To Shareholders

The items published on the Internet Website concerning the convocation of the 115th Ordinary General Meeting of Shareholders

June 2, 2014

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 Business Report

(1) Name of independent auditors

Ernst & Young ShinNihon LLC

(2) Fees paid to the independent auditors regarding the current business year

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

429 million yen

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

1,003 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 advisories on the IFRS and internal control so forth that are not the services defined in Article 2, Paragraph 1 of the Certified Public Accountants Law of Japan.

③ All the overseas subsidiaries included in “(6) Principal Group Companies” in 1. Business Review of the Fiscal Year 2013 are audited by audit firms other than Ernst & Young ShinNihon LLC.

(3) Policy 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 Corporate 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 Business Report

●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.

(1) Systems to ensure efficient execution and management of business activities by the directors

①Nissan has a Board of Directors, which decides material business activities of the Company and oversees 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, important transactions and investments, are reviewed and discussed, as well as other committee meetings where operational business issues 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 challenge 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 the 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 association

①Nissan implements a "Global Code of Conduct", which explains acceptable behaviors of all employees working at Nissan group companies worldwide and promotes their understanding of our rules of conduct.

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

③With regard to members of the Board of Directors as well as corporate officers of Nissan, Nissan establishes a "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 takes 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 applicable committee, and shall follow their instructions.

⑤If any director, officer or employee encounters, directly or indirectly, any actual or threatened 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 a "Global Compliance Committee".

⑦Nissan implements a hotline system by which the employees are able to submit, via an internal hotline or an external hotline, 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.

⑪The Company's activities relating to the Nissan-Renault Alliance, including operational functions under common-management, are subject to direction, supervision and oversight by the Company's Board of Directors, Executive Committee and relevant officers. Decision-making occurs by the Company's Board of Directors, officers or employees in accordance with the Company's Delegation of Authority, and as otherwise necessary to comply with legal and regulatory requirements.

(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 the members of the Risk Management 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 Risk Management 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.

④Nissan has enacted an "Information Security Policy" and a "Global Records Management Policy" to enhance proper and strict retention and management of information and to prevent improper use of information and unintended disclosure of such information. Furthermore, Nissan has an Information Security Committee, which is engaged in overall management of information security in Nissan and makes decisions on information security matters.

(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 a compliance committee 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 a hotline 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 establish 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 employees 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 incident which could have a materially negative impact on 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

(From April 1, 2013 To March 31, 2014)

(in millions of yen)

	Shareholders' equity					Accumulated other comprehensive income	
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity	Unrealized holding gain and loss on securities	Unrealized gain and loss from hedging instruments
Balance at the beginning of current period	605,814	804,470	3,254,206	(149,549)	4,514,941	20,897	(8,578)
Cumulative effect of changes in accounting policies			(1,330)		(1,330)		
Retained earnings as restated	605,814	804,470	3,252,876	(149,549)	4,513,611	20,897	(8,578)
Changes of items during the period							
Cash dividends paid			(115,265)		(115,265)		
Net income			389,034		389,034		
Purchase of treasury stock				(11)	(11)		
Disposal of treasury stock		15		245	260		
Net changes of items other than those in shareholders' equity						60,733	1,563
Total changes of items during the period		15	273,770	234	274,019	60,733	1,563
Balance at the end of current period	605,814	804,485	3,526,646	(149,315)	4,787,630	81,630	(7,015)

	Accumulated other comprehensive income				Shares subscription rights	Minority interests	Total net assets
	Adjustment for revaluation of the accounts of the consolidated subsidiaries based on general price level accounting	Translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at the beginning of current period	(13,945)	(780,013)	—	(781,639)	2,415	338,276	4,073,993
Cumulative effect of changes in accounting policies		(124)		(124)		(36,509)	(37,963)
Retained earnings as restated	(13,945)	(780,137)	—	(781,763)	2,415	301,767	4,036,030
Changes of items during the period							
Cash dividends paid							(115,265)
Net income							389,034
Purchase of treasury stock							(11)
Disposal of treasury stock							260
Net changes of items other than those in shareholders' equity		310,935	(40,444)	332,787	(14)	28,706	361,479
Total changes of items during the period		310,935	(40,444)	332,787	(14)	28,706	635,498
Balance at the end of current period	(13,945)	(469,202)	(40,444)	(448,976)	2,401	330,473	4,671,528

