

### The recovery story is complete

Fiscal 2004 was a tough year, full of both anticipated and unexpected risks, but Nissan lived up to all the challenges. We had a record year in revenues, operating profit, net income, sales volume and production.

#### Sales performance

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

Along with record sales, we achieved a global production record. Nissan's manufacturing plants turned out 3,378,000 units, or 293,000 units more than the previous record.

#### Financial performance

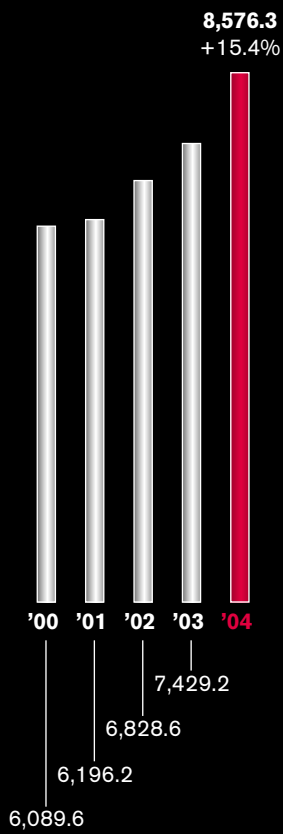
- Consolidated net revenues came to 8 trillion ¥576.3 billion, up 15.4 percent from last year.
- Consolidated operating profit improved by 4.4 percent to a record ¥861.2 billion. As a percentage of net revenue, our operating profit margin came to 10.0 percent.
- Net income reached ¥512.3 billion, an increase of ¥8.6 billion.

#### Nissan 180 commitments

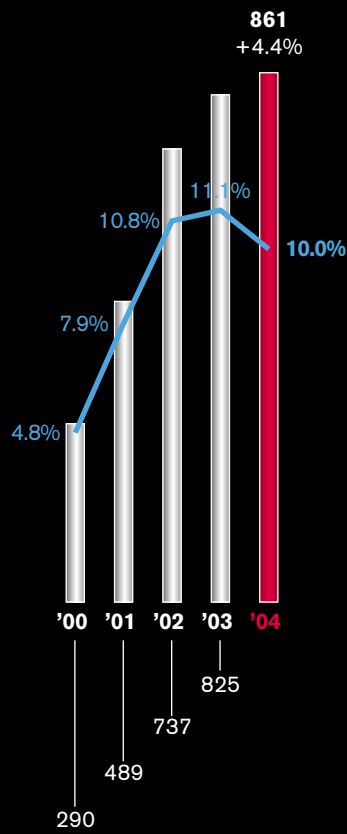
Fiscal 2004 marked the end of our NISSAN 180 business plan. Obviously, NISSAN 180 cannot be closed completely until the end of September 2005, but we know that we have already delivered two of the plan's three critical commitments.

- We committed to an 8 percent operating profit margin, and our margin has been at or above 10 percent for every year of NISSAN 180.
- We committed to zero debt, and today we have more than ¥200 billion in net cash under the new and more demanding accounting standards.
- Our only remaining commitment is to achieve one million additional sales. Even here we are in reasonably good shape. At the midpoint of the measurement period we are at 1,809,000 units, which is a slight advance compared to our commitment to reach 3,597,000 units by the end of September 2005.

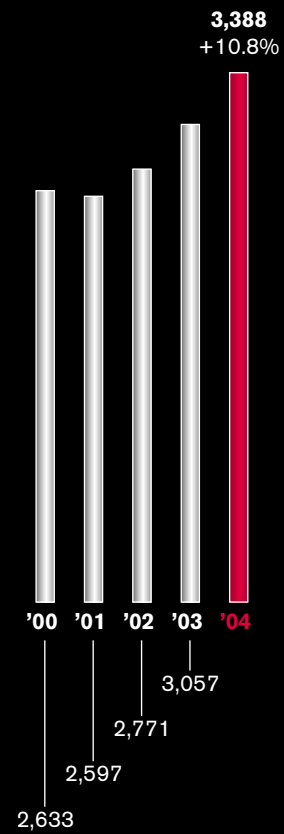
**Consolidated Net Revenue**  
(Billion Yen)



**Consolidated Operating Profit/Margin**  
(Billion Yen/%)



**Global Retail Sales**  
(Units: 1000s)



## Looking to the New Fiscal Year

Nissan will continue to grow in fiscal 2005. Even assuming a relatively flat total industry volume of 61 million units globally, Nissan's sales are forecast to come to 3,618,000 units, a 6.8 percent increase over the prior year.

Worldwide, we will launch six all-new models—five in Japan, one in Europe—leading to twenty regional product events.

