiscal year with respect to past service cost explained in Note 1 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 for the prior fiscal year and adopting a simplified method are included in "a. Service cost".

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

Domestic companies: 0.9% – 2.3%
Foreign companies: 1.6% – 4.6%

c. Expected rate of return on plan assets

Domestic companies: mainly 3.0%
Foreign companies: 1.9% – 8.8%

d. Amortization period of past service cost

Principally 6 through 15 years
past 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 and loss

Principally 12 through 27 years
Actuarial gain and loss are amortized from the year following the year in which the gain and loss are 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

Current fiscal year (From April 1, 2013 To March 31, 2014)

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. Certain consolidated subsidiaries apply a simplified method for calculation of net defined benefit liability and retirement benefit expenses.

2. Defined-benefit pension plan

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

	(Millions of yen)
Retirement benefit obligation at the beginning of the year	1,174,527
Service cost	28,933
Interest cost	38,544
Actuarial gain and loss generated	9,358
Past service cost generated	(11,947)
Retirement benefits paid	(66,641)
Effect of foreign exchange translation	61,752
Other	(1,372)
Retirement benefit obligation at the end of the year	1,233,154

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

	(Millions of yen)	
Plan assets at the beginning of the year	902,641	
Expected return on plan assets	40,821	(Note)
Actuarial gain and loss generated	51,581	
Contribution from employers	32,785	
Contribution to retirement benefit trust	13,235	
Retirement benefits paid	(62,899)	
Effect of foreign exchange translation	46,187	
Other	(278)	
Plan assets at the end of the year	1,024,073	

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

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

	(Millions of yen)
Net defined benefit liability at beginning of year	320
Retirement benefit expenses	51
Retirement benefits paid	(17)
Contribution to plans	(114)
Net defined benefit liability at the end of the year	240

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

	(Millions of yen)	
Retirement benefit obligation for funded plans	1,172,659	
Plan assets	(1,024,792)	
	147,867	
Retirement benefit obligation for unfunded plans	61,454	
Net asset or liability reported on the balance sheet	209,321	
Net defined benefit liability	216,583	
Net defined benefit asset	(7,262)	(Note)
Net asset or liability reported on the balance sheet	209,321	

Note: Net defined benefit asset has been included in "Other" in "Investments and other assets" in the accompanying consolidated balance sheet.

(5) Breakdown of retirement benefit expenses

	(Millions of yen)	
Service cost	28,984	(Note 1)
Interest cost	38,544	
Expected return on plan assets	(40,821)	
Amortization of actuarial gain and loss	15,184	
Amortization of past service cost	(4,190)	
Amortization of net retirement benefit obligation at transition	9,075	
Other	1,238	
Retirement benefit expenses for defined benefit plans	48,014	

Notes:
1. The retirement benefit expenses of consolidated subsidiaries adopting the simplified method are included in "Service cost."
   Service cost does not include the amounts contributed by employees with respect to welfare pension fund plans.
2. In addition to the retirement benefit expenses referred to above, additional retirement expenses of ¥4,744 million were accounted for as "Special addition to retirement benefits," under "Special losses".

(6) Remeasurements of defined benefit plans

Remeasurements of defined benefit plans consists of the following (before tax effect).

	(Millions of yen)
Unrecognized past service cost	31,985
Unrecognized actuarial gain and loss	(69,929)
Unrecognized net retirement benefit obligation at transition	(9,098)
Total	(47,042)

(7) Matters regarding plan assets

①Major components of plan assets

Plan assets consist of the following.

Stocks	37%
Bonds	40%
Cash and deposits	2%
Real estate (including REITs)	6%
Other	15%
Total	100%

Note: The total plan assets include securities contributed to the retirement benefit trust (2.3%).

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

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

(8) Assumptions used in actuarial calculations

Major assumptions used in actuarial calculations as of March 31, 2014, are as follows.

Domestic companies

Discount rates	0.9%–2.3%
Long-term expected rates of return on plan assets	Mainly 3.0%

Foreign companies

Discount rates	1.8%–5.4%
Long-term expected rates of return on plan assets (US GAAP adoption companies only)	7.5%–8.8%

3. Defined-contribution pension plans

The required amount of contribution to the Group’s defined-contribution pension plans was ¥13,807 million.

(For share-based payments)

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

	Prior fiscal year (From April 1, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
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, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Special gains	—	—

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

(1) Description of stock options

Company name	The Company	The Company	The Company
	2004 Stock Options	2005 Stock Options	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	The Company	The Company
	2007 Stock Options [1st]	2007 Stock Options [2nd]	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

(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, 2014.

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

① Number of stock options

Company name	The Company	The Company	The Company
	2004 Stock Options	2005 Stock Options	2006 Stock Options
Share subscription rights which are not yet vested (shares):			
As of March 31, 2013	—	—	—
Granted	—	—	—
Forfeited	—	—	—
Vested	—	—	—
Balance of options not vested	—	—	—
Share subscription rights which have already been vested (shares):			
As of March 31, 2013	9,020,800	7,835,500	7,821,800
Vested	—	—	—
Exercised	1,300	37,100	—
Forfeited	9,019,500	—	—
Balance of options not exercised	—	7,798,400	7,821,800

Company name	The Company	The Company	The Company
	2007 Stock Options [1st]	2007 Stock Options [2nd]	2008 Stock Options
Share subscription rights which are not yet vested (shares):			
As of March 31, 2013	—	—	—
Granted	—	—	—
Forfeited	—	—	—
Vested	—	—	—
Balance of options not vested	—	—	—
Share subscription rights which have already been vested (shares):			
As of March 31, 2013	650,000	360,000	3,042,000
Vested	—	—	—
Exercised	—	—	86,200
Forfeited	—	—	—
Balance of options not exercised	650,000	360,000	2,955,800

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)	1,134	1,076	—	—	—	1,091
Fair value per share at grant date (Yen)	—	—	222.30	136.29	205.43	168.99

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

During the fiscal year ended March 31, 2014, 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, 2013)	Current fiscal year (As of March 31, 2014)
Deferred tax assets:		
Net operating loss carry forwards	113,701	119,055
Accrued retirement benefits	66,375	—
Net defined benefit liability	—	71,163
Accrued warranty costs	58,690	65,283
Other	469,747	533,443
Total gross deferred tax assets	708,513	788,944
Valuation allowance	(166,281)	(139,234)
Total deferred tax assets	542,232	649,710
Deferred tax liabilities:		
Reserves under Special Taxation Measures Law, etc.	(576,927)	(681,409)
Difference between cost of investments and their underlying net equity at fair value on land	(54,158)	(53,215)
Unrealized holding gain on securities	(10,213)	(39,416)
Other	(128,461)	(153,294)
Total deferred tax liabilities	(769,759)	(927,334)
Net deferred tax assets	(227,527)	(277,624)

Note: Net deferred tax assets as of March 31, 2013 and 2014 are reflected in the following accounts in the consolidated balance sheets:

(Millions of yen)

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
Current assets—deferred tax assets	244,133	210,395
Fixed assets—deferred tax assets	83,705	117,437
Current liabilities—deferred tax liabilities	116	316
Long-term liabilities—deferred tax liabilities	555,249	605,140

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, 2013)	Current fiscal year (As of March 31, 2014)
Statutory tax rate of the Company	38.0%	38.0%
(Reconciliation)		
・ Different tax rates applied to foreign consolidated subsidiaries	(2.7%)	(2.7%)
・ Tax credits	(3.8%)	(7.6%)
・ Change in valuation allowance	(3.0%)	(2.3%)
・ Equity in gain and loss of affiliates	(6.2%)	(5.7%)
・ Dividend income from foreign consolidated subsidiaries	1.4%	1.4%
・ Reduction in year-end deferred tax assets due to tax rate change	—	1.6%
・ Other	1.8%	(1.0%)
Effective tax rates after adoption of tax-effect accounting	25.5%	21.7%

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

In accordance with the Act for Partial Amendment of the Income Tax Act (Act No. 10, 2014) promulgated on March 31, 2014, the Special Reconstruction Corporation Tax will not be imposed, effective from the fiscal year beginning on or after April 1, 2014. Accordingly, the statutory tax rate used for calculating deferred tax assets and liabilities, has been changed from 38.0% for the prior fiscal year to 35.6% for the temporary differences to be eliminated in the fiscal year beginning on April 1, 2014.

