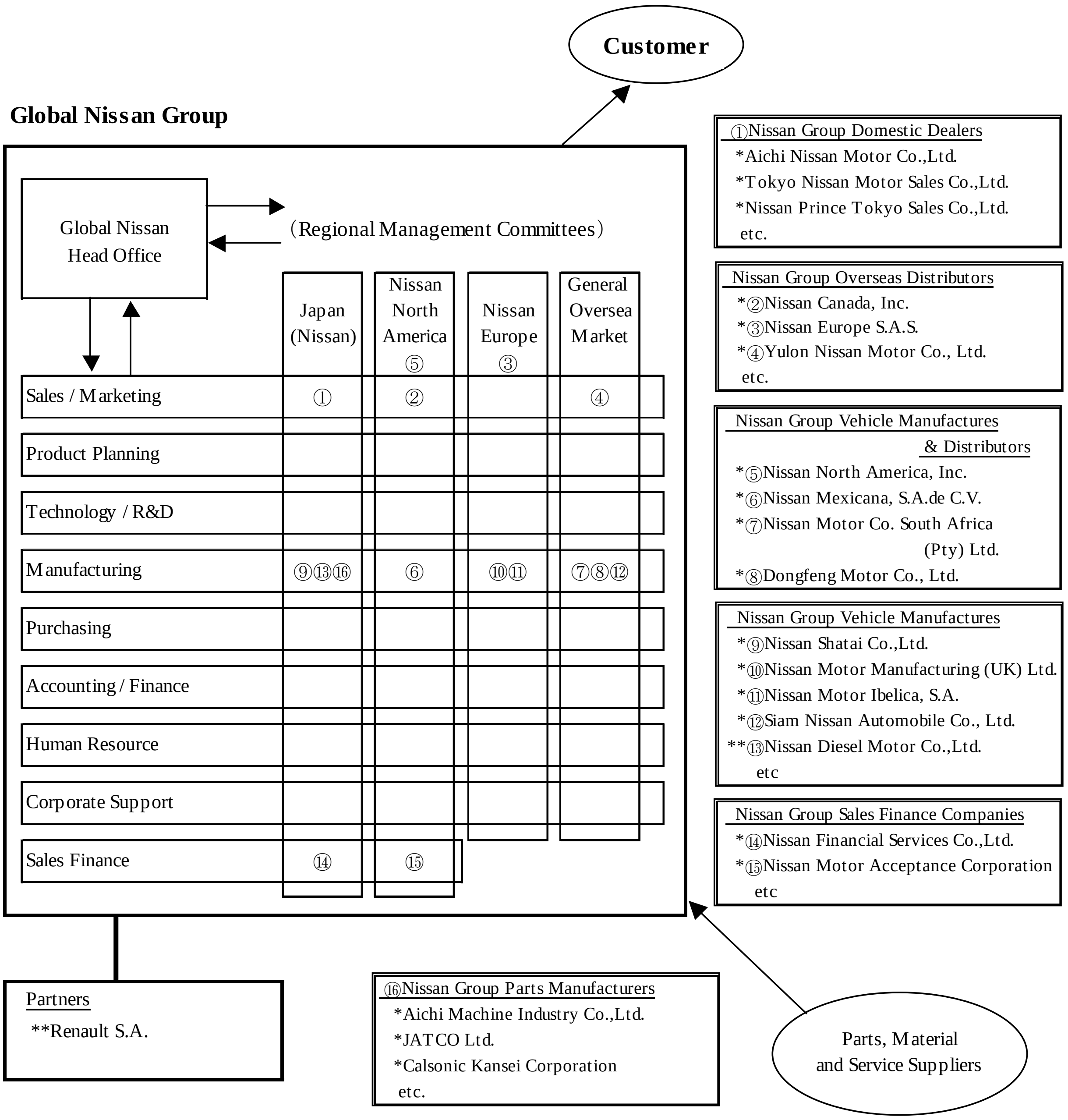
1. Description of Nissan group

The Nissan group consists of Nissan Motor Co., Ltd. (the "Company"), subsidiaries, affiliates, and other associated companies. Its main business includes sales and production of vehicles, forklifts, marine products and related parts. And also the Nissan group provides 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 as follows:



* Consolidated Subsidiaries

** Companies accounted for by equity method

・There are other associated companies; *Nissan Trading Co., Ltd., *Nissan Real Estate Development Co., Ltd.

