To Shareholders

The items published on the Internet Website concerning the convocation of the 112th Ordinary General Meeting of Shareholders

June 7, 2011

NISSAN MOTOR CO., LTD.

Contents

Pursuant to applicable laws and Article 16 of the Articles of Incorporation of the Company, the above items are provided to shareholders through the corporate website (http://www.nissan-global.com/EN/IR/).

1. " Status of Independent Auditors " of Jigyo-Houkoku

⑴Name of independent auditors

Ernst & Young ShinNihon LLC

⑵Fees paid to the independent auditors regarding the current business year

①Fees paid to the independent auditors regarding the current business year

454 million yen

②Fees for audits of the financial statements and other assurance services to be paid by the Company and subsidiaries to the independent auditors

998 million yen

Notes:1. Because the audit engagement contract between the Company and the independent auditors does not separately specify the fees for i) audits required by the Corporate Law and ii) audits required by the Financial Instruments and Exchange Law, the total fees for those audits have been disclosed.

2 . The company paid the fees to the independent auditor for advise on the English translation of financial reporting that are not the services defined in Article 2, Paragraph 1 of the Certified Public Accountants Law of Japan.

③All the overseas subsidiaries included in "⑹ Principal Group Companies "in 1. Business Review of the Fiscal Year 2010 are audited by audit firms other than Ernst & Young ShinNihon LLC.

⑶Policy concerning the decision to dismiss or to deny reappointment of independent auditor

The Board of Statutory Auditors, by unanimous agreement, will dismiss the independent auditors, when confirmed that the independent auditors falls under any item of paragraph 1, Article 340 of the Company Law.

Additionally, in the event of other cases where his / her retention as independent auditors is deemed to be detrimental to the Company, the Board of Directors will propose, with the agreement of the Board of Statutory Auditors, or as requested by the Board of Statutory Auditors, to dismiss or deny reappointment to the Ordinary General Meeting of Shareholders.

2. " Business Management Systems, Processes and Internal Controls" of Jigyo-Houkoku

●Systems to ensure compliance of directors' activities to laws and articles of associations, and other systems to ensure proper and legitimate business activities

The Board of Directors of Nissan determined Nissan's systems and policies to ensure appropriate management and execution of Nissan's business, which is outlined below.

⑴Systems to ensure efficient execution and management of business activities by the directors

①Nissan has the Board of Directors, which decides material business activities of the company and checks on the activities of the individual directors. In addition, statutory auditors who comprise the board of auditors audit the activities of the directors.

②Nissan's Board of Directors is relatively small, so it is structured with a transparent and logical system of delegation is implemented, by which the authority to perform business activities are properly delegated to corporate officers and other employees.

③Nissan uses a proven system of Executive Committee where key issues such as business strategies, are reviewed and discussed, as well as Operations Committee where operational business decisions are reviewed and discussed.

④For review and discussion of the regional and specific business area operations, Nissan utilizes Management Committees.

⑤In order to promote cross functional activities, cross functional teams—CFTs—are organized. CFTs detect problems and challenges and propose solutions to line organizations.

⑥Nissan implements an objective and transparent Delegation of Authority procedure for the purpose of speeding up and clarifying the decision making processes as well as ensuring consistent decisions.

⑦Nissan ensures an efficient and effective management of its business by determining and sharing management policy and business direction through establishment of the mid-term management plan and the annual business plan.

(2) Systems to ensure compliance of employees' and directors' activities with laws and articles of associations

①Nissan implements "Global Code of Conduct", which explains acceptable behaviors of all employees working at Nissan group companies worldwide and promotes understanding by them.

②In order to ensure rigorous and strict compliance with the code of conduct, Nissan and its group companies offer education programs such as the e-learning system.

③With regard to members of the Board of Directors as well as corporate officers of Nissan, Nissan establishes "Guidance for Directors and Corporate Officers regarding Compliance", which explains the acceptable behaviors of the members of the Board of Directors and the corporate officers.

④Nissan stands firm and take appropriate actions against anti-social forces or groups. If any director, officer or employee is approached by such forces or groups, the said individual shall promptly report such matter to his/her superiors and specific committee, and shall follow their instructions.

⑤If any director, officer or employee is, directly or indirectly, exposed or threatened to commit an illegal or criminal action such as fraud or blackmail during the course of business activities, the said individual shall act resolutely against it, and he/she shall promptly report such matter to his/her superiors and specific committee, and shall follow their instructions.

⑥For the purpose of monitoring and ensuring compliance with the code of conduct, Nissan establishes the "Global Compliance Committee".

⑦Nissan implements the "Easy Voice System" by which the employees are able to submit their opinions, questions and requests freely and directly to Nissan management.

⑧Nissan is committed to continually implementing relevant company rules. Examples include "Global Rules for the Prevention of Insider Trading" and the "Rules for the Protection of Personal Information". The company continually offers education programs to employees as part of its program to promote the understanding and compliance with such corporate rules.

