

## CONSOLIDATED STATEMENTS OF CASH FLOWS

Nissan Motor Co., Ltd. and Consolidated Subsidiaries  
Fiscal years 2005, 2004 and 2003

	Millions of yen			Thousands of U.S. dollars (Note 3)
	For the years ended	2005 Mar. 31, 2006	2004 Mar. 31, 2005	2003 Mar. 31, 2004
<b>Operating activities</b>				
Income before income taxes and minority interests	¥	809,041	¥ 793,233	¥736,497
Depreciation and amortization relating to:				
Leased assets		236,572	157,346	134,354
Other assets		418,830	368,580	326,683
Impairment loss		26,827	—	—
Provision for (reversal of) allowance for doubtful receivables		4,561	(6,464)	3,732
Loss on devaluation of securities		212	128	323
Interest and dividend income		(21,080)	(16,274)	(11,591)
Interest expense		104,265	73,220	63,423
Gain on sales of fixed assets		(16,742)	(24,038)	(4,163)
Loss on disposal of fixed assets		22,213	20,115	24,823
(Gain) loss on sales of securities		(40,223)	(7,232)	7,113
Amortization of net retirement benefit obligation at transition		11,145	11,795	13,936
Provision for accrued retirement benefits		63,564	65,103	67,262
Retirement benefits paid		(314,349)	(82,924)	(80,650)
Other		13,587	(115)	45,934
Changes in operating assets and liabilities:				
Notes and accounts receivable		90,391	15,494	24,539
Finance receivables		(311,685)	(794,349)	(463,110)
Inventories		(117,120)	(108,903)	(28,220)
Notes and accounts payable		88,129	152,213	68,879
Subtotal		1,068,138	616,928	929,764
Interest and dividends received		21,034	16,098	10,699
Interest paid		(102,219)	(71,318)	(65,231)
Income taxes paid		(229,084)	(192,293)	(77,815)
Net cash provided by operating activities		757,869	369,415	797,417
<b>Investing activities</b>				
Decrease (increase) in short-term investments		7,078	(12,370)	(710)
Purchases of investment securities		(23,930)	(31,896)	(119,372)
Proceeds from sales of investment securities		46,060	3,098	40,330
Long-term loans made		(3,549)	(4,019)	(3,741)
Collection of long-term loans receivable		3,225	4,860	4,766
Purchases of fixed assets		(471,029)	(461,146)	(428,387)
Proceeds from sales of property, plant and equipment		55,790	71,256	53,932
Purchases of leased vehicles		(953,285)	(590,605)	(476,613)
Proceeds from sales of leased vehicles		264,124	173,812	191,105
Purchase of subsidiaries' stock resulting in changes in scope of consolidation		—	(1,292)	—
Proceeds from sales of subsidiaries' stock resulting in changes in scope of consolidation		4,705	7,697	192
Additional acquisition of shares of consolidated subsidiaries		(16,020)	(500)	(2,531)
Other		(25,924)	(23,930)	(15,097)
Net cash used in investing activities		(1,112,755)	(865,035)	(756,126)
<b>Financing activities</b>				
Increase (decrease) in short-term borrowings		376,048	666,191	(137,575)
Increase in long-term borrowings		883,548	1,050,841	847,393
Increase in bonds and debentures		390,706	140,663	150,000
Repayment of long-term borrowings		(809,466)	(765,588)	(627,238)
Redemption of bonds and debentures		(200,840)	(379,946)	(93,456)
Proceeds from minority shareholders		1,321	30	—
Purchases of treasury stock		(22,208)	(33,366)	(101,957)
Proceeds from sales of treasury stock		26,423	6,816	9,744
Repayment of lease obligations		(76,071)	(69,244)	(84,742)
Cash dividends paid		(105,661)	(94,236)	(74,594)
Cash dividends paid to minority shareholders		(6,487)	(678)	(712)
Other		606	(437)	(603)
Net cash provided by (used in) financing activities		457,919	521,046	(113,740)
<b>Effect of exchange rate changes on cash and cash equivalents</b>		11,389	4,369	(2,604)
<b>Increase (decrease) in cash and cash equivalents</b>		114,422	29,795	(75,053)
<b>Cash and cash equivalents at beginning of the year</b>		289,784	194,164	269,817
<b>Increase due to inclusion in consolidation (Note 15)</b>		6	65,825	310
<b>Decrease due to exclusion from consolidation</b>		—	—	(910)
<b>Cash and cash equivalents at end of the year</b>		¥ 404,212	¥ 289,784	¥194,164
				<b>\$6,914,880</b>
				<b>2,021,983</b>
				<b>3,579,743</b>
				<b>229,291</b>
				<b>38,983</b>
				<b>1,812</b>
				<b>(180,171)</b>
				<b>891,154</b>
				<b>(143,094)</b>
				<b>189,855</b>
				<b>(343,786)</b>
				<b>95,256</b>
				<b>543,282</b>
				<b>(2,686,744)</b>
				<b>116,129</b>
				<b>772,573</b>
				<b>(2,663,974)</b>
				<b>(1,001,026)</b>
				<b>753,239</b>
				<b>9,129,385</b>
				<b>179,778</b>
				<b>(873,667)</b>
				<b>(1,957,983)</b>
				<b>6,477,513</b>
				<b>60,496</b>
				<b>(204,530)</b>
				<b>393,675</b>
				<b>(30,333)</b>
				<b>27,564</b>
				<b>(4,025,889)</b>
				<b>476,838</b>
				<b>(8,147,735)</b>
				<b>2,257,470</b>
				<b>—</b>
				<b>40,214</b>
				<b>(136,923)</b>
				<b>(221,573)</b>
				<b>(9,510,726)</b>
				<b>3,214,085</b>
				<b>7,551,692</b>
				<b>3,339,368</b>
				<b>(6,918,513)</b>
				<b>(1,716,581)</b>
				<b>11,291</b>
				<b>(189,812)</b>
				<b>225,838</b>
				<b>(650,179)</b>
				<b>(903,085)</b>
				<b>(55,444)</b>
				<b>5,178</b>
				<b>3,913,838</b>
				<b>97,341</b>
				<b>977,966</b>
				<b>2,476,786</b>
				<b>51</b>
				<b>—</b>
				<b>\$3,454,803</b>

See notes to consolidated financial statements.