

CONSOLIDATED STATEMENTS OF CASH FLOWS

Nissan Motor Co., Ltd. and Consolidated Subsidiaries
Fiscal years 2004, 2003 and 2002

	Millions of yen			Thousands of U.S. dollars (Note 3)
	For the years ended	2004 Mar. 31, 2005	2003 Mar. 31, 2004	2002 Mar. 31, 2003
Operating activities				
Income before income taxes and minority interests	¥ 793,233	¥736,497	¥694,624	\$ 7,413,393
Depreciation and amortization relating to:				
Leased assets	157,346	134,354	158,370	1,470,523
Other assets	368,580	326,683	212,755	3,444,673
(Reversal of) provision for allowance for doubtful receivables	(6,464)	3,732	(503)	(60,411)
Loss on devaluation of securities	128	323	769	1,196
Interest and dividend income	(16,274)	(11,591)	(8,520)	(152,093)
Interest expense	73,220	63,423	80,255	684,299
Gain on sales of property, plant and equipment	(24,038)	(4,163)	(58,796)	(224,654)
Loss on disposal of property, plant and equipment	20,115	24,823	15,587	187,991
(Gain) loss on sales of securities	(7,232)	7,113	(4,324)	(67,589)
Amortization of net retirement benefit obligation at transition	11,795	13,936	23,923	110,234
Provision for accrued retirement benefits	65,103	67,262	100,629	608,439
Retirement benefits paid	(82,924)	(80,650)	(86,917)	(774,991)
Business restructuring costs paid	—	—	(4,644)	—
Other	(115)	45,934	(77,897)	(1,076)
Changes in operating assets and liabilities:				
Notes and accounts receivable	15,494	24,539	44,989	144,804
Finance receivables	(794,349)	(463,110)	(327,357)	(7,423,822)
Inventories	(108,903)	(28,220)	(28,404)	(1,017,785)
Notes and accounts payable	152,213	68,879	36,877	1,422,551
Subtotal	616,928	929,764	771,416	5,765,682
Interest and dividends received	16,098	10,699	8,238	150,449
Interest paid	(71,318)	(65,231)	(80,902)	(666,523)
Income taxes paid	(192,293)	(77,815)	(123,374)	(1,797,131)
Net cash provided by operating activities	369,415	797,417	575,378	3,452,477
Investing activities				
(Increase) decrease in short-term investments	(12,370)	(710)	789	(115,607)
Purchases of investment securities	(31,896)	(119,372)	(32,053)	(298,093)
Proceeds from sales of investment securities	3,098	40,330	45,263	28,953
Long-term loans made	(4,019)	(3,741)	(11,343)	(37,561)
Collection of long-term loans receivable	4,860	4,766	13,097	45,421
Purchases of fixed assets	(461,146)	(428,387)	(377,929)	(4,309,776)
Proceeds from sales of property, plant and equipment	71,256	53,932	98,699	665,944
Purchases of leased vehicles	(590,605)	(476,613)	(483,704)	(5,519,673)
Proceeds from sales of leased vehicles	173,812	191,105	259,075	1,624,411
Purchase of subsidiaries' stock resulting in changes in the scope of consolidation	(1,292)	—	—	(12,075)
Proceeds from sales of subsidiaries' stock resulting in changes in the scope of consolidation (Note 15)	7,697	192	8,395	71,935
Additional acquisition of shares of consolidated subsidiaries	(500)	(2,531)	(692)	(4,673)
Other	(23,930)	(15,097)	(34,971)	(223,645)
Net cash used in investing activities	(865,035)	(756,126)	(515,374)	(8,084,439)
Financing activities				
Increase (decrease) in short-term borrowings	666,191	(137,575)	(54,310)	6,226,084
Increase in long-term borrowings	1,050,841	847,393	534,053	9,820,944
Increase in bonds and debentures	140,663	150,000	85,000	1,314,607
Repayment or redemption of long-term debt	(1,145,534)	(720,694)	(524,115)	(10,705,925)
Purchases of treasury stock	(33,366)	(101,957)	(58,383)	(311,832)
Proceeds from sales of treasury stock	6,816	9,744	5,670	63,701
Repayment of lease obligations	(69,244)	(84,742)	(9,879)	(647,140)
Cash dividends paid	(94,236)	(74,594)	(50,800)	(880,710)
Other	(1,085)	(1,315)	—	(10,140)
Net cash provided by (used in) financing activities	521,046	(113,740)	(72,764)	4,869,589
Effect of exchange rate changes on cash and cash equivalents	4,369	(2,604)	654	40,831
Increase (decrease) in cash and cash equivalents	29,795	(75,053)	(12,106)	278,458
Cash and cash equivalents at beginning of the year	194,164	269,817	279,653	1,814,617
Increase due to inclusion in consolidation (Note 15)	65,825	310	2,297	615,187
Decrease due to exclusion from consolidation	—	(910)	(27)	—
Cash and cash equivalents at end of the year	¥ 289,784	¥194,164	¥269,817	\$ 2,708,262

See notes to consolidated financial statements.