(Reference information) Consolidated Statement of Comprehensive Income

Consolidated Statement of Comprehensive Income

(From April 1, 2013 To March 31, 2014)

(in millions of yen)

Accounts	Amount
Income before minority interests	414,327
Other comprehensive income	
Unrealized holding gain and loss on securities	52,417
Unrealized gain and loss from hedging instruments	790
Translation adjustments	205,966
The amount for equity method company portion	123,033
Total of other comprehensive income	382,206
Comprehensive income	796,533
(Breakdown of comprehensive income)	
Parent company portion of comprehensive income	762,268
Minority interest portion of comprehensive income	34,265

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 ; 181 companies (Domestic 72, Overseas 109)

Domestic Car Dealers, Parts Distributors
Kanagawa Nissan Motor Co., Ltd., Nissan Motor Sales Co., Ltd.,
Nissan Parts Chuo Sales Co., Ltd.
and 46 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 and 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 105 other companies

Unconsolidated Subsidiaries ; 117 companies (Domestic 71, Overseas 46)

Domestic	Nissan Marine Co., Ltd. and 70 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 ; 60 companies

Unconsolidated subsidiaries;	31 companies (Domestic 18, Overseas 13)
	Nissan Marine Co., Ltd., Calsonic Kansei Spain, S.A. and 29 other companies
Affiliates;	29 companies (Domestic 19, Overseas 10)
	Renault, Dongfeng Motor Co., Ltd., Nissan Tokyo Sales Holdings Co., Ltd. and 26 other companies

Companies not Accounted for by the Equity Method ; 114 companies

Unconsolidated subsidiaries;	86 companies
	Nissan Shatai Computer Service Co., Ltd. and 85 other companies
Affiliates;	28 companies
	Taiwan Calsonic Co.,Ltd. and 27 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

The change in the scope of consolidation and equity method compared with that at the year ended March 31, 2013 was summarized as follows:

Number of companies newly included in the scope of consolidation; 7 subsidiaries
(JATCO (Thailand) Co.,Ltd., Nisssan Techno Vietnam Co., Ltd. and 5 other companies)

Number of companies excluded from the scope of consolidation ; 6 subsidiaries
(Dongfeng Motor Co., Ltd. and 5 other companies)

Number of companies newly accounted for by the equity method; 3 companies
(Dongfeng Motor Co., Ltd. and 2 other companies)

Number of companies ceased to be accounted for by the equity method ; 2 companies
(JATCO (Thailand) Co.,Ltd. and 1 other company)

The scope change of Dongfeng Motor Co., Ltd. was due to the application of the new accounting standard, as mentioned in "4. Changes in accounting policies" (from Proportionate consolidation to Equity method). In addition, the increase in the number of consolidated subsidiaries was primarily attributable to those that were newly established, became material to the consolidated financial statements, and acquisition of the additional shares, and the decrease was mainly due to merger, liquidation, sales of their shares and changes of materiality.

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 : Yulon Nissan Motor Co., Ltd., Nissan Mexicana, S.A. de C.V. and 20 other overseas subsidiaries

(2) Nissan Mexicana, S.A. de C.V. and 7 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 Yulon Nissan Motor Co., Ltd. and 13 other companies, the necessary adjustments are 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 securities ..... Held-to-maturity securities are stated at amortized cost.

Other securities

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

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

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

(3) Basis for reserves and allowances

1) Allowance for doubtful accounts

Allowance for doubtful accounts is provided based on past experience for normal receivables and on an estimate of the collectibility of receivables from companies in financial difficulty.

