

CONSOLIDATED STATEMENTS OF CASH FLOWS

Nissan Motor Co., Ltd. and Consolidated Subsidiaries
Fiscal Years 2006, 2005 and 2004

	Millions of yen			Thousands of U.S. dollars (Note 3)	
	For the years ended	2006 Mar. 31, 2007	2005 Mar. 31, 2006	2004 Mar. 31, 2005	2006 Mar. 31, 2007
Operating activities					
Income before income taxes and minority interests	¥	697,432	¥ 809,041	¥ 793,233	\$ 5,910,441
Depreciation and amortization relating to:					
Leased assets		305,402	236,572	157,346	2,588,153
Other assets		465,821	418,830	368,580	3,947,636
Impairment loss		22,673	26,827	—	192,144
Provision for (reversal of) allowance for doubtful receivables		9,996	4,561	(6,464)	84,712
Loss on devaluation of securities		459	212	128	3,890
Interest and dividend income		(25,546)	(21,080)	(16,274)	(216,492)
Interest expense		145,547	104,265	73,220	1,233,449
Gain on sales of tangible fixed assets		(28,485)	(16,742)	(24,038)	(241,398)
Loss on disposal of fixed assets		25,403	22,213	20,115	215,280
Gain on sales of securities		(3,566)	(40,223)	(7,232)	(30,220)
Amortization of net retirement benefit obligation at transition		10,928	11,145	11,795	92,610
Provision for accrued retirement benefits		55,438	63,564	65,103	469,814
Retirement benefits paid		(157,821)	(314,349)	(82,924)	(1,337,466)
Other		12,118	13,587	(115)	102,695
Changes in operating assets and liabilities:					
Notes and accounts receivable		(114,960)	90,391	15,494	(974,237)
Finance receivables		44,341	(311,685)	(794,349)	375,771
Inventories		(88,765)	(117,120)	(108,903)	(752,246)
Notes and accounts payable		54,368	88,129	152,213	460,744
Subtotal		1,430,783	1,068,138	616,928	12,125,280
Interest and dividends received		24,622	21,034	16,098	208,661
Interest paid		(143,650)	(102,219)	(71,318)	(1,217,373)
Income taxes paid		(268,928)	(229,084)	(192,293)	(2,279,051)
Net cash provided by operating activities		1,042,827	757,869	369,415	8,837,517
Investing activities					
Decrease (increase) in short-term investments		7,210	7,078	(12,370)	61,102
Purchases of investment securities		(17,117)	(23,930)	(31,896)	(145,059)
Proceeds from sales of investment securities		36,486	46,060	3,098	309,203
Long-term loans made		(12,625)	(3,549)	(4,019)	(106,992)
Collection of long-term loans receivable		4,211	3,225	4,860	35,686
Purchases of fixed assets		(546,848)	(471,029)	(461,146)	(4,634,305)
Proceeds from sales of property, plant and equipment		72,308	55,790	71,256	612,780
Purchases of leased vehicles		(957,356)	(953,285)	(590,605)	(8,113,186)
Proceeds from sales of leased vehicles		304,912	264,124	173,812	2,584,000
Purchase of subsidiaries' shares resulting in changes in scope of consolidation (Note 15)		(1,391)	—	(1,292)	(11,788)
Proceeds from sales of subsidiaries' shares resulting in changes in scope of consolidation (Note 15)		1,308	4,705	7,697	11,085
Additional acquisition of shares of consolidated subsidiaries		—	(16,020)	(500)	—
Other		(5,685)	(25,924)	(23,930)	(48,179)
Net cash used in investing activities		(1,114,587)	(1,112,755)	(865,035)	(9,445,653)
Financing activities					
Increase in short-term borrowings		492,538	376,048	666,191	4,174,051
Increase in long-term borrowings		969,461	883,548	1,050,841	8,215,771
Increase in bonds and debentures		123,730	390,706	140,663	1,048,559
Repayment of long-term borrowings		(1,102,015)	(809,466)	(765,588)	(9,339,110)
Redemption of bonds and debentures		(190,515)	(200,840)	(379,946)	(1,614,534)
Proceeds from minority shareholders		260	1,321	30	2,203
Purchases of treasury stock		(10,375)	(22,208)	(33,366)	(87,924)
Proceeds from sales of treasury stock		29,087	26,423	6,816	246,500
Repayment of lease obligations		(66,775)	(76,071)	(69,244)	(565,890)
Cash dividends paid		(131,064)	(105,661)	(94,236)	(1,110,712)
Cash dividends paid to minority shareholders		(7,453)	(6,487)	(678)	(63,161)
Other		33	606	(437)	281
Net cash provided by financing activities		106,912	457,919	521,046	906,034
Effect of exchange rate changes on cash and cash equivalents		16,640	11,389	4,369	141,017
Increase in cash and cash equivalents		51,792	114,422	29,795	438,915
Cash and cash equivalent at beginning of the year		404,212	289,784	194,164	3,425,525
Increase due to inclusion in consolidation		13,384	6	65,825	113,424
Cash and cash equivalent at end of the year		¥ 469,388	¥ 404,212	¥ 289,784	\$ 3,977,864

See notes to consolidated financial statements.