### Our sales objectives

- Japan: 933,000 units, a 10 percent increase over last year
- U.S.: 1,047,000 units, an increase of 3.3 percent
- Europe: 550,000 units, a 1.1 percent increase over last year
- General Overseas Markets: 1,088,000 units, a 10.7 percent increase

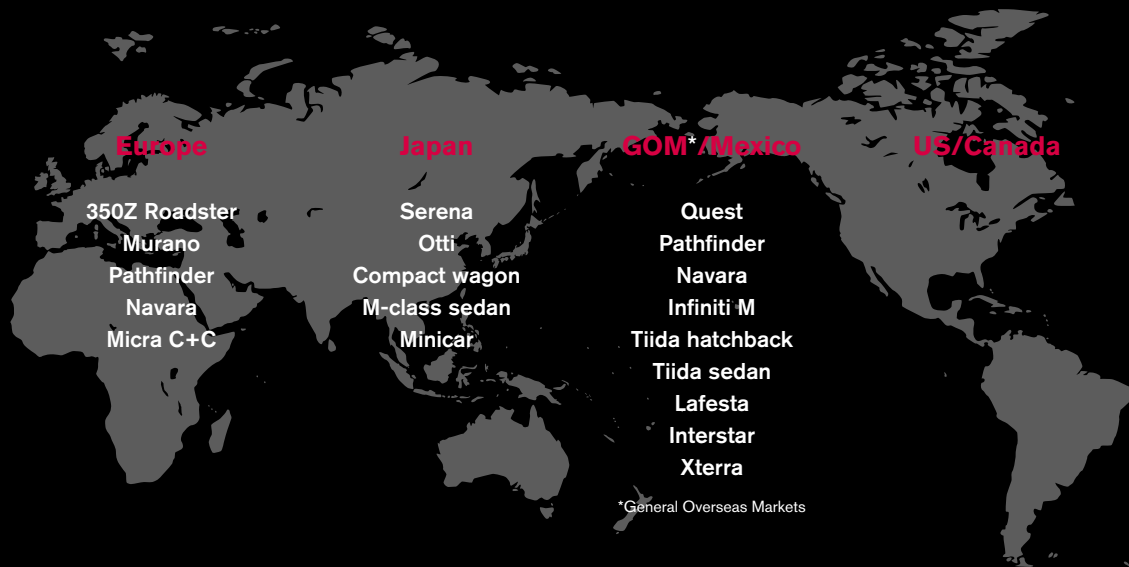
### Our financial outlook

Any new fiscal year brings risks and opportunities, and 2005 brings very high levels of uncertainty and risks—volatility in exchange rates, higher interest rates, higher commodity prices, higher energy prices, higher incentives and uncertainty about growth in the U.S. and Japan. The opportunity is in following through on the NISSAN Value-Up plan quickly and effectively.

In light of these factors, our forecast for fiscal 2005 is as follows. This is based on a foreign exchange rate assumption for the year of ¥105 per dollar and ¥130 per euro:

- Net revenue is predicted to be ¥9 trillion, up 4.9 percent.
- Operating profit is expected to be ¥870 billion, up 1 percent.
- Ordinary profit is expected to reach ¥860 billion, up 0.5 percent.
- Net income is predicted to be ¥517 billion, up 0.9 percent.
- Capital expenditures are expected to reach ¥540 billion, up 13.1 percent.
- R&D expenses are forecast to reach ¥450 billion, or 5 percent of net sales, up 13.0 percent.
- ROIC is expected to remain at or above 20 percent.

New Models for Fiscal Year 2005



Global Retail Sales Volume

(Units: 1000s)



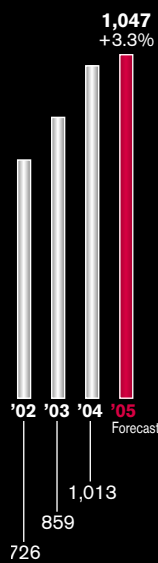
Retail Sales by Region

(Units: 1000s)

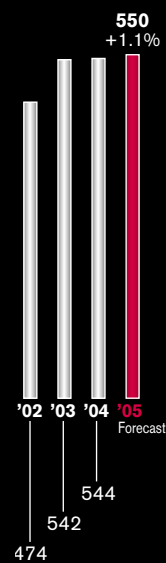
Japan



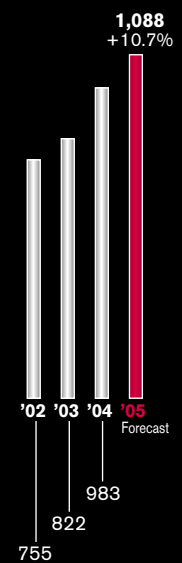
U.S.