This tax rate change resulted in a decrease of ¥8,242 million in deferred tax assets (after deducting deferred tax liabilities); an increase of ¥8,236 million in income taxes—deferred and a decrease of ¥6 million in unrealized gain and loss from hedging instruments in the current fiscal year.

(For asset retirement obligations)

Prior fiscal year (As of March 31, 2013)

This information is not provided due to its low materiality.

Current fiscal year (As of March 31, 2014)

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, 2013, net income from rental property amounted to ¥6,623 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.
For the fiscal year ended March 31, 2014, net income from rental property amounted to ¥5,308 million and net gain on sales of rental property amounted to ¥3,890 million, whereas an impairment loss on rental property amounted to ¥16 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, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Carrying value		
Balance at the beginning of the year	141,534	130,835
Increase/Decrease during the year	(10,699)	(3,108)
Balance at the end of the year	130,835	127,727
Fair value at the end of the year	130,501	123,143

Notes:1. The carrying value shown here is calculated by deducting the relevant accumulated depreciation and impairment loss from the property's acquisition cost.
2. The fair value was mainly based on real-estate appraisal value which was calculated by external real-estate appraisers.

(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 are based on operating income. Inter-segment sales are based on the price in arms-lengths transaction. The segment assets are based on total assets.

3. Matters regarding changes in reportable segments
As stated in "Changes in accounting policies" following the revision of the International Financial Reporting Standards (IFRS) 11 *Joint Arrangements*, Dongfeng Motor Co., Ltd., a joint venture, had been proportionally consolidated until the prior fiscal year, but the equity method is now applied to said company, effective from the year ended March 31, 2014. Accordingly, the consolidated financial statements of the reportable segments has been replaced by the equity method, effective from the year ended March 31, 2014.
The segment information for the year ended March 31, 2013 provided herein reflects the aforementioned changes in the method of calculating.
In addition to the above, as stated in "Changes in accounting policies", a part of revisions of ASBJ Statement No. 26 *Accounting Standard for Retirement Benefits* and ASBJ Guidance No. 25 *Guidance on Accounting Standard for Retirement Benefits* have been applied to the consolidated financial statements, effective March 31, 2014. As a result, on the Summarized consolidated balance sheets by business segments, accumulated other comprehensive income decreased ¥38,966 million and ¥1,478 million in "Automobile & Eliminations" and "Sales financing" respectively.

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

Prior 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					
Sales to third parties	8,220,611	516,709	8,737,320	—	8,737,320
Inter-segment sales or transfers	59,448	25,528	84,976	(84,976)	—
Total	8,280,059	542,237	8,822,296	(84,976)	8,737,320
Segment profits	281,424	142,286	423,710	15,113	438,823
Segment assets	7,853,635	6,310,841	14,164,476	(1,722,139)	12,442,337
Other items					
Depreciation and amortization expense	328,080	239,370	567,450	—	567,450
Amortization of goodwill	2,104	—	2,104	—	2,104
Interest expense (Cost of sales)	275	74,697	74,972	(17,259)	57,713
Investment amounts to equity method companies	533,420	2,255	535,675	—	535,675
Increase amounts of fixed assets and intangible fixed assets	475,234	739,699	1,214,933	—	1,214,933

Note 1: Consolidated financial statements by business segments

- The Sales financing segment for the summarized consolidated balance sheets, summarized consolidated statements of income and summarized consolidated statement of cash flows consists of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Corporation (U.S.A.), NR Finance Mexico S.A. de C.V. SOFOM E.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 summarized consolidated statement of 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	Prior fiscal year (As of March 31, 2013)		
	Automobile & Eliminations	Sales financing	Consolidated total
Assets			
I. Current assets			
Cash on hand and in banks	577,320	27,037	604,357
Notes and accounts receivable	582,005	1,107	583,112
Sales finance receivables	(125,694)	4,287,619	4,161,925
Inventories	1,028,126	17,133	1,045,259
Other current assets	557,309	262,556	819,865
Total current assets	2,619,066	4,595,452	7,214,518
II. Fixed assets			
Property, plant and equipment, net	2,590,874	1,591,464	4,182,338
Investment securities	708,579	8,976	717,555
Other fixed assets	212,977	114,949	327,926
Total fixed assets	3,512,430	1,715,389	5,227,819
Total assets	6,131,496	6,310,841	12,442,337
Liabilities			
I. Current liabilities			
Notes and accounts payable	1,132,569	36,015	1,168,584
Short-term borrowings	(879,469)	2,579,910	1,700,441
Lease obligations	32,610	63	32,673
Other current liabilities	1,101,047	250,515	1,351,562
Total current liabilities	1,386,757	2,866,503	4,253,260
II. Long-term liabilities			
Bonds	239,998	431,695	671,693
Long-term borrowings	420,928	1,931,242	2,352,170
Lease obligations	22,738	57	22,795
Other long-term liabilities	530,570	575,819	1,106,389
Total long-term liabilities	1,214,234	2,938,813	4,153,047
Total liabilities	2,600,991	5,805,316	8,406,307
Net assets			
I. Shareholders' equity			
Common stock	487,045	118,769	605,814
Capital surplus	773,623	30,847	804,470
Retained earnings	2,849,795	403,081	3,252,876
Treasury stock	(149,549)	—	(149,549)
Total shareholders' equity	3,960,914	552,697	4,513,611
II. Accumulated other comprehensive income			
Translation adjustments	(727,323)	(52,814)	(780,137)
Others	5,754	(7,380)	(1,626)
Total accumulated other comprehensive income	(721,569)	(60,194)	(781,763)
III. Share subscription rights	2,415	—	2,415
IV. Minority interests	288,745	13,022	301,767
Total net assets	3,530,505	505,525	4,036,030
Total liabilities and net assets	6,131,496	6,310,841	12,442,337

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	Prior fiscal year (From April 1, 2012 To March 31, 2013) Automobile & Eliminations	Sales financing	Consolidated total
Net sales	8,195,083	542,237	8,737,320
Cost of sales	6,934,440	355,547	7,289,987
Gross profit	1,260,643	186,690	1,447,333
Operating income as a percentage of net sales	3.6%	26.2%	5.0%
Operating income	296,537	142,286	438,823
Financial income / expenses, net	(10,424)	60	(10,364)
Other non-operating income and expenses, net	72,627	3,335	75,962
Ordinary income	358,740	145,681	504,421
Income before income taxes and minority interests	340,369	146,964	487,333
Net income	241,809	99,308	341,117

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

(Millions of yen)

Accounts	Prior 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	340,369	146,964	487,333
Depreciation and amortization	328,080	239,370	567,450
Decrease (increase) in finance receivables	122,110	(672,268)	(550,158)
Others	(55,727)	(36,641)	(92,368)
Net cash provided by (used in) operating activities	734,832	(322,575)	412,257
II. Cash flows from investing activities			
Proceeds from sales of investment securities	17,306	—	17,306
Proceeds from sales of fixed assets	28,564	31,150	59,714
Purchases of fixed assets	(414,071)	(41,632)	(455,703)
Purchases of leased vehicles	(44)	(709,951)	(709,995)
Proceeds from sales of leased vehicles	774	322,841	323,615
Others	(47,975)	(25,009)	(72,984)
Net cash used in investing activities	(415,446)	(422,601)	(838,047)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	(120,341)	474,595	354,254
Net change in long-term borrowings and redemption of bonds	(142,666)	130,670	(11,996)
Proceeds from issuance of bonds	—	236,311	236,311
Others	(53,713)	(91,039)	(144,752)
Net cash provided by (used in) financing activities	(316,720)	750,537	433,817
IV. Effect of exchange rate changes on cash and cash equivalents	47,204	3,346	50,550
V. Increase in cash and cash equivalents	49,870	8,707	58,577
VI. Cash and cash equivalents at the beginning of the year	634,298	18,646	652,944
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 year	684,548	27,353	711,901

Notes:1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥14,086 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 from the Sales financing segment.

