

Prior fiscal year [From April 1, 2007] [To March 31, 2008]	Current fiscal year [From April 1, 2008] [To March 31, 2009]
<p>1. Scope of consolidation</p> <p>(1) Number of consolidated companies 194</p> <ul style="list-style-type: none"> ▪ Domestic companies 80 <ul style="list-style-type: none"> Sales companies for vehicles and parts Aichi Nissan Motor Co., Ltd., Nissan Fleet Co., Ltd., Nissan Prince Tokyo Motor Sales Co., Ltd., Nissan Parts Chuo Sales Co., Ltd. and 57 other sales companies Manufacturing companies for vehicles and parts Nissan Shatai Co., Ltd., Aichi Machine Industry Co., Ltd., JATCO Ltd., Calsonic Kansei Corporation and 4 other companies Logistics and services companies Nissan Trading Co., Ltd., Nissan Financial Services Co., Ltd., Autech Japan Co., Ltd., and 8 other companies ▪ Foreign companies 114 Nissan North America, Inc., Nissan International SA, Nissan Motor Manufacturing (UK) Ltd., Nissan Mexicana, S.A. de C.V., and 110 other companies <p>The newly established Tokai Nissan Motor Co., Ltd., and 3 other companies have been consolidated. Atlet AB and another company have been consolidated through the acquisition of their stocks. Due to the consolidation of Atlet AB, its 16 subsidiaries have also been consolidated. Nissan International SA and 2 other companies, which were unconsolidated subsidiaries in the prior year, have been consolidated since their importance has increased. Meanwhile, NR Wholesales Mexico, S.A. De C.V., and 10 other companies ceased to exist due to mergers. Sunny Osaka Service Co., Ltd., and 6 other companies were dissolved. Bocho Nissan Motor Co., Ltd., has been excluded from consolidation following the sale of its shares.</p> <p>(2) Unconsolidated subsidiaries 167</p> <ul style="list-style-type: none"> ▪ Domestic companies 106 Nissan Marine Co., Ltd., Shinwa Kogyo Co., Ltd. and others ▪ Foreign companies 61 Nissan Industrial Equipment Co. and others <p>These unconsolidated subsidiaries are small in terms of their total assets, sales, net income or loss, retained earnings and others, and do not have a significant effect on the consolidated financial statements. As a result, they have been excluded from consolidation.</p>	<p>1. Scope of consolidation</p> <p>(1) Number of consolidated companies 202</p> <ul style="list-style-type: none"> ▪ Domestic companies 82 <ul style="list-style-type: none"> Sales companies for vehicles and parts Nissan Prince Osaka Hanbai Co., Ltd., Nissan Prince Tokyo Motor Sales Co., Ltd., Nissan Fleet Co., Ltd., Nissan Parts Chuo Sales Co., Ltd. and 57 other sales companies Manufacturing companies for vehicles and parts Nissan Shatai Co., Ltd., Aichi Machine Industry Co., Ltd., JATCO Ltd., Calsonic Kansei Corporation and 5 other companies Logistics and services companies Nissan Trading Co., Ltd., Nissan Financial Services Co., Ltd., Autech Japan Co., Ltd., and 9 other companies ▪ Foreign companies 120 Nissan North America, Inc., Nissan International SA, Nissan Motor Manufacturing (UK) Ltd., Nissan Mexicana, S.A. de C.V., and 116 other companies <p>The newly established Nissan International Insurance and 6 other companies have been consolidated. Nissan Manufacturing Russia and 4 other companies, which were unconsolidated subsidiaries in the prior year, have been consolidated since their importance has increased. Meanwhile, Nissan Buhin Minamikyushu Hanbai Co., Ltd. and 3 other companies ceased to exist due to mergers and have been excluded from consolidation.</p> <p>(2) Unconsolidated subsidiaries 158</p> <ul style="list-style-type: none"> ▪ Domestic companies 100 Nissan Marine Co., Ltd., Nissan Shatai Manufacturing Co., Ltd., and others ▪ Foreign companies 58 Calsonic Kansei Spain, S.A., and others <p>These unconsolidated subsidiaries are small in terms of their total assets, sales, net income or loss, retained earnings and others, and do not have a significant effect on the consolidated financial statements. As a result, they have been excluded from consolidation.</p>