⑨Nissan is committed to improve and enhance the internal control systems to ensure accuracy and reliability of its financial reports in accordance with the Financial Instruments and Exchange Law together with its related rules and standards.

⑩Nissan establishes a department specialized in internal audit for the purpose of regularly monitoring Nissan and group companies' business and their compliance with laws, articles of associations and corporate ethics.

(3)Rules and systems for proper management of risk and loss

①Nissan minimizes the possibility of occurrence of risks and, if they occur, mitigate the magnitude of losses by sensing such risks as early as possible and implementing appropriate countermeasures. In order to achieve such objective, Nissan and its group companies implement the Global Risk Management Policy.

②Management of material company-wide risks are assigned mainly to each of the members of the Executive Committee, who are responsible to monitor, manage and implement necessary measures such as preparing relevant risk management manuals.

③Concerning the management of other specific business risks beyond those supervised directly by the Executive Committee, they are handled by each manager in the business function who will evaluate, prepare and implement the necessary measures to minimize such risks.

(4)Systems to ensure accurate records and the retention of information of directors' execution of business

①Nissan prepares full and accurate minutes of meetings of the Board of Directors in accordance with laws and the board regulations and ensures they are retained and managed in a secure environment.

②In performing business activities by various divisions and departments, matters to be decided pursuant to Delegation of Authority are decided by either electronic system or written documents, and are stored and retained either electronically or in writing.

③While the departments in charge are responsible for proper and strict retention and management of such information, directors, statutory auditors and others have access to any records as required for the purpose of performing their business activities.

④In line with the Information Security Policy, Nissan endeavors to enhance proper and strict retention and management of information and to prevent improper use of information and unintended disclosure of such information.

(5)Systems to ensure proper and legitimate business activities of the Group companies

①Nissan establishes various Management Committees which are trans-group organizations in order to ensure proper, efficient and consistent group management.

②In Management Committee meetings, Nissan provides group companies with important information and shares with them management policies; this ensures that the business decisions of all group companies are made efficiently and effectively.

③The group companies implement an objective and transparent Delegation of Authority procedures.

④Group companies implement each company's code of conduct in line with the Global Code of Conduct and establish compliance committee of each company and ensure full compliance with all laws and our corporate code of conduct. The Global Compliance Committee regularly monitors these companies and works to ensure further strict compliance with laws, articles of association and corporate behavior. In addition, group companies implement the easy voice system which ensures that employees are able to directly communicate to the group company or to Nissan directly their opinions, questions, and requests.

⑤The internal audit department of Nissan periodically carries out local audits on the business of group companies for the purpose of monitoring and confirming legal compliance, relevant articles of association as well as management of business risks. Major group companies establishes their own internal audit departments and perform internal audits under the supervision of Nissan's internal audit department.

⑥Nissan's statutory auditors and group companies' statutory auditors have periodic meetings to share information and exchange opinions from the viewpoint of consolidated management for the purpose of ensuring effective auditing of group companies.

(6) Organization of employee(s) supporting statutory auditors, and systems showing their independence from the directors

①Nissan has an auditors office to support the activities of the statutory auditors. Dedicated manager(s) is assigned and performs his/her duties under the supervision and responsibility of the statutory auditors.

②The statutory auditors make appraisal of dedicated manager's performance, and his/her move to another department and his/her disciplinary action are subject to prior approval of the board of auditors.

(7) Systems by which directors and employee report business issues to the statutory auditors

①The statutory auditors determine their annual audit plan and perform their audit activities in accordance with that plan. The annual audit plan includes schedules of reports by various divisions. Directors and employees make reports in accordance with the annual audit plan.

②When directors and employees detect any incidents which gives or could give a materially negative impact to Nissan, they are required to immediately report such incidents to the statutory auditors.

③In addition, directors and employees are required to make an ad-hoc report to the statutory auditors regarding the situation of business activities when so requested.

④The internal audit department periodically reports to the statutory auditors its internal audit plan and the results of the internal audits performed.

(8) System to ensure effective and valid auditing by the statutory auditors

①At least 50% of the statutory auditors are external auditors to ensure effective and independent auditing. The statutory auditors hold periodical meetings in order to exchange and share information and their respective opinions. Ad-hoc meetings are also held whenever deemed necessary.

②The statutory auditors have periodical meetings with representative directors (including the President) and exchange views and opinions.

