

FINANCIAL RESULTS OF NISSAN MOTOR CO.,LTD

<FOR THE FISCAL YEAR ENDING MARCH 31, 2001>

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Please note that the year "2000," as used throughout this report ,refers to the fiscal year starting April 1,2000 and ending March 31,2001 .

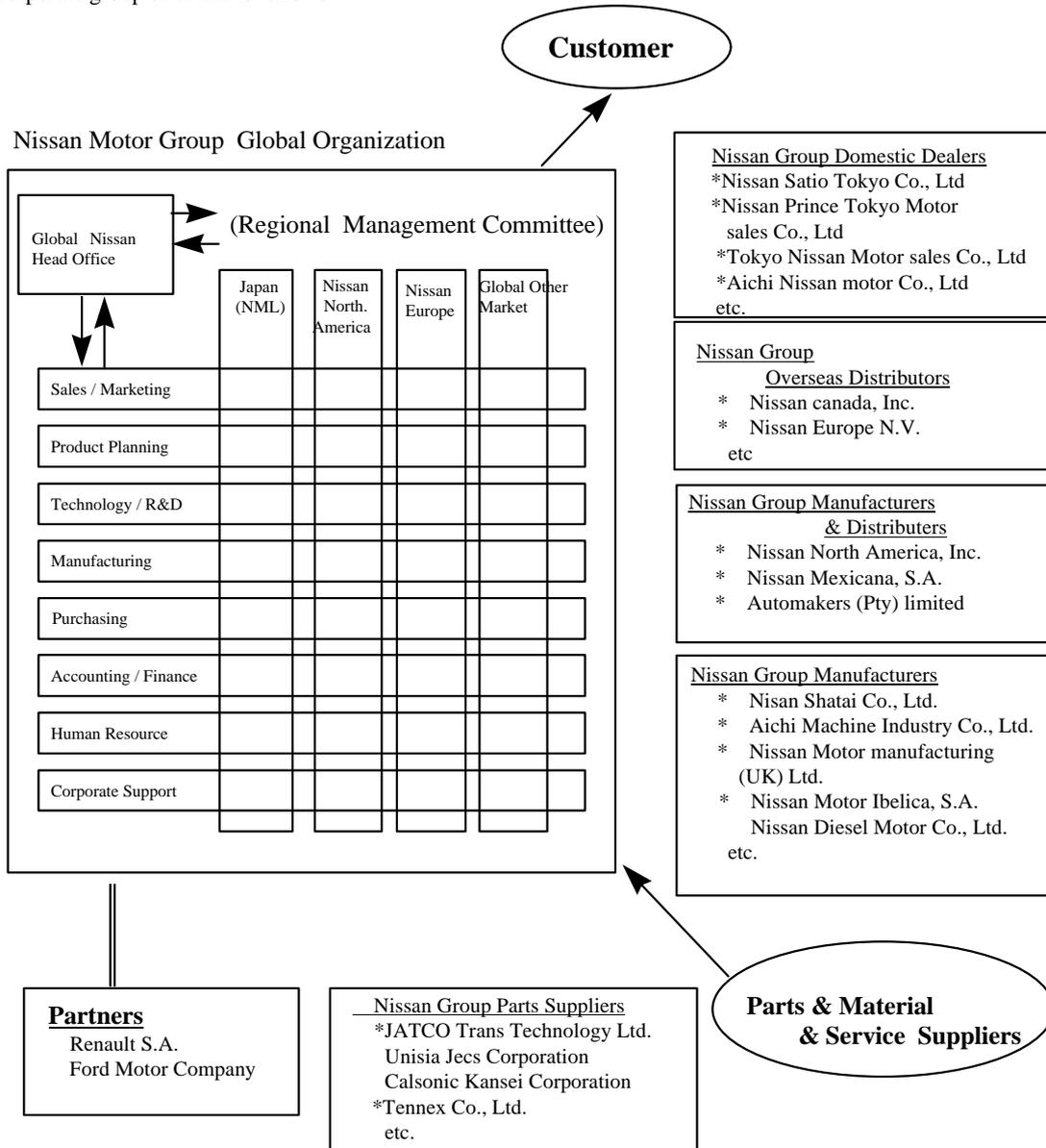


1. The general situation of the corporate group

The Nissan group consists of Nissan Motor Co., Ltd., subsidiaries, affiliates, and other associated companies. Its main business is sales and production of vehicles and parts. As other divisions for products and services, the group has Industrial machinery division and marine division. And also the group develops the various services accompanying its main business, such as logistics and sales finance.

The company established Global Nissan (GNX) as a global headquarters function which is to focus on utilizing regional activities by 4 Regional Management Committees and cross regional functions like R&D, Purchasing, Manufacturing, etc., and Global Nissan Group is composed of this matrix.

The corporate group structure is follows.



* Consolidated Subsidiaries

- Sales finance companies are included separately in “Domestic Dealers” and “Overseas Distributors”
- There are other associated companies; *Nissan Financial Service Co., Ltd., *Nissan Trading Co., Ltd., *Nissan Real Estate Development Co., Ltd. to support distribution and services.
- Our subsidiaries listed in stock exchange markets and over-the counter markets are follows.
Nissan Shatai Co., Ltd.---Tokyo, Osaka Aichi Machine Industry Co., Ltd.---Tokyo, Osaka, Nagoya
Tennex Co., Ltd. --- Over-the counter market

Nissan Revival Plan

One year has passed since the start of the three year Nissan Revival Plan. NRP is progressing faster and deeper than our original schedule.

NRP has two phases; improvement of brand attractiveness and restoring cost competitiveness. For the first objective, we have reorganized our design & product development organization and started brand identity improvement activities from Nissan inside. During fiscal year 2000, we launched the first four new models of the 22 announced as part of the NRP. These exciting new products have been developed with the customer in mind. This growth has been driven by the strong performance of our new products, introduction of our new brand identity, and development of associated businesses. During the past year our global retail sales have increased 4.0% from 2,530 thousands to 2,632 thousands units, with growth in every major region except Japan.

The other key objective of the NRP is to restore Nissan's cost competitiveness in the purchasing, manufacturing and SG&A functions. Cost reductions in fiscal year 2000 have exceeded commitments. We reduced purchasing costs by 11% for FY 2000, overachieving not only our 8% commitment, but also our target of 10%. The number of parts and component suppliers declined 30% from 1,145 in October 1999 to 810 while the number of service suppliers fell by 40%. By globalizing our procurement function, re-engineering our processes, challenging our specifications and opening to our suppliers' proposal, we have been able to achieve significant improvements in our purchased prices in each of our markets, without every compromising on quality.

In manufacturing, we kept our commitment to shut three domestic assembly plants, Murayama, Aichi Kikai Minato and Nissan Shatai Kyoto. The shutdowns proceeded smoothly and without disruption. As a result, our domestic capacity utilization rate increased from 51.1% with a total of seven factories to 74.1% based on our current fiscal year production plan with our four reconfigured plants. At the same time, we considerably simplified our plant and vehicle program organization by progressively specializing factories by segment and concentrating our lower volume diversity on one site, Nissan Shatai Shonan Plant.

Efficiency in R & D improved significantly. The average R & D cost per vehicle project declined by 17% in fiscal year 2000 compared to fiscal year 1999. This is an important trend as the workload from new products and technology development increased by a minimum of 15%.

In marketing and sales we moved swiftly on all our markets. In Japan, we have already closed the 300 outlets we had planned to close in three years. Of the 18 dealerships we plan to sell to the private sector, we have already achieved 10. We have

also significantly reduced our incentive spending as we have changed our sales focus from market share and volumes to a total contribution to profits. In Europe, we have moved with Renault in creating single legal distribution entities organized around their hubs. Switzerland and Holland are already operational. In the United States, we completed the reorganization of the back office functions of the Nissan and Infiniti channels. Incentives were tightly controlled, even after the sharp rise in industry spending which started in October 2000 with the first signs of a slowdown.

General and administrative costs were reduced by 3.4% excluding the favorable impact of lower service and support cost in the overall purchasing cost reduction. Total headcount at the end of fiscal 2000 came to 133,800 a decline of 14,200 people from NRP's base of 148,000. This includes 9,100 new employees hired by Nissan to support our growth and development.

One of the key principles of the NRP is freeing financial resources to invest in our core business. Asset sales have played an important role in supporting our investments while reducing the overall level of automotive debt. In fiscal year 2000, sales of real estate, marketable securities, non-core operations and affiliate companies generated 341 billion yen in cash proceeds compared to 200 billion yen forecast for the year.

NRP targets for FY 01

In fiscal year 01, we will continue to execute the NRP in the same spirit as in 2000.

In purchasing, we are targeting further reductions to arrive as soon as possible at our cumulative three-year 20% cost reduction commitment that as you know, will not change. The benefits from running our manufacturing facilities at the higher capacity utilization rates will flow through our accounts.

In the selling, general and administrative area, we will continue to reduce sales costs as we exercise discipline and sound judgment in keeping incentives down and pursue the restructuring of the domestic dealer network to come closer to customer expectations.

The sale of non-core assets will continue, including our remaining securities portfolio, additional real estate and affiliates. The cash generated by these sales will continue to go to further reducing net automotive debt which we see coming in below 850 billion yen.

Business Performance

Consolidated net sales came to 6.09 trillion yen, a 1.9% increase from last year. This is primarily due to an increase in volumes which offset the negative impact of the strength of the yen compared to last year.

During the past year our global retail sales increased 4.0% from 2,530 thousand to 2,632 thousand units.

