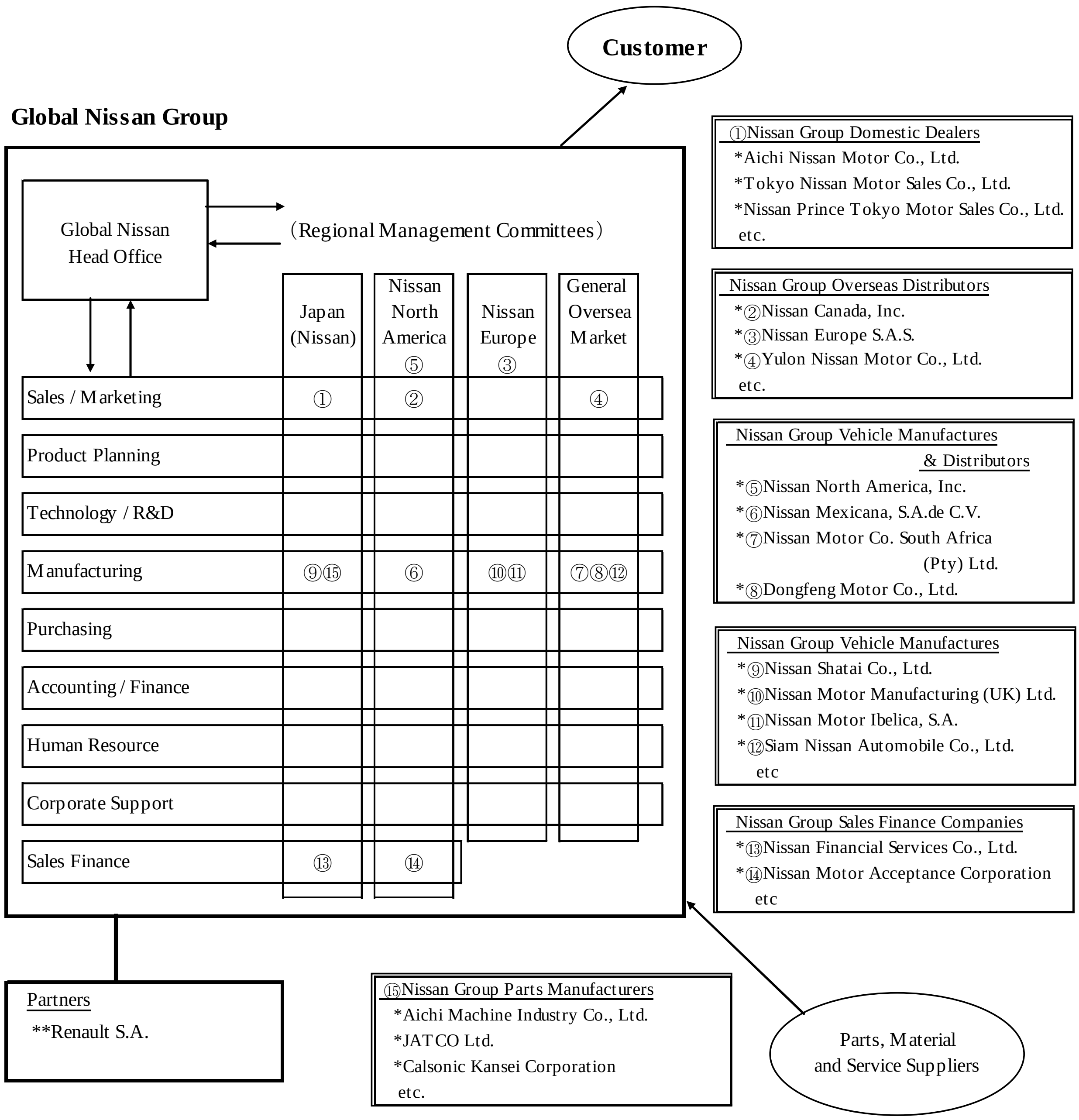
1. Description of Nissan group

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

2. NISSAN Value-Up Update

In the Nissan Value-Up business plan, the company made three key commitments:

1. Top level operating profit margin among global automakers in FY05 to FY07.
2. 4.2 million sales in FY08.
3. 20% average return on invested capital over the plan.

Under Nissan Value-Up, the company is pursuing four major breakthroughs:

1. Build Infiniti into a globally recognized luxury brand.
2. Build a new and significant global presence in Light Commercial Vehicles.
3. Develop new supply sources in Leading Competitive Countries ("LCC") for parts, machinery & equipment, vendor tooling and services.
4. Expand geographic presence in markets such as China, India, Thailand, Russia, Eastern Europe, the Gulf Countries and Egypt.

Infiniti is moving in the right direction, following a successful market entry last year in Korea. In 2005, global Infiniti sales reached 148,000 units, up from 142,000 units in 2004, due to the success of products like the new M and G35.

Infiniti will be launched in Russia this year and China in 2007. In 2008, Infiniti will be launched across Europe through a brand-new network of dedicated dealers.

