

Consolidated Five-Year Summary

Nissan Motor Co., Ltd. and Consolidated Subsidiaries
Fiscal years 2001, 2000, 1999, 1998 and 1997

For the years ended	Millions of yen (except per share amounts and number of employees)					Millions of U.S. dollars ^(Note 1) (except per share amounts)
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	1999 Mar. 31, 2000	1998 Mar. 31, 1999	1997 Mar. 31, 1998	2001 Mar. 31, 2002
Net sales	¥6,196,241	¥6,089,620	¥5,977,075	¥6,580,001	¥6,564,637	\$46,588
Operating income	489,215	290,314	82,565	109,722	86,883	3,678
Net income (loss)	372,262	331,075	(684,363)	(27,714)	(14,007)	2,799
Net income (loss) per share ^(Note 2)	92.61	83.53	(179.98)	(11.03)	(5.57)	0.70
Cash dividends paid ^(Note 3)	27,841	0	0	17,591	25,130	209
Shareholders' equity ^(Note 4)	¥1,620,822	¥ 957,939	¥ 563,830	¥ 943,365	¥1,006,790	\$12,187
Total assets ^(Note 4)	7,215,005	6,451,243	6,175,658	6,606,331	7,608,091	54,248
Long-term debt	1,604,955	1,402,547	1,655,610	1,591,596	1,669,642	12,067
Depreciation and amortization	374,827	360,191	434,553	498,444	508,012	2,818
Number of employees	125,099	133,833	141,526	131,260	137,201	

Notes: 1. Unless indicated otherwise, all dollar figures herein refer to U.S. currency. Yen amounts have been translated into U.S. dollars, for convenience only, at ¥133=\$1, the approximate exchange rate on March 31, 2002.

2. Net income (loss) per share amounts are based on the weighted average number of shares of common stock outstanding during each year. Figures for net income (loss) per share are in exact yen and U.S. dollars.

Number of shares outstanding as of March 31, 2002: 4,517,045,210.

3. Cash dividends during the full year by subsidiary companies to non-Nissan minority shareholders are not included.

4. Shareholders' equity and Total assets for fiscal years 1997-1999 were restated in accordance with the changes in the regulations relating to the presentation of translation adjustments effective fiscal year 2000.

Sales and Production (units) For the years ended	2001 Mar. 31, 2002	2000 Mar. 31, 2001	1999 Mar. 31, 2000	1998 Mar. 31, 1999	1997 Mar. 31, 1998
Global vehicle production^(Note 1)	2,474,888	2,613,948	2,402,264	2,465,796	2,754,598
Japan	1,272,851	1,313,527	1,336,918	1,528,461	1,671,510
United States	363,366	352,927	348,214	279,392	396,887
Mexico	329,091	334,061	216,140	169,339	184,699
Spain	109,813	153,807	105,245	96,000	99,885
United Kingdom	290,046	332,532	286,865	275,993	277,509
Others	109,721	127,094	108,882	116,611	124,108
Global unit sales (wholesale)	2,460,484	2,564,160	2,415,433	2,541,736	2,567,878
Japan	702,657	725,842	758,603	872,507	981,512
North America ^(Notes 2 and 3)	968,030	985,168	874,160	656,789	678,488
Europe ^(Note 3)	453,697	513,048	500,836	549,547	494,092
Others ^(Note 2)	336,100	340,102	281,834	462,893	413,786

Notes: 1. All the figures for global vehicle production are on an April to March basis.

2. Unit sales in Mexico for 2001, 2000 and 1999 are included in "North America" according to new geographical segmentation applied at April 1999. Those for years before 1999 have still been included in "Others."

3. Sales for Europe and Mexico are on a January to December basis.

Financial Review

THE SUCCESSES OF THE NRP ARE REFLECTED IN NISSAN'S FINANCIAL PERFORMANCE IN 2001—THE BEST IN THE COMPANY'S HISTORY. INCREASED INCOME AND A SHARP REDUCTION OF DEBT SET THE STAGE FOR THE GROWTH ENVISIONED IN NISSAN 180.

FISCAL YEAR 2001 BUSINESS PERFORMANCE

Overall, Nissan sold 2,597,000 vehicles worldwide in fiscal year 2001, down slightly by 1.4% from fiscal year 2000. Looking at our performance on a half-year basis, the second half was stronger than the first half. Sales volume was down 3.6% year on year in the first half, but up 0.8% in the second half. This is thanks to the acceleration of product launches planned under the NRP, such as the new Altima in the US market.

NET SALES

Consolidated net sales came to ¥6.196 trillion, up 1.8% from last year. However, with consistent accounting methods and scope of consolidation, sales would have increased by 5.4%. There were two changes. First, in a further move to bring our accounts in line with internationally accepted standards step by step, Contest and Incentive spending in the United States and Mexico (C&I) have been deducted directly from sales rather than being accounted as expense items. The impact was a drop of 98.9 billion yen or 1.6% in revenues. Second, the spin-off of 18 previously consolidated companies such as Vantec, Tennex, Nissan Transport and dealers also had a negative impact on revenues of ¥113.2 billion or 1.8%.

OPERATING INCOME

Nissan's consolidated operating profit improved by 68% from ¥290.3 billion in fiscal year 2000 to a record ¥489.2 billion in fiscal year 2001. As a percentage of net sales, the operating profit margin came to 7.9%, the highest in the company's history, and significantly higher than the NRP commitment of 4.5% for fiscal year 2002. The second half of the fiscal year was particularly strong, as Nissan consolidated operating margin exceeded 9.0%.

The positive variance of nearly ¥200 billion between last year's operating profit and this year's profit can be explained as follows:

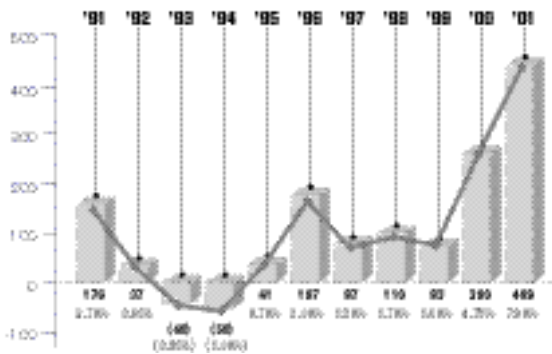
The improvement in purchasing costs during fiscal year 2001 was again the single most important factor contributing to the improvement in profitability. The net accounting impact of this year's 9.0% out of the 20% reduction target came to ¥245 billion.

Total R&D expenditures amounted to ¥262 billion in fiscal year 2001, increasing by ¥28 billion, net of the impact of foreign exchange. This increase in spending is needed to support the renewal and expansion of our product line up as well as the development of new technology.

Product enrichment and the cost of regulations had a negative impact of ¥62 billion. Even though this year's impact is slightly lower than last year's, this is a permanent feature of our industry.

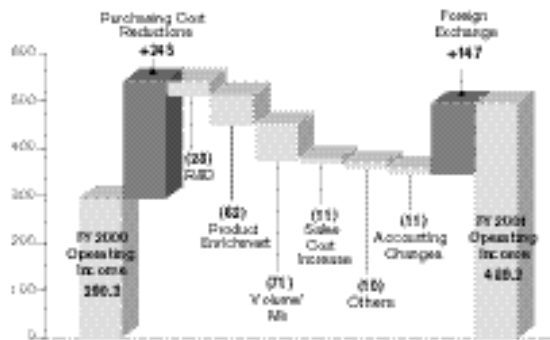
Operating Profit

Fiscal years 1991-2001 (Billions of yen)



Impacts on Operating Profit

Fiscal years 2001 (Billions of yen)



The drop in volumes and mix globally generated a negative impact of ¥71 billion for the full year. Compared to the negative impact we reported for the first half of 2001, the second half shows a clear improvement, especially in the US.

Selling expenses increased by ¥11 billion, mainly due to an increase in Japan in the second half as we phased out products like the former March. But in the US and Europe, these were largely unchanged.

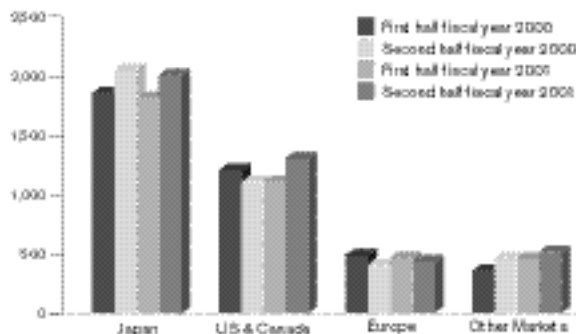
The accounting changes relating to income recognition in the US and Mexico as described earlier did not impact operating profits. However, the

spin-off of 18 companies that were profitable in the aggregate produced a negative impact of ¥11 billion.

Finally, the weakening value of the yen, especially during the second half, produced a positive impact of ¥147 billion on consolidated operating profits for the full year. The average value of the dollar in fiscal year 2001 was 125.1 yen, compared to 110.6 yen in fiscal year 2000, producing an impact of ¥128 billion, while the euro moved from ¥99.6 in fiscal year 2000 to ¥108.8 in fiscal year 2001. The positive impact of the euro and other currencies was ¥19 billion.

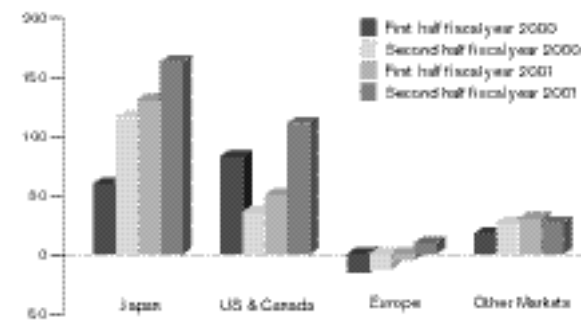
Sales by Region

Fiscal years 2000-2001 (Billions of yen)



Operating Profit by Region

Fiscal years 2000-2001 (Billions of yen)



ORDINARY INCOME

Consolidated ordinary profit rose 47% to ¥414.7 billion for the full fiscal year 2001 compared to ¥282.3 billion in fiscal year 2000.

Non-operating items included ¥20.4 billion for Net Financial Costs, as interest-bearing debt declined swiftly and the company benefited from a more streamlined finance operation as well as lower borrowing costs. The company also charged ¥23.9 billion, as it continues to amortize the remainder of its past pension liabilities over 15 years.

Extraordinary items included a net gain of ¥16.9 billion on the disposal of fixed assets; however, this was largely offset by the loss of ¥26.8 billion from sales of marketable securities (including all banking securities to avoid further downside) and the loss of ¥26 billion on devaluation of investments.

NET INCOME

Current income taxes came to ¥87.4 billion; however, the overall impact was positive due to the recognition of ¥102.1 billion in deferred taxes. As a result, Nissan has recognized nearly all of its current deferred taxes. Minority interests in companies that we do not fully own represented a charge of ¥6.6 billion for fiscal year 2001 versus a charge of ¥21.1 billion yen last year.

Therefore, Nissan reported a consolidated net income of ¥372.3 billion or 6.0% net margin in fiscal year 2001, versus ¥331.1 billion in fiscal year 2000. This is the best net result in the company's history.

FINANCIAL POSITION

ASSETS

Total consolidated assets increased by 12% to ¥7.2 trillion in fiscal year 2001 compared to ¥6.4 trillion at the end of fiscal year 2000.

Current Assets increased by 15.7% during fiscal year 2001 to ¥3.5 trillion. This was mainly due to the strong development of sales financing in North America, notably during the second half of the year since Nissan Motor Acceptance Corporation (NMAC) sales improved sharply after the successful introduction of Altima. NMAC effectively increased its penetration rate to 52% at the end of fiscal year 2001, versus 46% at the end of fiscal year 2000, principally in retail credit. Otherwise, trade receivables and inventories overall have been following a decreasing trend, representing both 8.6% of consolidated revenues at the end of fiscal year 2001 compared to 9.4% and 9.2% in fiscal year 2000.

Investments and other assets also increased to ¥818 billion yen from ¥629.6 billion. Beside the disposal of the non-core assets and securities (including the entire portfolio of banking securities), Nissan acquired 13.5% of Renault's capital in March, 2002, through a reserved capital increase. This purchase followed the exercise of warrants held by Renault resulting in a rise of its stake of Nissan equity from 36.8% to 44.4%. In May, Nissan completed its transaction and purchased an additional 1.5% of Renault, reaching 15% of Renault capital. The cross-shareholding is now completed and is not to be changed in the foreseeable future.