2) Accrued warranty costs

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

(4) Net defined benefit liability

Net defined benefit liability is recorded principally at an amount calculated based on the retirement benefit obligation and the fair value of the pension plan assets at the end of the current fiscal year.
The net retirement benefit obligation at transition is primarily being amortized over a period of 15 years by the straight-line method.
Past service cost is being amortized as incurred by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees (Principally 6 through 15 years).
Actuarial gain and loss are amortized in the year following the year in which actuarial gain and loss are recognized primarily by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees (Principally 12 through 27 years). Certain foreign consolidated subsidiaries have adopted the corridor approach for actuarial gain and loss, and amortize them over the average remaining years of services of the eligible employees or the average life expectancy of the eligible employees.
Actuarial gains and losses, past service costs and net retirement benefit obligation at transition that are yet to be recognized as gains or losses are recorded as remeasurements of defined benefit plans presented in accumulated other comprehensive income of the net asset section, after being adjusted for tax effects.

(5) Foreign currency translation

Receivables and payables denominated in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date, and differences arising from the translation are charged or credited to income.
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.

(6) 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 others

3) Hedging policy

Based on the internal risk management rules and authority regarding derivative transactions, expected risks such as fluctuations in foreign exchange and interest rate are hedged within certain extent.

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.

(7) Amortization of goodwill

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

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

(8) Accounting for consumption taxes

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

(9) Adoption of consolidated taxation system

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

4. Changes in accounting policies

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

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

This change in accounting policy due to the revision of the aforementioned accounting standard has been retrospectively applied to the Company’s consolidated financial statements for the year ended March 31, 2013. As a result, the Company’s consolidated net assets as of April 1, 2013 presented in Consolidated Statement of Changes in Net Assets, decreased by ¥36,327 million compared with the corresponding figures before the retrospective application.

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

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

This change in accounting policy due to the revision of the aforementioned accounting standard has been applied retrospectively to the Company’s consolidated financial statements, for the year ended March 31, 2013. The effect of retrospective application of the aforementioned accounting standard on the Company’s consolidated net assets as of April 1, 2013 presented in Consolidated Statement of Changes in Net Assets, was immaterial.

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

ASBJ Statement No. 26 *Accounting Standard for Retirement Benefits* (released on May 17, 2012, hereinafter "the Standard") and ASBJ Guidance No. 25 *Guidance on Accounting Standard for Retirement Benefits* (released on May 17, 2012, hereinafter "the Guidance") have been applied effective the end of fiscal year ended March 31, 2014, except items stated in the paragraph 35 of the standard and the paragraph 67 of the guidance. The treatment, in which any difference between retirement benefit obligations and plan assets is recorded as the net defined benefit liability, has been applied and actuarial gains and losses, past service costs and net retirement benefit obligation at transition that are yet to be recognized as gains or losses are recorded as the net defined benefit liability.

The effect of adoption of the standard and the guidance is recognized by adjusting remeasurements of defined benefit plans presented in accumulated other comprehensive income of the net asset section at the end of fiscal year ended March 31, 2014, in accordance with the treatment of transition stated in the paragraph 37 of the standard.

As a result, net defined benefit liability is recorded with the amount of ¥216,583 million and total accumulated other comprehensive income decreased by ¥40,444 million as of the end of fiscal year ended March 31, 2014.

5. Changes in presentations

(Consolidated Balance Sheet)

“Accrued Directors’ retirement benefit”, which had been presented separately in the section of “Long-term liabilities” in the prior fiscal year, has been included in “Other” in the same section due to its immateriality.

(Consolidated Statement of Income)

"Gain on negative goodwill" and "Insurance income" which had been presented as a separate account in the prior fiscal year, have been included in "Other" under "Special gains" due to its decreased financial materiality.

“Special addition to retirement benefits” have been separately presented in "Other", for the current fiscal year due to its increased financial materiality.