Europe



GOM\*



\*Including Mexico and Canada

## NISSAN Value-Up: Sustaining Performance

Nissan's position today is much different than it was six years ago or even three years ago. In 1999, we were in crisis, and the Nissan Revival Plan was needed to revive our company and build a future. In April 2002, when NISSAN 180 began, we wanted to complete the revival process, with an emphasis on profitable growth.

NISSAN Value-Up is about sustaining performance. About taking all the gains we have made in connecting with our customers, in growing volumes, in creating value, in earning profits, in improving management— and then building upon these gains.

With NISSAN Value-Up, you will not see a radical break from NISSAN 180. This plan is evolutionary, not revolutionary. We will take the core elements that got us to this point—namely, more revenue, less cost, more quality and speed, and maximized Alliance benefit with Renault—and build upon them.

NISSAN Value-Up has three critical commitments:

**Profit:** Nissan will maintain the top level of operating profit margin among global automakers for each of the three years of the plan.

**Volume:** Nissan will achieve global sales of 4.2 million units measured in fiscal 2008.

**ROIC:** Nissan will achieve a 20 percent ROIC on average over the course of the plan, based on the new formula that excludes cash on hand from the denominator.

NISSAN Value-Up will oversee 28 new models, resulting in the start of production of 70 models worldwide, over two dozen more than the 44 production starts during NISSAN 180. Of the 28 new models, 18 will be replacements for existing models and 10 will be completely new "conquest" models. We will enter more new segments, and we will introduce six models that will delight customers by being completely innovative in their concept and benefits.

We will pursue four major breakthroughs while implementing NISSAN Value-Up:

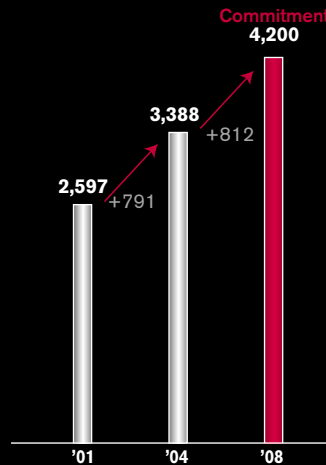
- Our Infiniti luxury brand will extend its reach into new markets such as China and Russia and continue to establish its credibility as a Tier-1 luxury player.
- We will develop our Light Commercial Vehicle (LCV) business into a fully competitive global operation through new market and product entries. By 2007, we plan to increase our LCV volume by 40 percent from fiscal 2004 to 434,000 units. During this period, operating margin is targeted to double from 4 percent to 8 percent.
- We will take a more efficient global sourcing approach to maximize our opportunities and minimize our overall costs as we grow. Our engineering, production and purchasing functions will continue their acceleration toward being fully integrated global operations.
- We will continue to invest in new and emerging markets, including China, India and Russia.

THREE CRITICAL COMMITMENTS

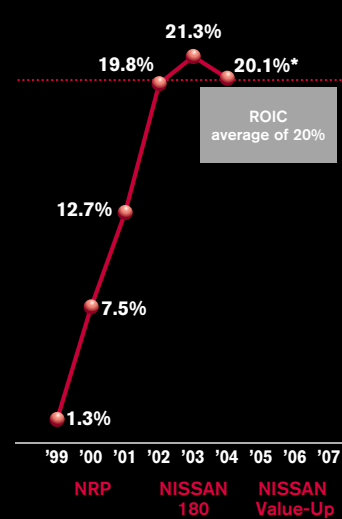
**Consolidated Operating Profit Margin**  
COP margin (%)



**NISSAN Value-Up Sales Volume**  
(Units: 1000s)



**Return on Invested Capital (auto)**  
(%)



\*Same scope of consolidation as P&L, excluding change of cash compared to fiscal year 2003

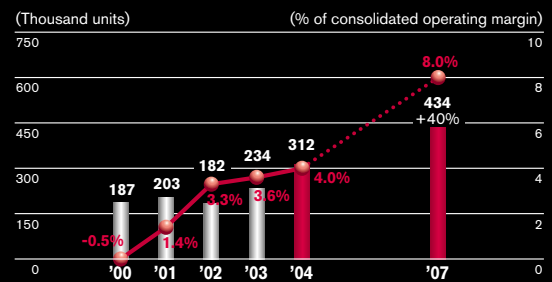
FOUR MAJOR BREAKTHROUGHS

**Infiniti Global Tier-1 bBrand**



\*Japan launch after NISSAN Value-Up

**Light Commercial Vehicles (LCV)**



**Leading Competitive Countries (LCCs)**



**Geographic Expansion**