The Light Commercial Vehicle business is ahead of schedule to meet its Nissan Value-Up commitment. The commitment is to achieve 8% operating profit on 434,000 units sold in 2007. Compared to 2004, this represents a doubling of operating profit and a 40% increase in volume.

In fiscal 2005, operating profit was 7.7% and LCV volume grew 28.2% to 400,000 units. Sales were notably strong in China and the General Overseas Markets.

In fiscal years 2006 and 2007, four new LCV products will be launched. The company is introducing specialized LCV dealerships in Japan and then Europe, in order to enhance service to commercial customers. In North America, the company also established a dedicated team to implement strategy for this region.

The LCC initiative is under way. Purchasing and Engineering are committed to increasing global parts sourcing from LCC, with similar efforts in progress for vendor tooling.

China and Thailand are the current focus of LCC activity. In addition to prospects in India, these efforts will serve as a global benchmark and help reinforce overall cost competitiveness.

The company is also pursuing opportunities to outsource and off-shore back-office functions and a variety of work in engineering-related R&D, Information Services and manufacturing. This will reduce costs and allow the company to focus employee efforts on core value-added tasks. In fiscal 2005, the company achieved gross savings of 14 billion yen.

Geographic expansion is proceeding as planned. New production facilities and distribution channels are also taking shape in several countries.

To further support the company's expansion and localization in China, Nissan invested 4.6 billion yen and established a new technical center for passenger vehicles. By the end of this year, the company will invest an additional 8.6 billion yen in the Huadu plant to increase capacity by 80% to 270,000 units.

Last April, a new sales company for Nissan and Infiniti was established in Ukraine. In Egypt, production of the Sunny began in December 2005. Last June, the company established a new subsidiary in India and is currently studying options for further expansion.

For Nissan, Russia has been a very successful market and will play a more significant role in the future. The company has decided to establish a new manufacturing plant in Russia. The new facility will be located in St. Petersburg and will start production in 2009, pending final approval of a specific government agreement. The new plant will manufacture up to three different types of vehicles and represents an investment of $200 million into Russia.

3. Fiscal Year 2005 Business Performance

For fiscal year 2005, Global sales reached a record level of 3,569,000 units, an increase of 5.3% over 2004. The company released six new models in various markets around the world.

In Japan, Nissan sold 842,000 units, a decrease of 0.7% from last year. Mini-car sales for the company increased 39.6%, due to the new Moco and Otti. Market share decreased 0.2 points to 14.4%.

Despite the lack of new models, in the United States, sales increased 6.1% to 1,075,000 units for another year of record sales. The Nissan Division grew by 6.8%. The Altima and Sentra sold well, despite being at the end of their lifecycles. Murano and Titan continue to attract new customers to the Nissan brand. The Infiniti Division sold 134,000 units, an increase of 1.3% from the previous record year. This was primarily due to the new M sedan, which sold 28,000 units. In the U.S., market share came to a record level 6.3% from 6% in the previous year.

In Europe, where reporting is on a calendar year basis, sales were flat at 541,000 units. As opposed to pushing volume, the company continues to maximize profitability by focusing on high-margin segments with products such as the Murano and Navara pick-up. Sales were brisk in Russia but weak in Germany and Italy, where restructurings are in progress.

In the General Overseas Markets, including Mexico and Canada, sales increased 13% to 1,111,000 units. In China, unit sales increased 53.4% to 297,000 units. This was primarily due to the successful launch of the Tiida, China's 2006 Car of the Year, which followed the Teana, China's 2005 Car of the Year. Strong sales in the GCC markets and in Latin America helped offset the decline in sales in Taiwan, Thailand and Australia.

Consolidated net revenues totaled 9.43 trillion yen, which represented an increase of 9.9% from fiscal year 2004. Movements in foreign exchange rates resulted in a positive impact of 301 billion yen. Changes in the scope of consolidation, such as the inclusion of Calsonic Kansei, had a positive impact of 117.8 billion yen on revenues.

Nissan's consolidated operating profits improved by 1.2% to a record 871.8 billion yen. The operating profit margin was 9.2%.

In comparison to last year's consolidated operating profit, the variance was due to several factors:

- Foreign exchange rate movements resulted in a positive contribution of 117.8 billion yen.
  - The average value of the dollar rose from 107.6 yen to 113.3 yen, resulting in a positive impact of 77.2 billion yen.
  - The euro increased from 134.4 yen to 136.9 yen, yielding a positive impact of 6.3 billion yen.
  - Other currencies resulted in a positive impact of 34.3 billion yen, particularly the Mexican peso with 15.3 billion yen.
- Change in the scope of consolidation had a positive impact of 21.0 billion yen.
- Price, volume and mix contributed for a combined positive impact of 20.4 billion yen.
- Selling expenses increased 52.9 billion yen, mainly due to the higher level of incentives, particularly in the U.S. market.
- Lower purchasing costs resulted in a positive contribution of 160 billion yen. However, this was offset by 100 billion yen in additional costs, as a result of price increases in raw materials and oil.
- Product enrichment and the cost of regulations produced a negative impact of 69.0 billion yen.
- R&D expenses increased an additional 22.6 billion yen to continue the reinforcement in technology and product development.
- Manufacturing and logistics expenses increased by 16.9 billion yen, which reflected the continued capacity and product-specific investments necessary to support the 70 product launches during the Nissan Value-Up Period.
- Warranty expenses had a negative impact of 37.0 billion yen, as a result of increased sales and proactive customer service actions.
- General, administrative and other expenses increased by 10.2 billion yen.