3. Consolidated Statement of Changes in Net Assets

Consolidated Statement of Changes in Net Assets

(For the year ended March 31, 2011)

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

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

Accounts	Amount
Shareholders' equity	
Common stock	
Balance at the end of previous year	605,814
Balance at the end of current year	605,814
Capital surplus	
Balance at the end of previous year	804,470
Balance at the end of current year	804,470
Retained earnings	
Balance at the end of previous year	2,456,523
Changes at the beginning of current year due to application of PITF No.24	(357)
Changes during the year	
Cash dividends paid	(20,922)
Net income	319,221
Disposal of treasury stock	(20,731)
Changes in the scope of consolidation	62
Changes in the scope of equity method	(543)
Total changes during the year	277,087
Balance at the end of current year	2,733,253
Treasury stock	
Balance at the end of previous year	(267,841)
Changes during the year	
Disposal of treasury stock	106,302
Purchases of treasury stock	(485)
Total changes during the year	105,817
Balance at the end of current year	(162,024)
Total shareholders' equity	
Balance at the end of previous year	3,598,966
Changes at the beginning of current year due to application of PITF No.24	(357)
Changes during the year	
Cash dividends paid	(20,922)
Net income	319,221
Disposal of treasury stock	85,571
Purchases of treasury stock	(485)
Changes in the scope of consolidation	62
Changes in the scope of equity method	(543)
Total changes during the year	382,904
Balance at the end of current year	3,981,513

Accumulated other comprehensive income	
Unrealized holding gain and loss on securities	
Balance at the end of previous year	1,045
Changes during the year	
Net changes in items other than those in shareholders' equity	19,817
Total changes during the year	19,817
Balance at the end of current year	20,862
Unrealized gain and loss from hedging instruments	
Balance at the end of previous year	(4,012)
Changes during the year	
Net changes in items other than those in shareholders' equity	5,916
Total changes during the year	5,916
Balance at the end of current year	1,904
Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	
Balance at the end of previous year	(13,945)
Balance at the end of current year	(13,945)
Unfunded retirement benefit obligation of foreign subsidiaries	
Balance at the end of previous year	1,115
Changes at the beginning of current year due to application of PITF No.24	(1,115)
Balance at the end of current year	—
Translation adjustments	
Balance at the end of previous year	(875,818)
Changes at the beginning of current year due to application of PITF No.24	547
Changes during the year	
Net changes in items other than those in shareholders' equity	(173,648)
Total changes during the year	(173,648)
Balance at the end of current year	(1,048,919)
Total accumulated other comprehensive income	
Balance at the end of previous year	(891,615)
Changes at the beginning of current year due to application of PITF No.24	(568)
Changes during the year	
Net changes in items other than those in shareholders' equity	(147,915)
Total changes during the year	(147,915)
Balance at the end of current year	(1,040,098)
Shares subscription rights	
Balance at the end of previous year	2,387
Changes during the year	
Net changes in items other than those in shareholders' equity	28
Total changes during the year	28
Balance at the end of current year	2,415
Minority interests	
Balance at the end of previous year	305,367
Changes at the beginning of current year due to application of PITF No.24	(1,305)
Changes during the year	
Net changes in items other than those in shareholders' equity	25,891
Total changes during the year	25,891
Balance at the end of current year	329,953
Total net assets	
Balance at the end of previous year	3,015,105
Changes at the beginning of current year due to application of PITF No.24	(2,230)
Changes during the year	
Cash dividends paid	(20,922)
Net income	319,221
Disposal of treasury stock	85,571
Purchases of treasury stock	(485)
Changes in the scope of consolidation	62
Changes in the scope of equity method	(543)
Net changes in items other than those in shareholders' equity	(121,996)
Total changes during the year	260,908
Balance at the end of current year	3,273,783

(Reference information) Consolidated Comprehensive Income Statement"

(Reference information)

Consolidated Comprehensive Income Statement

(For the year ended March 31, 2011)

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

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

Accounts	Amount
Income before minority interests	348,014
Other comprehensive income	
Unrealized holding gain and loss on securities	15,701
Unrealized gain and loss from hedging instruments	4,903
Unfunded retirement benefit obligation of foreign subsidiaries	(1,573)
Translation adjustments	(159,115)
The amount for equity method company portion	(18,732)
Total of other comprehensive income	(158,816)
Comprehensive income	189,198
(Breakdown of comprehensive income)	
Parent company portion of comprehensive income	170,870
Minority interest portion of comprehensive income	18,328

4.Notes to Consolidated Financial Statements

Notes to Consolidated Financial Statements

Basis of Consolidated Financial Statements

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

(1) Consolidated subsidiaries ; 207 companies (Domestic 81, Overseas 126)

Domestic Car Dealers, Parts Distributors
Nissan Prince Tokyo Sales Co., Ltd.
Kanagawa Nissan Motor Co., Ltd, Nissan Fleet Co., Ltd.
Nissan Parts Chuo Sales Co., Ltd.
and 54 other companies

Domestic Vehicles and Parts Manufacturers
Nissan Shatai Co., Ltd., Aichi Machine Industry Co., Ltd., JATCO Ltd., Calsonic Kansei Corp.
and 7 other companies

Domestic Logistics & Services Companies
Nissan Trading Co., Ltd., Nissan Financial Service Co., Ltd., Autech Japan, Inc.
and 9 other companies

Overseas subsidiaries
Nissan North America, Inc., Nissan International SA
Nissan Motor Manufacturing (UK) Ltd.
Nissan Mexicana, S.A. de C.V. and 122 other companies

Unconsolidated subsidiaries ; 133 companies (Domestic 87, Overseas 46)
Domestic Nissan Marine Co., Ltd., Nissan Shatai Manufacturing Co., Ltd. and 85 other companies
Overseas Calsonic Kansei Spain, S.A. and 45 other companies