Note 2: Sales and profits or losses by region

Prior 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	2,153,620	3,452,243	1,387,446	840,489	903,522	8,737,320	—	8,737,320
(2) Inter-segment sales	2,343,886	252,078	207,031	438,938	8,934	3,250,867	(3,250,867)	—
Total	4,497,506	3,704,321	1,594,477	1,279,427	912,456	11,988,187	(3,250,867)	8,737,320
Operating income	205,772	177,375	1,769	45,068	8,119	438,103	720	438,823

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, 2013 To March 31, 2014)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	The year ended March 31, 2014
	Automobile	Sales financing	Total		
Net sales					
Sales to third parties	9,825,507	657,013	10,482,520	—	10,482,520
Inter-segment sales or transfers	71,057	26,839	97,896	(97,896)	—
Total	9,896,564	683,852	10,580,416	(97,896)	10,482,520
Segment profits	317,762	164,706	482,468	15,897	498,365
Segment assets	9,039,084	7,682,085	16,721,169	(2,017,766)	14,703,403
Other items					
Depreciation and amortization expense	372,093	305,195	677,288	—	677,288
Amortization of goodwill	1,814	—	1,814	—	1,814
Interest expense (Cost of sales)	158	93,235	93,393	(20,619)	72,774
Investment amounts to equity method companies	660,552	9,431	669,983	—	669,983
Increase amounts of fixed assets and intangible fixed assets	568,986	1,031,784	1,600,770	—	1,600,770

Note 1: Consolidated financial statements by business segments

- The Sales financing segment for the summarized consolidated balance sheets, summarized consolidated statements of income and summarized consolidated statement of cash flows consists of Nissan Financial Services Co., Ltd. (Japan), Nissan Motor Acceptance Corporation (U.S.A.), NR Finance Mexico S.A. de C.V. SOFOM E.N.R (Mexico), other 6 companies and the sales finance operations of Nissan Canada Inc. (Canada).
- 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, 2014)		
	Automobile & Eliminations	Sales financing	Consolidated total
Assets			
I. Current assets			
Cash on hand and in banks	708,028	114,835	822,863
Trade notes and accounts receivable	785,367	587	785,954
Sales finance receivables	(27,375)	5,060,933	5,033,558
Inventories	1,110,249	41,602	1,151,851
Other current assets	520,710	294,342	815,052
Total current assets	3,096,979	5,512,299	8,609,278
II. Fixed assets			
Property, plant and equipment, net	2,834,665	1,923,373	4,758,038
Investment securities	911,494	18,799	930,293
Other fixed assets	178,180	227,614	405,794
Total fixed assets	3,924,339	2,169,786	6,094,125
Total assets	7,021,318	7,682,085	14,703,403
Liabilities			
I. Current liabilities			
Trade notes and accounts payable	1,462,439	49,471	1,511,910
Short-term borrowings	(1,060,735)	3,055,622	1,994,887
Lease obligations	32,789	49	32,838
Other current liabilities	1,369,772	277,842	1,647,614
Total current liabilities	1,804,265	3,382,984	5,187,249
II. Long-term liabilities			
Bonds	280,000	638,783	918,783
Long-term borrowings	350,347	2,332,034	2,682,381
Lease obligations	23,570	10	23,580
Other long-term liabilities	523,374	696,508	1,219,882
Total long-term liabilities	1,177,291	3,667,335	4,844,626
Total liabilities	2,981,556	7,050,319	10,031,875
Net assets			
I. Shareholders' equity			
Common stock	468,636	137,178	605,814
Capital surplus	771,105	33,380	804,485
Retained earnings	3,052,028	474,618	3,526,646
Treasury stock	(149,315)	—	(149,315)
Total shareholders' equity	4,142,454	645,176	4,787,630
II. Accumulated other comprehensive income			
Translation adjustments	(451,197)	(18,005)	(469,202)
Others	27,797	(7,571)	20,226
Total accumulated other comprehensive income	(423,400)	(25,576)	(448,976)
III. Share subscription rights	2,401	—	2,401
IV. Minority interests	318,307	12,166	330,473
Total net assets	4,039,762	631,766	4,671,528
Total liabilities and net assets	7,021,318	7,682,085	14,703,403

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 ¥1,585,430 million.

(2) Summarized consolidated statements of income by business segments

(Millions of yen)

Accounts	Current fiscal year (From April 1, 2013 To March 31, 2014) Automobile & Eliminations	Sales financing	Consolidated total
Net sales	9,798,668	683,852	10,482,520
Cost of sales	8,190,846	445,217	8,636,063
Gross profit	1,607,822	238,635	1,846,457
Operating income as a percentage of net sales	3.4%	24.1%	4.8%
Operating income	333,659	164,706	498,365
Financial income / expenses, net	(5,422)	(178)	(5,600)
Other non-operating income and expenses, net	35,199	(775)	34,424
Ordinary income	363,436	163,753	527,189
Income before income taxes and minority interests	365,047	164,331	529,378
Net income	284,746	104,288	389,034

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

(Millions of yen)

Accounts	Current fiscal year (From April 1, 2013 To March 31, 2014) Automobile & Eliminations	Sales financing	Consolidated total
I. Cash flows from operating activities			
Income before income taxes and minority interests	365,047	164,331	529,378
Depreciation and amortization	372,093	305,195	677,288
Decrease (increase) in sales finance receivables	(98,334)	(488,726)	(587,060)
Others	86,184	22,333	108,517
Net cash provided by operating activities	724,990	3,133	728,123
II. Cash flows from investing activities			
Proceeds from sales of investment securities	902	—	902
Proceeds from sales of fixed assets	32,941	46,637	79,578
Purchases of fixed assets	(501,441)	(50,367)	(551,808)
Purchases of leased vehicles	(4,834)	(999,307)	(1,004,141)
Proceeds from sales of leased vehicles	154	465,347	465,501
Others	(53,058)	(17,390)	(70,448)
Net cash used in investing activities	(525,336)	(555,080)	(1,080,416)
III. Cash flows from financing activities			
Net increase (decrease) in short-term borrowings	12,497	(32,417)	(19,920)
Net change in long-term borrowings and redemption of bonds	(225,507)	358,685	133,178
Proceeds from issuance of bonds	109,787	334,879	444,666
Others	(135,069)	(25,930)	(160,999)
Net cash provided by (used in) financing activities	(238,292)	635,217	396,925
IV. Effect of exchange rate changes on cash and cash equivalents	70,136	4,714	74,850
V. Increase in cash and cash equivalents	31,498	87,984	119,482
VI. Cash and cash equivalents at the beginning of the year	684,548	27,353	711,901
VII. Increase due to inclusion in consolidation	1,333	—	1,333
VIII. Decrease due to exclusion from consolidation	—	—	—
IX. Cash and cash equivalents at the end of the year	717,379	115,337	832,716

Notes: 1. The net increase (decrease) in short-term borrowings of Automobile & Eliminations includes the amount of ¥51,057 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 ¥127,566 million eliminated for net increase in internal loans receivable from the Sales financing segment.