In Japan, however, sales declined 3.6% versus FY 99 to 733,000 units with a 17.8% market share. Our first priority was to focus on profit. In that respect, we are encouraged by the higher profit contribution per unit in the second half as we replace loss-making cars by profit-making ones like the Bluebird Sylphy, the X-Trail, the Primera or the Cima. In North America, sales increased 5.3%. US sales were up 4.3% to 744,000, while Canada came in with a strong increase of 24.1% to 49,000. In Europe sales were up 3.5%, to 533,000 units, even though we saw intense competition in key countries, and a turbulent U.K. market. Sales growth in General Overseas Markets was also strong, up 14.1% to 573,000 units as we gained in important markets like Mexico where sales increased 28.3% to 173,000 units as well as in Thailand and Singapore.

On the cost side, the improvement has been quite significant. Purchasing costs were cut by 11% and due to the rapid pace of implementation of the NRP, and costs were reduced in all other fields in line with our targets.

As a result, Nissan's consolidated full year operating profit improved from 82.6 billion yen to 290.3 billion yen which is more than tripling last year's performance. As a percentage of net sales, the operating margin rose more than triple from 1.4% to 4.75%, reaching a level higher than NRP commitment of a minimum 4.5% in fiscal year 02, 2 years in advance.

Foreign exchange rates generated a negative impact to operating profits of 83.6 billion yen as the yen was stronger on average against all currencies. However cost reductions in purchasing and SG&A offset the negative impact of foreign exchange and improved the operating profits by 207.7 billion yen from that of the last year.

The ordinary profit which increased by 283.9 billion yen from a loss of 1.6 billion yen in 1999 to 282.3 billion yen in 2000. Net non-operating expenses declined by 76.2 billion yen. Net financial costs dropped by 29.5 billion yen to 31.1 billion yen. This was achieved by a combination of a decline in the volume of net automotive indebtedness and second, by re-engineering our funding to lower cost sources. Also, the sale of marketable securities generated 38.6 billion yen in profits, compared to 14.3 billion in 1999.

After taking into account extraordinary profits, net income before tax came to 289.7 billion yen. No further charges for restructuring were taken in fiscal year 2000.

Current taxes amounted to 68.1 billion yen but their impact was offset by the realization of deferred taxes in an amount of 130.6 billion yen. As we indicated in our results presentation last year, Nissan is beginning to write down its deferred tax position as we return to profitability.

Minority interest represented a charge of 21.1 billion yen as a result of the improved profits of fully consolidated companies that we do not own 100% of.

Bottom line, Nissan earned a consolidated 331.1 billion yen.

On the balance sheet side, net automotive debt declined steadily throughout the year. Cash generated from the asset sales, combined with improved cash from operations contributed to a significant reduction of 396 billion yen in debt. For the first time in 15 years, Nissan's net automotive debt at the close of the year is below 1 trillion yen at 953 billion. This is less than half the amount of net debt that was on the books at the close of fiscal year 1998 at the time of the signing of the alliance with Renault.

The improved profit picture in fiscal year 2000 has served to restore Nissan's equity position. Consolidated shareholders equity came to 957.9 billion yen, allowing us to propose a 7-yen per share dividend at the coming shareholders' meeting in June. Our net automotive debt/equity ratio came to 1, a very substantial improvement from the 2.4 level in 1999 and the lowest ratio since 1989. At the same time, our share price doubled from 409 yen on April 1st 2000 to 831 yen on April 2nd 2001, producing 1.6 trillion yen in value to our shareholders.

4. CONSOLIDATED FINANCIAL STATEMENTS

1) Consolidated Statements of Income and Retained Earnings

(FY2000 and FY1999)

[in millions of Yen, () indicates loss or minus]

The following information has been prepared in accordance with accounting principles and practices generally accepted in Japan.

	FY2000	FY1999	Change	
			Amount	%
NET SALES	6,089,620	5,977,075	112,545	1.9%
COST OF SALES	4,634,039	4,570,243	63,796	
Gross profit before adjustment for gains from installment sales	1,455,581	1,406,832	48,749	3.5%
ADJUSTMENT FOR GAINS FROM INSTALLMENT SALES	259	2,010	(1,751)	
Gross profit	1,455,840	1,408,842	46,998	3.3%
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	1,165,526	1,326,277	(160,751)	
Operating income	290,314	82,565	207,749	251.6%
NON-OPERATING INCOME	88,664	61,907	26,757	
Interest and dividends income	11,139	13,415	(2,276)	
Equity in earnings of unconsolidated subsidiaries & affiliates	9,239	-	9,239	
Other non-operating income	68,286	48,492	19,794	
NON-OPERATING EXPENSES	96,669	146,114	(49,445)	
Interest expense and discount charges	42,241	73,979	(31,738)	
Equity in losses of unconsolidated subsidiaries & affiliates	-	19,033	(19,033)	
Amortization of net retirement benefit obligations at transition	24,729	-	24,729	
Other non-operating expenses	29,699	53,102	(23,403)	
Ordinary income	282,309	(1,642)	283,951	-
EXTRAORDINARY GAINS	88,164	38,622	49,542	
EXTRAORDINARY LOSSES	80,775	749,634	(668,859)	
Income (loss) before income taxes	289,698	(712,654)	1,002,352	-
INCOME TAXES	68,105	40,503	27,602	
INCOME TAXES DEFERRED	(130,637)	(30,589)	(100,048)	
MINORITY INTEREST	21,155	(38,205)	59,360	
NET INCOME (LOSS)	331,075	(684,363)	1,015,438	-
PRIOR YEAR ADJUSTMENT FOR ADOPTION OF TAX-EFFECT ACCOUNTING	-	(98,568)	98,568	
RETAINED EARNINGS AT BEGINNING OF THE PERIOD	(237,301)	653,433	(890,734)	
ADDITIONS OTHER THAN NET INCOME	4,477	-	4,477	
DEDUCTIONS	10,625	107,803	(97,178)	
RETAINED EARNINGS AT END OF THE PERIOD	87,626	(237,301)	324,927	

2) Consolidated Balance Sheets

as of Mar 31 2001 and Mar 31 2000

[in millions of Yen, () indicates loss or minus]

The following information has been prepared in accordance with accounting principles and practices generally accepted in Ja

	as of Mar 31 2001	as of Mar 31 2000	Change
[ASSETS]			
CURRENT ASSETS	3,039,943	2,824,563	215,380
Cash on hand and in banks	288,970	483,473	(194,503)
Notes & accounts receivable	570,896	492,380	78,516
Finance receivables	1,185,568	695,531	490,037
Marketable securities	3,958	260,252	(256,294)
Inventories	559,088	547,351	11,737
Deferred income taxes	140,386	106,286	34,100
Other current assets	291,077	239,290	51,787
FIXED ASSETS	3,408,078	3,351,095	56,983
Property, plant and equipment	2,781,720	2,848,004	(66,284)
Intangible assets	36,358	45,104	(8,746)
Investment securities	312,896	218,814	94,082
Long-term loans receivable	43,182	42,340	842
Deferred income taxes	132,154	27,792	104,362
Other fixed assets	101,768	169,041	(67,273)
DEFERRED ASSET			
Bond issue discount and expenses	3,222	-	3,222
TRANSLATION ADJUSTMENTS	-	365,526	(365,526)
TOTAL ASSETS	6,451,243	6,541,184	(89,941)
[LIABILITIES]			
CURRENT LIABILITIES	3,110,806	2,980,946	129,860
Notes & accounts payable	600,936	610,444	(9,508)
Short-term borrowings	1,429,516	1,316,560	112,956
Deferred income taxes	387	-	387
Other current liabilities	1,079,967	1,053,942	26,025
LONG-TERM LIABILITIES	2,303,321	2,570,892	(267,571)
Bonds and debentures	699,436	909,939	(210,503)
Long-term borrowings	703,111	745,671	(42,560)
Long-term accrued pension cost	-	222,981	(222,981)
Deferred income taxes	169,768	166,345	3,423
Accrued warranty costs	154,557	152,342	2,215
Accrual for losses on restructuring	74,531	164,590	(90,059)
Accrued retirement allowances	-	127,325	(127,325)
Accrued retirement benefits	400,713	-	400,713
Other long-term liabilities	101,205	81,699	19,506
TOTAL LIABILITIES	5,414,127	5,551,838	(137,711)
MINORITY INTERESTS IN CONSOLIDATED SUBSIDIARIES	79,177	59,990	19,187
[SHAREHOLDERS' EQUITY]			
COMMON STOCK	496,606	496,605	1
CAPITAL SURPLUS	690,262	690,262	0
RETAINED EARNINGS	87,626	(237,301)	324,927
UNREALIZED HOLDING GAINS ON SECURITIES	1,438	-	1,438
TRANSLATION ADJUSTMENTS	(316,481)	-	(316,481)
TREASURY STOCK	(9)	(4)	(5)
TREASURY STOCK OWNED BY SUBSIDIARIES	(1,503)	(20,206)	18,703
TOTAL SHAREHOLDERS' EQUITY	957,939	929,356	28,583
TOTAL LIABILITIES, MINORITY INTERESTS & SHAREHOLDERS' EQUITY	6,451,243	6,541,184	(89,941)

Note.1 The amount of short-term borrowings includes current maturities of long-term borrowings, bonds and debentures, and commercial paper.

Note. 2 Deferred income taxes of 254 million yen were included in "Other current liabilities" as of Mar 31 2000.

3) Consolidated Statements of Cash Flows

(FY2000 and FY1999)

[in millions of Yen, () indicates out flows]

The following information has been prepared in accordance with accounting principles and practices generally accepted in Japan.