SHAREHOLDERS' EQUITY

Total shareholders' equity increased sharply from ¥0.96 trillion in fiscal year 2000 to ¥1.62 trillion, thanks to much-improved profits and the increase in capital corresponding to the exercise of Renault's warrants. As a result, the number of Nissan shares outstanding at the end of fiscal year 2001 increased by 539,000 units for a total of 4.517 billion units.

Consolidated shareholders' equity strengthened during fiscal year 2001, representing 26% of total revenues and 22% of total assets, compared to 16% of total revenues and 15% of total assets in fiscal year 2000.

The company proposed an increase of the dividend by 14%, from seven yen per share to eight yen per share for fiscal year 2001 at the shareholder annual meeting on June 20, 2002. The company has also proposed to restore the payment of an interim dividend at mid year of four yen for the fiscal year 2002. Beyond these actions, management firmly intends to establish a stable and satisfactory dividend policy for its shareholders over the medium term.

DEBT

Net automotive debt decreased sharply, exceeding forecasts and the NRP commitment. Thanks to the continued sale of non-core assets, which totaled ¥192 billion in fiscal year 2001, but increasingly from the generation of profits from operations and improvement in working capital, net automotive debt stood at ¥432 billion at the end of fiscal year 2001, down ¥521 billion from the end of last fiscal year. As a percentage of shareholders' equity, this has significantly improved to 31%

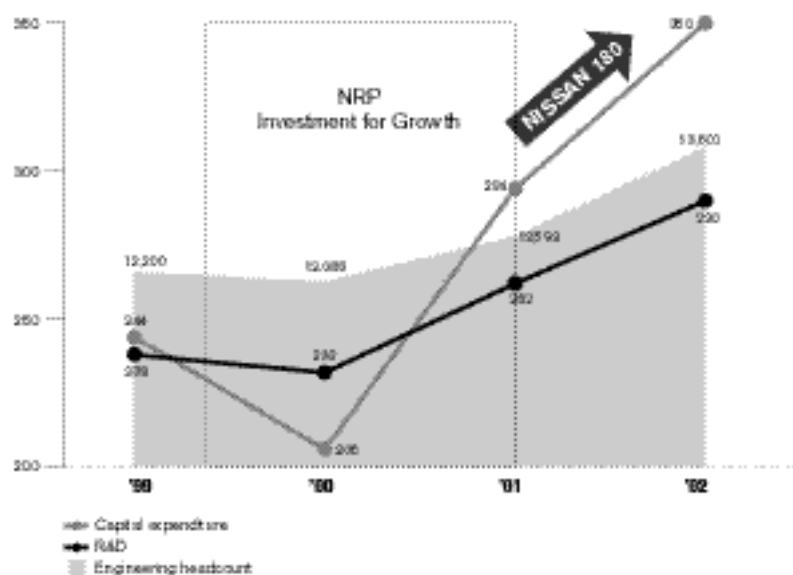
compared to 126% at the same period last year. Consequently, the company is now paying less financial expenses and has gained more flexibility in terms of financial policies.

Nissan was upgraded by rating agencies and has returned to investment grade categories.

CASH FLOW

Consolidated cash generated from operating activities more than doubled during fiscal year 2001, to ¥222 billion from ¥73 billion a year before. As mentioned earlier, the higher profits from operations and improved working capital requirements were the main contributors to this sharp improvement. This cash was mainly used to pay back automotive debt and to renew the product range.

Investment for Growth
Fiscal years 1999-2002 (Billions of yen)



Consolidated Balance Sheets

Nissan Motor Co., Ltd. and Consolidated Subsidiaries
Fiscal years 2001 and 2000

ASSETS	As of	Millions of yen		Thousands of U.S. dollars ^(Note 4)
		2001 Mar. 31, 2002	2000 Mar. 31, 2001	2001 Mar. 31, 2002
Current assets:				
Cash and cash equivalents ^(Note 9)		¥ 279,653	¥ 288,536	\$ 2,102,654
Short-term investments ^{(Notes 2(e) and 20)}		666	4,392	5,008
Receivables, less allowance for doubtful receivables ^(Notes 5 and 9)		2,179,854	1,724,569	16,389,879
Inventories ^(Note 6)		534,051	559,088	4,015,421
Other current assets		523,031	463,358	3,932,564
Total current assets		3,517,255	3,039,943	26,445,526
Property, plant and equipment, at cost ^{(Notes 7 and 9):}		6,211,552	6,091,206	46,703,398
Less accumulated depreciation ^{(Note 3(c))}		(3,332,394)	(3,309,486)	(25,055,593)
Property, plant and equipment, net		2,879,158	2,781,720	21,647,805
Investments and other assets^{(Notes 2(e), 9 and 20):}				
Investment securities:				
Unconsolidated subsidiaries and affiliates		117,969	138,048	886,985
Other		281,144	174,848	2,113,865
Other assets		419,479	316,684	3,153,977
Total investments and other assets		818,592	629,580	6,154,827
Total assets		¥7,215,005	¥6,451,243	\$54,248,158

LIABILITIES AND SHAREHOLDERS' EQUITY	As of	Millions of yen		Thousands of U.S. dollars ^(Note 4)
		2001 Mar. 31, 2002	2000 Mar. 31, 2001	2001 Mar. 31, 2002
Current liabilities:				
Short-term borrowings and current portion of long-term debt ^(Note 9)		¥1,424,804	¥1,429,516	\$10,712,812
Notes and accounts payable ^(Note 8)		990,273	948,597	7,445,661
Accrued income taxes ^(Note 14)		46,706	54,884	351,173
Other current liabilities		546,232	677,809	4,107,008
Total current liabilities		3,008,015	3,110,806	22,616,654
Long-term liabilities:				
Long-term debt ^(Note 9)		1,604,955	1,402,547	12,067,331
Accrued retirement benefits ^{(Notes 2(f), 3(a) and 10)}		400,342	400,713	3,010,090
Accrual for losses on business restructuring		49,591	74,531	372,865
Accrual for warranty costs ^{(Note 3(b))}		160,938	154,557	1,210,060
Other long-term liabilities		293,053	270,973	2,203,406
Total long-term liabilities		2,508,879	2,303,321	18,863,752
Minority interests in consolidated subsidiaries		77,289	79,177	581,120
Shareholders' equity ^{(Notes 11, 15 and 23):}				
Common stock, without per value:				
Authorized—6,000,000,000 shares;				
Issued —4,517,045,210 shares in 2001 and 3,977,295,210 shares in 2000		604,556	496,606	4,545,534
Capital surplus		803,212	690,262	6,039,188
Retained earnings		430,751	87,626	3,238,729
Unrealized holding gains on securities ^{(Note 2(e))}		4,406	1,438	33,128
Translation adjustments ^{(Note 2(b))}		(221,973)	(316,481)	(1,668,970)
		1,620,952	959,451	12,187,609
Less treasury common stock, at cost; 173,987 shares in 2001 and 3,587,173 shares in 2000		(130)	(1,512)	(977)
Total shareholders' equity		1,620,822	957,939	12,186,632
Commitments and contingencies ^(Note 18)				
Total liabilities and shareholders' equity		¥7,215,005	¥6,451,243	\$54,248,158

See notes to consolidated financial statements.



Consolidated Statements of Operations

Nissan Motor Co., Ltd. and Consolidated Subsidiaries
Fiscal years 2001, 2000 and 1999

For the years ended	Millions of yen			Thousands of U.S. dollars ^(Note 4)
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	1999 Mar. 31, 2000	2001 Mar. 31, 2002
Net sales	¥6,196,241	¥6,089,620	¥5,977,075	\$46,588,278
Cost of sales ^{(Notes 3(c), 7 and 12)}	4,546,526	4,633,780	4,568,233	34,184,406
Gross profit	1,649,715	1,455,840	1,408,842	12,403,872
Selling, general and administrative expenses ^{(Notes 3(c), 7 and 12)}	1,160,500	1,165,526	1,326,277	8,725,564
Operating income	489,215	290,314	82,565	3,678,308
Other income (expenses):				
Interest income	12,250	7,692	9,712	92,105
Interest expense	(34,267)	(42,241)	(73,979)	(257,647)
Equity in earnings (losses) of unconsolidated subsidiaries and affiliates	921	9,239	(19,033)	6,925
Other, net ^(Note 13)	(103,903)	24,694	(711,919)	(781,225)
	(124,999)	(616)	(795,219)	(939,842)
Income (loss) before income taxes and minority interests	364,216	289,698	(712,654)	2,738,466
Income taxes ^{(Note 14):}				
Current	87,446	68,105	40,503	657,489
Deferred	(102,148)	(130,637)	(30,589)	(768,030)
	(14,702)	(62,532)	9,914	(110,541)
Minority interests	(6,656)	(21,155)	38,205	(50,045)
Net income (loss) ^(Note 19)	¥ 372,262	¥ 331,075	¥ (684,363)	\$ 2,798,962

See notes to consolidated financial statements.



Consolidated Statements of Shareholders' Equity

Nissan Motor Co., Ltd. and Consolidated Subsidiaries
Fiscal years 2001, 2000 and 1999

For the years ended	Millions of yen			Thousands of U.S. dollars ^(Note 4)
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	1999 Mar. 31, 2000	2001 Mar. 31, 2002
Common stock:				
Balance at beginning of the year				
(2001—3,977,295,210 shares; 2000—3,977,293,751 shares; 1999—2,513,043,751 shares)	¥ 496,606	¥ 496,605	¥ 203,755	\$ 3,733,880
Private placement ^(Note 11)				
(2001— 539,750,000 shares; 1999—1,464,250,000 shares)	107,950	—	292,850	811,654
Conversion of convertible bonds				
(2000— 1,459 shares)	—	1	—	—
Balance at end of the year				
(2001—4,517,045,210 shares; 2000—3,977,295,210 shares; 1999—3,977,293,751 shares)	¥ 604,556	¥ 496,606	¥ 496,605	\$ 4,545,534
Capital surplus:				
Balance at beginning of the year	¥ 690,262	¥ 690,262	¥ 397,412	\$ 5,189,940
Private placement ^(Note 11)	112,950	—	292,850	849,248
Conversion of convertible bonds	—	0	—	—
Balance at end of the year	¥ 803,212	¥ 690,262	¥ 690,262	\$ 6,039,188
Retained earnings (deficit):				
Balance at beginning of the year	¥ 87,626	¥ (237,301)	¥ 653,433	\$ 658,842
Net income (loss)	372,262	331,075	(684,363)	2,798,962
Cash dividends paid	(27,841)	—	—	(209,323)
Bonuses to directors and statutory auditors	(286)	(131)	(141)	(2,158)
Other ^(Note 15)	(1,010)	(6,017)	(206,230)	(7,594)
Balance at end of the year	¥ 430,751	¥ 87,626	¥ (237,301)	\$ 3,238,729
Unrealized holding gain on securities^{(Note 2(e))}:				
Balance at beginning of the year	¥ 1,438	¥ —	¥ —	\$ 10,812
Net change during the year	2,968	1,438	—	22,316
Balance at end of the year	¥ 4,406	¥ 1,438	¥ —	\$ 33,128
Translation adjustments^{(Note 2(b))}:				
Balance at beginning of the year	¥(316,481)	¥(365,526)	¥(311,230)	\$ (2,379,556)
Net change during the year	94,508	49,045	(54,296)	710,586
Balance at end of the year	¥(221,973)	¥(316,481)	¥(365,526)	\$ (1,668,970)

See notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Nissan Motor Co., Ltd. and Consolidated Subsidiaries
Fiscal years 2001, 2000 and 1999