Note 2: Sales and profits or losses by region

Current fiscal year (From April 1, 2013 To March 31, 2014)

(Millions of yen)

	Japan	North America	Europe	Asia	Other foreign countries	Total	Eliminations	Consolidated
Net sales (1) Sales to third parties	2,348,283	4,488,316	1,660,041	996,056	989,824	10,482,520	—	10,482,520
(2) Inter-segment sales	2,475,765	341,659	221,706	597,823	9,616	3,646,569	(3,646,569)	—
Total	4,824,048	4,829,975	1,881,747	1,593,879	999,440	14,129,089	(3,646,569)	10,482,520
Operating income (loss)	322,647	191,930	(23,611)	53,268	(29,996)	514,238	(15,873)	498,365

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, 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.				
1,904,108	3,313,296	2,770,311	1,372,970	1,027,166	1,119,780	8,737,320

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.				
1,669,726	2,054,699	1,715,664	192,289	221,343	44,281	4,182,338

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, 2013 To March 31, 2014)

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.				
2,077,135	4,337,127	3,601,147	1,666,307	1,215,769	1,186,182	10,482,520

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.				
1,590,173	2,501,107	2,084,468	289,270	283,465	94,023	4,758,038

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 segments

Prior 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	12,280	—	12,280	—	12,280

Current fiscal year (From April 1, 2013 To March 31, 2014)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Impairment loss	2,130	—	2,130	—	2,130

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

Prior 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	2,104	—	2,104	—	2,104
Balance at the end of the year	21,000	—	21,000	—	21,000

Current fiscal year (From April 1, 2013 To March 31, 2014)

(Millions of yen)

	Reportable segments			Elimination of inter-segment transactions	Total
	Automobile	Sales financing	Total		
Amortization of goodwill	1,814	—	1,814	—	1,814
Balance at the end of the year	19,231	—	19,231	—	19,231

Information about the gain recognized on negative goodwill by reportable segments

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

This information is not provided due to its low materiality.

Current fiscal year (From April 1, 2013 To March 31, 2014)

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, 2012 To March 31, 2013)

There are no significant transactions to be disclosed.

Current fiscal year (From April 1, 2013 To March 31, 2014)

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, 2012 To March 31, 2013)

Combined and condensed financial information (from January 1, 2012, to December 31, 2012) of Renault and Dongfeng Motor Co., Ltd., which are defined as significant affiliates for the current fiscal year, is as follows.

Total current assets	¥5,792,511 million
Total fixed assets	¥4,391,178 million
Total current liabilities	¥5,536,425 million
Total long-term liabilities	¥1,206,492 million
Total net assets	¥3,440,772 million
Net sales	¥6,137,567 million
Income before income taxes	¥417,620 million
Net income	¥306,863 million

Current fiscal year (From April 1, 2013 To March 31, 2014)

Combined and condensed financial information (from January 1, 2013, to December 31, 2013) of Renault and Dongfeng Motor Co., Ltd., which are defined as significant affiliates for the current fiscal year, is as follows.

Total current assets	¥7,304,090 million
Total fixed assets	¥5,371,525 million
Total current liabilities	¥6,832,982 million
Total long-term liabilities	¥1,650,386 million
Total net assets	¥4,192,247 million
Net sales	¥7,590,837 million
Income before income taxes	¥443,042 million
Net income	¥274,895 million

(Amounts per share)

(Yen)

	Prior fiscal year (From April 1, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Net assets per share	890.38	1,035.06
Basic net income per share	81.39	92.82
Diluted net income per share	—	92.82

Notes: 1. Diluted net income per share for the prior fiscal year is not provided because the Company had no securities with dilutive effects.

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, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Basic net income per share: Net income (Millions of yen)	341,117	389,034
Net income attributable to shares of common stock (Millions of yen)	341,117	389,034
Average number of shares of common stock during the fiscal year (Thousands)	4,191,291	4,191,414
Diluted net income per share: Increase in shares of common stock (Thousands)	—	21
(Exercise of warrants (Thousands)) (Exercise of share subscription rights (Thousands))	— —	— 21
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.	3rd share subscription rights (the number of share subscription rights is 77,984 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) 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, 2013)	Current fiscal year (As of March 31, 2014)
Total net assets (Millions of yen)	4,036,030	4,671,528
Amounts deducted from total net assets (Millions of yen)	304,182	332,874
(Share subscription rights (Millions of yen))	2,415	2,401
(Minority interests (Millions of yen))	301,767	330,473
Net assets attributable to shares of common stock at year end (Millions of yen)	3,731,848	4,338,654
The year-end number of shares of common stock used for the calculation of net assets per share (Thousands)	4,191,287	4,191,687

4. As stated in “Changes in accounting policies,” the Company applies the Accounting Standard for Retirement Benefits and the Guidance on Accounting Standard for Retirement Benefits, and follows the transitional treatment provided for in Item 37 of the Accounting Standard for Retirement Benefits for application thereof.
This application resulted in a decrease of ¥9.65 in net assets per share for the current fiscal year.

(Significant subsequent events)

Issuance of bonds

On April 25, 2014, the Company issued unsecured bonds. The terms and conditions of these bonds are summarized as follows.

1.

(1) Name of the bond	57th unsecured bonds
(2) Principal amount	¥100,000 million
(3) Interest rate	0.314% per annum
(4) Issue price	¥100 for a par value of ¥100
(5) Maturity date	March 20, 2019
(6) Payment due date	April 25, 2014
(7) Use of proceeds	To be appropriated as redemption of bonds and a part of repayment of long-term borrowings during the fiscal year ending March 31,2015.

2.

(1) Name of the bond	58th unsecured bonds
(2) Principal amount	¥20,000 million
(3) Interest rate	0.779% per annum
(4) Issue price	¥100 for a par value of ¥100
(5) Maturity date	March 19, 2024
(6) Payment due date	April 25, 2014
(7) Use of proceeds	To be appropriated as redemption of bonds and a part of repayment of long-term borrowings during the fiscal year ending March 31,2015.

⑤ Consolidated supplemental schedules

Schedule of bonds payable

Company	Description	Date of Issuance	Balance at the beginning of current fiscal year (Millions of yen)	Balance at the end of current fiscal year (Millions of yen)	Interest rate (%)	Collateral	Maturity
*1	47th unsecured bonds (Note 2)	June 19, 2007	34,998	(35,000) 35,000	1.95	None	June 20, 2014
*1	49th unsecured bonds (Note 2)	September 17, 2009	35,000	(35,000) 35,000	1.931	"	September 19, 2014
*1	50th unsecured bonds	October 26, 2009	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
*1	55th unsecured bonds	April 25, 2013	—	100,000	0.415	"	March 20, 2018
*1	56th unsecured bonds	April 25, 2013	—	10,000	0.554	"	March 19, 2020
*2	Bonds issued by subsidiaries (Note 2)	2010 - 2013	215,000	(40,000) 255,000	0.2 - 0.7	"	2014 - 2018
*3	Bonds issued by subsidiaries (Note 2)	2010 - 2013	234,826 [$2,496,814 thousand]	(77,190) [$750,000 thousand] 462,873 [$4,497,413 thousand]	0.8 - 4.5	"	2015 - 2019
*3	Bonds issued by subsidiaries (Note 2)	2007 - 2014	59,436 [MXN 7,800,000 thousand]	(39,400) [MXN 5,000,000 thousand] 63,040 [MXN 8,000,000 thousand]	4.1 - 4.8	"	2014 - 2016
*3	Bonds issued by subsidiaries	2013	3,769 [THB 1,177,904 thousand]	14,460 [THB 4,561,396 thousand]	0.5 - 0.8	"	2015 - 2016
Subtotal (Note 2)		—	853,029	(226,590) 1,145,373	—		—
Elimination of intercompany transactions		—	—	—	—		—
Total (Note 2)		—	853,029	(226,590) 1,145,373	—		—