	FY2000	FY1999	Change
Operating activities			
Income (loss) before income taxes	289,698	(712,654)	1,002,352
Depreciation and amortization	360,191	434,553	(74,362)
Unrealized loss on securities	14,152	29,827	(15,675)
Interest and dividend income	(11,139)	(13,415)	2,276
Interest expense	108,188	119,176	(10,988)
Gain (loss) on sales of property, plant and equipment	(55,497)	831	(56,328)
Loss on disposals of property, plant and equipment	16,730	29,682	(12,952)
Gain on sales of securities	(65,043)	(42,053)	(22,990)
Receivables	(100,533)	41,536	(142,069)
Increase in finance receivables	(389,555)	(8,400)	(381,155)
Decrease in inventories	16,633	43,146	(26,513)
Notes and accounts payable	24,476	(40,814)	65,290
Amortization of transition obligation	24,729	-	24,729
Increase in pension and post retirement liabilities	62,075	-	62,075
Payment on reversal of pension and retirement liabilities	(67,351)	-	(67,351)
Amortization of prior service costs	-	222,981	(222,981)
Provision for losses on business restructuring	-	164,590	(164,590)
Reversal of accrual for losses on business restructuring	(28,035)	-	(28,035)
Others	18,102	162,418	(144,316)
Sub-total	217,821	431,404	(213,583)
Interest and dividends received	8,024	11,569	(3,545)
Interest paid	(109,206)	(121,607)	12,401
Income taxes paid	(43,388)	(29,275)	(14,113)
Total	73,251	292,091	(218,840)
Investing activities			
Decrease in short-term investments	3,690	57,540	(53,850)
Purchases of investment securities	(9,294)	(25,682)	16,388
Proceeds from sales of investment securities	177,731	57,825	119,906
Collection of long-term loans receivable	9,831	5,269	4,562
Long-term loans made	(2,280)	(7,439)	5,159
Purchases of property, plant and equipment	(197,216)	(238,347)	41,131
Proceeds from sales of property, plant and equipment	98,692	85,859	12,833
Increase in leased assets	(170,146)	(153,793)	(16,353)
Proceeds from sales of subsidiaries' shares resulting in changes in consolidation	10,331	40,779	(30,448)
Additional acquisition of shares of consolidated subsidiaries	(2,568)	(10,237)	7,669
Proceeds from spin-off	40,379	-	40,379
Others	25,265	7,814	17,451
Total	(15,585)	(180,412)	164,827
Financing activities			
Decrease in short-term borrowings	(16,403)	(831,150)	814,747
Increase in long-term borrowings	248,298	213,909	34,389
Increase in bonds and debentures	50,000	295,313	(245,313)
Repayment or redemption of long-term debt	(555,045)	(563,055)	8,010
Proceeds from issuance of new shares of common stock	-	585,700	(585,700)
Proceeds from sales of treasury stock	25,975	-	25,975
Repayment of lease obligations	(15,919)	(18,460)	2,541
Cash dividends paid	-	(340)	340
Total	(263,094)	(318,083)	54,989
Effect of exchange rate changes on cash and cash equivalents	7,155	(30,567)	37,722
Decrease in cash and cash equivalent	(198,273)	(236,971)	38,698
Cash and cash equivalent at beginning of the year	490,708	695,265	(204,557)
Increase due to inclusion in consolidation	564	33,668	(33,104)
Decrease due to exclusion from consolidation	(4,463)	(1,254)	(3,209)
Cash and cash equivalent at end of period	288,536	490,708	(202,172)

4) Basis of Consolidated Financial Statements

1. Number of Consolidated Subsidiaries and Companies Accounted for by the Equity Method

(1) Consolidated subsidiaries ; 313 companies (Domestic 229, Overseas 84)

Domestic Car Dealers, Parts Distributors, Forklift Dealers

Aichi Nissan Motor Co., Ltd, Yokohama Nissan Motor Co., Ltd
Nissan Satio Tokyo Co., Ltd, Nissan Prince Tokyo Motor Sales Co., Ltd
Nissan Forklift Kanagawa Co.,Ltd, Nissan Tokyo Kanagawa Parts Sales Co., Ltd
and other 195 companies

Domestic Parts Manufacturers

Nissan Shatai Co.,Ltd, Aichi Machine Industry Co., Ltd
JATCO TransTechnology Ltd. and other 3 companies

Domestic Logistics & Services Companies

Nissan Trading Co., Ltd. Nissan Financial Service Co., Ltd., Nissan Altia Co., Ltd
and other 19 companies

Overseas subsidiaries

Nissan North America Inc., Nissan Europe N.V.
Nissan Motor Manufacturing (UK) Ltd.
Nissan Mexicana, S.A. de C.V. and other 80 companies

Unconsolidated Subsidiaries ; 225 (Domestic 181, Overseas 44)

These 225 companies are excluded from consolidation because the effect of not consolidating them was immaterial to the company's consolidated financial statements.

(2) Companies Accounted for by the Equity Method

Unconsolidated subsidiaries; 17 (Domestic 6, Overseas 11)
Affiliates; 37 (Domestic 29, Overseas 8)

Domestic Nissan Diesel Motor Co., Ltd., Calsonic Kansei Corporation,
Unisia Jecs Corp. and other 32 companies
Overseas Yulon Motor Co., Ltd., Siam Nissan Automobile Co., Ltd. & Siam group 5
companies, and other 12 companies

The 208 unconsolidated subsidiaries and 43 affiliates other than the above 367 companies were not accounted for by the equity method because the effect of not adopting the equity method to them was immaterial to the company's consolidated net income and retained earnings.

(3) Change in the Scope of Consolidation

The change in the scope of consolidation compared with fiscal year 1999 was summarized as follows.

Included in consolidation; 12 subsidiaries (Nissan Forklift Tokyo Co.,Ltd and 5 Forklift companies
and other 6 companies)

Excluded from consolidation ; 41 subsidiaries (Nissan Satio Aomori Co.,Ltd, Nic Co.,Ltd and other 39
companies)

Number of companies newly accounted for by the equity method; 2 (Nissan Parts Gunma Co.,Ltd and
other 1 company)

Number of companies ceased to be accounted for by the equity method; 21 (Ikeda Bussan Co.,Ltd, Yorozu Corporation, Ichikoh Industries Co.,Ltd, Nissan Forklift Tokyo Co.,Ltd and 6 Forklift companies and other 11 companies)

The increase in the number of consolidated subsidiaries and companies accounted for by the equity method was primarily attributable to those newly incorporated or became material to the consolidated financial statements. The decrease was mainly due to sales or mergers.

2. Fiscal Period of Consolidated Subsidiaries

1)The end of this fiscal year of the following consolidated subsidiaries is different from that of the Company (March 31):

December 31 : Nissan Mexicana,S.A.de C.V., Automakers (Pty) Ltd. and other 47 overseas subsidiaries

January 31 : Yokohama Marinos Ltd.

2)With respect to the above 50 companies, the effect of the difference in fiscal period is properly adjusted in consolidation.

3.Significant Accounting Policies

1)Valuation of assets

1.Securities

Held-to-maturity securities are stated at amortized cost.

Other securities whose fair value is available are stated at fair value at the balance sheet date and the changes in fair value, net of applicable income taxes, are directly charged or credited to shareholders' equity. Cost of such securities sold is determined by the moving average method. Other securities whose fair value is not available are stated at cost determined by the moving average method.

2.Derivative transactions

Derivative financial instruments are stated at fair value except for those reflected in carrying value of related assets and liabilities.

3.Finished products

Finished products are determined principally by weighted average method.

4. Other inventories

Work in process and purchased parts included in raw materials & supplies are stated primarily at the lower of cost, determined by the weighted average method, or market.

Raw materials & supplies other than purchased parts are stated at the lower of cost, determined by the last-in, first-out method, or market.

2) Depreciation of property, plant and equipment

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

3) Accounting for Reserves and Allowances

Allowance for Doubtful Accounts

The allowance of doubtful accounts is provided for possible bad debt at the amount estimated based on the past bad debts experience for normal receivables plus uncollectible amounts determined by reference to the collectibility of individual accounts for doubtful receivables.

Accrued Warranty Costs

Reserve for Warranty claims is provided to cover all service costs expected to be incurred during the entire warranty period under provisions of warranty contracts at the amount calculated referring to historical experience.

Accrual for losses on business restructuring

Accrual for losses on business restructuring is provided for costs expected to be incurred as result of the business reform under the Nissan Revival Plan at the amount estimated to be reasonable.

Accrued retirement benefits

Accrued retirement benefits are provided for payment of employees' post retirement benefits at the amount to be accrued at the end of this fiscal year which are calculated based on projected retirement benefit obligations and fair value of pension plan assets at the end of this fiscal year. Net past retirement benefit obligations at transition is amortized over a period of 15 years on a straight line basis.

4) Lease transactions

Noncancelable lease transactions are primarily accounted for as operating leases (whether such leases are classified as operating or finance leases) except that lease agreements which stipulate the transfer of ownership of the leased assets to the lessee are accounted for as finance leases.

5) Consumption Tax.

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

6) Accounting policies adopted by foreign consolidated subsidiaries

The financial statements of the Company's subsidiary in Mexico have been prepared based on general price-level accounting. The related revaluation adjustments made to reflect the effect of inflation in Mexico in the accompanying consolidated financial statements are charged or credited to operations and directly reflected in retained earnings.

4.Consolidation of subsidiaries

All assets and liabilities of consolidated subsidiaries are revaluated at fair value in consolidation at the date of acquisition.

5.Amortization of cost over net asset

The excess of cost over underlying net assets at fair value at the date of acquisition is charged to income in the year of acquisition because such amounts are immaterial.

6.Appropriation of retained earnings

Under the Commercial Code of Japan, the appropriation of retained earnings with respect to a given financial year is made by resolution of the shareholders at a general meeting held subsequent to the close of such financial year. The accounts for that year do not, therefore, reflect such appropriation.