For the years ended	Millions of yen			Thousands of U.S. dollars ^(Note 4)
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	1999 Mar. 31, 2000	2001 Mar. 31, 2002
Operating activities				
Income (loss) before income taxes and minority interests	¥ 364,216	¥ 289,698	¥ (712,654)	\$ 2,738,466
Depreciation and amortization relating to:				
Leased assets	169,213	133,145	175,962	1,272,278
Other assets	205,614	227,046	258,591	1,545,970
Provision for doubtful receivables	39,273	17,320	26,561	295,286
Unrealized loss on securities	6,757	14,152	29,827	50,805
Unrealized loss on leased vehicles	6,069	7,619	26,706	45,632
Interest and dividend income	(13,837)	(11,139)	(13,415)	(104,038)
Interest expense	102,656	108,188	119,176	771,850
Gain on sales of property, plant and equipment	(28,229)	(55,497)	(321)	(212,248)
Loss on disposal of property, plant and equipment	11,285	16,730	29,682	84,850
Loss (gain) on sales of securities	26,823	(65,043)	(42,053)	201,677
Amortization of net retirement benefits obligations at transition	23,925	24,729	—	179,887
Provision for accrued retirement benefits	60,870	62,075	—	457,669
Retirement benefits paid	(81,326)	(67,351)	—	(611,474)
Amortization of prior service cost	—	—	222,981	—
Provision for losses on business restructuring	—	—	164,590	—
Business restructuring costs paid	(9,213)	(28,035)	—	(69,271)
Receivables	7,334	(100,533)	41,536	55,143
Finance receivables	(434,665)	(389,555)	(8,400)	(3,268,158)
Inventories	53,162	16,633	43,146	399,714
Notes and accounts payable	78,255	24,476	(40,814)	588,383
Other	(178,517)	(6,837)	110,303	(1,342,233)
Subtotal	409,665	217,821	431,404	3,080,188
Interest and dividends received	11,483	8,024	11,569	86,338
Interest paid	(104,958)	(109,206)	(121,607)	(789,158)
Income taxes paid	(93,976)	(43,388)	(29,275)	(706,586)
Net cash provided by operating activities	222,214	73,251	292,091	1,670,782
Investing activities				
Decrease in short-term investments	3,411	3,690	57,540	25,647
Purchases of investment securities	(230,397)	(9,294)	(25,682)	(1,732,308)
Proceeds from sales of investment securities	99,666	177,731	57,825	749,368
Long-term loans made	(8,730)	(2,280)	(7,439)	(65,639)
Collection of long-term loans receivable	6,978	9,831	5,269	52,466
Purchases of fixed assets	(293,800)	(205,636)	(244,200)	(2,209,023)
Proceeds from sales of property, plant and equipment	108,935	98,692	85,859	819,060
Purchases of leased vehicles	(396,213)	(362,781)	(362,428)	(2,979,045)
Proceeds from sales of leased vehicles	185,152	192,635	208,635	1,392,120
Proceeds from sales of subsidiaries' stock resulting in changes in the scope of consolidation ^(Note 16)	13,639	10,331	40,779	102,549
Additional acquisition of shares of consolidated subsidiaries	(2,634)	(2,568)	(10,237)	(19,805)
Proceeds from sales of business ^(Note 16)	—	40,379	—	—
Other	(10,396)	33,685	13,667	(78,165)
Net cash used in investing activities	(524,389)	(15,585)	(180,412)	(3,942,775)
Financing activities				
Increase (decrease) in short-term borrowings	308,869	(16,403)	(831,150)	2,322,323
Increase in long-term borrowings	631,451	248,298	213,909	4,747,752
Increase in bonds and debentures	246,822	50,000	295,313	1,855,805
Repayment or redemption of long-term debt	(1,092,066)	(555,045)	(563,055)	(8,211,023)
Proceeds from issuance of new shares of common stock	220,899	—	585,700	1,660,895
Proceeds from sales of treasury stock	2,324	25,975	—	17,474
Repayment of lease obligations	(9,543)	(15,919)	(18,460)	(71,752)
Cash dividends paid	(27,841)	—	(340)	(209,331)
Net cash provided by (used in) financing activities	280,915	(263,094)	(318,083)	2,112,143
Effect of exchange rate changes on cash and cash equivalents	10,371	7,155	(30,567)	77,977
Decrease in cash and cash equivalents	(10,889)	(198,273)	(236,971)	(81,873)
Cash and cash equivalents at beginning of the year	288,536	490,708	695,265	2,169,444
Increase due to inclusion in consolidation	2,006	564	33,668	15,083
Decrease due to exclusion from consolidation	—	(4,463)	(1,254)	—
Cash and cash equivalents at end of the year	¥ 279,653	¥ 288,536	¥ 490,708	\$ 2,102,654

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Nissan Motor Co., Ltd. and Consolidated Subsidiaries
Fiscal year 2001 (Year ended March 31, 2002)

1. BASIS OF PRESENTATION

Nissan Motor Co., Ltd. (the "Company") and its domestic subsidiaries maintain their books of account in conformity with the financial accounting standards of Japan, and its foreign subsidiaries maintain their books of account in conformity with those of their countries of domicile.

The accompanying consolidated financial statements have been prepared in accordance with accounting principles and practices generally accepted and applied in Japan, which may differ in certain material respects

from accounting principles and practices generally accepted in countries and jurisdictions other than Japan, and have been compiled from the consolidated financial statements prepared by the Company as required by the Securities and Exchange Law of Japan.

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of consolidation and accounting for investments in unconsolidated subsidiaries and affiliates

In accordance with the revised accounting standard for consolidation which became effective the year ended March 31, 2000, the accompanying consolidated financial statements include the accounts of the Company and any significant companies controlled directly or indirectly by the Company. Companies over which the Company exercises significant influence in terms of their operating and financial policies have been included in the consolidated financial statements on an equity basis. All significant intercompany balances and transactions have been eliminated in consolidation.

Due to this change in the accounting standard for consolidation, the number of consolidated companies increased by 139 in the year ended March 31, 2000. At the same time, the number of companies included in the consolidated financial statements on an equity basis decreased by 23. The major companies formerly accounted for by the equity method which were included in consolidation pursuant to this change in accounting standard are Nissan Shatai Co., Ltd., Aichi Machine Industry Co., Ltd., Nissan Credit Corporation, Nissan Real Estate Development Corporation and Nissan Motor Company South Africa (Proprietary) Limited (former "Automakers (Pty) Limited"). The decrease in the number of consolidated subsidiaries reflects the 9 companies sold (primarily finance companies in Europe) and the 9 companies merged with other subsidiaries. The total effect of these changes in the scope of consolidation was to decrease retained earnings by ¥91,319 million at April 1, 1999.

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

Investments in subsidiaries and affiliates which are not consolidated or accounted for by the equity method are carried at cost or less. Where there has been a permanent decline in the value of such investments, the Company has written down the investments.

Differences, not significant in amount, between the cost and the underlying net equity at fair value of investments in consolidated subsidiaries and in companies which are accounted for by the equity method have been charged or credited to income in the year of acquisition and are included in selling, general and administrative expenses.

(b) Foreign currency translation

The balance sheet accounts of the foreign consolidated subsidiaries are translated into yen at the rates of exchange in effect at the balance

sheet date, except for the components of shareholders' equity which are translated at their historical exchange rates. Revenue and expense accounts are translated at the average rate of exchange in effect during the year, except for those of the subsidiary in Mexico which are translated at the rate of exchange in effect at the balance sheet date. A revised accounting standard for foreign currency translation became effective April 1, 2000. The effect of the adoption of the revised standard on the consolidated financial statements was immaterial for the year ended March 31, 2001.

(c) Cash equivalents

All highly liquid investments with a maturity of three months or less when purchased are considered cash equivalents.

(d) Inventories

Inventories are stated principally at the lower of cost or market. The cost of finished products, work in process and purchased parts is determined primarily by the average method, and the cost of raw materials and supplies is determined primarily by the last-in, first-out method.

(e) Short-term investments and investment securities

Until the year ended March 31, 2000, marketable securities had been valued principally at the lower of cost or market, cost being determined by the moving average method, and investment securities other than marketable securities had been stated at cost determined by the moving average method.

A new accounting standard for financial instruments, which became effective April 1, 2000, requires that securities other than those of subsidiaries and affiliates be classified into three categories: trading, held-to-maturity or other securities. Under the new standard, trading securities are carried at fair value and held-to-maturity securities are carried at amortized cost. 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, included directly in shareholders' equity. Non-marketable securities classified as other securities are carried at cost. Cost of securities sold is determined by the moving average method.

As of April 1, 2000, the Company and its consolidated subsidiaries assessed their intent to hold their investments in securities and classified their investments as "held-to-maturity securities" or "other securities" and have accounted for the securities at March 31, 2002 and 2001 in accordance with the new standard referred to above.

The effect of the adoption of this new standard for financial instruments was to increase income before income taxes and minority interests by ¥19,889 million for the year ended March 31, 2001.

(f) Property, plant and equipment and depreciation

Depreciation of property, plant and equipment of the Company and its consolidated subsidiaries is calculated principally by the straight-line method based on the estimated useful lives and the residual value determined by the Company. See Note 3(c). Significant renewals and additions are capitalized at cost. Maintenance and repairs are charged to income.

(g) Leases

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

(h) Retirement benefits

Until the year ended March 31, 2000, accrued retirement benefits were stated at the amount which would be required to be paid if all employees covered by the retirement benefit plans voluntarily terminated their employment at the balance sheet date, less the amounts expected to be covered by the pension plans.

Costs with respect to the pension plans are funded at an amount determined actuarially. Prior service cost is being funded over a period of 14 years. The Company and certain consolidated subsidiaries charged such prior service cost to operations when actuarially determined or when payment became liable. See Note 3(a).

In accordance with a new accounting standard for retirement benefits which became effective April 1, 2000, accrued retirement benefits for employees at March 31, 2002 and 2001 have been provided mainly at an amount calculated based on the retirement benefit obligation and the fair value of the pension plan assets as of balance sheet dates, as adjusted for unrecognized net retirement benefit obligation at transition, unrecognized actuarial gain or loss, and unrecognized prior service cost. The retirement benefit obligation is attributed to each period by the straight-line method over the estimated years of service of the eligible employees. The net retirement benefit obligation at transition is being amortized principally over a period of 15 years by the straight-line method.

Actuarial gain and loss are amortized in the year following the year in which the gain or loss is recognized primarily by the straight-line method over periods (principally 8 years through 18 years) which are shorter than the average remaining years of service of the employees. Certain foreign consolidated subsidiaries have adopted the corridor approach for the amortization of actuarial gain and loss.

Prior service cost is being amortized as incurred by the straight-line method over periods (principally 9 years through 15 years) which are shorter than the average remaining years of service of the employees.

The effect of the adoption of the new standard for retirement benefits was to decrease income before income taxes and minority interests by ¥35,042 million for the year ended March 31, 2001.

(i) Income taxes

In accordance with a new accounting standard for income taxes which became effective the year ended March 31, 2000, deferred tax assets and liabilities have been recognized in the consolidated financial state-

ments with respect to the differences between financial reporting and the tax bases of the assets and liabilities, and were measured using the enacted tax rates and laws which will be in effect when the differences are expected to reverse.

The effect of the adoption of the new standard for income taxes was to increase total assets by ¥14,736 million, total liabilities by ¥63,343 million and deficit by ¥64,330 million at March 31, 2000, and to decrease net loss by ¥34,238 million for the year ended March 31, 2000.

(j) Research and development costs

Research and development costs are charged to income when incurred.

A new accounting standard for research and development costs became effective the year ended March 31, 2000. However, the adoption of this new standard had no effect on the consolidated statement of operations for the year ended March 31, 2000.

(k) Revenue recognition

Revenue is generally recognized on sales of products at the time of shipment.

(l) Accounting for sales incentive

In accordance with a new accounting standard for sales incentives which became effective the year ended March 31, 2002 in the United States, certain sales promotion expenses (i.e., incentives paid in cash based on sales volume) of subsidiaries in the United States and Mexico, which had previously been included in selling, general and administrative expenses, have been accounted for as deductions from sales. As a result of this change, sales and gross profit decreased by ¥98,920 million (\$743,759 thousand) as compared with the corresponding amounts for the previous year. However, this change had no impact on operating income and income before income taxes and minority interests. See Note 22.

(m) Derivative financial instruments

The Company and certain consolidated subsidiaries have entered into various derivative transactions in order to manage certain risks arising from adverse fluctuations in foreign currency exchange rates, interest rates and stock prices. In accordance with a new accounting standard for financial instruments which became effective April 1, 2000, derivative financial instruments are carried at fair value with changes in unrealized gain or loss charged or credited to operations, except for those which meet the criteria for deferral hedge accounting under which unrealized gain or loss is deferred as an asset or a liability. Receivables and payables hedged by qualified forward foreign exchange contracts are translated at the corresponding foreign exchange contract rates.

(n) Appropriation of retained earnings

Under the Commercial Code of Japan, the appropriation of retained earnings with respect to a given financial year is made by resolution of the shareholders at a general meeting held subsequent to the close of such financial year. The accounts for that year do not, therefore, reflect such appropriations. See Note 23.