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

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

3. The redemption schedule of bonds for 5 years subsequent to March 31, 2014 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
226,590	201,641	326,275	258,586	102,281

Schedule of borrowings

(Millions of yen)

Category	Balance at the beginning of current fiscal year	Balance at the end of current fiscal year	Average interest rate (%)	Maturity
Short-term borrowings	172,738	280,460	4.03	—
Nonrecourse short-term borrowings	347,058	426,116	0.67	—
Current portion of long-term borrowings	315,658	400,643	1.18	—
Current portion of nonrecourse long-term borrowings	464,198	509,903	0.57	—
Commercial papers	219,453	151,175	3.10	—
Current portion of lease obligations	32,673	32,838	2.09	—
Long-term borrowings (excluding current portion)	1,710,442	1,966,440	1.20	April 2015 to December 2034
Nonrecourse long-term borrowings (excluding current portion)	641,728	715,941	0.78	April 2015 to May 2024
Lease obligations (excluding current portion)	22,795	23,580	2.21	April 2015 to November 2024
Total	3,926,743	4,507,096	—	—

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), nonrecourse long-term borrowings (excluding the current portion) and lease obligations (excluding the current portion) for 5 years subsequent to March 31, 2014.

(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	553,095	706,517	413,456	228,325
Non-recourse long-term borrowings	507,266	167,167	39,997	1,511
Lease obligations	13,457	4,316	3,323	1,707

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, 2014, 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, 2014.

(2) Other

Quarterly financial information for the fiscal year ended March 31, 2014

(Millions of yen)

Cumulative period	1st Quarter (Three months ended June 30, 2013)	2nd Quarter (Six months ended September 30, 2013)	3rd Quarter (Nine months ended December 31, 2013)	4th Quarter (Fiscal year ended March 31, 2014)
Net sales	2,232,938	4,756,206	7,278,616	10,482,520
Income before income taxes and minority interests	114,993	229,325	336,678	529,378
Net income	82,016	189,823	274,098	389,034
Net income per share (¥)	19.57	45.29	65.40	92.82

Each quarter	1st Quarter (From April 1, 2013 To June 30, 2013)	2nd Quarter (From July 1, 2013 To September 30, 2013)	3rd Quarter (From October 1, 2013 To December 31, 2013)	4th Quarter (From January 1, 2014 To March 31, 2014)
Net income per share (¥)	19.57	25.72	20.11	27.42

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, 2013)		Current fiscal year (As of March 31, 2014)
Assets				
Current assets				
Cash on hand and in banks		130,320		65,500
Trade accounts receivable	※1	250,344	※1	512,367
Finished goods		48,361		51,001
Work in process		23,463		23,923
Raw materials and supplies		60,994		72,326
Prepaid expenses		19,718		24,931
Deferred tax assets		120,018		93,086
Short-term loans receivable from subsidiaries and affiliates		633,753		561,213
Other	※1	118,782	※1	162,442
Allowance for doubtful accounts		(12,636)		(13,166)
Total current assets		1,393,122		1,553,627
Fixed assets				
Property, plant and equipment				
Buildings		225,577		220,096
Structures		33,501		32,438
Machinery and equipment		169,579		149,771
Vehicles		24,675		24,382
Tools, furniture and fixtures		84,107		92,115
Land		134,512		134,459
Construction in progress		34,816		6,464
Total property, plant and equipment		706,771		659,729
Intangible fixed assets		28,220		55,539
Investments and other assets				
Investment securities		107,022		189,547
Investments in subsidiaries and affiliates		1,501,928		1,554,663
Long-term loans receivable from subsidiaries and affiliates		299,161		689,932
Other		24,497		23,669
Allowance for doubtful accounts		(314)		(278)
Total investments and other assets		1,932,295		2,457,534
Total fixed assets		2,667,286		3,172,803
Total assets		4,060,408		4,726,430

(Millions of yen)

		Prior fiscal year (As of March 31, 2013)		Current fiscal year (As of March 31, 2014)
Liabilities				
Current liabilities				
Trade notes payable		218		297
Trade accounts payable	※1	488,576	※1	651,521
Short-term borrowings	※1	203,820	※1	384,117
Current portion of long-term borrowings		140,250		166,350
Current portion of bonds		100,000		69,999
Lease obligations	※1	18,878	※1	25,324
Accounts payable-other	※1	14,154	※1	19,917
Accrued expenses	※1	250,375	※1	262,724
Income taxes payable		19,894		30,583
Advances received		93,018		474
Deposits received	※1	81,829	※1	88,198
Accrued warranty costs		21,155		23,054
Other		484		1,479
Total current liabilities		1,432,655		1,724,043
Long-term liabilities				
Bonds		239,998		280,000
Long-term borrowings		421,000		360,837
Long-term loans payable to subsidiaries and affiliates		10,063		11,012
Lease obligations	※1	23,882	※1	27,196
Deferred tax liabilities		59,622		85,342
Accrued warranty costs		36,934		46,282
Accrued retirement benefits		35,130		31,922
Other	※1	10,769	※1	15,512
Total long-term liabilities		837,400		858,105
Total liabilities		2,270,055		2,582,149

(Millions of yen)

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
Net assets		
Shareholders' equity		
Common stock	605,813	605,813
Capital surplus		
Legal capital surplus	804,470	804,470
Other capital surplus	—	15
Total capital surplus	804,470	804,485
Retained earnings		
Legal reserve	53,838	53,838
Other retained earnings		
Reserve for reduction of replacement cost of specified properties	64,820	59,418
Reserve for special depreciation	143	67
Unappropriated retained earnings	271,497	578,999
Total retained earnings	390,300	692,324
Treasury stock	(31,402)	(31,285)
Total shareholders' equity	1,769,181	2,071,337
Valuation, translation adjustments and others		
Unrealized holding gain and loss on securities	18,761	70,707
Unrealized gain and loss from hedging instruments	(5)	(163)
Total valuation, translation adjustments and others	18,756	70,543
Share subscription rights	2,415	2,400
Total net assets	1,790,353	2,144,281
Total liabilities and net assets	4,060,408	4,726,430

② Non-consolidated statement of income

(Millions of yen)

	Prior fiscal year (From April 1, 2012 To March 31, 2013)		Current fiscal year (From April 1, 2013 To March 31, 2014)	
Net sales	※1	3,526,252	※1	3,737,844
Cost of sales	※1	3,188,588	※1	3,225,698
Gross profit		337,663		512,146
Selling, general and administrative expenses	※1,※2	252,302	※1,※2	324,888
Operating income		85,360		187,258
Non-operating income				
Interest income	※1	6,659	※1	12,198
Dividends income	※1	20,496	※1	257,194
Exchange gain		13,450		14,901
Other	※1	16,920	※1	16,219
Total non-operating income		57,526		300,514
Non-operating expenses				
Interest expense	※1	15,920	※1	12,533
Amortization of net retirement benefit obligation at transition		8,054		8,054
Derivative loss		—		5,234
Other	※1	7,385	※1	4,669
Total non-operating expenses		31,360		30,491
Ordinary income		111,526		457,281
Special gains				
Gain on sales of fixed assets		6,689		147
Gain on contribution of securities to retirement benefit trust		—		12,175
Other		922		945
Total special gains		7,611		13,268
Special losses				
Loss on sales of fixed assets		115		447
Loss on disposal of fixed assets		4,165		4,110
Impairment loss		454		—
Other		1,911		327
Total special losses		6,646		4,885
Income before income taxes		112,490		465,664
Income taxes-current		18,553		16,145
Income taxes-deferred		19,089		24,023
Total income taxes		37,642		40,169
Net income		74,847		425,494