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

(2) Companies Accounted for by the Equity Method ; 59 companies

Unconsolidated subsidiaries;	35 companies (Domestic 20, Overseas 15)
	Nissan Marine Co., Ltd., Calsonic Kansei Spain, S.A. and 33 other companies
Affiliates;	24 companies (Domestic 17, Overseas 7)
	Kinugawa Rubber Industrial Co., Tonichi Carlife Group Corporation
	and 22 other companies

Companies not Accounted for by the Equity Method ; 130 companies

Unconsolidated subsidiaries;	98 companies
	Nissan Shatai Manufacturing Co., Ltd and 97 other companies
Affiliates;	32 companies
	Tonox Co., Ltd. and 31 other companies

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

(3) Change in the Scope of Consolidation and Equity Method of Accounting

The change in the scope of consolidation and equity method compared with that at the year ended March 31, 2010 was summarized as follows:

Number of companies newly included in the scope of consolidation; 8 subsidiaries (Nissan Forklift Co., Ltd.
Renault Nissan Automotive India Private Limited and 6 other companies)

Number of companies excluded from the scope of consolidation ; 5 subsidiaries
(Nissan Design America, Inc., Nissan Technical Center North America, Inc. and 3 other companies)

Number of companies newly accounted for by the equity method; 5 companies (Ashok Leyland Nissan Vehicles Ltd.,
Nissan Vietnam Co., Ltd., and 3 other companies)

Number of companies ceased to be accounted for by the equity method of accounting; 1 company
(Renault Nissan Automotive India Private Limited)

The increase in the number of consolidated subsidiaries was primarily attributable to those that were newly established or became material to the consolidated financial statements, and the decrease was mainly due to merger or liquidation.

2. Fiscal Period of Consolidated Subsidiaries

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

December 31 year end companies : Dongfeng Motor Co., Ltd., Yulon Nissan Motor Co., Ltd.,
Nissan Mexicana, S.A. De C. V. and 39 other overseas subsidiaries

(2) Nissan Mexicana, S.A. De C. V. and 9 other consolidated subsidiaries whose fiscal year end is December 31 close their books of account at March 31 for consolidation reporting purpose.
With respect to Dongfeng Motor Co., Ltd., Yulon Nissan Motor Co., Ltd. and 30 other companies, the necessary adjustments were made in consolidation to reflect any significant transactions from January 1 to March 31.

3. Significant Accounting Policies

(1) Valuation methods for assets

1) Securities

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

Other securities

Marketable securities ..... Marketable securities classified as other securities are carried at fair value with changes in unrealized holding gain or loss, net of the applicable income taxes, directly included in net assets.
Cost of securities sold is calculated by the moving average method.

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

2) Derivative financial instruments

Derivative financial instruments are stated at fair value.

3) Inventories

Inventories are primarily stated at cost determined by the first-in and first-out method. Cost of inventories is written-down when their carrying amounts become unrecoverable.

(2) Depreciation of property, plant and equipment

Depreciation of property, plant and equipment is calculated principally by straight-line method based on the estimated useful lives and economic residual value determined by the Company.
Depreciation of leased assets is calculated by the straight-line method based on the estimated useful lives or lease term and the estimated residual values.

(3) Basis for reserves and allowances

Allowance for doubtful accounts

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

Accrued warranty costs

Accrued warranty costs are provided to cover the cost of all services anticipated to be incurred during the entire warranty period in accordance with the warranty contracts and based on past experience.

Accrued retirement benefits

Accrued retirement benefits or prepaid pension costs are recorded principally at the amount calculated based on the retirement benefit obligation and the fair value of the pension plan assets at the end of the current fiscal year.
The net retirement benefit obligation at transition is primarily being amortized over a period of 15 years by the straight-line method.
Prior service cost is being amortized as incurred by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees.
Actuarial gain or loss is amortized in the year following the year in which the gain or loss is recognized primarily by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees.

Accrued retirement benefits for directors and statutory auditors

Accrued retirement benefits for directors and statutory auditors are recorded at the amount which would be required to be paid as of the balance sheet date in accordance with the Company's internal rules if those directors and statutory auditors resigned their offices.

Accrual for loss on disaster

Accrual for loss on disaster is provided to cover the costs reasonably estimated to be incurred for disaster from Great East Japan Earthquake.

(4) Foreign currency translation

Receivables and payables denominated in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date, and differences arising from the translation are charged or credited to income.
Assets and liabilities of the foreign consolidated subsidiaries are translated into yen at the rates of exchange in effect at the balance sheet date and revenue and expense accounts are translated at the average rate of exchange in effect during the year. Differences arising from the translation are presented as translation adjustments and minority interests in its consolidated financial statements.

(5) Significant hedge accounting method

Hedge accounting

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

Hedging instruments and hedged items

Hedging instruments - Derivative transactions
Hedged items - Hedged items are primarily receivables and payables denominated in foreign currencies and others.