7.Cash and cash equivalents

Cash and cash equivalents in consolidated statements of cash flows includes cash , deposits which can be withdrawn on demand and highly liquid short-term investments exposed to insignificant risk of changes in value with a maturity of three months or less when purchased.

8.Change of accounting method

Depreciation of property, plant and equipment

Effective April 1, 2000 the Company changed its depreciation method of property, plant and equipment to the straight-line method in Japan. Until the year ended march 31, 2000 depreciation of property, plant and equipment is calculated by the declining-balance method, except for buildings acquired subsequent to March 31, 1998 on which depreciation is calculated by the straight-line method, at rates prescribed by the Corporate Tax Law in Japan. The Company also changed its useful lives and residual values of property, plant and equipment in Japan to the estimated useful lives and estimated economic value determined by the Company, respectively, in conjunction with the change in the depreciation method. The effect of these accounting changes was to decrease depreciation by 29,804 million yen, to increase operating income by 28,672 million yen, ordinary income and income before income taxes by 29,052 million yen.

5) Notes to Consolidated Financial Statements

1.Contingent Liabilities

At March 31, 2001, the company and its consolidated subsidiaries had the following contingent liabilities:

	(Millions of yen)
1)As guarantor of employees' housing loans from banks and others	243,033
(195,731 for employees, 47,302 for others)	
2)Commitment to provide guarantees of indebtedness of unconsolidated subsidiaries and affiliates at the request of lending banks	3,908
3)Letters of awareness to financial institutions regarding the indebtedness of certain affiliates	22
4)Letters of awareness to financial institutions to whom trade receivables were sold	90,085
5)The outstanding balance of installment receivables sold with recourse	230

2.Research and Development costs included in cost of sales and general and administrative expenses

(Millions of yen)
231,672

3.Cash Flows

Reconciliation between cash and cash equivalents reported in the consolidated statements of cash flows and cash on hand and in banks reported in the consolidated balance sheet is shown below.

(as of Mar 31 2001)	(Millions of yen)
Cash on hand and in banks	288,970
Time deposit with a maturity of more than three months	(1,853)
Cash equivalents included in marketable securities*	1,419
Cash and cash equivalents	288,536

*National and local government and corporate bonds in investment trust, etc.

4. Lease transactions

[Lessees' Accounting]

(millions of yen)

(1) Finance lease except those under which the ownership of leased properties is transferred to lessee.

1. Acquisition cost, accumulated depreciation and net book value of leased properties as of March 31, 2001.

	as of Mar 31 2001			as of Mar 31 2000		
	Acquisition cost	Accumulated depreciation	Net book value	Acquisition cost	Accumulated depreciation	Net book value
Machinery&Tools	49,533	15,191	34,342	75,338	39,200	36,138
Others	150,443	79,713	70,730	175,213	82,722	92,491
Total	199,976	94,904	105,072	250,551	121,922	128,629

2. Future lease payments subsequent to March 31, 2001.

	as of Mar 31 2001			as of Mar 31 2000		
	Within one year	Over one year	Total	Within one year	Over one year	Total
	40,870	65,415	106,285	49,431	81,709	131,140

3. Lease payments, depreciation and interest expense during FY2000.

	FY2000			FY1999		
	Lease payments	Depreciation	Interest expenses	Lease payments	Depreciation	Interest expenses
	52,089	49,169	3,167	57,882	53,532	3,756

(2) Operating lease

Future lease payments subsequent to March 31, 2001.

	as of Mar 31 2001			as of Mar 31 2000		
	Within one year	Over one year	Total	Within one year	Over one year	Total
	5,451	18,168	23,619	4,538	19,174	23,712

[Lessors' Accounting]

(millions of yen)

(1) Finance lease except for those under which the ownership of leased properties is transferred to lessee.

1. Acquisition cost, accumulated depreciation and net book value of leased properties as of March 31, 2001.

	as of Mar 31 2001			as of Mar 31 2000		
	Acquisition cost	Accumulated depreciation	Net book value	Acquisition cost	Accumulated depreciation	Net book value
Machinery&Tools	103,398	49,204	54,194	101,063	48,822	52,241
Others	5,073	2,958	2,115	4,617	2,687	1,930
Total	108,471	52,162	56,309	105,680	51,509	54,171

2. Future lease income subsequent to March 31, 2001.

	as of Mar 31 2001			as of Mar 31 2000		
	Within one year	Over one year	Total	Within one year	Over one year	Total
	22,138	38,777	60,915	21,805	35,599	57,404

3. Lease income, depreciation and interest portion equivalent during FY2000.

	FY2000			FY1999		
	Lease income	Depreciation	Finance income	Lease income	Depreciation	Finance income
	37,591	23,751	2,125	38,332	22,397	1,962

(2) Operating lease

Future lease income subsequent to March 31, 2001.

	as of Mar 31 2001			as of Mar 31 2000		
	Within one year	Over one year	Total	Within one year	Over one year	Total
	117,014	102,931	219,945	119,748	104,124	223,872

5.Securities

as of Mar 31, 2001

[in millions of Yen, () indicates loss or minus]

(1) Marketable held-to-maturity securities

millions of yen

	Book value	Estimated fair value	Gain (loss)
Marketable held-to-maturity securities with fair value higher than book value			
(1) National & local government bonds	62	64	2
(2) Corporate bonds	361	366	5
(3) Other bonds	97	97	0
Sub-total	520	527	7
Marketable held-to-maturity securities with fair value lower than book value			
(1) Corporate bonds	1,803	1,761	(42)
Sub-total	1,803	1,761	(42)
Grand-total	2,323	2,288	(35)

(2) Securities whose fair value is available

millions of yen

	Acquisition cost	Estimated fair value	Gain (loss)
Securities with fair value higher than acquisition cost			
(1) Stocks	17,536	33,438	15,902
(2) Bonds			
National & local government bonds	24	25	1
Corporate bonds	8	10	2
Sub-total	17,568	33,473	15,905
Securities whose fair value lower than acquisition cost			
(1) Stocks	91,441	78,446	(12,995)
(2) Bonds			
Corporate bonds	3,046	2,977	(69)
Sub-total	94,487	81,423	(13,064)
Grand-total	112,055	114,896	2,841

(3) Available-for-sale securities which were sold during FY2000

millions of yen

Book value	Gross gain
145,621	43,888

(4) Detail and book value of securities whose fair value is not available

(1) Held-to-maturity securities

Unlisted domestic bonds

5,000 millions of yen

(2) Other Securities

Unlisted domestic stocks

9,427 millions of yen

Unlisted foreign stocks

3,897

Unlisted foreign bonds

44,315

(5) Breakdown of face value by projected redemption year

in Available-for-sale securities with maturity date and Held-to-maturity securities

millions of yen

	Within one year	1 year to 5 year	5 year to 10 year
Bonds			
National & local government bonds	90	87	0
Corporate bonds	700	7,771	1,010
Others	97	65	0
Total	887	7,923	1,010

as of Mar 31, 2000

[in millions of Yen, () indicates loss or minus]

	As of Mar 31 2000		
	Carrying value	Estimated fair value	Net unrealized gains(losses)
Current			
Stocks	207,077	283,925	76,848
Bonds	761	860	99
Others	920	943	23
Sub-total	208,758	285,728	76,970
Non-current			
Stocks	141,041	92,366	(48,675)
Bonds	631	636	5
Others	132	132	0
Sub-total	141,804	93,134	(48,670)
Total	350,562	378,862	28,300

Notes:

1. Base for calculation of fair value

- (1) Listed securities: Closing prices on the Tokyo Stock Exchange
- (2) Over-the-counter securities: Prices announced by the Japan Securities Dealers Association
- (3) The market value or its equivalent of unlisted bonds is calculated based on the standard yield on over-the-counter bonds announced by the Japan Securities Dealers Association, the period to maturity of the bonds and certain other criteria.

2. Net book value of marketable securities not subject to fair value disclosure [in millions of Yen]

Securities included in current assets 51,494

Securities included in non-current assets 77,010

6.Fair Value of Derivative Transactions

1. As of March 31, 2001

1) Currency related transactions

Millions of yen

	Notional amount		Fair Value	Unrealized Gain(Loss)
		Non current included		
Option				
Call, sold				
YEN	367	-		
(Premium)	(12)	-	(38)	(26)
Forward exchange				
Sell position				
GBP	16,044	-	15,813	231
US\$	9,418	-	10,036	(617)
Others	1,576	-	1,557	19
Buy position				
GBP	31,639	-	30,669	(972)
US\$	23,640	-	23,602	(37)
Others	11,801	-	11,279	(522)
Currency Swap				
US\$	236,755	146,602	(15,857)	(15,857)
EURO	99,877	834	813	813
Others	19,128	7,385	11,886	11,886
Total	-	-	-	(5,082)

2) Interest related transactions

Millions of yen

	Notional amount		Fair Value	Unrealized Gain(Loss)
		Non current included		
Interest rate swap				
Receive float / Pay fix	256,495	198,819	21,313	21,313
Receive fix / Pay float	200,769	147,161	38,110	38,110
Receive float / Pay float	6,727	2,500	0	0
Option				
Cap, sold	224,969	224,969		
(Premium)	-	-	(538)	(538)
Cap, purchased	224,969	224,969		
(Premium)	123	123	538	415
Total	-	-	-	59,300

3) Stock related transactions

Millions of yen

	Notional amount		Fair Value	Unrealized Gain(Loss)
		Non current included		
Option				
Call, sold	42,510	-	(1,799)	(1,799)
Put, purchased	25,100	-	1,356	1,356
Total	-	-	-	(443)

(Notes)

- 1.The notional amounts of the forward exchange contracts and currency swaps presented above exclude those entered into to hedge receivables and payables denominated in foreign currencies which have been translated and are reflected at the corresponding contracted rates in the accompanying consolidated balance sheets.
- 2.The above table does not include certain currency swaps reflected in the carrying values of receivables and payables denominated in foreign currencies in accordance with the new accounting standard for foreign currency translations.
- 3.The above table does not include derivative financial instruments accounted for as hedges.