③ Non-consolidated statement of changes in net assets

Prior fiscal year (From April 1, 2012 To March 31, 2013) (Millions of yen)

	Shareholders' equity								
		Capital surplus			Retained earnings				
						Other retained earnings			
	Common stock	Legal capital surplus	Other capital surplus	Total capital surplus	Legal reserve	Reserve for reduction of replacement cost of specified properties	Reserve for special depreciation	Unappropriated retained earnings	Total retained earnings
Balance at the beginning of current period	605,813	804,470	—	804,470	53,838	69,224	263	293,146	416,472
Changes of items during the period									
Cash dividends paid								(101,020)	(101,020)
Provision of reserve for reduction entry of replaced properties						3,649		(3,649)	—
Reversal of reserve for reduction entry of replaced properties						(8,053)		8,053	—
Provision of reserve for special depreciation									
Reversal of reserve for special depreciation							(119)	119	—
Net income								74,847	74,847
Purchases of treasury stock									
Disposal of treasury stock									
Net changes of items other than those in shareholders' equity									
Total changes of items during the period						(4,403)	(119)	(21,648)	(26,172)
Balance at the end of current period	605,813	804,470	—	804,470	53,838	64,820	143	271,497	390,300

	Shareholders' equity		Valuation, translation adjustments and others			Share subscription rights	Total net assets
	Treasury stock	Total shareholders' equity	Unrealized holding gain and loss on securities	Unrealized gain and loss from hedging instruments	Total valuation, translation adjustments and others		
Balance at the beginning of current period	(31,396)	1,795,360	17,346	552	17,899	2,415	1,815,674
Changes of items during the period							
Cash dividends paid		(101,020)					(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		74,847					74,847
Purchases of treasury stock	(6)	(6)					(6)
Disposal of treasury stock							
Net changes of items other than those in shareholders' equity			1,414	(557)	856		856
Total changes of items during the period	(6)	(26,178)	1,414	(557)	856		(25,321)
Balance at the end of current period	(31,402)	1,769,181	18,761	(5)	18,756	2,415	1,790,353

Current fiscal year (From April 1, 2013 To March 31, 2014) (Millions of yen)

	Shareholders' equity								
	Common stock	Capital surplus			Retained earnings				
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal reserve	Other retained earnings: Reserve for reduction of replacement cost of specified properties	Other retained earnings: Reserve for special depreciation	Other retained earnings: Unappropriated retained earnings	Total retained earnings
Balance at the beginning of current period	605,813	804,470	—	804,470	53,838	64,820	143	271,497	390,300
Changes of items during the period									
Cash dividends paid								(123,470)	(123,470)
Provision of reserve for reduction entry of replaced properties						17		(17)	—
Reversal of reserve for reduction entry of replaced properties						(5,419)		5,419	—
Provision of reserve for special depreciation							4	(4)	—
Reversal of reserve for special depreciation							(80)	80	—
Net income								425,494	425,494
Purchases of treasury stock									
Disposal of treasury stock			15	15					
Net changes of items other than those in shareholders' equity									
Total changes of items during the period			15	15		(5,402)	(75)	307,501	302,023
Balance at the end of current period	605,813	804,470	15	804,485	53,838	59,418	67	578,999	692,324

	Shareholders' equity		Valuation, translation adjustments and others			Share subscription rights	Total net assets
	Treasury stock	Total shareholders' equity	Unrealized holding gain and loss on securities	Unrealized gain and loss from hedging instruments	Total valuation, translation adjustments and others		
Balance at the beginning of current period	(31,402)	1,769,181	18,761	(5)	18,756	2,415	1,790,353
Changes of items during the period							
Cash dividends paid		(123,470)					(123,470)
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		425,494					425,494
Purchases of treasury stock	(9)	(9)					(9)
Disposal of treasury stock	126	141					141
Net changes of items other than those in shareholders' equity			51,945	(158)	51,787	(14)	51,772
Total changes of items during the period	116	302,155	51,945	(158)	51,787	(14)	353,928
Balance at the end of current period	(31,285)	2,071,337	70,707	(163)	70,543	2,400	2,144,281

[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
   ①Marketable 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.
   ②Non-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.
   (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) Leased assets
   Depreciation of leased assets is calculated by the straight-line method based on either the estimated useful lives or the lease terms and the estimated residual value.
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.
6. 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.
   Past service cost is being amortized as incurred by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees.
   Actuarial gain and loss are amortized from the year following the year in which the gain and loss are recognized by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees.

7. Hedge accounting

①Hedge 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.

②Hedging instruments and hedged items

· Hedging instruments.....Derivative transactions

· Hedged items.....Mainly receivables and payables denominated in foreign currencies and others

③Hedging 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.

④Assessment of hedge effectiveness

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

8. Other significant accounting policies

(1) Accounting for retirement benefit

The accounting methods of unrecognized actuarial gain and loss, unrecognized past service cost and unrecognized net retirement benefit obligation at transition are different from those of the consolidated financial statements.

(2) Accounting for the consumption taxes

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

(3) Adoption of consolidated taxation system

The Company adopts the consolidated taxation system.

(Changes in presentation)

The non-consolidated balance sheet, the non-consolidated statement of income, the non-consolidated statement of changes in net assets, the detailed schedule of fixed assets and the detailed schedule of allowances were prepared in the formats prescribed in Article 127, Paragraph 1, of the Regulations for Non-Consolidated Financial Statements.
The notes stated in Article 127, Paragraph 2, of the Regulations for Non-Consolidated Financial Statements have been replaced with the corresponding notes prescribed in the Ordinance on Accounting of Companies.

Disclosure of the following notes has been omitted.

- Notes to lease transactions prescribed in Article 8-6 of the Regulations for Non-Consolidated Financial Statements are omitted in accordance with Paragraph 4 of said Article.
- Notes to asset retirement obligations prescribed in Article 8-28 of the Regulations for Non-Consolidated Financial Statements are omitted in accordance with Paragraph 2 of said Article.
- Notes to accumulated depreciation prescribed in Article 26 of the Regulations for Non-Consolidated Financial Statements are omitted in accordance with Paragraph 2 of said Article.
- Notes to net assets per share prescribed in Article 68-4 of the Regulations for Non-Consolidated Financial Statements are omitted in accordance with Paragraph 3 of said Article.
- The statement of manufacturing costs prescribed in Article 75, Paragraph 2, of the Regulations for Non-Consolidated Financial Statements is omitted in accordance with the proviso in said Paragraph.
- Notes regarding the write-down of the book value of inventories prescribed in Article 80 of the Regulations for Non-Consolidated Financial Statements are omitted in accordance with Paragraph 3 of said Article.
- Notes to research-and-development expenses prescribed in Article 86 of the Regulations for Non-Consolidated Financial Statements are omitted in accordance with Paragraph 2 of said Article.
- Notes regarding impairment losses prescribed in Article 95-3-2 of the Regulations for Non-Consolidated Financial Statements are omitted in accordance with Paragraph 2 of said Article.
- Notes regarding net income or loss per share prescribed in Article 95-5-2 of the Regulations for Non-Consolidated Financial Statements are omitted in accordance with Paragraph 3 of said Article.
- Notes regarding diluted net income per share prescribed in Article 95-5-3 of the Regulations for Non-Consolidated Financial Statements are omitted in accordance with Paragraph 4 of said Article.
- Notes regarding treasury stocks prescribed in Article 107 of the Regulations for Non-Consolidated Financial Statements are omitted in accordance with Paragraph 2 of said Article.
- The schedule of securities prescribed in Article 121, Paragraph 1, Item 1, of the Regulations for Non-Consolidated Financial Statements is omitted in accordance with Paragraph 3 of said Article.