Regional profits were modified by a global change of inter-company payments that favored Japan, which bears most of the company's engineering and global development costs.

Operating profits in Japan were 390.4 billion yen, compared to 341.1 billion yen in the prior year.

Profitability in the U.S. and Canada reached 345.4 billion yen from 379.7 billion yen in fiscal year 2004.

In Europe, operating profit increased to 67.2 billion yen from 56.0 billion yen in the prior year.

In General Overseas Markets, operating profits increased to 101.2 billion yen from 84.8 billion yen last year.

Inter-regional eliminations resulted in a negative 32.4 billion yen, primarily due to unrealized profit on inventory.

Net non-operating expenses totaled 25.9 billion yen, which represented a 20.4 billion yen increase from last year, mainly due to foreign exchange losses.

Net financial costs decreased by 5.8 billion yen to 4.6 billion yen.

As a result, ordinary profit came to 845.9 billion yen, compared to 855.7 billion yen in fiscal 2004.

Net extraordinary items totaled a negative 36.9 billion yen, which was a 25.5 billion yen improvement from last year. The losses are primarily due to one-time charges resulting from a change in Japanese accounting standards relating to the impairment of fixed assets. This was offset by the gain on sale of Nissan Diesel shares to Volvo.

Income before taxes came to 809 billion yen. Taxes totaled 254.4 billion yen, for an effective consolidated tax rate of 31.4%.

Minority interests, which are profits from fully consolidated companies that the company does not own 100%, such as Calsonic Kansei, Aichi Kikai and Nissan Shatai, amounted to 36.5 billion yen.

Net income totaled 518.1 billion yen, an increase of 5.8 billion yen from last year.

At the close of fiscal 2005, the company's net cash position totaled 372.9 billion yen, which represented an improvement of 167.1 billion yen from the beginning of the fiscal year.

ROIC was 19.4% at the end of Fiscal 2005.

As previously announced, the company will propose a 15-yen-per-share year-end dividend, which will result in a full-year dividend of 29 yen per share for fiscal 2005, at the annual general meeting of shareholders on June 27.

4. Fiscal Year 2006 Financial Forecast

Fiscal 2006 will be a year of two distinct halves. Growth will be difficult in the first half. Unit volume will be down and operating profit will be lower.

However, in the second half, volume growth will increase by more than 10% and operating profit is expected to accelerate, as the company launches nine all-new vehicles around the world (one model in the first half and eight models in the second half).

The most important of these introductions will be in the U.S the market, which continues to provide 60% of the company's total profit. All-new versions of the Altima, Sentra and

Infiniti G35 sedan will be launched, which spearhead a product blitz that continue beyond Nissan Value-Up.

In addition to the autumn introduction of the all-new Skyline, the company will launch three new products in Japan, including a new mini vehicle and an LCV. In Europe, the company will launch a new LCV and a new compact crossover. In the General Overseas Markets, a new car, dedicated for the region, will be launched.

During fiscal year 2006, the company will have 23 regional product-launch events around the world.

Assuming a global industry volume of 63.9 million units, the company forecasts global sales volume at 3,730,000 units, an increase of 4.5% from 2005. In Japan, the U.S. and Europe, total industry volume ("TIV") is estimated to be flat. For the General Overseas Markets, growth is projected in specific key markets, such as China and the Middle East.

For Japan, the company forecasts TIV of 5.9 million units. The sales objective for the year is flat versus last year at 846,000 units.

In the U.S., TIV is projected at 16.9 million units. The sales objective is 1,100,000 units, which represents an increase of 2.3% from fiscal year 2005.

In Europe, sales are expected to increase 3.7% to 561,000 units. This is based on a TIV of 20.4 million units.

For the General Overseas Markets, including Mexico and Canada, the sales objective is 1,223,000 units, a 10.1% increase.

Throughout this fiscal year, the company faces a challenging environment in meeting the Nissan Value-Up commitments. Risks continue to be rising interest rates, volatile foreign exchange rates and increases in raw material and energy prices. Furthermore, competition is relentless, as incentives remain high. In order to overcome these risks, Nissan Value-Up needs to be delivered quickly and effectively.

Based on these factors, the following forecast has been established with a foreign exchange rate assumption of 110 yen per dollar and 135 yen per euro for the year.

- Net revenue is forecasted at 10.075 trillion yen, an increase of 6.9% from the prior year.
- Operating profit is expected to be 880 billion yen, up 0.9% from fiscal 2005.
- Ordinary profit is expected to reach 870 billion yen.
- Net income is forecasted at 523 billion yen.
- Capital expenditures are expected to reach 550 billion yen, 5.5% of net sales.
- R&D expenses are forecasted to reach 490 billion yen, 4.9% of net sales.
- ROIC is expected to be at 20%.