・Our subsidiaries listed on domestic stock exchange markets are as follows:

Nissan Shatai Co., Ltd.---Tokyo   Aichi Machine Industry Co., Ltd.---Tokyo, Nagoya   Calsonic Kansei Corporation---Tokyo

2.Basic Policy regarding Corporate Governance and its Implementation Status

Corporate Governance is one of the most important issues of the management for Nissan, and the critical point is to make clear the responsibility of the management. At Nissan, its clear vision, management policies and objectives are published for shareholders and investors, and their achievement status and results are disclosed early and with transparency as much as possible.

Nissan has been conducting various system reforms in order to enhance Corporate Governance. To be specific, the Chief Operating Officer has been posted under the authority of the Chief Executive Officer as from April 1, 2005. This reform will bring about more efficiency of the management than that of the present management at Nissan. In addition, at the shareholders' meeting in June 2005, the number of corporate auditors will be reduced from five to four, three of whom will continue to be outside corporate auditors. In result, the independence of the audit will be strengthened by increased influence of the outside corporate auditors.

Internal auditing not only allows us to improve the self-correcting capabilities of Nissan group companies through evaluation of internal control level, but it also improves our business processes. Effective and efficient internal audits are being conducted with an appointment of Chief Internal Audit Officer who coordinates global audit activities.

Nissan appoints Ernst &Young Shin Nihon as an external auditor, the auditors not only conduct legal requirement audit, but also report to corporate auditors and internal auditors and exchange opinions among them periodically.

In addition, Nissan has established "Nissan Global Code of Conduct" and "Global Compliance Committee" for compliance with laws and ethics within the all group companies, and has provided its employees with an education program in order to avoid illegal and unethical conduct.

3.Information parent or other related company

Not applicable

4. NISSAN 180 update

In the NISSAN 180 business plan, for fiscal years 2002 through 2005, the company made three commitments: to sell an additional 1 million units by the end of fiscal year 2004, measured between October 2004 and September 2005 and compared to fiscal year 2001; to achieve an 8% operating profit margin; and to achieve zero net automotive debt at constant accounting standards.

The last two commitments were achieved by the end of fiscal year 2002. Nissan's operating profit margin has been at or above 10% for every year of NISSAN 180, and net automotive debt has been eliminated. The company now has more than 200 billion yen in net cash under the new and more demanding accounting standards.

The only remaining commitment is achieving the 1 million additional sales, Here, we are in reasonably good shape. At the midpoint of the measurement period, global sales stood at 1,809,000 units, which is a slight advance compared to the commitment to reach 3,597,000 units by the end of September.

NISSAN 180 will be remembered as a period in which many significant products were introduced to satisfy specific needs of customers around the world. Products such as our first crossover and full-size truck and sport utility vehicles in North America… mini and compact cars in Japan… the Teana in China… a range of light commercial vehicles in Europe… and our revival symbol, the 350Z.

5. FY2004 business performance

Global sales came to 3,388,000 units, which exceeded our forecast of 3,380,000 units. This record level represents an increase of 10.8%, or 331,000 units, over fiscal year 2003… and is 281,000 units more than the previous record level set in 1990. In fiscal year 2004, we released nine all-new models globally.

Along with record sales, a global production record was also achieved. Nissan's manufacturing plants produced 3,378,000 units, which is 293,000 units more than the previous record.

In Japan, sales came to 848,000 units, a slight 1.4% increase. Our brand and products continue to gain recognition. The Fuga was voted the "RJC Car of the Year"… and in March, the Note, Tiida, Cube and March were among the top 10 best-selling models in Japan. Our market share increased four-tenths of a percent to 14.6%.

In the United States, sales rose 18.4%, to 1,013,000 units and, for the first time, sales crossed the 1-million mark. Our U.S. market share for the full year came to 6%, up from 5.1%.

The Nissan Division grew by 20.4%, driven by truck sales. With solid contributions from the new Frontier, new Pathfinder and Titan, truck sales were up 47.6%… and the Altima continues to make a strong contribution to car sales.

The Infiniti Division achieved yet another record year, due to the attraction of competitive models such as our G35 sport sedan and coupe. Sales were up 6.5% from the previous year, to 132,000 units.

In Europe, where reporting is on a calendar-year basis, sales were basically flat, at 544,000 units. Strong sales of the X-TRAIL and Pick-up helped offset a lack of new passenger cars.

In General Overseas Markets, including Mexico and Canada, sales were up 19.5%, to 983,000 units. Sales in China were up 92.7% to 194,000 units… and the Teana was named the "Car of the Year 2005."