Notes to Consolidated Balance Sheet

1. Assets pledged as collateral:

(1) Assets pledged as collateral

	(in millions of yen)
Sales finance receivables	1,774,677
Property, plant and equipment	606,073
Intangible fixed assets	83
Total	2,380,833

(2) Liabilities secured by the above collateral

	(in millions of yen)
Short-term borrowings	426,116
Long-term borrowings	1,441,349
(including the current maturities)	
Total	1,867,465

2. Accumulated depreciation of property, plant and equipment

(in millions of yen)

4,765,030

(The above amount includes depreciation of leased assets in the amount of 132,528 million yen.)

3. Contingent liabilities

	(in millions of yen)
(1) As guarantor of employees' housing loans from banks and others	67,100
	(66,673 for employees, 427 for others)

	(in millions of yen)
(2) Commitments to provide guarantees	134

4. Discounted notes receivables

(in millions of yen)

279

Notes to Consolidated Statement of Changes in Net Assets

1. Shares issued and outstanding

Common stock 4,520,715 thousand shares

2. Dividends

(1) Dividends paid

Resolution	Type of shares	Total dividends (in millions of yen)	Dividends per share (yen)	Cut-off date	Effective date
Annual general meeting of the shareholders on June 25, 2013	Common stock	52,392	12.5	March 31, 2013	June 26, 2013
Meeting of the Board of Directors on November 1, 2013	Common stock	62,873	15	September 30, 2013	November 26, 2013

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

(2) Dividends of which cut off date was in FY2013 and effective date will be in the next fiscal year

Type of shares	Common stock
Resources of dividends	Retained earnings
Total dividends	62,877 million yen (Dividends per share : 15 yen)
Cut off date	March 31, 2014
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, 2014)

Common stock 19,586 thousand shares

Notes to Financial Instruments

1. Overview of financial instruments

The Group's cash is managed through short-term deposits and appropriate repurchase agreement transactions for the purpose of efficient cash management at appropriate risk. Investment in equity/bond-related products is also authorized. With regard to such investment with price fluctuation risk, a strict risk management is implemented, consisting of regular monitoring of mark-to-market and internal reporting. The financing has been diversified, such as bank loans, bond issues, commercial paper issues, and liquidation of securities, to reduce the exposure to liquidity risk.

The Group 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" mainly 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 provides the Group's financial services including auto loans and leases, which are supplied to customers following a strict credit assessment, and inventory financing, which is supplied to dealers.

2. 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, 2014. 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.)

(in millions of yen)

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

(*1) The allowance for doubtful accounts, which is individually reported as part of trade notes and accounts receivable, sales finance receivables and long-term loans receivable, is deducted.

(*2) Carrying value of sales finance receivables is presented with the amount after deducting the corresponding balance of ￥54,955 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:￥515,583 million) are not included in (4) Securities and Investment securities, as it is deemed difficult to measure the fair value because they are non-marketable 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

(in millions of yen)

Carrying value	Estimated Fair Value
127,727	123,143

(Note 1) Carrying value deducted accumulated depreciation and impairment loss from acquisition cost of fixed assets.

(Note 2) 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	1,035.06 yen
Basic net income per share	92.82 yen

Notes to Significant subsequent events

Issuance of bonds

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

1	(1) Name of the bond	57th unsecured bonds
	(2) Principal amount	100,000 million yen
	(3) Interest rate	0.314% per annum
	(4) Issue price	100 yen for a par value of 100 yen
	(5) Maturity date	March 20, 2019
	(6) Payment due date	April 25, 2014
	(7) Use of proceeds	To be appropriated as redemption funds for bonds and a part of repayment of long-term borrowings due through FY2014
2	(1) Name of the bond	58th unsecured bonds
	(2) Principal amount	20,000 million yen
	(3) Interest rate	0.779% per annum
	(4) Issue price	100 yen for a par value of 100 yen
	(5) Maturity date	March 19, 2024
	(6) Payment due date	April 25, 2014
	(7) Use of proceeds	To be appropriated as redemption funds for bonds and a part of repayment of long-term borrowings due through FY2014

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 method for assets

(1) Securities

1) Held-to-maturity securities

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

2) Equity securities issued by subsidiaries and affiliates

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

3) Other securities

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 are 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 the straight-line method based on the estimated useful lives and the estimated residual value determined by the Company.