2. As of March 31, 2000

1) Currency related transactions

Millions of yen

	Notional amount		Fair Value	Unrealized Gain(Loss)
		Non current included		
Forward exchange				
Sell position				
EURO	59,442	-	54,622	4,820
GBP	12,079	-	12,331	(252)
US\$	10,399	-	10,349	50
Others	1,903	-	1,902	1
Buy position				
US\$	71,795	-	73,109	1,314
Option				
Call, sold				
US\$	13,056	-		
(Premium)	(87)	-	(43)	44
EURO	8,600	-		
(Premium)	(60)	-	(27)	33
Put, purchased				
US\$	12,550	-		
(Premium)	(87)	-	102	15
EURO	8,000	-		
(Premium)	(60)	-	88	28
Currency Swap				
US\$	340,610	192,416	36,975	36,975
Others	21,010	14,153	2,927	2,927
Total	-	-	-	45,955

(Notes)

The notional amounts of the forward exchange contracts and currency swaps presented above exclude those entered into to hedge receivables and payables denominated in foreign currencies which have been translated and are reflected at the corresponding contracted rates in the accompanying consolidated balance sheets.

2) Interest related transactions

Millions of yen

	Notional amount		Fair Value	Unrealized Gain(Loss)
		Non current included		
Interest rate swap				
Receive float / Pay fix	444,109	351,382	(4,435)	(4,435)
Receive fix / Pay float	244,328	197,671	8,882	8,882
Receive float / Pay float	20,670	18,719	1	1
Receive fix / Pay fix	8,000	8,000	(13)	(13)
Option				
Cap, sold	49,938	46,398		
(Premium)	(1)	-	(351)	(350)
Floor, sold	3,000	-		
(Premium)	(8)	-	(15)	(7)
Cap, purchased	125,982	122,982		
(Premium)	829	828	1,090	261
Collar	1,000	-		
(Premium)	-	-	5	5
Total	-	-	-	4,344

7. Outline of Retirement Benefit Plans

- The Company and its domestic consolidated subsidiaries have various defined benefit plans such as welfare pension fund plans, tax qualified pension plans and lump-sum payment plans.
In addition to the above, additional retirement benefits may be paid to retired employees in certain cases.
Overseas subsidiaries, except for some companies which have defined benefit plans, have defined contribution plans.

2. Retirement Benefit Obligations (As of Mar 31 2001)

	(Millions of yen)
1) Retirement Benefit Obligations	(1,462,142)
2) Pension Assets	717,359
3) Funded Status 1)+2)	(744,783)
4) Unamortized net retirement benefit obligations at transition	350,121
5) Unrecognized actuarial loss	66,431
6) Unrecognized prior service costs (decrease of obligation) *2	(72,381)
7) Net amount recognized in the consolidated balance sheet 3)+4)+5)+6)	(400,612)
8) Prepaid Pension Cost	101
9) Accrued retirement benefits 7)-8)	(400,713)

*1 Government sponsored portion of welfare pension fund plans is included in the above amounts.

2 Prior service costs (decrease of obligations) have incurred because amendments were made to welfare pension fund plans with respect to eligibility age of annuity payments for the government sponsored portion in accordance with the amendments to the Employee's Pension Insurance Law in March 2000, and the Company and certain consolidated subsidiaries made amendments to their lump-sum payment plans and tax-qualified pension plans.

3 Certain subsidiaries have used a simplified method to calculate retirement benefit obligations.

3. Retirement Benefit Expenses (FY2000)

	(Millions of yen)
1) Service cost *1	57,881
2) Interest cost	45,390
3) Expected return on pension assets	(31,092)
4) Amortization of net retirement benefit obligations at transition	25,232
5) Amortization of actuarial loss	(239)
6) Amortization of prior service costs *2	(10,848)
7) Other	480
8) Retirement benefit expenses 1)+2)+3)+4)+5)+6)+7)	86,804

*1 Plan participant's contributions to welfare pension funds have been deducted from the amount.

2 This represents amortization of prior service costs described in 2. Retirement Benefit Obligations.

3 Retirement benefit expenses with respect to companies which use a simplified method are included in service cost.

4. Assumptions and Policies Adopted in Calculation of Retirement Benefit Obligations

- Attribution method of retirement benefits to the period
- Discount rates

	Years of services	
	Domestic companies	Overseas companies
	3.0%	4.9% ~ 7.5%
- Rates of expected return on plan assets

	Domestic companies	Overseas companies
	4.0%	7.5% ~ 9.0%
- Prior service costs are being amortized by the straight-line method over a period of average remaining service years of employees at the time of occurrence.
- Actuarial gain and loss are amortized mainly by the straight-line method over a period of average remaining service years of employees at the time of occurrence from the following year of occurrence. Certain overseas consolidated subsidiaries adopt the corridor approach as to amortization of actuarial gain and loss.
- Net retirement benefit obligations at transition are amortized over a period of mainly 15 years.

8. Tax effect accounting

(1)The significant components of the deferred tax assets and liabilities

	(Millions of Yen)
	As of
	Mar.31,2001
(Deferred tax assets)	
Net operating loss carryforwards	229,993
Accrued retirement allowances and	
Long-term accrued pension costs	140,747
Accrual for losses on business restructuring	35,541
Other	230,721
Total gross deferred tax assets	<u>637,002</u>
Valuation allowance	(280,347)
Total deferred tax assets	<u>356,655</u>
(Deferred tax liabilities)	
Reserves under Special Taxation Measures Law, etc.	(50,875)
Differences between the cost of investments and	
the underlying net equity at fair value	(82,269)
Unrealized holding gains on securities	(4,455)
Other	(116,671)
Total deferred tax liabilities	<u>(254,270)</u>
Net deferred tax assets	<u><u>102,385</u></u>

(2)Significant components of the difference between statutory tax rate and effective tax rate

	(%)
	FY2000
Statutory tax rate	<u>39.0</u>
(Adjustment)	
Recognition of deferred tax assets which has been	
offset by valuation allowance in the prior years	(60.9)
Other	0.3
Effective tax rate	<u><u>(21.6)</u></u>

9. SEGMENT INFORMATION

for the fiscal years ended March 31, 2001 and 2000

[in millions of Yen, () indicates minus]

I. GEOGRAPHICAL SEGMENT INFORMATION

as of Mar 31, 2001	Japan	North America	Europe	Other foreign countries	Total	Eliminations and other	Consolidated
I. NET SALES							
(1) Sales to third parties	2,536,750	2,469,918	822,756	260,196	6,089,620	—	6,089,620
(2) Internal transactions	1,381,037	12,134	17,606	2,410	1,413,187	(1,413,187)	0
TOTAL	3,917,787	2,482,052	840,362	262,606	7,502,807	(1,413,187)	6,089,620
OPERATING EXPENSES	3,743,458	2,331,590	867,648	258,617	7,201,313	(1,402,007)	5,799,306
OPERATING INCOME	174,329	150,462	(27,286)	3,989	301,494	(11,180)	290,314
II. TOTAL ASSETS	4,984,516	2,416,774	425,172	76,373	7,902,835	(1,451,592)	6,451,243

as of Mar 31, 2000	Japan	North America	Europe	Other foreign countries	Total	Eliminations and other	Consolidated
I. NET SALES							
(1) Sales to third parties	2,626,866	2,217,775	876,931	255,503	5,977,075	—	5,977,075
(2) Internal transactions	1,328,623	22,499	13,216	2,766	1,367,104	(1,367,104)	0
TOTAL	3,955,489	2,240,274	890,147	258,269	7,344,179	(1,367,104)	5,977,075
OPERATING EXPENSES	3,936,059	2,152,934	928,259	261,355	7,278,607	(1,384,097)	5,894,510
OPERATING INCOME	19,430	87,340	(38,112)	(3,086)	65,572	16,993	82,565
II. TOTAL ASSETS	5,288,346	1,674,905	405,638	70,420	7,439,309	(898,125)	6,541,184

Note: 1. Segmentation of countries and regions are based on geographical degree of proximity and relevancy of business activity.

2. Major countries and regions included in each segment for fiscal year ended March 31, 2001 are;

(1) North America: U.S.A., Canada, Mexico

(2) Europe: The Netherlands, Spain, U.K. and other European countries

(3) Others: Asia, Oceania, Middle East

3. Accounting Change: Depreciation of property, plant and equipment

Effective April 1, 2000 the Company changed its depreciation method of property, plant and equipment to the straight-line method in Japan. Until the year ended March 31, 2000 depreciation of property, plant and equipment is calculated by the declining-balance method, except for buildings acquired subsequent to March 31, 1998 on which depreciation is calculated by the straight-line method, at rates prescribed by the Corporate Tax Law in Japan. The Company also changed its useful lives and residual values of property, plant and equipment in Japan to the estimated useful lives and estimated economic value determined by the Company, respectively, in conjunction with the change in the depreciation method.

The effect of these accounting changes was to increase operating profit of Japan by ¥28,672 million for the year ended March 31, 2001.

2. BUSINESS SEGMENT INFORMATION

Nissan is not required to disclose business segment information for the following reasons:

- (1) Net sales from the automobile segment constituted more than 90% of the consolidated total.
- (2) Operating income (loss) from the automobile segment constituted more than 90% of the consolidated total.
- (3) Total assets of the automobile segment constituted more than 90% of the consolidated total.