(For non-consolidated balance sheet)

1 ※1 Monetary receivables from and payables to subsidiaries and affiliates (except for separately disclosed)

(Millions of yen)

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
Short-term monetary receivables	303,181	531,496
Short-term monetary payables	480,899	700,940
Long-term monetary payables	10,333	9,835

2 Guarantees and others

Prior 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 Financial 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

Current fiscal year (As of March 31, 2014)

(1) Guarantees

Guarantees	Balance of liabilities guaranteed (Millions of yen)	Description of liabilities guaranteed
Employees	※ 61,825	Guarantees for employees' housing loans
Automotive Energy Supply Corporation	11,912	Guarantees for loans to purchase fixed assets
Nissan Motor Manufacturing (UK) Limited	4,967	Guarantees for loans to purchase fixed assets
Nissan South Africa (Pty) Ltd.	3,011	Guarantees for loans for working capital
Nissan North America, Inc.	804	Guarantees for loans to purchase fixed assets
18 domestic dealers	5,487	Guarantees for loans for working capital
Total	88,009	※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.	134	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	39,662
Nissan Motor Iberica, S.A.	28,330
Total	67,992

(4) Keepwell Agreements

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

Their balances of liabilities at the end of March 2014 were as follows.

Company name	Balance of liabilities (Millions of yen)
Nissan Motor Acceptance Corporation	3,048,075
Nissan Financial Services Co., Ltd.	537,600
Nissan Financial Services Australia Pty Ltd.	232,263
Nissan Leasing (Thailand) Co., Ltd.	101,214
Nissan Canada Financial Services, Inc.	98,065
Nissan North America, Inc.	63,604
Nissan Canada, Inc.	49,050
Total	4,129,873

(For non-consolidated statement of income)

1 ※1 Transactions with subsidiaries and affiliates (Millions of yen)

	Prior fiscal year (From April 1, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Operating transactions:		
Sales	3,015,496	3,193,861
Operating expenses	1,312,646	1,356,611
Non-operating transactions	52,813	288,837

2 ※2 Major components of selling, general and administrative expenses are as follows. (Millions of yen)

	Prior fiscal year (From April 1, 2012 To March 31, 2013)	Current fiscal year (From April 1, 2013 To March 31, 2014)
Service costs	24,000	56,709
Provision for accrued warranty costs	19,320	31,169
Other selling expenses	31,213	42,337
Salaries and wages	62,838	70,249
Retirement benefit expenses	6,875	5,978
Outsourcing expenses	28,611	31,640
Depreciation and amortization	18,031	15,906

Selling expenses account for approximately 40% of the selling, general and administrative expenses in the prior fiscal year, and selling expenses account for approximately 50% of the selling, general and administrative expenses in the current fiscal year,

(For securities)
Investments in subsidiaries and affiliates

Prior 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

Current fiscal year (As of March 31, 2014)

(Millions of yen)

	Carrying value	Estimated fair value	Difference
① Subsidiaries' shares	24,002	327,372	303,369
② Affiliates' shares	0	0	0
Total	24,002	327,372	303,369

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, 2013)	Current fiscal year (As of March 31, 2014)
① Subsidiaries' shares	1,468,469	1,512,199
② Affiliates' shares	9,456	18,461

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, 2013)	Current fiscal year (As of March 31, 2014)
Deferred tax assets:		
Tax credits carry forwards	24,813	9,275
Accrued retirement benefits	18,359	21,110
Accrued warranty costs	21,573	24,681
Other	211,801	180,291
Total gross deferred tax assets	276,548	235,358
Valuation allowance	(85,064)	(70,238)
Total deferred tax assets	191,484	165,120
Deferred tax liabilities:		
Reserves under Special Taxation Measures Law	(36,157)	(32,879)
Unrealized holding gain on securities	(10,376)	(39,095)
Other	(84,554)	(85,401)
Total deferred tax liabilities	(131,088)	(157,375)
Net deferred tax assets	60,396	7,744

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

	Prior fiscal year (As of March 31, 2013)	Current fiscal year (As of March 31, 2014)
Statutory tax rate of the Company	38.0%	38.0%
(Reconciliation)		
Items not permanently qualifying for deduction	1.6%	0.2%
Dividend income excluded from gross revenue	(5.2%)	(19.5%)
Reduction of deferred tax assets at year-end due to tax rate change	—	1.1%
Tax credits	(3.2%)	(8.1%)
Other	2.3%	(3.1%)
Effective tax rate after adoption of tax-effect accounting	33.5%	8.6%

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

In accordance with the Act for Partial Amendment of Income Tax Act (Act No. 10, 2014) promulgated on March 31, 2014, the Special Reconstruction Corporation Tax will not be imposed, effective from the fiscal year beginning on or after April 1, 2014. Accordingly, the statutory tax rate used for calculating deferred tax assets and liabilities, has been changed from 38.0% for the prior fiscal year to 35.6% for the temporary differences to be eliminated in the fiscal year beginning on April 1, 2014.

This tax rate change resulted in a decrease of ¥5,335 million in deferred tax assets (after deducting deferred tax liabilities); an increase of ¥5,329 million in income taxes—deferred and a decrease of ¥6 million in unrealized gain and loss from hedging instruments in the current fiscal year.

(Significant subsequent events)

Issuance of bonds

On April 25, 2014, the Company issued unsecured bonds. The terms and conditions of these bonds are summarized as follows.

1.	(1) Name of the bond	57th unsecured bonds
	(2) Principal amount	¥100,000 million
	(3) Interest rate	0.314% per annum
	(4) Issue price	¥100 for a par value of ¥100
	(5) Maturity date	March 20, 2019
	(6) Payment due date	April 25, 2014
	(7) Use of proceeds	To be appropriated as redemption of bonds and a part of repayment of long-term borrowings during the fiscal year ending March 31,2015.
2.	(1) Name of the bond	58th unsecured bonds
	(2) Principal amount	¥20,000 million
	(3) Interest rate	0.779% per annum
	(4) Issue price	¥100 for a par value of ¥100
	(5) Maturity date	March 19, 2024
	(6) Payment due date	April 25, 2014
	(7) Use of proceeds	To be appropriated as redemption of bonds and a part of repayment of long-term borrowings during the fiscal year ending March 31,2015.

④ Non-consolidated supplemental schedules

Detailed schedule of fixed assets

(Millions of yen)

Category	Type of assets	Balance at the beginning of the current fiscal year	Increase in the current fiscal year	Decrease in the current fiscal year	Depreciation or amortization for the current fiscal year	Balance at the end of the current fiscal year	Accumulated depreciation or amortization
Property, plant and equipment	Buildings	225,577	5,046	1,216	9,311	220,096	280,854
	Structures	33,501	1,023	47	2,038	32,438	73,717
	Machinery and equipment	169,579	21,414	2,325	38,897	149,771	751,460
	Vehicles	24,675	8,976	4,286	4,982	24,382	29,339
	Tools, furniture and fixtures	84,107	50,418	4,959	37,449	92,115	281,301
	Land	134,512	—	52	—	134,459	—
	Construction in progress	34,816	21,671	50,023	—	6,464	—
	Total	706,771	108,550	62,912	92,679	659,729	1,416,674
Intangible fixed assets		28,220	43,408	1,451	14,638	55,539	169,082

Notes: The major components of the increase in the current fiscal year are as follows.