(2) Intangible fixed assets

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

(3) Leased Assets

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

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 differences arising from the translation are charged or credited to income.

4. Basis for reserves and allowances

(1) Allowance for doubtful accounts

Allowance for doubtful accounts is provided based on past experience for normal receivables and on an estimate of the collectibility of receivables from companies in financial difficulty.

(2) Accrued warranty costs

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

(3) Accrued retirement benefits

Accrued retirement benefits or prepaid pension costs are recorded at an amount calculated based on the retirement benefit obligation and the fair value of pension plan assets at the end of current fiscal year.

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

Past service cost is being amortized as incurred by the straight-line method over periods which are shorter than the average remaining years of services of the eligible employees.

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

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 others

3) Hedging policy

Based on the internal risk management rules and authority regarding derivative transactions, expected risks such as fluctuations in foreign exchange and interest rate are hedged within certain extent.

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) Accounting for retirement benefit

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

(3) Accounting for the consumption taxes

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

(4) Adoption of consolidated taxation system

The Company has been adopted the consolidated taxation system.

Notes to Non-Consolidated Balance Sheet

1. Accumulated depreciation of property, plant and equipment amounted to ¥1,416,674 million.
   (The above amount includes depreciation of leased assets in the amount of ¥85,062 million.)

2. Guarantees given and other items (in millions of yen)

・ Guarantees given

Employees	61,825
Automotive Energy Supply Corporation	11,912
Nissan Motor Manufacturing (UK) Ltd.	4,967
Nissan South Africa (Pty) Ltd.	3,011
Nissan North America, Inc.	804
18 domestic sales companies	5,487
Total	88,009

・ Commitments to provide guarantees of indebtedness

Hibikinada Development Co., Ltd.	134

・ Letter of awareness

Nissan Motor Manufacturing (UK) Ltd.	39,662
Nissan Motor Iberica, S.A.	28,330
Total	67,992

・ Keepwell Agreements

Provided for the following companies

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

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

	(in millions of yen)
Short-term monetary receivables:	531,496
Short-term monetary payables:	700,940
Long-term monetary payables:	9,835

Note to Non-Consolidated Statement of Income

Transactions with subsidiaries and affiliates

	(in millions of yen)
Operating transactions with subsidiaries and affiliates	
Sales:	3,193,861
Operating expenses:	1,356,611
Transactions with subsidiaries and affiliates other than operating transactions:	288,837

Note to Non-Consolidated Statement of Changes in Net Assets

Treasury stock (as of March 31, 2014)	Common stock	30,812 thousand shares

Note to Deferred tax assets and liabilities

Deferred tax assets mainly consist of those deriving from tax credits carry forwards, accrued retirement benefits and accrued warranty costs.
Deferred tax liabilities mainly consist of those deriving from reserves under Special Taxation Measures Law and unrealized holding gain on securities.
Valuation allowance provided against deferred tax assets amounted to ¥70,238 million.