Hedging policy

Based on the internal "Policies and Procedures for Risk Management" and "Delegation of Authorities" rules, expected risks such as fluctuations in foreign exchange and interest rate are hedged within certain extent.

Assessment of hedge effectiveness

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

(6) Consumption taxes

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

(7) Filing of consolidated tax returns

The Company and certain consolidated subsidiaries have been filing consolidated tax returns.

4. Amortization of goodwill and negative goodwill

Goodwill and negative goodwill in consolidated subsidiaries and in companies accounted for by the equity method which had occurred before March 31, 2010 have been amortized over periods not exceeding 20 years determined based on their expected life. However, immaterial differences are charged or credited to income in the year of acquisition.
Negative goodwill in consolidated subsidiaries and in companies accounted for by the equity method which had occurred after April 1, 2010 recorded profit in the year of acquisition.

5. Accounting changes

(1) Application of the “Accounting Standard for Equity Method of Accounting for Investments” and “Practical Solution on Unification of Accounting Policies Applied to Associates Accounting for Using the Equity Method”

Effective April 1, 2010, the Accounting Standard for Equity Method of Accounting for Investments(ASBJ Statement No.16 issued on March 10, 2008) and Practical Solution on Unification of Accounting Policies Applied to Associates Accounted for Using the Equity Method (ASBJ Practical Issue Task Force (PITF) No.24 issued on March 10, 2008) have been adopted. The effect of this change on ordinary income and income before taxes and minority interests was immaterial.
As a result of this change, as of April 1, 2010, total shareholders’ equity decreased by 357 million yen, total accumulated other comprehensive income decreased by 568 million yen, minority interests decreased by 1,305 million yen and total net assets decreased by 2,230 million yen.

(2) Application of the “Accounting Standards for Asset Retirement Obligations”

Effective April 1, 2010, the Accounting Standard for Asset Retirement Obligations (ASBJ StatementNo.18 issued on March 31, 2008) and the Implementation Guidance on Accounting Standards for Asset Retirement Obligations (ASBJ Guidance No.21 issued on March 31, 2008) have been adopted. The effect of this change was to decrease income before income taxes and minority interests by 3,936 million yen for the fiscal year ended March 31, 2011. The effect of this change on operating income and ordinary income was immaterial.

6. Changes in presentation

Main changes are as follows

Due to the adoption of the partial amendments to the ordinance for enforcement of the companies act and the ordinance on Accounting of companies (Ordinance of the Ministry of Justice No.7 of 2010), in accordance with the Accounting Standard for Consolidated Financial Statements (ASBJ Statement No. 22 issued on December 26, 2008), the account of “income before minority interests” was separately presented for the fiscal year ended March 31, 2011.

Notes to Consolidated Balance Sheet

1. Assets pledged as collateral:

(1) Assets pledged as collateral

(Millions of yen)

Sales finance receivables	812,236
Other current assets	17,692
Property, plant and equipment	366,865
Intangible fixed assets	54
Total	1,196,847

(2) Liabilities secured by the above collateral

Short-term borrowings	283,309
Long-term borrowings (including the current maturities)	640,960
Total	924,269

2. Accumulated depreciation of property, plant and equipment amounted to 4,259,525 million yen.

(The above amount includes depreciation of leased assets in the amount of 223,158 million yen.)

3. Contingent liabilities

At March 31, 2011, 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 (103,044 for employees, 2,985 for others)	106,029
2) Commitments to provide guarantees	312

Notes to Consolidated Statement of Income

The substance of the loss on disaster is as follows:

(Millions of yen)

Fixed cost during the suspension of operations	19,820
The loss on disposal of damaged assets and repair expenses	12,590
Others	7,195

Notes to Consolidated Statement of Changes in Net Assets

1. Shares issued and outstanding Common stock 4,520,715 thousand shares

2. Dividends

(1) Dividend paid

Resolution	Type of shares	Cash dividends paid (millions of Yen)	Dividends per share (Yen)	Cut-off date	Effective date
Meeting of the Board of Directors on November 4, 2010	Common stock	20,922	5	September 30, 2010	November 29, 2010

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

(2) Dividends of which cut off date was in FY2010 and effective date will be in the next fiscal year

Type of shares	Common stock
Resources of dividends	Retained earnings
Total dividends	20,916 millions of yen (Dividends per share : 5 yen)
Cut off date	Mar 31, 2011
Effective date	Undetermined

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

3. Type and number of shares to be issued upon the exercise of share subscription rights (as of March 31, 2011)

Common stock 28,730 thousand shares

Notes to Financial Instruments

1. Overview of financial instruments

The Group's fund management is primarily limited to short-term deposits and appropriate repurchase agreement transactions.
The financing has been diversified, such as bank loans, bond issues, commercial paper issues, and liquidation of securities, to reduce the exposure to liquidity risk.
The Group holds trade notes and accounts receivables from sales of products and collects such receivables in accordance with the terms and conditions of relevant sales agreements. The Group also holds trade liabilities with various payment dates based on the payment conditions from purchasing diverse parts, materials and services, required for development and manufacture of products.
The Group utilizes derivatives financial instruments based on the internal "Policies and Procedures for Risk Management" for the purpose of hedging its exposure to adverse fluctuations in foreign currency exchange rates on receivables and payables denominated in foreign currencies, interest rates on interest-bearing debt and market prices on commodity, but does not enter into such transactions for speculative or trading purposes.
The sales financing business provide the Group's financial services including auto loans and leases, which are supplied to customers following a strict credit assessment, and inventory financing, which is supplied to dealers.