3. ACCOUNTING CHANGES

(a) Effective April 1, 1999, the Company and certain consolidated subsidiaries changed their method of accounting for prior service cost regarding the tax qualified pension plans (TQP) and the government-sponsored welfare pension fund plans (WPF) from expensing such cost upon payment, to recognizing this as expense when actuarially determined or when payment became liable. This change was made in order to establish a solid financial position, considering the fact that the materiality of the unfunded prior service cost of the TQP increased due to the low rate of return on the pension assets and as the level of funding of the WPF did not reach the minimum level of funding required at March 31, 1999. In addition, certain consolidated subsidiaries changed their method of accounting for retirement allowances to provide an accrual at 100% of the amount which would be required to be paid if all employees voluntarily terminated their employment at the balance sheet date instead of providing an accrual at 40% of such amount in order to conform their accounting policies to that of the parent company. The cumulative effect of these changes amounted to ¥275,876 million at April 1, 1999 and was recorded as a special loss for the year ended March 31, 2000.

The effect of these changes in method of accounting was to increase operating income by ¥14,230 million and loss before income taxes and minority interests by ¥261,646 million, to decrease income tax expense by ¥14,057 million and to increase minority interests by ¥13,930 million and net loss by ¥233,659 million for the year ended March 31, 2000.

(b) Until the year ended March 31, 1999, the Company and its domestic consolidated subsidiaries provided an accrual for warranty costs to cover the cost of services for the following fiscal year in order to fulfill their liability under the terms of their warranty contracts and based on

their historical experience. This method of provision was in accordance with the Corporation Tax Law of Japan. Effective April 1, 1999, the Company and its domestic consolidated subsidiaries changed their method of accounting for warranty costs to provide an accrual to cover the cost of all services anticipated to be incurred during the entire warranty period (ranging from 3 to 5 years) in order to achieve a better matching of revenue and expenses and to establish a solid financial position, considering the increasing difference between the requirements of the Corporation Tax Law and the existing conditions as well as from a more long-term and international point of view. The cumulative effect of this change amounted to ¥48,493 million as of April 1, 1999 and was recorded as a special loss for the year ended March 31, 2000.

The effect of this change in method of accounting was to increase operating income by ¥14,446 million and to increase loss before income taxes and minority interests and net loss by ¥34,047 million for the year ended March 31, 2000.

(c) Effective April 1, 2000, the Company changed its method of depreciation of property, plant and equipment to the straight-line method. Until the year ended March 31, 2000, depreciation of property, plant and equipment was calculated by the declining-balance method at the rates prescribed in the Corporate Tax Law of Japan. The Company also changed the useful lives and the residual value of property, plant and equipment to the estimated useful lives and estimated economic residual value determined by the Company.

The effect of these accounting changes was to decrease depreciation expense by ¥29,804 million and to increase operating income by ¥28,672 million and income before income taxes and minority interests by ¥29,052 million for the year ended March 31, 2001.

4. U.S. DOLLAR AMOUNTS

Amounts in U.S. dollars are included solely for the convenience of the reader. The rate of ¥133=US\$1.00, the approximate rate of exchange in effect on March 31, 2002, has been used. The inclusion of such

amounts is not intended to imply that yen amounts have been or could be readily converted, realized or settled in U.S. dollars at that or any other rate.



5. RECEIVABLES

Receivables at March 31, 2002 and 2001 consisted of the following:

As of	Millions of yen		Thousands of U.S. dollars
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	2001 Mar. 31, 2002
Notes and accounts receivable	¥ 532,936	¥ 570,896	\$ 4,007,038
Finance receivables	1,716,024	1,185,568	12,902,436
Less allowance for doubtful receivables.....	(69,106)	(31,895)	(519,594)
	¥2,179,854	¥1,724,569	\$16,389,880

Finance receivables principally represent receivables from customers on loans made by financing subsidiaries in connection with sales of automobiles.

6. INVENTORIES

Inventories at March 31, 2002 and 2001 were as follows:

As of	Millions of yen		Thousands of U.S. dollars
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	2001 Mar. 31, 2002
Finished products	¥381,671	¥416,222	\$2,869,707
Work in process and other	152,380	142,866	1,145,714
	¥534,051	¥559,088	\$4,015,421

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment at March 31, 2002 and 2001 is summarized as follows:

As of	Millions of yen		Thousands of U.S. dollars
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	2001 Mar. 31, 2002
Land	¥ 768,800	¥ 798,767	\$ 5,780,451
Buildings and structures.....	1,288,439	1,328,949	9,687,511
Machinery and equipment.....	3,997,661	3,893,514	30,057,601
Construction in progress.....	156,652	69,976	1,177,835
	¥6,211,552	¥6,091,206	\$46,703,398

Depreciation of property, plant and equipment for each of the three years in the period ended March 31, 2002 was as follows:

For the years ended	Millions of yen			Thousands of U.S. dollars
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	1999 Mar. 31, 2000	2001 Mar. 31, 2002
	¥362,601	¥334,168	¥433,667	\$2,726,323

8. NOTES AND ACCOUNTS PAYABLE

Notes and accounts payable at March 31, 2002 and 2001 consisted of the following:

As of	Millions of yen		Thousands of U.S. dollars
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	2001 Mar. 31, 2002
Notes and accounts payable.....	¥611,311	¥600,936	\$4,596,323
Accrued expenses and other	378,962	347,661	2,849,338
	¥990,273	¥948,597	\$7,445,661

9. SHORT-TERM BORROWINGS AND LONG-TERM DEBT

At March 31, 2002 and 2001, short-term borrowings and the current portion of long-term debt consisted of the following:

As of	Millions of yen		Thousands of U.S. dollars
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	2001 Mar. 31, 2002
Loans, principally from banks	¥ 610,872	¥ 463,284	\$ 4,593,023
Import bills payable	2,390	10,868	17,970
Commercial paper	62,038	229,447	466,451
Current portion of long-term debt	749,504	725,917	5,635,368
	¥1,424,804	¥1,429,516	\$10,712,812

The annual interest rates applicable to short-term borrowings outstanding at March 31, 2002 and 2001 ranged principally from 0.2% to 11.7% and from 0.1% to 12.0%, respectively.

At March 31, 2002 and 2001, long-term debt consisted of the following:

As of	Millions of yen		Thousands of U.S. dollars
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	2001 Mar. 31, 2002
Debt with collateral:			
Loans from banks and other financial institutions due through 2008 at rates ranging from 0.5% to 8.0%	¥ 926,113	¥ 641,157	\$ 6,963,255
Debt without collateral:			
Loans from banks and other financial institutions due through 2011 at rates ranging from 0.1% to 10.2%	520,496	537,889	3,913,504
Bonds in yen due through 2007 at rates ranging from 1.0% to 3.6%	626,100	556,700	4,707,519
Notes in Australian dollars due through 2001 at 6.9%	–	2,123	–
Medium-term notes in U.S. dollars due through 2002 at 7.3%	4,130	10,032	31,053
Euro medium-term notes in yen, U.S. dollars and Deutsche mark due through 2008 at rates ranging from 1.8% to 9.6%	102,254	162,097	768,827
1.6% convertible bonds in yen due 2003	2,566	2,566	19,293
Floating rate bonds with warrants in yen due 2004	172,800	215,900	1,299,248
	2,354,459	2,128,464	17,702,699
Less current portion	749,504	725,917	5,635,368
	¥1,604,955	¥1,402,547	\$12,067,331

The 1.6% convertible bonds due 2003, unless previously redeemed, are convertible at any time up to and including March 28, 2003 into shares of common stock of the Company at the conversion price of ¥685.30 per share as of March 31, 2002.

See Note 11 with respect to information on the warrants issued with the floating rate bonds due 2004.

At March 31, 2002, if all outstanding convertible bonds had been converted at the then current conversion price and all warrants had been exercised at the then current exercise price, 168,079 thousand new shares would have been issuable.

The conversion price of the convertible bonds and the exercise price of the warrants are subject to adjustment in certain cases which include stock splits. A sufficient number of shares of common stock is reserved for the conversion of all outstanding convertible bonds and the exercise of all warrants.

The maturities of long-term debt are summarized as follows:

<i>Year ending Mar. 31,</i>	<i>Millions of yen</i>	<i>Thousands of U.S. dollars</i>
2003	¥ 749,504	\$ 5,635,368
2004	375,407	2,822,609
2005	668,562	5,026,782
2006 and thereafter	560,986	4,217,940
	¥2,354,459	\$17,702,699

The assets pledged as collateral for short-term borrowings of ¥450,550 million (\$3,387,594 thousand) and long-term debt of ¥926,113 million (\$6,963,256 thousand) at March 31, 2002 were as follows:

	<i>Millions of yen</i>	<i>Thousands of U.S. dollars</i>
Cash.....	¥ 12	\$ 90
Receivables.....	1,005,255	7,558,308
Property, plant and equipment, at net book value.....	557,835	4,194,248
	¥1,563,102	\$11,752,646

In addition to the above, at March 31, 2002, finance receivables relating to certain leased assets totaling ¥583 million (\$4,383 thousand), which have not been reflected in the accompanying consolidated balance sheet, were pledged as collateral for short-term debt of ¥500 million (\$3,759 thousand). At March 31, 2002, property, plant and equipment of ¥2,692 million (\$20,241 thousand) and investments in consolidated subsidiaries of ¥44,366 million (\$333,579 thousand) were pledged as collateral for the indebtedness of ¥19,088 million (\$143,519 thousand), in the aggregate, of certain unconsolidated subsidiaries and affiliates. This debt of ¥19,088 million (\$143,519 thousand) has not been reflected in the accompanying consolidated balance sheet.

10. RETIREMENT BENEFIT PLANS

The Company and its domestic consolidated subsidiaries have defined benefit plans, i.e., welfare pension fund plans, tax-qualified pension plans and lump-sum payment plans, covering substantially all employees who are entitled to lump-sum or annuity payments, the amounts of which are determined by reference to their basic rates of pay, length of service, and the conditions under which termination occurs. Certain foreign consolidated subsidiaries have defined benefit and contribution plans.

The following table sets forth the funded and accrued status of the plans, and the amounts recognized in the consolidated balance sheets as of March 31, 2002 and 2001 for the Company's and the consolidated subsidiaries' defined benefit plans:

<i>As of</i>	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>
	2001 <i>Mar. 31, 2002</i>	2000 <i>Mar. 31, 2001</i>	2001 <i>Mar. 31, 2002</i>
Retirement benefit obligation	¥(1,428,222)	¥(1,462,142)	\$(10,738,511)
Plan assets at fair value	674,642	717,359	5,072,496
Unfunded retirement benefit obligation	(753,580)	(744,783)	(5,666,015)
Unrecognized net retirement benefit obligation at transition	317,098	350,121	2,384,195
Unrecognized actuarial gain or loss	132,217	66,431	994,113
Unrecognized prior service cost	(96,056)	(72,381)	(722,226)
Net retirement benefit obligation	(400,321)	(400,612)	(3,009,933)
Prepaid pension cost	21	101	158
Accrued retirement benefits	¥ (400,342)	¥ (400,713)	\$ (3,010,091)

The government-sponsored portion of the benefits under the welfare pension fund plans has been included in the amounts shown in the above table. In the year ended March 31, 2001, the Company and certain consolidated subsidiaries made amendments to their welfare pension fund plans with respect to the age of eligibility for annuity payments for the government-sponsored portion of the benefits in accordance with the amendments to the Welfare Pension Insurance Law of Japan in March 2000, and also made amendments to their lump-sum payment plans and tax-qualified pension plans. In addition, effective April 1, 2001, the Company discontinued to provide certain benefits under the welfare pension fund plan for the future services. As a result, prior service cost (a reduction of liability) was incurred in the years ended March 31, 2002 and 2001.