3. OVERSEAS NET SALES

Overseas net sales and the related percentages of the sales to the total consolidated net sales are summarized as follows:

as of Mar 31, 2001	North America	Europe	Other foreign countries	Total
(1) Overseas net sales [Millions of Yen]	2,429,722	794,251	554,221	3,778,194
(2) Consolidated net sales [Millions of Yen]				6,089,620
(3) Overseas net sales / Consolidated net sales (%)	39.9	13.0	9.1	62.0

as of Mar 31, 2000	North America	Europe	Other foreign countries	Total
(1) Overseas net sales [Millions of Yen]	2,179,489	885,956	478,812	3,544,257
(2) Consolidated net sales [Millions of Yen]				5,977,075
(3) Overseas net sales / Consolidated net sales (%)	36.5	14.8	8.0	59.3

Note: 1. Overseas net sales include export sales of the company and its domestic consolidated subsidiaries and sales (other than exports to Japan) of its foreign consolidated subsidiaries.

2. Segmentation of countries and regions are based on geographical degree of proximity and relevancy of business activity.

3. Main countries and regions included in each segment for the year ended March 31, 2001 are;

(1) North America: USA, Canada, Mexico

(2) Europe: Germany, U.K., Spain and other European countries

(3) Other foreign countries : Asia, Oceania, Middle East, Puerto Rico, Chile and other Middle & South America countries

10. Transactions with related parties

There were no significant transactions with related party during the year to be disclosed.

11. Products and sales

1) Consolidated production volume

(Thousands of units)

	FY2000	FY1999	Change (%)
Japan	1,314	1,337	(1.7%)
U.S.A.	353	348	1.4%
Mexico	312	186	68.3%
U.K.	328	271	20.9%
Spain	137	100	37.5%
South Africa	32	25	26.5%
Total	2,476	2,267	9.2%

Note: Period for counting units

Japan, U.S.A April/2000-March/2001

Others January/2000-December/2000

2) Consolidated wholesale units by region

(Thousands of units)

	FY2000	FY1999	Change (%)
Japan	726	758	(4.2%)
North America	985	874	12.7%
Europe	513	501	2.4%
Others	340	282	20.7%
Total	2,564	2,415	6.2%

Note: Period of counting units

Japan , North America (except Mexico)

April/2000-March/2001

North America (Mexico only) , Europe

January/2000-December/2000

1.Products and Sales

VEHICLE PRODUCTION

(FY2000 and FY1999)

	FY2000	FY1999	Change (%)
(Units)			
Domestic	1,313,527	1,336,918	(1.7%)

NON-CONSOLIDATED WHOLE SALES BY PRODUCT LINE

(FY2000 and FY1999)

	FY2000	FY1999	Change (%)
Vehicle whole sales (Units)			
Total vehicle whole sales	1,346,921	1,356,575	(0.7%)
Domestic	742,055	744,585	(0.3%)
Export	604,866	611,990	(1.2%)
Passenger cars	1,147,736	1,159,290	(1.0%)
Domestic	627,308	639,116	(1.8%)
Export	520,428	520,174	0.0%
Commercial vehicles	199,185	197,285	1.0%
Domestic	114,747	105,469	8.8%
Export	84,438	91,816	(8.0%)
Net sales (millions of yen)			
Total net sales	2,980,130	2,997,020	(0.6%)
Domestic	1,457,938	1,546,744	(5.7%)
Export	1,522,192	1,450,275	5.0%
Vehicles	2,265,589	2,309,154	(1.9%)
Domestic	1,227,168	1,272,519	(3.6%)
Export	1,038,420	1,036,634	0.2%
Production parts and components for overseas production	295,935	246,628	20.0%
Domestic	-	-	-
Export	295,935	246,628	20.0%
Automotive parts	297,004	301,382	(1.5%)
Domestic	208,962	210,889	(0.9%)
Export	88,041	90,493	(2.7%)
Other automotive business	79,369	54,191	46.5%
Domestic	4,403	2,240	96.5%
Export	74,965	51,950	44.3%
Sub total of automotive business	2,937,898	2,911,357	0.9%
Domestic	1,440,535	1,485,649	(3.0%)
Export	1,497,363	1,425,707	5.0%
Aerospace equipment	1,935	45,911	(95.8%)
Domestic	1,935	45,911	(95.8%)
Export	-	-	-
Forklifts and marine equipments	40,295	39,751	1.4%
Domestic	15,467	15,183	1.9%
Export	24,828	24,568	1.1%

Other automotive business consists of receivable royalty, equipment and tools for production and used cars.

2. FINANCIAL STATEMENTS

1) NON-CONSOLIDATED STATEMENTS OF INCOME

FY2000 and 1999

(in millions of Yen, () indicates loss or minus)

The following information has been prepared in accordance with accounting principles and practices generally accepted in Japan.

	FY2000	FY1999	Change
[ORDINARY INCOME/LOSS]			
OPERATING REVENUE/EXPENSES			
OPERATING REVENUE	100% 2,980,130	100% 2,997,020	(16,890)
Net sales	2,980,130	2,997,020	(16,890)
OPERATING EXPENSES	2,852,368	3,012,694	(160,326)
Cost of sales	2,469,349	2,607,243	(137,893)
Selling, general and administrative expenses	383,018	405,451	(22,432)
OPERATING INCOME	4.3% 127,762	(0.5%) (15,674)	143,436
NON-OPERATING INCOME/EXPENSES			
NON-OPERATING INCOME			
Interest and dividend income	63,401	37,493	25,907
Gains on sales of securities	12,721	15,850	(3,129)
Gains on sales of securities	36,219	12,671	23,548
Other non-operating income	14,460	8,971	5,489
NON-OPERATING EXPENSES			
Interest expense	55,469	57,669	(2,199)
Interest expense	22,711	27,384	(4,672)
Amortization of retirement benefit obligations at transition	18,218	-	18,218
Other non-operating expenses	14,539	30,285	(15,745)
ORDINARY INCOME	4.6% 135,693	(1.2%) (35,850)	171,543
[EXTRAORDINARY GAINS/LOSSES]			
EXTRAORDINARY GAINS			
Gains on sales of investment securities	66,900	51,148	15,751
Gains on sales of investment securities	27,859	23,958	3,901
Gains on sales of property, plant and equipment	37,246	27,163	10,083
Other extraordinary gains	1,793	26	1,767
EXTRAORDINARY LOSSES			
Devaluation loss on investments and receivables	108,786	800,947	(692,161)
Devaluation loss on investments and receivables	84,380	348,898	(264,517)
Loss on disposal of property, plant and equipment	11,347	19,494	(8,147)
Amortization of prior service costs of pension	-	192,973	(192,973)
Provision for warranty costs	-	66,795	(66,795)
Provision for losses on business restructuring	-	122,315	(122,315)
Other extraordinary losses	13,058	50,470	(37,411)
INCOME BEFORE INCOME TAXES	3.1% 93,807	(26.2%) (785,649)	879,456
INCOME TAXES	5,437	4,414	1,022
INCOME TAXES DEFERRED	(99,115)	-	(99,115)
NET INCOME	6.3% 187,485	(26.4%) (790,064)	977,549
RETAINED EARNINGS BROUGHT FORWARD FROM PREVIOUS YEAR	(766,778)	303	(767,082)
PRIOR YEAR ADJUSTMENT FOR ADOPTION OF TAX-EFFECT ACCOUNTING	-	(10,058)	10,058
REVERSAL OF RESERVE FOR REDUCTION OF REPLACEMENT COST OF SPECIFIED PROPERTIES FOR ADOPTION OF TAX-EFFECT ACCOUNTING	-	28,692	(28,692)
REVERSAL OF RESERVE FOR LOSSES ON OVERSEAS INVESTMENTS FOR ADOPTION OF TAX-EFFECT ACCOUNTING	-	7,247	(7,247)
REVERSAL OF RESERVE FOR SPECIAL DEPRECIATION FOR ADOPTION OF TAX-EFFECT ACCOUNTING	-	1,953	(1,953)
UNAPPROPRIATED RETAINED EARNINGS(DEFICIT)	(579,293)	(761,926)	182,632

2)NON-CONSOLIDATED BALANCE SHEETS

As of March 31 2001 and March 31 2000

(in millions of Yen, () indicates loss or minus)

The following information has been prepared in accordance with accounting principles and practices generally accepted in Japan.

	as of Mar 31 2001	as of Mar 31 2000	Change
[ASSETS]			
CURRENT ASSETS	1,333,580	1,479,977	(146,397)
Cash on hand and in banks	160,702	275,878	(115,175)
Notes receivable	211	1,220	(1,008)
Accounts receivable	410,898	418,945	(8,046)
Marketable securities	8	201,188	(201,180)
Finished products	52,342	65,143	(12,800)
Work in process	18,416	32,637	(14,221)
Raw materials & supplies	22,515	29,501	(6,986)
Deferred tax asset	14,307	-	14,307
Short-term loans receivable	647,988	436,120	211,868
Other accounts receivable	42,779	41,111	1,668
Other current assets	10,656	12,049	(1,393)
Allowance for doubtful accounts	(47,247)	(33,818)	(13,429)
FIXED ASSETS	2,239,663	2,083,875	155,788
Property, plant & equipment	539,811	591,833	(52,021)
Buildings	148,709	181,684	(32,974)
Structures	31,276	31,592	(315)
Machinery & equipment	151,610	135,344	16,266
Vehicles	6,273	5,801	471
Tools, furniture and fixtures	28,479	22,538	5,940
Land	152,647	179,798	(27,150)
Construction in progress	20,813	35,073	(14,259)
Intangible assets	18,315	15,706	2,609
Utility rights	178	200	(21)
Software	17,345	14,213	3,131
Other intangible assets	792	1,293	(500)
Investments & other assets	1,681,536	1,476,335	205,200
Investments in securities	186,763	99,119	87,643
Investments in subsidiaries	1,357,756	1,326,595	31,161
Long-term loans receivable	48,221	53,062	(4,841)
Long-term prepaid expenses	9,671	14,541	(4,869)
Deferred tax asset	85,098	-	85,098
Other investments	18,671	8,205	10,465
Allowance for doubtful accounts	(24,647)	(25,189)	542
DEFERRED ASSET	3,222	-	3,222
Bond issue discount and expenses	3,222	-	3,222
TOTAL ASSETS	3,576,466	3,563,853	12,612