2. Fair value of financial instruments

The following table indicates the carrying value in the consolidated balance sheet, the fair value and the unrealized gain (loss) as of March 31, 2011. Assets and liabilities, for which it is deemed difficult to measure the fair value, are not included in the table below. (Refer to Note 2.)

(Millions of yen)

	Carrying value	Estimated fair value	Unrealized gain (loss)
(1) Cash on hand and in banks	998,822	998,822	—
(2) Trade notes and accounts receivable	738,950		
Allowance for doubtful accounts	(17,553)		
	721,397	721,397	—
(3) Sales finance receivables	2,698,353		
Allowance for doubtful accounts	(60,398)		
	2,637,955	2,678,386	40,431
(4) Securities and Investment securities	460,390	488,920	28,530
(5) Long-term loans receivable	17,147		
Allowance for doubtful accounts	(1,212)		
	15,935	16,174	239
Total assets	4,834,499	4,903,699	69,200
(1) Trade notes and accounts payable	1,181,469	1,181,469	—
(2) Short-term borrowings	593,095	593,095	—
(3) Commercial papers	256,601	256,601	—
(4) Bonds	728,130	744,637	(16,507)
(5) Long-term borrowings	2,356,454	2,374,923	(18,469)
(6) Lease obligations	144,733	148,229	(3,496)
Total liabilities	5,260,482	5,298,954	(38,472)
Derivative transactions	15,303	15,303	—

(*1) The allowance for doubtful accounts is specifically provided for trade notes and accounts receivable, sales finance receivables, and long-term loans receivable.
(*2) Carrying value of sales finance receivables in the consolidated balance sheet includes the corresponding balance of ¥48,483 million of deferred installment income and others.
(*3) Bonds, long-term borrowings and lease obligations include each current portion which is categorized in current liabilities.
(*4) Net receivables and payables, which were derived from derivative transactions, are presented in net amounts, and any item for which the total becomes a net liability is indicated in parentheses.

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

Assets

(1) Cash on hand and in banks and (2) Trade notes and accounts receivable
Fair value is calculated based on the book value as these assets are settled within a short time and the fair value is almost equal to the book value.

(3) Sales finance receivables
Fair value is calculated based on the discounted cash flows by collection period, using discount rates reflecting maturity and credit risk.

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

(5) Long-term loans receivable
Fair value is calculated based on the discounted cash flows of each individual loan, using discount rate which would be applicable for similar new loans.

Liabilities

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

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

(4) Bonds

Fair value of marketable bonds is based on the market prices, and that of non-marketable bonds is based on the present value estimated by discounting the total principal and interest, using discount rates reflecting the remaining term and credit risk.

(5) Long-term borrowings and (6) Lease obligations

Fair value is calculated based on the present value estimated by discounting the total principal and interest, using discount rates which would be applicable for similar new borrowings or lease transactions.

Derivative transactions

Fair value is calculated based on the discounted cash flows and others. Fair value of interest rate swaps which are accounted using special treatment, "Tokurei-Shori", is included in that of corresponding hedged long-term borrowings, as those interest rate swaps are recorded as an adjustment to interest expenses of hedged instruments under the special treatment.

(Note 2) Unlisted stocks (carrying value in the consolidated balance sheet: 79,171 of millions of yen) are not included in (4) Securities and Investment securities, as it is deemed difficult to measure the fair value because they are nonmarketable and future cash flows cannnot be estimated.

Notes to Investment and Rental Property

1. The status of rental property

The company and certain consolidated subsidiaries own rental properties, mainly for vehicle and parts dealers, in Japan and overseas countries.

2. Fair value of investment and rental property

(millions of yen)

Carrying value	Estimated Fair Value
100,220	101,801

(note1) Carrying value deducted accumulated depreciation and impairment loss from acquisition cost of fixed assets.

(note2) Estimated Fair value was mainly based on real-estate appraisal value which was calculated by external real-estate appraisers.

Notes to Amounts per share

Net assets excluding share subscription rights and minority interests per share	703.16 yen
Basic net income per share	76.44 yen

Significant subsequent events

Issuance of bonds

On April 28, 2011, the Company issued unsecured bonds. The terms and conditions of these bonds are summarized as follows:

1. Name of the bond	54th unsecured bonds
2. Principal amount	¥70,000 million
3. Interest rate	0.871% per annum
4. Issue price	¥100 for a par value of ¥100
5. Maturity date	April 28, 2016
6. Payment due date	April 28, 2011
7. Use of proceeds	To be appropriated as repayment of long-term borrowings

Other

Not applicable

Amounts less than one million yen are rounded off.