The components of retirement benefit expenses for the years ended March 31, 2002 and 2001 are outlined as follows:

	<i>Millions of yen</i>		<i>Thousands of U.S. dollars</i>
	<i>For the years ended</i>	2001 Mar. 31, 2002	2000 Mar. 31, 2001
Service cost	¥50,147	¥57,881	\$377,045
Interest cost	43,086	45,390	323,955
Expected return on plan assets	(27,791)	(31,092)	(208,955)
Amortization of net retirement benefit obligation at transition	24,369	25,232	183,226
Amortization of actuarial gain or loss	13,378	(239)	100,586
Amortization of prior service cost	(7,408)	(10,848)	(55,699)
Other	(190)	480	(1,429)
Total	¥95,591	¥86,804	\$718,729

The assumptions used in accounting for the above plans were as follows:

		<i>For the years ended</i>	2001 Mar. 31, 2002	2000 Mar. 31, 2001
		Discount rates	Domestic companies	
	Foreign companies		5.5% - 7.5%	4.9% - 7.5%
Expected return on assets	Domestic companies		Mainly 4.0%	Mainly 4.0%
	Foreign companies		7.0% - 9.0%	7.5% - 9.0%

11. SHAREHOLDERS' EQUITY

In accordance with the Commercial Code of Japan (the "Code"), the Company has provided a legal reserve, which was included in retained earnings. The Code provides that an amount equal to at least 10% of the amount to be disbursed as distributions of earnings be appropriated to the legal reserve until the total of such reserve and the additional paid-in capital account equals 25% of the common stock account. The legal reserve amounted to ¥53,839 million (\$402,549 thousand) and ¥50,938 million as of March 31, 2002 and 2001.

The Code provides that neither additional paid-in capital nor the legal reserve is available for dividends, but both may be used to reduce or eliminate a deficit by resolution of the shareholders or may be transferred to common stock by resolution of the Board of Directors. On October 1, 2001, an amendment (the "Amendment") to the Code became effective. The Amendment provides that if the total amount of additional paid-in capital and the legal reserve exceeds 25% of the amount of common stock, the excess may be distributed to the shareholders either as a return of capital or as dividends subject to the approval of the shareholders. In addition, the Amendment eliminates the stated par value of the Company's outstanding shares, which resulted in all outstanding shares having no par value as of October 1, 2001. The Amendment also provides that all share issuances after September 30, 2001 will be of shares with no par value. Prior to the date on which the Amendment came into effect, the Company's shares had a par value of ¥50.

On May 28, 1999, the Company issued 1,464,250 thousand new shares of common stock at ¥400 per share to Renault, a French corporation, for a total of ¥585,700 million.

On the same date, the Company issued to Renault floating rate bonds due 2004 with warrants which amounted to ¥215,900 million. The warrants, which may not be transferred to a third party, entitled Renault to subscribe for shares of common stock of the Company at an exercise price of ¥400 per share.

In March 2002, Renault exercised all the warrants and the Company issued 539,750 thousand new shares of common stock to Renault for ¥220,900 million (\$1,660,902 thousand). As a result, Renault's equity interest in the Company increased to 44.37% as of March 31, 2002. In March 2002, the Company indirectly acquired shares of common stock of Renault representing a 13.5% interest in Renault for ¥217,451 million (\$1,634,970 thousand).

12. RESEARCH AND DEVELOPMENT COSTS

Research and development costs included in selling, general and administrative expenses and manufacturing costs for the years ended March 31, 2002, 2001 and 2000 amounted to ¥262,121 million (\$1,970,835 thousand), ¥231,672 million and ¥238,622 million, respectively.

13. OTHER INCOME (EXPENSES)

The components of "Other, net" in "Other income (expenses)" for each of the three years in the period ended March 31, 2002 were as follows:

	For the years ended	Millions of yen			Thousands of U.S. dollars
		2001 Mar. 31, 2002	2000 Mar. 31, 2001	1999 Mar. 31, 2000	2001 Mar. 31, 2002
Dividend income	¥	1,587	¥ 3,447	¥ 3,703	\$ 11,932
Net realized gain on sales of securities		–	38,599	14,338	–
Unrealized loss on securities		(6,757)	(14,152)	(29,827)	(50,804)
Gain on sales of property, plant and equipment		28,229	55,497	321	212,248
Loss on disposal of property, plant and equipment		(11,285)	(16,730)	(26,256)	(84,849)
(Loss) gain on sales of investment securities		(26,823)	26,444	27,715	(201,677)
Foreign exchange loss		(1,895)	(2,797)	(8,611)	(14,248)
Amortization of net retirement benefit obligation at transition		(23,925)	(24,729)	–	(179,887)
Amortization of prior service cost ^{(Note 3(a))}		–	–	(275,876)	–
Provision for losses on business restructuring		–	–	(232,692)	–
Provision for warranty costs ^{(Note 3(b))}		–	–	(48,493)	–
Other		(63,034)	(40,885)	(136,241)	(473,940)
		¥(103,903)	¥ 24,694	¥(711,919)	\$ (781,225)

14. INCOME TAXES

Income taxes in Japan applicable to the Company and its domestic consolidated subsidiaries consist of corporation tax, inhabitants' taxes and enterprise tax, which, in the aggregate, resulted in a statutory rate of approximately 42% for 2001, 2000 and 1999. Income taxes of the foreign consolidated subsidiaries are based generally on the tax rates applicable in their countries of incorporation.

The effective tax rates reflected in the consolidated statements of operations for the years ended March 31, 2002, 2001 and 2000 differ from the statutory tax rate for the following reasons:

	For the years ended	2001 Mar. 31, 2002	2000 Mar. 31, 2001	1999 Mar. 31, 2000
Statutory tax rate		41.9%	41.9%	(41.9)%
Effect of:				
(Decrease) increase in valuation allowance		(42.9)	(60.9)	40.5
Different tax rates applied to foreign subsidiaries		(4.3)	(2.9)	0.5
Other		1.3	0.3	2.3
Effective tax rate		(4.0)%	(21.6)%	1.4%

The significant components of deferred tax assets and liabilities as of March 31, 2002 and 2001 were as follows:

	As of	Millions of yen		Thousands of U.S. dollars
		2001 Mar. 31, 2002	2000 Mar. 31, 2001	2001 Mar. 31, 2002
Deferred tax assets:				
Net operating loss carryforwards		¥165,554	¥229,993	\$1,244,767
Accrued retirement benefits		147,614	140,747	1,109,880
Accrual for losses on business restructuring		26,659	35,541	200,444
Other		320,260	230,721	2,407,970
Total gross deferred tax assets		660,087	637,002	4,963,061
Valuation allowance		(169,634)	(280,347)	(1,275,444)
Total deferred tax assets		490,453	356,655	3,687,617
Deferred tax liabilities:				
Reserves under Special Taxation Measures Law, etc.		(197,806)	(50,875)	(1,487,263)
Difference between the cost of investments and their underlying net equity at fair value		(70,553)	(82,269)	(530,474)
Unrealized holding gain on securities		(2,146)	(4,455)	(16,135)
Other		(17,249)	(116,671)	(129,692)
Total deferred tax liabilities		(287,754)	(254,270)	(2,163,564)
Net deferred tax assets		¥202,699	¥ 102,385	\$1,524,053

15. RETAINED EARNINGS (DEFICIT)

Other changes in retained earnings (deficit) for each of the three years in the period ended March 31, 2002 were as follows:

For the years ended	Millions of yen			Thousands of U.S. dollars
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	1999 Mar. 31, 2000	2001 Mar. 31, 2002
Adjustments for revaluation of the accounts of the consolidated subsidiary in Mexico based on general price-level accounting (Note 2(a))	¥ 1,455	¥ 4,346	¥ (13,432)	\$ 10,940
Cumulative effect of adoption of tax-effect accounting	—	—	(98,568)	—
Adjustments to retained earnings at beginning of the year for inclusion in or exclusion from consolidation or the equity method of accounting for subsidiaries and affiliates, and certain other adjustments	(2,465)	(10,363)	(94,230)	(18,534)
	¥(1,010)	¥ (6,017)	¥(206,230)	\$ (7,594)

16. SUPPLEMENTARY CASH FLOW INFORMATION

a) Summary of assets and liabilities of companies excluded from consolidation following the sale of their stock

The following is a summary of the transferred assets and liabilities, the relevant selling prices and the net cash inflows from sales of stock of Nissan Altia Co., Ltd., and eight other companies in the year ended March 31, 2002, from sales of stock of Satio Yamagata Co., Ltd., and thirteen other companies in the year ended March 31, 2001 and from sales of stock of Sendai Nissan Motor Co., Ltd., Ehime Nissan Co., Ltd., and five European sales finance companies (in Germany, the United Kingdom, Spain, Italy, and the Netherlands) in the year ended March 31, 2000:

For the years ended	Millions of yen			Thousands of U.S. dollars
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	1999 Mar. 31, 2000	2001 Mar. 31, 2002
Current assets	¥ 46,516	¥ 41,441	¥278,797	\$ 349,744
Fixed assets	51,729	40,385	49,181	388,940
Gains on sales of investment securities	2,048	4,254	9,459	15,398
Current liabilities	(53,027)	(46,563)	(195,676)	(398,699)
Long-term liabilities	(24,526)	(12,596)	(99,799)	(184,406)
Minority interests in consolidated subsidiaries	(6,612)	(3,360)	0	(49,714)
Proceeds from sales of stock	16,128	23,561	41,962	121,263
Cash and cash equivalents held by subsidiaries	(2,489)	(13,230)	(1,183)	(18,714)
Net proceeds	¥ 13,639	¥ 10,331	¥ 40,779	\$ 102,549

b) Summary of assets and liabilities excluded following the sales of business

Fiscal year 2000 (For the year ended Mar. 31, 2001)	Millions of yen
Current assets	¥26,325
Fixed assets	33,700
Gains on sales of tangible fixed assets	6,856
Current liabilities	(12,346)
Long-term liabilities	(3,625)
Accrual for losses on business restructuring	(10,522)
Proceeds from sales of stock	40,388
Cash and cash equivalents	(9)
Net proceeds	¥40,379

17. LEASE TRANSACTIONS

a) Lessees' accounting

The following pro forma amounts represent the acquisition costs, accumulated depreciation and net book value of the leased assets as of March 31, 2002 and 2001, which would have been reflected in the consolidated balance sheets if finance lease accounting had been applied to the finance leases currently accounted for as operating leases:

Fiscal year 2001 (As of Mar. 31, 2002)	Millions of yen			Thousands of U.S. dollars		
	Acquisition costs	Accumulated depreciation	Net book value	Acquisition costs	Accumulated depreciation	Net book value
Machinery and equipment	¥ 64,835	¥ 22,940	¥41,895	\$ 487,481	\$172,481	\$315,000
Other	132,844	77,903	54,941	998,827	585,737	413,090
Total	¥197,679	¥100,843	¥96,836	\$1,486,308	\$758,218	\$728,090

Fiscal year 2000 (As of Mar. 31, 2001)	Millions of yen		
	Acquisition costs	Accumulated depreciation	Net book value
Machinery and equipment	¥ 49,533	¥15,191	¥ 34,342
Other	150,443	79,713	70,730
Total	¥199,976	¥94,904	¥105,072

Lease payments relating to finance leases accounted for as operating leases in the accompanying consolidated financial statements amounted to ¥47,317 million (\$355,767 thousand), ¥52,053 million and ¥57,882 million for the years ended March 31, 2002, 2001 and 2000, respectively. Depreciation of the leased assets computed by the straight-line method over the respective lease terms and the interest portion included in lease payments amounted to ¥44,282 million (\$332,947 thousand) and ¥3,207 million (\$24,113 thousand), respectively, for the year ended March 31, 2002, ¥49,136 million and ¥3,160 million, respectively, for the year ended March 31, 2001, and ¥53,532 million and ¥3,756 million, respectively, for the year ended March 31, 2000.