Note 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 the Company	Sales	1,120,759	Trade accounts receivable	61,041
				Making loans	61,752	Long-term loans receivable from subsidiaries and affiliates	61,752
				Dividend income	99,488	-	-
				Guarantees given and other (Keepwell Agreements)	63,604	-	-
Subsidiary	Nissan Shatai Co., Ltd.	Ownership Directly 45.79% Indirectly 0.00%	･Manufacturing certain products on behalf of the Company	Purchase	283,899	Trade accounts payable	72,620
						Advance payments -trade	12,329
						Accounts receivable-other	9,312
						Accrued expenses	3,406
Subsidiary	Nissan Middle East F. Z. E.	Ownership Directly 100%	･Purchasing products manufactured by the Company	Dividend income	108,371	-	-
Subsidiary	Nissan International Holding B.V.	Ownership Directly 100%	･Holding investments in subsidiaries and affiliates	Capital increase	97,150	-	-
Subsidiary	Nissan Finance Co., Ltd.	Ownership Directly 100%	･Lending and borrowing for the group loan provided for domestic subsidiaries	Making loans	459,986	Short-term loans receivable from subsidiaries and affiliates	7,624
						Long-term loans receivable from subsidiaries and affiliates	452,361
				Borrowing	384,117	Short-term borrowings	384,117
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	196,000	Short-term loans receivable from subsidiaries and affiliates	156,000
						Long-term loans receivable from subsidiaries and affiliates	40,000
				Guarantees given and other (Keepwell Agreements)	537,600	-	-
Subsidiary	Nissan Motor Acceptance Corporation	Ownership Indirectly 100%	･Providing guarantee and loans for sales finance services for vehicles manufactured by the Company	Making loans	166,403	Short-term loans receivable from subsidiaries and affiliates	166,403
				Guarantees given and other (Keepwell Agreements)	3,048,075	-	-
Subsidiary	Nissan Financial Services Australia Pty Ltd.	Ownership Indirectly 100%	･Providing guarantee and loans for sales finance services for vehicles manufactured by the Company	Making loans	111,479	Short-term loans receivable from subsidiaries and affiliates	111,479
				Guarantees given and other (Keepwell Agreements)	232,263	-	-
Subsidiary	Nissan Do Brasil Automóveis Ltda.	Ownership Directly 100%	･Making long-term loans for capital expenditures and short-term loans for working capital ･Concurrent positions by directors	Making loans	63,217	Short-term loans receivable from subsidiaries and affiliates	15,463
						Long-term loans receivable from subsidiaries and affiliates	47,754
Subsidiary	Nissan Mexicana, S.A. de C.V.	Ownership Indirectly 100%	･Making long-term loans for capital expenditures	Making loans	51,460	Long-term loans receivable from subsidiaries and affiliates	51,460
Subsidiary	Nissan Leasing (Thailand) Co., Ltd.	Ownership Directly 67.21% Indirectly 32.79%	･Providing guarantee and loans for sales finance services for vehicles manufactured by the Company	Making loans	49,369	Short-term loans receivable from subsidiaries and affiliates	49,369
				Guarantees given and other (Keepwell Agreements)	101,214	-	-
Subsidiary	Nissan Canada Financial Services Inc.	Ownership Indirectly 100%	･Providing guarantee for sales finance services for vehicles manufactured by the Company	Guarantees given and other (Keepwell Agreements)	98,065	-	-
Subsidiary	Nissan Canada Inc.	Ownership Directly 36.73% Indirectly 63.27%	･Providing guarantee for sales finance services for vehicles manufactured by the Company	Guarantees given and other (Keepwell Agreements)	49,050	-	-

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 negotiation, the amount 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 complement the credits.

(2) The Company has borrowings and lendings with its group companies, and 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.

(4) The increase of capital to Nissan International Holding B.V. is due to the investment in kind of a part of the stocks of the overseas subsidiary.

Notes to Amounts per share

Net assets excluding share subscription rights per share	477.04 yen
Basic net income per share	94.77 yen

Notes to Significant subsequent events

Issuance of bonds

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

1	(1) Name of the bond	57th unsecured bonds
	(2) Principal amount	100,000 million yen
	(3) Interest rate	0.314% per annum
	(4) Issue price	100 yen for a par value of 100 yen
	(5) Maturity date	March 20, 2019
	(6) Payment due date	April 25, 2014
	(7) Use of proceeds	To be appropriated as redemption funds for bonds and a part of repayment of long-term borrowings due through FY2014
2	(1) Name of the bond	58th unsecured bonds
	(2) Principal amount	20,000 million yen
	(3) Interest rate	0.779% per annum
	(4) Issue price	100 yen for a par value of 100 yen
	(5) Maturity date	March 19, 2024
	(6) Payment due date	April 25, 2014
	(7) Use of proceeds	To be appropriated as redemption funds for bonds and a part of repayment of long-term borrowings due through FY2014

Other

Not applicable.

Amounts less than one million yen are omitted.

-END-