5.Notes to Non-Consolidated Financial Statements

Notes to Non-Consolidated Financial Statements

Significant Accounting Policies

1. Valuation of Assets

(1) Securities

1) Held-to-maturity debt securities

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

2) Equity securities issued by subsidiaries and affiliates

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

3) Other securities

a) Marketable securities:

Marketable securities classified as other securities are carried at fair value with any changes in unrealized holding gain or loss, net of the applicable income taxes, directly included in net assets. Costs of securities sold is calculated by the moving average method.

b) Non-marketable securities:

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

(2) Derivative financial instruments

Derivative financial instruments are stated at fair value.

(3) Inventories

Inventories are stated at cost determined by the first-in and first-out method. Cost of inventories is written-down when their carrying amounts become unrecoverable.

2. Depreciation and amortization of fixed assets

(1) 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.

(2) Intangible fixed assets

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

(3) Leased assets

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

3. Foreign currency translation

Receivables and payables denominated in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date, and the differences arising from the translation are included in the statement of operations.

4. Basis 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 collectibilities of individual doubtful receivables.

(2) Accrued warranty costs

Accrued warranty costs are provided to cover the cost of all services anticipated to be incurred during the entire warranty period in accordance with the warranty contracts and based on past experience.

(3) Accrued retirement benefits

Accrued retirement benefits or prepaid pension costs are provided for payment of retirement benefits at the amount calculated based on the retirement benefit obligation and the fair value of pension plan assets at the end of this fiscal year. The net retirement benefit obligation at transition is being amortized over a period of 15 years on a straight-line method. Prior service cost is being amortized as incurred by the straight-line method over the periods which are shorter than the average remaining years of service of the eligible employees.

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

(4) Accrual for loss on disaster

Accrual for loss on disaster is provided to cover the costs reasonably estimated to be incurred for disaster from Great East Japan Earthquake.

5. Other significant accounting policies

(1) Significant hedge accounting method

1) Hedge accounting

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

2) Hedging instruments and hedged items

Hedging instruments - Derivative transactions
Hedged items - Mainly receivables and payables denominated in foreign currencies, and other.

3) Hedging policy

Based on "Policies and Procedures for Risk Management" and "Delegation of Authorities" rules, risks for foreign exchange and interest rate fluctuations are hedged within the certain extent.

4) Assessment of hedge effectiveness

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

(2) Consumption taxes

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

(3) Filing of consolidated tax returns

The Company has been filing consolidated tax returns.

6. Changes in accounting policies

Effective April 1, 2010, the Accounting Standard for Asset Retirement Obligations (ASBJ Statement No.18 issued on March 21, 2008) and the Implementation Guidance on Accounting Standards for Asset Retirement Obligations (ASBJ Guidance No.21 issued on March 31, 2008) have been adopted. The effect of this change was to increase loss before income taxes by 857 million yen for the fiscal year ended March 31, 2011. The effect of this change on operating loss and ordinary loss was immaterial.

7. Change in presentation

(1) Until the year ended March 31, 2010, "Guarantee commission received" was included in “Miscellaneous income” in Non-operating income, whereas this was presented separately in the year ended March 31, 2011.
(2) Until the year ended March 31, 2010, "Gain on sales of subsidiaries and affiliates' stocks" was presented separately, whereas this was included in "Other" in Special gains in the year ended March 31, 2011.

Notes to Non-Consolidated Balance Sheet

1. Accumulated depreciation of property, plant and equipment amounted to 1,390,575 million yen.
   (The above amount includes depreciation of leased assets in the amount of 153,659 million yen.)

2. Guarantees given and other items

・ Guarantees given

Employees	95,148	million yen
Automotive Energy Supply Corporation	18,479	million yen
Nissan Motor Manufacturing (UK) Ltd.	7,645	million yen
Nissan South Africa (Pty) Ltd.	4,295	million yen
Nissan North America, Inc.	897	million yen
Others	10,562	million yen
Total	137,027	million yen

・ Commitments to provide guarantees of indebtedness

Hibikinada Development Co., Ltd.	312	million yen

・ Letter of awareness

Nissan Motor Manufacturing (UK) Ltd.	23,514	million yen
Nissan Motor Iberica, S.A.	23,514	million yen
Dongfeng Nissan Auto Finance Co., Ltd.,	8,242	million yen
Total	55,270	million yen

・ Keepwell agreements

Provided for the following companies

Nissan Motor Acceptance Corp.	1,606,323	million yen
Nissan Financial Services Co., Ltd.	612,000	million yen
Nissan Canda. Inc.	102,184	million yen
Nissan Leasing (Thailand) Co., Ltd.	26,175	million yen
Nissan Financial Services Australia Pty Ltd.	21,520	million yen
Total	2,368,203	million yen