Increase by asset type:

		(Millions of yen)
a) Tools, furniture and fixtures	Leased assets	33,280
	Model tool	11,623
	Testing equipment	1,899

Detailed schedule of allowances

(Millions of yen)

Account	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
Allowance for doubtful accounts	12,951	1,670	1,177	13,444
Accrued warranty costs	58,089	34,754	23,507	69,336

(2) Details of major assets and liabilities

This information is omitted because the Company prepares consolidated financial statements.

(3) Other

Not applicable.

6. Information on Transfer and Repurchase of the Company's Stock

Fiscal year	From April 1 To March 31
General meeting of shareholders	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 *Nihon Keizai Shimbun.* The electronic public notice is presented on the Company's Web site at http://www.nissan-global.com/EN/IR/
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 Corporate Law;
(2) The right to make a claim in accordance with Article 166, Paragraph 1, of the Corporate 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.
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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, 2014 and the date when this Securities Report *(Yukashoken-Hokokusho)* was filed.

(1)	Securities Report and Accompanying Documents and Confirmation Note	Fiscal Year (the 114th)	From April 1, 2012 To March 31, 2013	Submitted to the director of the Kanto Local Finance Bureau on June 27, 2013.
(2)	Internal Control Report	Fiscal Year (the 114th)	From April 1, 2012 To March 31, 2013	Submitted to the director of the Kanto Local Finance Bureau on June 27, 2013.
(3)	Amendment to the Securities Report and Confirmation Notes This is an amendment to the securities report for the 114th fiscal year from April 1, 2012 to March 31, 2013.			Submitted to the director of the Kanto Local Finance Bureau on July 9, 2013.
(4)	Quarterly Securities Reports and Confirmation Notes	(The 1st quarter of 115th period)	From April 1, 2013 To June 30, 2013	Submitted to the director of the Kanto Local Finance Bureau on July 29, 2013.
		(The 2nd quarter of 115th period)	From July 1, 2013 To September 30, 2013	Submitted to the director of the Kanto Local Finance Bureau on November 7, 2013.
		(The 3rd quarter of 115th period)	From October 1, 2013 To December 31, 2013	Submitted to the director of the Kanto Local Finance Bureau on February 13, 2014.
(5)	Extraordinary Report An extraordinary report according to the provision of Article 19, Paragraph 2, Item 9-2 (Matters to be resolved at the general meeting of shareholders), of the Cabinet Office Ordinance on Disclosure of Corporate Information, etc.			Submitted to the director of the Kanto Local Finance Bureau on June 27, 2013.
(6)	Amended Shelf Registration Statements			Submitted to the director of the Kanto Local Finance Bureau on June 27, 2013, July 9, 2013, July 29, 2013, November 7, 2013, and February 13, 2014.
(7)	Supplemental Documents to Shelf Registration Statements and Accompanying Documents			Submitted to the director of the Kanto Local Finance Bureau on April 19, 2013 and April 18, 2014.

Part II Information on Guarantors for the Company

Not applicable

(For Translation Purposes Only)
Independent Auditor's Report

June 25, 2014

The Board of Directors
Nissan Motor Co., Ltd.

Ernst & Young ShinNihon LLC

Designated and Engagement Partner Certified Public Accountant	Yoji Murohashi
Designated and Engagement Partner Certified Public Accountant	Takeshi Hori
Designated and Engagement Partner Certified Public Accountant	Koki Ito
Designated and Engagement Partner Certified Public Accountant	Masayuki Nakamura

<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, 2013 to March 31, 2014, which comprise the consolidated balance sheet, the consolidated statements of income, comprehensive income, changes in net assets and 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, 2014, and their consolidated financial performance and cash flows for the year then ended in conformity with accounting principles generally accepted in Japan.

Emphasis of Matter

We draw attention to “Changes in accounting policies” in the accompanying consolidated financial statements, which describes the application of the IFRS 11 “Joint Arrangements” (released on May 12, 2011) by certain foreign subsidiaries and affiliates, effective from the year ended March 31, 2014. Until the prior fiscal year, Nissan (China) Investment Co., Ltd., a consolidated subsidiary of the Company, which had proportionally consolidated its joint venture Dongfeng Motor Co., Ltd., in accordance with the IAS 31 “Interests in Joint Arrangement,” applies the equity method to its investments in Dongfeng Motor Co., Ltd., effective from the year ended March 31, 2014.

Our opinion is not qualified in respect of this matter.

<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, 2014 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, 2014 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.

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 Audit.

(For Translation Purposes Only)
Independent Auditor's Report

June 25, 2014

The Board of Directors
Nissan Motor Co., Ltd.

Ernst & Young ShinNihon LLC

Designated and Engagement Partner Certified Public Accountant	Yoji Murohashi
Designated and Engagement Partner Certified Public Accountant	Takeshi Hori
Designated and Engagement Partner Certified Public Accountant	Koki Ito
Designated and Engagement Partner Certified Public Accountant	Masayuki Nakamura

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 115th fiscal year from April 1, 2013 to March 31, 2014, which comprise the non-consolidated balance sheet, the non-consolidated statements of income and 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, 2014, 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.

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 Audit.

【Cover】

【Document Submitted】	Internal Control Report (“Naibutousei-Houkokusho”)
【Article of the Applicable Law Requiring Submission of This Document】	Article 24-4-4, Paragraph 1, of the Financial Instruments and Exchange Law
【Filed to】	Director, Kanto Local Finance Bureau
【Date of Submission】	June 26, 2014
【Company Name】	Nissan Jidosha Kabushiki-Kaisha
【Company Name (in English)】	Nissan Motor Co., Ltd.
【Position and Name of Representative】	Carlos Ghosn, President
【Position and Name of Chief Financial Officer】	Toshiyuki Shiga, Director (Although Joseph G. Peter is put as Chief Financial Officer in “the Confirmation Note of the Accuracy of the Descriptions in the Securities Report (Yukashoken- Houkokusho)”, Toshiyuki Shiga, Director who has the responsibility to design and operate internal control over financial reporting is put as Chief Financial Officer in this report.)
【Location of Head Office】	2, Takaracho, Kanagawa-ku, Yokohama-shi, Kanagawa
【Place Where Available for Public Inspection】	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, Director 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, 2014 (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, 90 consolidated subsidiaries and 2 companies accounted for by the equity method. 91 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, 48 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】

【Document Submitted】	Confirmation Note
【Article of the Applicable Law Requiring Submission of This Document】	Article 24-4-2, Paragraph 1, of the Financial Instruments and Exchange Law
【Filed to】	Director, Kanto Local Finance Bureau
【Date of Submission】	June 26, 2014
【Company Name】	Nissan Jidosha Kabushiki-Kaisha
【Company Name (in English)】	Nissan Motor Co., Ltd.
【Position and Name of Representative】	Carlos Ghosn, President
【Position and Name of Chief Financial Officer】	Joseph G. Peter, Chief Financial Officer
【Location of Head Office】	2, Takaracho, Kanagawa-ku, Yokohama-shi, Kanagawa
【Place Where Available for Public Inspection】	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, Chief Financial Officer have confirmed that this Securities Report “Yukashoken-Houkokusho (from April 1, 2013 to March 31, 2014) ” of the 115th 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.