Consolidated net revenues came to 8 trillion 576.3 billion yen, up 15.4% from last year. Higher volume and mix made a positive impact of 707 billion yen. Movements in foreign exchange rates produced a negative impact of 173 billion yen. Changes in the scope of consolidation, including Dongfeng Motor and Yulon Nissan Motor, impacted revenues positively by 432 billion yen.

Consolidated operating profit improved by 4.4% to a record 861.2 billion yen. As a percentage of net revenue, our operating profit margin came to 10.0%.

Analyzing the variance between last year's operating profit and this year's, several factors are considered:

· The effect of foreign exchange rates produced a 78 billion yen negative impact.
· The change in the scope of consolidation produced a positive impact of 31 billion yen.
· The impact of higher volume and mix contributed 284 billion yen, mainly driven by the U.S. sales volume increase.
· Selling expenses increased by 114 billion yen, also mainly due to U.S. sales.
· The improvement in purchasing costs amounted to 131 billion yen.
· Product enrichment and the cost of regulations had a negative impact of 92 billion yen.
· We spent an additional 44 billion yen in R&D to reinforce product and technology development.
· Cost reductions from manufacturing efficiency were offset by the costs associated with the Canton Plant capacity expansion, resulting in increasing manufacturing and logistics expenses by 15 billion yen.
· Warranty costs had a negative impact of 41 billion yen.

· General, administrative and other expenses increased by 25.7 billion yen.

Net non-operating expenses totaled 5.5 billion yen – which is 9.7 billion less than last year.
Financial costs decreased by 5.3 billion yen to 10.4 billion yen.
Ordinary profit came to 855.7 billion yen, up from 809.7 billion yen in fiscal year 2003.
Net extraordinary losses decreased by 10.7 billion yen, mainly due to the sale of land of the former Murayama Plant.
Income before taxes came to 793.2 billion yen. Taxes came to 258 billion yen, for an effective consolidated tax rate of 33%.
Minority interests amounted to 22.9 billion yen.
Net income reached 512.3 billion yen, an increase of 8.6 billion yen.
Net automotive debt is eliminated. In fact, we had 205.8 billion yen in cash at the close of fiscal year 2004.

At the annual general meeting of shareholders on June 21, we will propose a 12-yen-per-share year-end dividend, as previously announced, giving a full-year dividend of 24 yen per share for fiscal year 2004.
By the end of NISSAN Value-Up, our plan is to pay an annual dividend of no less than 40 yen per share, which is a 66% increase over the FY04 level.

6. NISSAN Value-Up

The company's new three-year business plan for fiscal years 2005 through 2007 – NISSAN Value-Up – began to be implemented on April 1, 2005. The plan has three commitments:

1. To maintain the top level of operating profit margin among global automakers for each of the three years of the plan;
2. To achieve global sales of 4.2 million units, measured in fiscal year 2008; and
3. To achieve a 20% return on invested capital on average over the course of the plan.

Nissan will launch 28 all-new models globally during NISSAN Value-Up.
In order to implement NISSAN Value-Up, we will pursue four major breakthroughs.
· Introduction of Infiniti luxury brand globally as a Tier-1 luxury brand.
· Focus on Light Commercial Vehicles, or LCVs.
· Focus on sourcing parts and services from Leading Competitive Countries, or LCCs.
· Significant geographic expansion

7. Fiscal year 2005 financial forecast

The new fiscal year brings risks and opportunities. Risks include volatility in exchange rates, higher interest rates, higher commodity prices, higher energy prices, higher incentives, and uncertainty about the levels of growth in the United States and Japanese markets. The company's greatest opportunity lies in delivering NISSAN Value-Up quickly and effectively. Assuming a relatively flat total industry volume of 61 million units globally, Nissan's sales are forecast to come to 3,618,000 units, which is a 6.8% increase over the prior year. Worldwide, we will launch six all-new models, leading to 20 regional product events. In Japan, we will launch five models, including the new Serena and the new Otti, a minicar supplied by Mitsubishi Motors that will go on sale in June. In Europe, we will launch the Micra convertible coupe. No new model launches are planned in North America this year. We will be preparing for the significant next wave of new products to come in 2006 and 2007.

In light of all these factors, we have filed the following forecast, using a foreign exchange rate assumption for the year of 105 yen per dollar and 130 yen per euro.

· Net revenue is forecasted to be 9 trillion yen, up 4.9%.
· Operating profit is expected to be 870 billion yen, up 1% from fiscal year 2004, giving an operating profit margin of 9.7%.
· Ordinary profit is expected to reach 860 billion yen.
· Net income is forecasted to be 517 billion yen.
· Capital expenditures are expected to reach 540 billion yen.
· R&D expenses are forecast to reach 450 billion yen.