3. Monetary receivables from and payables to subsidiaries and affiliates: (except for separately disclosed)

Short-term monetary receivables:	299,674	million yen
Short-term monetary payables:	293,923	million yen
Long-term monetary payables:	11,365	million yen

Notes to Non-Consolidated Statement of Income

(1) Transactions with subsidiaries and affiliates

Operating transactions with subsidiaries and affiliates
Sales: 2,976,114 million yen
Operating expenses: 1,232,652 million yen
Transactions with subsidiaries and affiliates other than operating transactions: 89,909 million yen

(2) The substance of the loss on disaster is as follows:

Fixed expenses during the suspension of operations : 13,630 million yen
The loss on disposal of damaged assets and repair expenses: 6,472 million yen
Other: 5,036 million yen

Note to Non-Consolidated Statement of Change in Net Assets

Treasury stock (as of March 31, 2011)	Common stock	39,097 thousand shares

Note relating to deferred tax assets and liabilities

Deferred tax assets mainly consisted of those deriving from net operating loss carry forwards, tax credits carry forwards, accrued retirement benefits, accrued warranty costs and others.
Deferred tax liabilities mainly consisted of those deriving from reserves under Special Taxation Measures Law, unrealized holding gain on securities and others.
Valuation allowance provided against deferred tax assets amounted to 212,259 million yen.

Note relating to related party transactions

Subsidiaries, affiliates and others (in millions of yen)

Attribute	Name	Percentage of voting right held by the company	Relation	Nature of transactions	Amount of the transactions	Account	Balance at the end of fiscal year
Subsidiary	Nissan North America, Inc.	Ownership Directly 100%	･Purchasing products manufactured by NML ･Concurrent positions held by directors	Sales	959,679	Trade accounts receivable Advances received	52,437 58,169
Subsidiary	Nissan International SA	Ownership Indirectly 100%	･Purchasing products manufactured by NML ･Concurrent positions held by directors	Sales	340,787	Trade accounts receivable	23,404
Subsidiary	Nissan Shatai Co., Ltd.	Ownership Directly 42.89% Indirectly 0.03%	･Manufacturing certain products on behalf of NML	Purchases	325,951	Trade accounts payable Accrued expenses Advances paid	43,900 5,842 4,381
Subsidiary	Nissan Middle East F. Z. E.	Ownership Directly 100%	･Purchasing products manufactured by NML	Dividend income	30,000	—	—
Subsidiary	NISSAN (CHINA) INVESTMENT CO., LTD.	Ownership Directly 100%	･Purchasing products manufactured by NML ･Concurrent positions held by directors	Dividend income	25,310	—	—
Subsidiary	Nissan Finance Co., Ltd.	Ownership Directly 100%	･Making loans for the group loan provided for domestic subsidiaries	Making loans	308,398	Short-term loans receivable from subsidiaries and affiliates	308,398
Subsidiary	Nissan Financial Services Co., Ltd.	Ownership Directly 100%	･Providing guarantee and loans for sales finance services for vehicles manufactured by the company	Making loans Guarantees given and other (Keepwell Agreements)	200,000 612,000	Short-term loans receivable from subsidiaries and affiliates —	200,000 —
Subsidiary	Nissan Motor Acceptance Corp.	Ownership Indirectly 100%	･Providing guarantee and loans for sales finance services for vehicles manufactured by the company	Making loans Guarantees given and other (Keepwell Agreements)	90,475 1,606,323	Short-term loans receivable from subsidiaries and affiliates —	90,475 —
Subsidiary	Nissan Canada Inc.	Ownership Directly 37.62% Indirectly 62.38%	･Providing guarantee for sales finance services for vehicles manufactured by the company	Guarantees given and other (Keepwell Agreements)	102,184	—	—

Terms and conditions of transactions and policies on deciding terms and conditions

(1) Sales of products and parts are decided considering market prices and total costs.

(2) Purchase of products is decided after investigation and negotiation considering bidding prices, existing prices, and market price of our products. Parts provided to subcontractors are offset against the purchase costs, and after negociation, at the amount which is decided based on the price calculated using the cost.

Others

(1) The Company provides guarantees to the borrowings of its subsidiaries. In addition, the Company provides keepwell agreements, as a part of guarantee, in order to enhance the credits.

(2) The Company has borrowings and lendings with its group companies. The interest rate is determined by reference to market rates.

(3) Dividend income from subsidiaries of which the Company has all voting rights are decided considering its financial condition.

Notes to amounts per share

Net assets excluding share subscription rights per share	435.04 yen
Basic net loss per share	5.37 yen

Significant subsequent events

Issuance of bonds

On April 28, 2011, the Company issued unsecured bonds. The terms and conditions of bonds is summarized as follows:

1. Name of the bond	54th unsecured bonds
2. Principal amount	¥70,000 million
3. Interest rate	0.871% per annum
4. Issue price	¥100 for a par value of ¥100
5. Maturity date	April 28, 2016
6. Payment due date	April 28, 2011
7. Use of proceeds	To be appropriated as repayment of long-term borrowings

Other

Not applicable

Amounts less than one million yen have been omitted.

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