	as of Mar 31 2001	as of Mar 31 2000	Change
[LIABILITIES]			
CURRENT LIABILITIES	1,002,230	992,633	9,597
Notes payable	2,701	2,292	409
Accounts payable	322,444	350,959	(28,514)
Short-term borrowings	30,000	90,389	(60,389)
Current portion of long-term borrowings	45,305	50,463	(5,158)
Commercial paper	175,500	187,000	(11,500)
Current maturities of bonds	175,000	75,000	100,000
Other accounts payable	23,313	13,355	9,958
Accrued expenses	144,253	135,809	8,443
Deposits received	5,151	4,559	592
Employees' savings deposits	63,080	68,491	(5,411)
Other current liabilities	15,481	14,313	1,167
LONG-TERM LIABILITIES	1,124,077	1,308,145	(184,068)
Bonds	644,266	724,267	(80,001)
Long-term borrowings	153,743	184,911	(31,168)
Long-term deposits received	2,478	2,454	24
Long-term accrued pension cost	-	179,486	(179,486)
Accrued warranty costs	73,064	85,968	(12,904)
Accrual for losses on business restructuring	24,710	94,332	(69,622)
Accrued retirement allowances	-	36,725	(36,725)
Accrued retirement benefits	225,815	-	225,815
TOTAL LIABILITIES	2,126,307	2,300,778	(174,470)
[SHAREHOLDERS' EQUITY]			
COMMON STOCK	496,606	496,605	-
LEGAL RESERVE	741,201	741,201	-
Capital surplus	690,262	690,262	-
Legal reserve	50,938	50,938	0
RETAINED EARNINGS	212,754	25,268	187,485
Reserve for reduction of replacement cost of specified properties	46,203	39,717	6,486
Reserve for losses on overseas investments	9,055	10,032	(976)
Reserve for special depreciation	2,045	2,703	(657)
General reserve	734,742	734,742	0
Unappropriated retained earnings (deficit)	(579,293)	(761,926)	182,632
[Net Income(Losses) for the period]	[187,485]	[(790,064)]	[977,549]
UNREALIZED HOLDING GAINS ON SECURITIES	(402)	-	(402)
TOTAL SHAREHOLDERS' EQUITY	1,450,159	1,263,075	187,083
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	3,576,466	3,563,853	12,612

3)SIGNIFICANT ACCOUNTING POLICIES

1.Valuation of marketable securities

- Marketable securities are valued by fair value method based on the market price at the balance sheet date. Valuation differences are directly charged in shareholders' equity and cost of sold securities is determined by the moving average method.

2.Valuation of inventories

Finished products, work in process and purchased parts included in raw materials & supplies are stated at the lower of cost or market. The cost is determined by the average method.

Raw materials & supplies except purchased parts are stated at the lower of cost or market. The cost is determined by the last-in, first-out method.

3.Depreciation of property,plant and equipment

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

4.Accounting for Reserves and Allowances

(1) Allowance for doubtful accounts

The allowance for doubtful accounts is provided for possible bad debt at the amount estimated based on the past bad debts experience for normal receivables plus uncollectible amounts determined by reference to the collectibility of individual accounts for doubtful receivables.

(2) Accrued warranty costs

Accrued warranty costs is provided to cover all service costs expected to be incurred during the entire warranty period under provisions of warranty contracts at the amount calculated with reference to past experience.

(3) Accrued for losses on business restructuring

Accrual for losses on business restructuring is provided for costs expected to be incurred as a result of the business reform under the Nissan Revival Plan at the amount estimated to be reasonable. This accrual is provided under Article 287-2 of the Commercial Law.

(4) Accrued retirement benefits

Accrued retirement benefits are provided for payment of employees' post retirement benefits at the amount to be accrued at the end of this fiscal year which are calculated based on projected retirement benefit obligation and fair value of pension plan assets at the end of this fiscal year. Net post retirement benefit obligation at transition is amortized over a period of 15 years on a straight line basis.

5. Consumption Tax

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

6.Change of accounting method

(Depreciation of property, plant and equipment)

Effective April 1, 2000 the Company changed its depreciation method of property, plant and equipment to the straight-line method in order to recover invested capital equally and make cost correspond to revenue reasonably under the business environment change planed the stability of production by production concentration and reduction and common use of plat form and agreement to international accounting standard.

Until the year ended March 31, 2000 depreciation of property,plant and equipment is calculated by the declining-balance method, except for buildings acquired subsequent to March 31,1998 on which depreciation is calculated by the straight-line method, at rates prescribed by the Corporate Tax Law. The Company also changed its useful lives and residual values of property,plant and equipment to the estimated useful lives and estimated economic value(memorandum value Yen 1) determined by the Company, respectively, in conjunction with the change in the depreciation method. The effect of these accounting changes was to decrease depreciation by Yen 29,804 million ,to increase operating income by Yen 28,672 million , ordinary income and income before income taxes by yen 29,052 million.

4)NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

1. Marketable securities include treasury stock of Yen 8 million.(11 thousand shares)
2. Accumulated depreciation of property, plant and equipment amounted to Yen 1,465,065 million.
3. **Principal assets denominated in foreign currencies:**
 - Investments in subsidiaries: Yen 1,122,907 million
 - Major foreign currency investments:
 - D.Gl. 7,707,605 thousand M.Pesos 17,036,600 thousand
 - US\$ 1,904,957 thousand Pts. 50,837,478 thousand
 - Investments in securities: Yen **36,657** million
 - Major foreign currency investments:
 - NT\$ 3,949,282 thousand BAHT 2,626,700 thousand
4. Assets pledged as collateral:
 - Investments in securities: Yen 17,342 million
5. As endorser of documentary export bills discounted with banks: Yen 515 million
6. Guarantees and other items: () refers to those relating to subsidiaries
 - Guarantees total yen 266,605 million (yen 60,606 million),
 - including yen 180,164 million in employee's residence mortgages which are insured in full.
 - and yen 25,500 million mortgages with pledge.

 - Commitment to provide guarantees total yen 1,461 million .

 - Letter of awareness and others total yen 67,050 million (yen 67,050 million)

 - Letter of awareness concerning ABS total yen 275,000 million (yen 179,176 million)
 - The Company entered into Keepwell Agreements with certain overseas subsidiaries to support their credibility.
 - Liabilities of such subsidiaries totaled yen **1,083,342** million
7. Effective April 1, 2000, the company adopted the Financial instrument accounting standards , Retirement benefits accounting standards and Revised foreign currencies transaction accounting standards.
8. Fair value of shares of subsidiaries and affiliates

	<u>amount reported in the Balance sheet</u>	<u>fair value</u>	<u>differences</u>
subsidiaries	yen 13,002 million	yen 27,014 million	yen 14,011 million
affiliates	yen 46,361 million	yen 89,967 million	yen 43,606 million

9. Lease Transactions

(1) Finance lease (except those under which the ownership of leased properties is transferred to lessee.)

1. Acquisition cost, accumulated depreciation and net book value of leased properties as of March 31 2001.

(millions of yen)

	as of Mar 31 2001			as of Mar 31 2000		
	Acquisition cost	Accumulated depreciation	Net book value	Acquisition cost	Accumulated depreciation	Net book value
Machine	1,216	250	965	34,988	29,887	5,100
Tools	121,866	63,114	58,751	119,704	53,697	66,007
Others	1,216	713	502	1,332	686	645
Total	124,298	64,079	60,219	156,025	84,271	71,754

2. Future lease payments subsequent to March 31 2001.

(millions of yen)

	as of Mar 31 2001			as of Mar 31 2000		
	within one year	over one year	Total	within one year	over one year	Total
	28,177	33,285	61,462	32,794	40,750	73,545

3. Lease payments, depreciation and interest expense during FY2000.

(millions of yen)

	FY2000			FY1999		
	Lease payments	Depreciation	Interest expense	Lease payments	Depreciation	Interest expense
	36,562	34,101	1,979	42,581	39,397	2,574

(2) Operating leases

Future lease payments subsequent to March 31, 2001.