Future minimum lease payments subsequent to March 31, 2002 on noncancelable operating leases and finance leases accounted for as operating leases are summarized as follows:

Year ending Mar. 31,	Millions of yen		Thousands of U.S. dollars	
	Finance leases	Operating leases	Finance leases	Operating leases
2003	¥37,437	¥ 4,335	\$281,481	\$ 32,594
2004 and thereafter	61,152	20,859	459,789	156,835
Total	¥98,589	¥25,194	\$741,270	\$189,429

b) Lessors' accounting

The following amounts represent the acquisition costs, accumulated depreciation and net book value of the leased assets relating to finance leases accounted for as operating leases at March 31, 2002 and 2001:

Fiscal year 2001 (As of Mar. 31, 2002)	Millions of yen			Thousands of U.S. dollars		
	Acquisition costs	Accumulated depreciation	Net book value	Acquisition costs	Accumulated depreciation	Net book value
Machinery and equipment	¥91,035	¥43,055	¥47,980	\$684,474	\$323,722	\$360,752
Other	5,018	3,163	1,855	37,729	23,782	13,947
Total	¥96,053	¥46,218	¥49,835	\$722,203	\$347,504	\$374,699

Fiscal year 2000 (As of Mar. 31, 2001)	Millions of yen		
	Acquisition costs	Accumulated depreciation	Net book value
Machinery and equipment	¥103,398	¥49,204	¥54,194
Other	5,073	2,958	2,115
Total	¥108,471	¥52,162	¥56,309

Lease income relating to finance leases accounted for as operating leases in the accompanying consolidated financial statements amounted to ¥21,850 million (\$164,286 thousand), ¥37,591 million and ¥38,332 million for the years ended March 31, 2002, 2001, and 2000, respectively. Depreciation of the assets leased under finance leases accounted for as operating leases and the interest portion included in lease income amounted to ¥18,946 million (\$142,451 thousand) and ¥3,452 million (\$25,955 thousand), respectively, for the year ended March 31, 2002, ¥23,751 million and ¥2,125 million, respectively, for the year ended March 31, 2001, and ¥22,397 million and ¥1,962 million, respectively, for the year ended March 31, 2000.

Future minimum lease income subsequent to March 31, 2002 for noncancelable operating leases and finance leases accounted for as operating leases is summarized as follows:

Year ending Mar. 31,	Millions of yen		Thousands of U. S. dollars	
	Finance leases	Operating leases	Finance leases	Operating leases
2003.....	¥18,537	¥149,501	\$139,376	\$1,124,068
2004 and thereafter.....	33,385	154,890	251,015	1,164,586
Total	¥51,922	¥304,391	\$390,391	\$2,288,654

18. COMMITMENTS AND CONTINGENCIES

At March 31, 2002, the Company and its consolidated subsidiaries had the following contingent liabilities:

	Millions of yen	Thousands of U. S. dollars
As endorser of notes receivable discounted with banks.....	¥ 1,047	\$ 7,872
As guarantor of employees' housing loans from banks and others	234,970	1,766,692
	¥236,017	\$1,774,564

In addition to the above, at March 31, 2002, the Company was committed to provide guarantees of indebtedness of unconsolidated subsidiaries and affiliates in the aggregate amount of ¥3,849 million (\$28,940 thousand) at the request of the lending banks. In addition, the Company provided letters of awareness to financial institutions regarding the indebtedness of an affiliate which amounted to ¥795 million (\$5,977 thousand). The Company also provided letters of awareness to financial institutions to whom outstanding trade receivables of ¥58,742 million (\$441,669 thousand) had been sold. The outstanding balance of installment receivables sold with recourse amounted to ¥264 million (\$1,985 thousand) at March 31, 2002.

Certain consolidated subsidiaries have entered into overdraft and loan commitment agreements amounting to ¥15,749 million (\$118,414 thousand) with their customers and others. The loans receivable outstanding and the unused balances under these credit facilities as of March 31, 2002 amounted to ¥2,615 million (\$19,662 thousand) and ¥13,134 million (\$98,752 thousand), respectively. Since many of these facilities expire without being utilized and the related borrowings are sometimes subject to a review of the borrowers' credibility, any unused amount will not necessarily be utilized at the full amount.



19. AMOUNTS PER SHARE

The computation of basic net income (loss) per share is based on the weighted average number of shares of common stock outstanding during each year. Diluted net income (loss) per share is computed based on the weighted average number of shares of common stock outstanding during each year after giving effect to the dilutive potential of the shares of common stock to be issued upon the conversion of convertible bonds and the exercise of warrants.

Cash dividends per share represent the cash dividends proposed by the Board of Directors as applicable to the respective years.

Amounts per share of net assets are computed based on the number of shares of common stock outstanding at each balance sheet date.

	Yen			U.S. dollars
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	1999 Mar. 31, 2000	2001 Mar. 31, 2002
Net income (loss):				
Basic	¥92.61	¥83.53	¥(179.98)	\$0.696
Diluted	92.13	79.45	(179.98)	0.693
Cash dividends applicable to the year	8.00	7.00	—	0.060

(Cash dividends per share for those issued during the year ended March 31, 2002 are ¥4.00.)

	Yen		U.S. dollars
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	2001 Mar. 31, 2002
Net assets	¥358.84	¥241.07	\$2.698

20. SECURITIES

a) Information regarding marketable securities classified as held-to-maturity debt securities and other securities as of March 31, 2002 and 2001 is as follows:

Marketable held-to-maturity debt securities

Fiscal year 2001 (As of Mar. 31, 2002)	Millions of yen			Thousands of U.S. dollars		
	Carrying value	Estimated fair value	Unrealized gain (loss)	Carrying value	Estimated fair value	Unrealized gain (loss)
Securities whose fair value exceeds their carrying value:						
Government bonds	¥ 67	¥ 70	¥ 3	\$ 504	\$ 526	\$ 22
Corporate bonds	348	363	15	2,616	2,729	113
Subtotal	¥ 415	¥ 433	¥ 18	\$ 3,120	\$ 3,255	\$ 135
Securities whose carrying value exceeds their fair value:						
Corporate bonds	¥1,400	¥1,263	¥(137)	\$10,526	\$ 9,496	\$(1,030)
Subtotal	¥1,400	¥1,263	¥(137)	\$10,526	\$ 9,496	\$(1,030)
Total	¥1,815	¥1,696	¥(119)	\$13,646	\$12,751	\$ (895)

Fiscal year 2000 (As of Mar. 31, 2001)	Millions of yen		
	Carrying value	Estimated fair value	Unrealized gain (loss)
Securities whose fair value exceeds their carrying value:			
Government bonds	¥ 62	¥ 64	¥ 2
Corporate bonds	361	366	5
Others	97	97	0
Subtotal	¥ 520	¥ 527	¥ 7
Securities whose carrying value exceeds their fair value:			
Corporate bonds	¥1,803	¥1,761	¥(42)
Subtotal	¥1,803	¥1,761	¥(42)
Total	¥2,323	¥2,288	¥(35)

Marketable other securities

Fiscal year 2001 (As of Mar. 31, 2002)	Millions of yen			Thousands of U.S. dollars		
	Acquisition cost	Carrying value	Unrealized gain (loss)	Acquisition cost	Carrying value	Unrealized gain (loss)
Securities whose carrying value exceeds their acquisition cost:						
Stock	¥ 1,040	¥ 5,886	¥ 4,846	\$ 7,819	\$ 44,255	\$ 36,436
Debt securities	27	30	3	203	226	23
Subtotal	¥ 1,067	¥ 5,916	¥ 4,849	\$ 8,022	\$ 44,481	\$ 36,459
Securities whose acquisition cost exceeds their carrying value:						
Stock	¥222,146	¥221,588	¥ (558)	\$1,670,271	\$1,666,075	\$ (4,196)
Debt securities	2,000	1,916	(84)	15,037	14,406	(631)
Others	200	200	0	1,504	1,504	0
Subtotal	¥224,346	¥223,704	¥ (642)	\$1,686,812	\$1,681,985	\$ (4,827)
Total	¥225,413	¥229,620	¥ 4,207	\$1,694,834	\$1,726,466	\$31,632

Fiscal year 2000 (As of Mar. 31, 2001)	Millions of yen		
	Acquisition cost	Carrying value	Unrealized gain (loss)
Securities whose carrying value exceeds their acquisition cost:			
Stock	¥ 17,536	¥ 33,438	¥ 15,902
Debt securities	32	35	3
Subtotal	¥ 17,568	¥ 33,473	¥ 15,905
Securities whose acquisition cost exceeds their carrying value:			
Stock	¥ 91,441	¥ 78,446	¥(12,995)
Debt securities	3,046	2,977	(69)
Subtotal	¥ 94,487	¥ 81,423	¥(13,064)
Total	¥112,055	¥114,896	¥ 2,841

b) Sales of securities classified as other securities amounted to ¥72,388 million (\$544,271 thousand) with an aggregate gain of ¥12,818 million (\$96,376 thousand) and an aggregate loss of ¥(43,720) million (\$(328,722) thousand) for the year ended March 31, 2002. For the year ended March 31, 2001, sales of securities classified as other securities amounted to ¥145,621 million with an aggregate gain of ¥43,888 million.

c) The redemption schedule for securities with maturity dates classified as other securities and held-to-maturity debt securities as of March 31, 2002 is summarized as follows:

Fiscal year 2001 (As of Mar. 31, 2002)	Millions of yen			Thousands of U.S. dollars		
	Due in one year or less	Due after one year through five years	Due after five years through ten years	Due in one year or less	Due after one year through five years	Due after five years through ten years
Government bonds	¥ 0	¥ 87	¥ 0	\$ 0	\$ 654	\$ 0
Corporate bonds	1,110	6,581	67	8,346	49,481	504
Other debt securities	43	18	0	323	135	0
Total	¥1,153	¥6,686	¥ 67	\$8,669	\$50,270	\$ 504

21. DERIVATIVE TRANSACTIONS

Summarized below are the notional amounts and the estimated fair value of the derivative instruments outstanding at March 31, 2002 and 2001:

1) Currency-related transactions

Fiscal year 2001 (As of Mar. 31, 2002)	Millions of yen			Thousands of U.S. dollars		
	Notional amount	Fair value	Unrealized gain (loss)	Notional amount	Fair value	Unrealized gain (loss)
Forward foreign exchange contracts:						
Sell:						
US\$	¥ 1,919	¥ 1,904	¥ 15	\$ 14,429	\$ 14,316	\$ 113
AU\$	705	706	(1)	5,301	5,308	(7)
Others	438	520	(82)	3,293	3,910	(617)
Buy:						
£ Stg.	15,064	14,786	(278)	113,263	111,173	(2,090)
US\$	22,744	22,525	(219)	171,008	169,361	(1,647)
Euro	33,280	33,691	411	250,226	253,316	3,090
Others	1,301	1,223	(78)	9,782	9,196	(586)
Currency swaps:						
US\$	¥ 4,927	¥ (45)	¥ (45)	\$ 37,045	\$ (338)	\$ (338)
£ Stg.	4,755	677	677	35,752	5,090	5,090
CAN\$	2,284	(114)	(114)	17,173	(857)	(857)
Euro	912	148	148	6,857	1,113	1,113
Total	–	–	¥434	–	–	\$ 3,263

Fiscal year 2000 (As of Mar. 31, 2001)	Millions of yen		
	Notional amount	Fair value	Unrealized gain (loss)
Options:			
Call options, sold:			
YEN	¥ 367		
(Premium)	(12)	¥ (38)	¥ (26)
Forward foreign exchange contracts:			
Sell:			
£ stg.	¥ 16,044	¥15,813	¥ 231
US\$	9,418	10,036	(618)
Others	1,576	1,557	19
Buy:			
£ stg.	31,639	30,669	(970)
US\$	23,640	23,602	(38)
Others	11,801	11,279	(522)
Currency swaps:			
US\$	¥236,755	¥(15,857)	¥(15,857)
EURO	99,877	813	813
Others	19,128	1,667	1,667
Total	–	–	¥(15,301)

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

2) Interest-related transactions

Fiscal year 2001 (As of Mar. 31, 2002)	Millions of yen			Thousands of U.S. dollars		
	Notional amount	Fair value	Unrealized gain (loss)	Notional amount	Fair value	Unrealized gain (loss)
Interest rate swaps:						
Receive/floating and pay/fixed	¥260,996	¥(5,327)	¥(5,327)	\$1,962,376	\$(40,053)	\$(40,053)
Receive/fixed and pay/floating	244,650	8,347	8,347	1,839,474	62,760	62,760
Receive/floating and pay/floating	2,500	(48)	(48)	18,797	(361)	(361)
Options:						
Caps sold	¥448,872			\$3,374,977		
(Premium)	—	(5,092)	(5,092)	—	(38,286)	(38,286)
Caps purchased	¥448,872			\$3,374,977		
(Premium)	—	5,092	5,092	—	38,286	38,286
Total	—	—	¥ 2,972	—	—	\$ 22,346

Fiscal year 2000 (As of Mar. 31, 2001)	Millions of yen		
	Notional amount	Fair value	Unrealized gain (loss)
Interest rate swaps:			
Receive/floating and pay/fixed	¥256,495	¥(4,424)	¥(4,424)
Receive/fixed and pay/floating	200,769	9,502	9,502
Receive/floating and pay/floating	6,727	0	0
Options:			
Caps sold	¥224,969		
(Premium)	—	(538)	(538)
Caps purchased	224,969		
(Premium)	123	538	415
Total	—	—	¥ 4,955

3) Stock-related transactions

Fiscal year 2000 (As of Mar. 31, 2001)	Millions of yen		
	Notional amount	Fair value	Unrealized gain (loss)
Options:			
Call options, sold	¥42,510	¥(1,799)	¥(1,799)
Put options, purchased	25,100	1,356	1,356
Total	—	—	¥ (443)



22. SEGMENT INFORMATION

The Company and its consolidated subsidiaries are primarily engaged in the manufacture and sales of products in the automobile segment and in providing various financial services to users of the Company's products in the sales financing segment. These products, which are sold in Japan and overseas, principally in North America and Europe, include passenger cars, buses and trucks as well as the related components. Financial services include primarily leases and credits in Japan and North America. As net sales, operating income (loss) and total assets of the automobile segment constituted more than 90% of the consolidated totals for the years ended March 31, 2001 and 2000, the disclosure of business segment information has been omitted.