(millions of yen)

	as of Mar 31 2001			as of Mar 31 2000		
	within one year	over one year	Total	within one year	over one year	Total
	130	234	364	137	159	296

10. Tax effect accounting

(1)The significant components of the deferred tax assets and liabilities

	(Millions of Yen)
	As of
	Mar.31,2001
(Deferred tax assets)	
Net operating loss carryforwards	66,841
Accrued retirement allowances and	
Long-term accrued pension costs	85,844
Accrual for losses on business restructuring	19,981
Other	191,262
Total gross deferred tax assets	<u>363,928</u>
Valuation allowance	(214,966)
Total deferred tax assets	<u>148,962</u>
(Deferred tax liabilities)	
Reserves under Special Taxation Measures Law, etc.	(44,398)
Unrealized holding gains on securities	(5,071)
Other	(87)
Total deferred tax liabilities	<u>(49,556)</u>
Net deferred tax assets	<u><u>99,406</u></u>

(2)Significant components of the difference between statutory tax rate and effective tax rate

	(%)
	FY2000
Statutory tax rate	<u>41.9</u>
(Adjustment)	
Recognition of deferred tax assets which has been offset by valuation allowance in the prior years	(141.9)
Other	0.1
Effective tax rate	<u><u>(99.9)</u></u>

5) Proposal for Appropriation of Retained Gains

	as of Mar 31 2001	as of Mar 31 2000
	Proposal for Appropriation of Retained Gains	Proposal for Appropriation of Retained losses
	Millions of Yen	Millions of Yen
Unappropriated losses	579,293	761,926
Reversal of reserve for reduction of replacement cost of specified properties	10,203	4,147
Reversal of reserve for losses on overseas investments	1,999	976
Reversal of reserve for special depreciation	757	838
Reversal of general reserve	734,742	0
Total	168,409	755,963
The proposed appropriations are as follows		
	Million Yen	Million Yen
Legal reserve	2,900	0
Stock dividend	27,840	0
	(per share: 7 yen)	(per share: 0 yen)
Bonus to directors	260	0
Provision for reserve for reduction of replacement cost of specified properties	17,024	10,634
Provision for reserve for special depreciation	87	180
Gains carried forward	120,295	-
Losses carried forward	-	766,778

Note:

The provisions for and reversals of the reserves for reduction of replacement cost of specified properties, losses on overseas investments, and special depreciation are made in accordance with the Special Taxation Measures Law.

Financial Statements by Business Segment

1. Balance Sheets by business segment

figures in millions of Yen

	Consolidated								
	Automobile & Others			Sales Financing					
	as of 3/31/00	as of 3/31/01	Change	as of 3/31/00	as of 3/31/01	Change	as of 3/31/00	as of 3/31/01	Change
Current assets	2,084,576	1,740,494	(344,082)	739,987	1,299,449	559,462	2,824,563	3,039,943	215,380
Cash in hand and banks	479,018	284,176	(194,842)	4,455	4,794	339	483,473	288,970	(194,503)
Note receivable, Account receivable	487,876	555,228	67,352	4,504	15,668	11,164	492,380	570,896	78,516
Finance receivable (current)	-	-	0	695,531	1,185,568	490,037	695,531	1,185,568	490,037
Securities	259,648	3,958	(255,690)	604	-	(604)	260,252	3,958	(256,294)
Inventories	545,751	547,478	1,727	1,600	11,610	10,010	547,351	559,088	11,737
Other current assets	312,283	349,654	37,371	33,293	81,809	48,516	345,576	431,463	85,887
Fixed assets	2,586,722	2,624,267	37,545	764,373	783,811	19,438	3,351,095	3,408,078	56,983
Property, plant and equipment	2,189,200	2,083,058	(106,142)	658,804	698,662	39,858	2,848,004	2,781,720	(66,284)
Investment securities	203,177	282,582	79,405	15,637	30,314	14,677	218,814	312,896	94,082
Other fixed assets	194,345	258,627	64,282	89,932	54,835	(35,097)	284,277	313,462	29,185
Deferred asset	-	3,222	3,222	-	-	0	-	3,222	3,222
Total assets	4,671,298	4,367,983	(303,315)	1,504,360	2,083,260	578,900	6,175,658	6,451,243	275,585
Current liabilities	1,987,251	1,687,629	(299,622)	993,695	1,423,177	429,482	2,980,946	3,110,806	129,860
Note payable, Account payable	599,473	583,963	(15,510)	10,971	16,973	6,002	610,444	600,936	(9,508)
Short-term borrowings *1	462,104	195,919	(266,185)	854,456	1,233,597	379,141	1,316,560	1,429,516	112,956
Other current liabilities	925,674	907,747	(17,927)	128,268	172,607	44,339	1,053,942	1,080,354	26,412
Non-current liabilities	2,214,501	1,846,549	(367,952)	356,391	456,772	100,381	2,570,892	2,303,321	(267,571)
Bonds and debentures	909,939	699,436	(210,503)	-	-	0	909,939	699,436	(210,503)
Long-term borrowings	462,831	341,019	(121,812)	282,840	362,092	79,252	745,671	703,111	(42,560)
Other long-term debt	841,731	806,094	(35,637)	73,551	94,680	21,129	915,282	900,774	(14,508)
Total liabilities	4,201,752	3,534,178	(667,574)	1,350,086	1,879,949	529,863	5,551,838	5,414,127	(137,711)
Minority interest	59,990	79,177	19,187	-	-	0	59,990	79,177	19,187
Capital stock	430,693	425,675	(5,018)	65,912	70,931	5,019	496,605	496,606	1
Capital surplus	672,695	672,695	0	17,567	17,567	0	690,262	690,262	0
Retained earnings	(308,096)	1,195	309,291	70,795	87,869	17,074	(237,301)	89,064	326,365
Translation adjustments	(365,526)	(343,425)	22,101	-	26,944	26,944	(365,526)	(316,481)	49,045
Treasury stock	(20,210)	(1,512)	18,698	-	-	0	(20,210)	(1,512)	18,698
Total shareholders' equity	409,556	754,628	345,072	154,274	203,311	49,037	563,830	957,939	394,109
Total liabilities, Minority interest and shareholders' equity	4,671,298	4,367,983	(303,315)	1,504,360	2,083,260	578,900	6,175,658	6,451,243	275,585

Note: "Translation adjustments" in 00/3 is transferred to shareholders' equity.

(Interest bearing debt by business segment)

figures in millions of Yen

	Consolidated								
	Automobile & Others			Sales Financing					
	as of 3/31/00	as of 3/31/01	Change	as of 3/31/00	as of 3/31/01	Change	as of 3/31/00	as of 3/31/01	Change
Short-term borrowings	462,104	195,919	(266,185)	854,456	1,233,597	379,141	1,316,560	1,429,516	112,956
Bonds and debentures	909,939	699,436	(210,503)	-	-	0	909,939	699,436	(210,503)
Long-term borrowings	462,831	341,019	(121,812)	282,840	362,092	79,252	745,671	703,111	(42,560)
Total interest bearing debt	1,834,874	1,236,374	(598,500)	1,137,296	1,595,689	458,393	2,972,170	2,832,063	(140,107)
Cash on hand	486,178	283,717	(202,461)	4,530	4,819	289	490,708	288,536	(202,172)
Net interest bearing debt	1,348,696	952,657	(396,039)	1,132,766	1,590,870	458,104	2,481,462	2,543,527	62,065

2. Profit and loss statements by business segment

figures in millions of Yen

	Consolidated								
	Automobile & Others			Sales Financing					
	4/1/99 - 3/31/00	4/1/00 - 3/31/01	Change	4/1/99 - 3/31/00	4/1/00 - 3/31/01	Change	4/1/99 - 3/31/00	4/1/00 - 3/31/01	Change
Net sales	5,686,782	5,780,997	94,215	290,293	308,623	18,330	5,977,075	6,089,620	112,545
Cost of sales	4,366,405	4,408,916	42,511	203,838	225,123	21,285	4,570,243	4,634,039	63,796
Gross profit	1,322,387	1,372,340	49,953	86,455	83,500	(2,955)	1,408,842	1,455,840	46,998
Operating profit	50,140	255,817	205,677	32,425	34,497	2,072	82,565	290,314	207,749
Percentage of Operating profit to Net sales	0.9%	4.4%	3.5%	11.2%	11.2%	0.0%	1.4%	4.75%	3.4%
Ordinary profit(loss)	(33,910)	247,731	281,641	32,268	34,578	2,310	(1,642)	282,309	283,951
Income(loss) before income taxes	(729,316)	256,727	986,043	16,662	32,971	16,309	(712,654)	289,698	1,002,352
Net income (loss)	(694,559)	301,572	996,131	10,196	29,503	19,307	(684,363)	331,075	1,015,438

3. Statements of Cash flows by business segment (4/1/00 - 3/31/01)

figures in millions of Yen

	Consolidated		
	Automobile & Others	Sales Financing	
Operating activities			
Income before income taxes	256,727	32,971	289,698
Depreciation and amortization	235,295	124,896	360,191
Increase in finance receivables	-	(389,555)	(389,555)
Others	(195,450)	8,367	(187,083)
Total	296,572	(223,321)	73,251
Investing activities			
Proceeds from sales of investment securities	169,698	18,364	188,062
Proceeds from sales of property, plant and equipment	98,650	42	98,692
Purchases of property, plant and equipment	(195,716)	(1,500)	(197,216)
Increase in leased assets	(24,456)	(145,690)	(170,146)
Proceeds from spin-off	40,379	-	40,379
Others	10,005	14,639	24,644
Total	98,560	(114,145)	(15,585)
Financing activities			
Decrease (Increase) in short-term borrowings	(270,532)	254,129	(16,403)
Decrease (Increase) in long-term borrowings	(385,307)	78,560	(306,747)
Increase in bond and debentures	50,000	-	50,000
Proceeds from sales of treasury stock	25,975	-	25,975
Others	(20,500)	4,581	(15,919)
Total	(600,364)	337,270	(263,094)
Effect of exchange rate changes on cash and cash equivalents	6,565	590	7,155
Decrease (Increase) in cash and cash equivalents	(198,667)	394	(198,273)
Cash and cash equivalents at beginning of period	486,283	4,425	490,708
Increase by newly consolidated subsidiaries	564	-	564
Decrease by omitted subsidiaries	(4,463)	-	(4,463)
Cash and cash equivalents at end of period	283,717	4,819	288,536

Notes:

*The information on financial data by business segment is voluntary disclosure and unaudited.

*Finance segment consists of Nissan financial service(Japan), Nissan motor acceptance corporation(USA) and Nissan Canada finance Inc.(Canada). There is no inter-company transaction among finance segment.

*The financial data on automobile and others segment comes out from calculation that finance segment data is taken away from consolidated data. Therefore, inter-segment transactions are included in automobile and others segment.