Business segments

The business segment information for the Company and its consolidated subsidiaries for the year ended March 31, 2002 is as follows:

	Fiscal year 2001 (For the year ended Mar. 31, 2002)				
	Automobile	Sales Financing	Total	Eliminations	Consolidated
<i>Millions of yen</i>					
I. Sales and operating income					
Sales to third parties	¥5,842,648	¥ 353,593	¥6,196,241	¥ –	¥6,196,241
Inter-area sales and transfers	49,755	13,059	62,814	(62,814)	–
Total sales	5,892,403	366,652	6,259,055	(62,814)	6,196,241
Operating expenses	5,435,656	328,536	5,764,192	(57,166)	5,707,026
Operating income	¥ 456,747	¥ 38,116	¥ 494,863	¥ (5,648)	¥ 489,215
II. Assets, depreciation and capital expenditures					
Total assets	¥5,418,619	¥2,862,560	¥8,281,179	¥(1,066,174)	¥7,215,005
Depreciation	¥ 209,174	¥ 165,653	¥ 374,827	¥ –	¥ 374,827
Capital Expenditure	¥ 346,994	¥ 343,019	¥ 690,013	¥ –	¥ 690,013

	Fiscal year 2001 (For the year ended Mar. 31, 2002)				
	Automobile	Sales Financing	Total	Eliminations	Consolidated
<i>Thousands of U.S. dollars</i>					
I. Sales and operating income					
Sales to third parties	\$43,929,684	\$ 2,658,594	\$46,588,278	\$ –	\$46,588,278
Inter-area sales and transfers	374,098	98,188	472,286	(472,286)	–
Total sales	44,303,782	2,756,782	47,060,564	(472,286)	46,588,278
Operating expenses	40,869,594	2,470,196	43,339,790	(429,820)	42,909,970
Operating income	\$ 3,434,188	\$ 286,586	\$ 3,720,774	\$ (42,466)	\$ 3,678,308
II. Assets, depreciation and capital expenditures					
Total assets	\$40,741,496	\$21,523,008	\$62,264,504	\$(8,016,346)	\$54,248,158
Depreciation	\$ 1,572,737	\$ 1,245,511	\$ 2,818,248	\$ –	\$ 2,818,248
Capital Expenditure	\$ 2,608,978	\$ 2,579,090	\$ 5,188,068	\$ –	\$ 5,188,068

In accordance with a new accounting standard for sales incentives which became effective the year ended March 31, 2002 in the United States, certain sales promotion expenses (i.e., incentives paid in cash based on sales volume) of subsidiaries in the United States and Mexico, which had previously been included in selling, general and administrative expenses, have been accounted for as deductions from sales. As a result of this change, sales and operating expenses in the automobile segment decreased by ¥98,920 million (\$743,759 thousand) as compared with the corresponding amounts for the previous year.

The following tables set forth the summarized financial statements by business segment for the year ended March 31, 2002. Amounts for the sales financing segment represent the aggregate of the figures for the sales financing subsidiaries in Japan and North America. Amounts for the automobile segment represent the differences between the consolidated totals and those for the sales financing segment.

1) Summarized consolidated balance sheet by business segment

Fiscal year 2001 (As of Mar. 31, 2002)	Millions of yen			Thousands of U.S. dollars		
	Automobile	Sales Financing	Consolidated total	Automobile	Sales Financing	Consolidated total
Cash and cash equivalents	¥ 272,742	¥ 6,911	¥ 279,653	\$ 2,050,692	\$ 51,962	\$2,102,654
Short-term investments	651	15	666	4,895	113	5,008
Receivables, less allowance for doubtful receivables	363,953	1,815,901	2,179,854	2,736,488	13,653,391	16,389,879
Inventories	521,577	12,474	534,051	3,921,632	93,789	4,015,421
Other current assets	364,171	158,860	523,031	2,738,127	1,194,437	3,932,564
Total current assets	1,523,094	1,994,161	3,517,255	11,451,834	14,993,692	26,445,526
Property, plant and equipment, net	2,103,261	775,897	2,879,158	15,813,993	5,833,812	21,647,805
Investment securities	373,379	25,734	399,113	2,807,361	193,489	3,000,850
Other assets	352,711	66,768	419,479	2,651,962	502,015	3,153,977
Total assets	¥4,352,445	¥2,862,560	¥7,215,005	\$32,725,150	\$21,523,008	\$54,248,158
Short-term borrowings and current portion of long-term debt	(317,818)	1,742,622	1,424,804	(2,389,609)	13,102,421	10,712,812
Notes and accounts payable	957,597	32,676	990,273	7,199,977	245,684	7,445,661
Accrued income taxes	46,706	—	46,706	351,173	—	351,173
Other current liabilities	417,494	128,738	546,232	3,139,053	967,955	4,107,008
Total current liabilities	1,103,979	1,904,036	3,008,015	8,300,594	14,316,060	22,616,654
Long-term debt	1,022,274	582,681	1,604,955	7,686,271	4,381,060	12,067,331
Other long-term liabilities	769,883	134,041	903,924	5,788,594	1,007,827	6,796,421
Total long-term liabilities	1,792,157	716,722	2,508,879	13,474,865	5,388,887	18,863,752
Total liabilities	2,896,136	2,620,758	5,516,894	21,775,459	19,704,947	41,480,406
Minority interests	77,289	—	77,289	581,120	—	581,120
Common stock	534,949	69,607	604,556	4,022,173	523,361	4,545,534
Capital surplus	785,645	17,567	803,212	5,907,105	132,083	6,039,188
Retained earnings	319,023	111,728	430,751	2,398,669	840,060	3,238,729
Unrealized holding gain on securities	3,728	678	4,406	28,030	5,098	33,128
Translation adjustments	(264,195)	42,222	(221,973)	(1,986,429)	317,459	(1,668,970)
Treasury stock	(130)	—	(130)	(977)	—	(977)
Total Shareholders' equity	1,379,020	241,802	1,620,822	10,368,571	1,818,061	12,186,632
Total liabilities and shareholders' equity	¥4,352,445	¥2,862,560	¥7,215,005	\$32,725,150	\$21,523,008	\$54,248,158

2) Summarized consolidated statement of income by business segment

Fiscal year 2001 (For the year ended Mar. 31, 2002)	Millions of yen			Thousands of U.S. dollars		
	Automobile	Sales Financing	Consolidated total	Automobile	Sales Financing	Consolidated total
Net sales	¥5,829,589	¥366,652	¥6,196,241	\$43,831,496	\$2,756,782	\$46,588,278
Cost of sales	4,294,565	251,961	4,546,526	32,289,962	1,894,444	34,184,406
Gross profit	1,535,024	114,691	1,649,715	11,541,534	862,338	12,403,872
Operating profit	451,099	38,116	489,215	3,391,722	286,586	3,678,308
Operating profit as a percentage of net sales	7.7%	10.4%	7.9%	7.7%	10.4%	7.9%
Income before income taxes	327,197	37,019	364,216	2,460,128	278,338	2,738,466
Net income	¥ 349,890	¥ 22,372	¥ 372,262	\$ 2,630,752	\$ 168,210	\$ 2,798,962

3) Summarized consolidated statement of cash flows by business segment

Fiscal year 2001 (For the year ended Mar. 31, 2002)	Millions of yen			Thousands of U.S. dollars		
	Automobile	Sales Financing	Consolidated total	Automobile	Sales Financing	Consolidated total
Operating activities						
Income before income taxes and minority interests	¥ 327,197	¥ 37,019	¥ 364,216	\$ 2,460,128	\$ 278,338	\$ 2,738,466
Depreciation and amortization	209,174	165,653	374,827	1,572,737	1,245,511	2,818,248
Decrease (increase) in finance receivables	135,274	(569,939)	(434,665)	1,017,098	(4,285,256)	(3,268,158)
Others	(42,492)	(39,672)	(82,164)	(319,489)	(298,285)	(617,774)
Net cash provided by (used in) operating activities	629,153	(406,939)	222,214	4,730,474	(3,059,692)	1,670,782
Investing activities						
Proceeds from sales of investment securities including shares of subsidiaries	106,292	7,013	113,305	799,188	52,729	851,917
Proceeds from sales of property, plant and equipment	108,874	61	108,935	818,601	459	819,060
Purchases of fixed assets	(293,100)	(700)	(293,800)	(2,203,760)	(5,263)	(2,209,023)
Purchases of leased vehicles	(53,868)	(342,345)	(396,213)	(405,022)	(2,574,023)	(2,979,045)
Proceeds from sales of leases vehicles	38,213	146,939	185,152	287,315	1,104,805	1,392,120
Others	(233,522)	(8,246)	(241,768)	(1,755,804)	(62,000)	(1,817,804)
Net cash used in investing activities	(327,111)	(197,278)	(524,389)	(2,459,482)	(1,483,293)	(3,942,775)
Financing activities						
(Decrease) increase in short-term borrowings	(331,786)	640,655	308,869	(2,494,632)	4,816,955	2,322,323
(Decrease) increase in long-term borrowings	(415,935)	(44,680)	(460,615)	(3,127,331)	(335,940)	(3,463,271)
Increase in bonds and debentures	236,922	9,900	246,822	1,781,369	74,436	1,855,805
Proceeds from sales of treasury stock	2,324	–	2,324	17,474	–	17,474
Others	183,515	–	183,515	1,379,812	–	1,379,812
Net cash (used in) provided by financing activities	(324,960)	605,875	280,915	(2,443,308)	4,555,451	2,112,143
Effect of exchange rate changes on cash and cash equivalents	9,937	434	10,371	74,714	3,263	77,977
(Decrease) increase in cash and cash equivalents	(12,981)	2,092	(10,889)	(97,602)	15,729	(81,873)
Cash and cash equivalents at beginning of the year	283,717	4,819	288,536	2,133,211	36,233	2,169,444
Increase due to inclusion in consolidation	2,006	–	2,006	15,083	–	15,083
Cash and cash equivalents at end of the year	¥ 272,742	¥ 6,911	¥ 279,653	\$ 2,050,692	\$ 51,962	\$ 2,102,654

Geographical areas

The geographical segment information for the Company and its consolidated subsidiaries for the years ended March 31, 2002, 2001 and 2000 is as follows:

Fiscal year 2001 (For the year ended Mar. 31, 2002)							
	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
<i>Millions of yen</i>							
Sales to third parties.....	¥2,370,162	¥2,649,212	¥818,555	¥358,312	¥6,196,241	¥ –	¥6,196,241
Inter-area sales and transfers...	1,458,965	15,475	32,912	4,709	1,512,061	(1,512,061)	–
Total sales.....	3,829,127	2,664,687	851,467	363,021	7,708,302	(1,512,061)	6,196,241
Operating expenses.....	3,539,431	2,455,062	848,239	356,794	7,199,526	(1,492,500)	5,707,026
Operating income.....	¥ 289,696	¥ 209,625	¥ 3,228	¥ 6,227	¥ 508,776	¥ (19,561)	¥ 489,215
Total assets.....	¥4,988,676	¥3,506,180	¥471,008	¥114,081	¥9,079,945	¥(1,864,940)	¥7,215,005

Fiscal year 2001 (For the year ended Mar. 31, 2002)							
	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
<i>Thousands of U.S. dollars</i>							
Sales to third parties.....	\$17,820,767	\$19,918,887	\$6,154,549	\$2,694,075	\$46,588,278	\$ –	\$46,588,278
Inter-area sales and transfers....	10,969,662	116,353	247,459	35,406	11,368,880	(11,368,880)	–
Total sales.....	28,790,429	20,035,240	6,402,008	2,729,481	57,957,158	(11,368,880)	46,588,278
Operating expenses.....	26,612,264	18,459,113	6,377,737	2,682,661	54,131,775	(11,221,805)	42,909,970
Operating income.....	\$ 2,178,165	\$ 1,576,127	\$ 24,271	\$ 46,820	\$ 3,825,383	\$ (147,075)	\$ 3,678,308
Total assets.....	\$37,508,841	\$26,362,256	\$3,541,414	\$ 857,752	\$68,270,263	\$(14,022,105)	\$54,248,158

In accordance with a new accounting standard for sales incentives which became effective the year ended March 31, 2002 in the United States, certain sales promotion expenses (i.e., incentives paid in cash based on sales volume) of subsidiaries in the United States and Mexico, which had previously been included in selling, general and administrative expenses, have been accounted for as deductions from sales. As a result of this change, sales and operating expenses for "North America" decreased by ¥98,920 million (\$743,759 thousand) as compared with the corresponding amounts for the previous year.

Fiscal year 2000 (For the year ended Mar. 31, 2001)							
	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
<i>Millions of yen</i>							
Sales to third parties.....	¥2,536,750	¥2,469,918	¥822,756	¥260,196	¥6,089,620	¥ –	¥6,089,620
Inter-area sales and transfers...	1,381,037	12,134	17,606	2,410	1,413,187	(1,413,187)	–
Total sales.....	3,917,787	2,482,052	840,362	262,606	7,502,807	(1,413,187)	6,089,620
Operating expenses.....	3,743,458	2,331,590	867,648	258,617	7,201,313	(1,402,007)	5,799,306
Operating income (loss).....	¥ 174,329	¥ 150,462	¥ (27,286)	¥ 3,989	¥ 301,494	¥ (11,180)	¥ 290,314
Total assets.....	¥4,984,516	¥2,416,774	¥425,172	¥ 76,373	¥7,902,835	¥(1,451,592)	¥6,451,243

As a result of a change in the method of accounting for depreciation of property, plant and equipment as well as in the useful lives and residual value of the related assets as explained in Note 3(c), operating income for "Japan" increased by ¥28,672 million for the year ended March 31, 2001 over the corresponding amount for the previous year.

Fiscal year 1999 (For the year ended Mar. 31, 2000)

	Japan	North America	Europe	Other foreign countries	Total	Eliminations	Consolidated
	<i>Millions of yen</i>						
Sales to third parties.....	¥2,626,866	¥2,217,775	¥ 876,931	¥ 255,503	¥5,977,075	¥ –	¥5,977,075
Inter-area sales and transfers...	1,328,623	22,499	13,216	2,766	1,367,104	(1,367,104)	–
Total sales.....	3,955,489	2,240,274	890,147	258,269	7,344,179	(1,367,104)	5,977,075
Operating expenses.....	3,936,059	2,152,934	928,259	261,355	7,278,607	(1,384,097)	5,894,510
Operating income (loss).....	¥ 19,430	¥ 87,340	¥ (38,112)	¥ (3,086)	¥ 65,572	¥ 16,993	¥ 82,565
Total assets.....	¥5,288,346	¥1,674,905	¥ 405,638	¥ 70,420	¥7,439,309	¥(1,263,651)	¥6,175,658

As a result of a change in the method of accounting for prior service cost of the pension plans as explained in Note 3(a), operating expenses for "Japan" decreased by ¥14,230 million and operating income increased by the same amount for the year ended March 31, 2000 as compared with the corresponding amounts for the previous year. In addition, because of a change in the method of accounting for accrued warranty costs as explained in Note 3(b), operating expenses for "Japan" decreased by ¥14,446 million and operating income increased by the same amount for the year ended March 31, 2000 as compared with the corresponding amounts for the previous year.

Overseas sales

Overseas sales, which include export sales of the Company and its domestic consolidated subsidiaries and sales (other than exports to Japan) of the foreign consolidated subsidiaries, for the years ended March 31, 2002, 2001 and 2000 are summarized as follows:

	Fiscal year 2001 (For the year ended Mar. 31, 2002)			
	North America	Europe	Other foreign countries	Total
	<i>Millions of yen</i>			
Overseas sales.....	¥2,588,300	¥825,696	¥670,556	¥4,084,552
Consolidated net sales.....				6,196,241
	<i>Thousands of U.S. dollars</i>			
Overseas sales.....	\$19,460,902	\$6,208,241	\$5,041,774	\$30,710,917
Consolidated net sales.....				46,588,278
Overseas sales as a percentage of consolidated net sales.....	41.8%	13.3%	10.8%	65.9%

In accordance with a new accounting standard for sales incentives which became effective the year ended March 31, 2002 in the United States, certain sales promotion expenses (i.e., incentives paid in cash based on sales volume) of subsidiaries in the United States and Mexico, which had previously been included in selling, general and administrative expenses, have been accounted for as deductions from sales. As a result of this change, sales for "North America" decreased by ¥98,920 million (\$743,759 thousand) as compared with the corresponding amounts for the previous year.

	Fiscal year 2000 (For the year ended Mar. 31, 2001)			
	North America	Europe	Other foreign countries	Total
	<i>Millions of yen</i>			
Overseas sales.....	¥2,429,722	¥794,251	¥554,221	¥3,778,194
Consolidated net sales.....				6,089,620
Overseas sales as a percentage of consolidated net sales.....	39.9%	13.0%	9.1%	62.0%

Fiscal year 1999 (For the year ended Mar. 31, 2000)

	North America	Europe	Other foreign countries	Total
<i>Millions of yen</i>				
Overseas sales	¥2,179,489	¥885,956	¥478,812	¥3,544,257
Consolidated net sales				5,977,075
Overseas sales as a percentage of consolidated net sales	36.5%	14.8%	8.0%	59.3%

23. SUBSEQUENT EVENTS

The following appropriations of retained earnings of the Company were approved at a shareholders' meeting held on June 20, 2002:

	<i>Millions of yen</i>	<i>Thousands of U. S. dollars</i>
Year-end cash dividends (¥8.00=U.S.\$0.060 per share/¥4.00=U.S.\$0.030 per share for those issued in FY2001)	¥ 33,976	\$ 255,459
Bonuses to directors	390	2,932



Report of Certified Public Accountants



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The Board of Directors
Nissan Motor Co., Ltd.

We have examined the consolidated balance sheets of Nissan Motor Co., Ltd. and consolidated subsidiaries as of March 31, 2002 and 2001, and the related consolidated statements of operations, shareholders' equity, and cash flows for each of the three years in the period ended March 31, 2002, all expressed in yen. Our examinations were made in accordance with auditing standards, procedures and practices generally accepted and applied in Japan and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated financial statements, expressed in yen, present fairly the consolidated financial position of Nissan Motor Co., Ltd. and consolidated subsidiaries at March 31, 2002 and 2001, and the consolidated results of their operations and their cash flows for each of the three years in the period ended March 31, 2002 in conformity with accounting principles and practices generally accepted in Japan consistently applied during the period except for the changes, with which we concur, in the methods of accounting for prior service cost of the pension plans, warranty costs and depreciation of property, plant and equipment as described in Note 3 to the consolidated financial statements.

As described in Note 2 to the consolidated financial statements, Nissan Motor Co., Ltd. and consolidated subsidiaries have adopted new accounting standards for consolidation, research and development costs and tax-effect accounting effective the year ended March 31, 2000 and for employees' retirement benefits, financial instruments and foreign currency translations effective the year ended March 31, 2001 in the preparation of their consolidated financial statements.

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2002 are presented solely for convenience. Our examination also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 4 to the consolidated financial statements.

A handwritten signature in black ink that reads 'Shin Nihon & Co.' in a cursive script.

Tokyo, Japan
June 20, 2002

See Note 1 to the consolidated financial statements which explains the basis of presentation of the consolidated financial statements of Nissan Motor Co., Ltd. and consolidated subsidiaries under Japanese accounting principles and practices.

Non-consolidated Five-Year Summary

Nissan Motor Co., Ltd.

Fiscal years 2001, 2000, 1999, 1998 and 1997

For the years ended	Millions of yen (except per share amounts and number of employees)					Millions of U.S. dollars ^(Note 1) (except per share amounts)
	2001 Mar. 31, 2002	2000 Mar. 31, 2001	1999 Mar. 31, 2000	1998 Mar. 31, 1999	1997 Mar. 31, 1998	2001 Mar. 31, 2002
Net sales	¥3,019,860	¥2,980,130	¥2,997,020	¥3,319,659	¥3,546,126	\$22,706
Operating income	242,279	127,762	(15,674)	15,165	85,626	1,822
Net income (loss)	183,449	187,485	(790,694)	(34,809)	(16,548)	1,379
Net income (loss) per share ^(Note 2)	45.61	47.14	(204.93)	(13.85)	(6.59)	0.343
Cash dividends paid ^(Note 3-4)	8.00	7.00	0.00	0.00	10.00	0.060
Shareholders' equity	¥1,829,052	¥1,450,159	¥1,263,075	¥1,477,498	¥1,529,898	\$13,752
Total assets	3,915,031	3,576,466	3,563,853	3,595,272	3,661,093	29,436
Long-term debt	942,518	798,009	909,178	750,028	622,515	7,087
Depreciation and amortization	56,265	49,074	89,858	105,229	98,803	423
Number of employees	30,365	30,747	32,707	39,467	39,969	

Notes: 1. Unless indicated otherwise, all dollar figures herein refer to U.S. currency. Yen amounts have been translated into U.S. dollars, for convenience only, at ¥133=\$1, the approximate exchange rate on March 31, 2002.

2. Net income (loss) per share amounts are based on the weighted average number of shares of common stock outstanding during each year. Figures for net income (loss) per share are in exact yen and U.S. dollars. Number of shares outstanding as of March 31, 2002: 4,517,045,210.

3. Cash dividends paid represent the amounts proposed by the Board of Directors as applicable to the respective years, together with the interim cash dividends paid.

4. Cash dividends applicable to FY2001 is ¥8.00 per share/ ¥4.00 per issued share in FY2001.



Principal Group Companies

(As of March 31, 2002)

JATCO TransTechnology Ltd.

Manufacture/sale of auto parts

Nissan Diesel Motor Co., Ltd.

Manufacture/sale of vehicles and auto parts

Unisia JECS Corporation

Manufacture/sale of auto parts

Calsonic Kansei Corporation

Manufacture/sale of auto parts

Aichi Machine Industry Co., Ltd.

Manufacture/sale of auto parts

Nissan Shatai Co., Ltd.

Manufacture/sale of vehicles and auto parts

Nissan Financial Services Co., Ltd.

Leasing and financing of vehicles

Nissan Finance Co., Ltd.

Financial and accounting services for group companies

Nissan Kohki Co., Ltd.

Manufacture/sale of auto parts

Aichi Nissan Motor Corporation

Sale of vehicles and auto parts

Tokyo Nissan Motor Corporation

Sale of vehicles and auto parts

Nissan Prince Tokyo Motor Sales Co., Ltd.

Sale of vehicles and auto parts

Nissan Satio Osaka Co., Ltd.

Sale of vehicles and auto parts

Nissan North America, Inc.

Headquarters for North American operations
Manufacture/sale of vehicles and auto parts

Nissan Motor Acceptance Corporation

Retail and wholesale vehicle financing in the U.S

Nissan Forklift Corporation, North America

Manufacture/sale of industrial machinery,
industrial engines and parts

Nissan Technical Center North America, Inc.

Vehicle R&D, evaluation, certification

Nissan Canada, Inc.

Sale of vehicles and auto parts

Nissan Mexicana, S.A. de C.V.

Manufacture/sale of vehicles and auto parts

Nissan Motor Manufacturing (UK) Ltd.

Manufacture/sale of vehicles and auto parts

Nissan Motor (GB) Ltd.

Sales of vehicles and auto parts

Nissan Technical Centre Europe Limited

Vehicle R&D, evaluation, certification

Nissan Europe N.V.

Headquarters for European sales and
manufacturing operations

Nissan Motor Ibérica, S.A.

Manufacture/sale of vehicles and auto parts

Nissan Motor Co. (Australia) Pty. Ltd.

Sale of vehicles and auto parts

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