<p>Prior fiscal year [From April 1, 2007] [To March 31, 2008]</p>	<p>Current fiscal year [From April 1, 2008] [To March 31, 2009]</p>
<p>3. Accounting period of consolidated subsidiaries (1) The following consolidated companies close their books of account at: December 31: Nissan Mexicana, S.A. de C.A. NR Finance Mexico, S.A. de C.V. NR Finance Service S.A. de C.V. Nissan Motor (GB) Ltd. Nissan Motor Manufacturing (UK) Ltd. Aprite (Gb) Ltd. Nissan Design Europe Ltd. Nissan Motor RUS Ltd. Nissan Motor Ukraine Company Nissan Kaz Limited Liability Partnership Nissan International SA Nissan do Brasil Automoveis Ltda JATCO Mexico, S.A. de C.V. Yulon Nissan Motor Co., Ltd. NISSAN (CHINA) INVESTMENT CO., LTD. Dongfeng Motor Co., Ltd. Calsonic Kansei Mexicana, S.A. de R.L. de C.V., Calsonic Kansei (Thailand) Co., Ltd. Calsonic Kansei (Shanghai) Corp. Calsonic Kansei (China) Holding Company Calsonic Kansei (Guangzhou) Corp. Atlet AB and its 16 subsidiaries</p> <p>(2) Of these 38 companies, the financial statements of Nissan Mexicana, S.A. de C.A., and 12 other subsidiaries are consolidated by using their financial statements as of the parent fiscal year end which are prepared solely for consolidation purposes. For Dongfeng Motor Co., Ltd., Yulon Nissan Motor Co., Ltd., and 23 other subsidiaries are consolidated by using their financial statements as of their respective fiscal year end, and necessary adjustments are made to their financial statements to reflect any significant transactions from January 1 to March 31.</p>	<p>3. Accounting period of consolidated subsidiaries (1) The following consolidated companies close their books of account at: December 31: Nissan Mexicana, S.A. de C.A. NR Finance Mexico, S.A. de C.V. NR Finance Service, S.A. de C.V. Aprite (Gb) Ltd. Nissan Motor RUS Ltd. Nissan Manufacturing Russia Nissan Motor Ukraine Company Nissan Kaz Limited Liability Partnership Nissan do Brasil Automoveis Ltda JATCO Mexico, S.A. de C.V. Yulon Nissan Motor Co., Ltd. NISSAN (CHINA) INVESTMENT CO., LTD. Dongfeng Motor Co., Ltd. Dongfeng Nissan Auto Finance Co., Ltd. Shanghai Nissan Motor Co., Ltd. Calsonic Kansei Mexicana, S.A. de R.L. de C.V. Calsonic Kansei (Thailand) Co., Ltd. Calsonic Kansei (Shanghai) Corp. Calsonic Kansei (China) Holding Company Calsonic Kansei (Guangzhou) Corp. Atlet AB and its 17 subsidiaries</p> <p>(2) Of these 38 companies, the financial statements of Nissan Mexicana, S.A. de C.A., and 9 other subsidiaries are consolidated by using their financial statements as of the parent fiscal year end which are prepared solely for consolidation purposes. For Dongfeng Motor Co., Ltd., Yulon Nissan Motor Co., Ltd., and 26 other subsidiaries are consolidated by using their financial statements as of their respective fiscal year end, and necessary adjustments are made to their financial statements to reflect any significant transactions from January 1 to March 31.</p>
<p>4. Significant accounting policies (1) Valuation methods for assets 1) Securities Held-to-maturity securities: Held-to maturity securities are stated at amortized cost Other securities: Marketable securities: Marketable securities classified as other securities are carried at fair value with any changes in unrealized holding gain or loss, net of the applicable income taxes, directly included in net assets. Costs of securities sold are calculated by the moving average method. Non-marketable securities: Non-marketable securities classified as other securities are carried at cost determined by the moving average method.</p> <p>2) Derivatives Derivatives financial instruments are stated at fair value.</p> <p>3) Inventories Inventories are stated principally at the lower of cost or market, cost being determined by the first-in, first-out method.</p>	<p>4. Significant accounting policies (1) Valuation methods for assets 1) Securities Held-to-maturity securities: Same as the prior fiscal year. Other securities: Marketable securities: Same as the prior fiscal year. Non-marketable securities: Same as the prior fiscal year.</p> <p>2) Derivatives Same as the prior fiscal year.</p> <p>3) Inventories Inventories held for the purpose of ordinary sale are stated principally at cost, cost being determined by the first-in, first-out method. (The balance sheet amounts are determined by writing down the book value according to a decrease in profitability.)</p>

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<p>(2) Depreciation of property, plant and equipment Depreciation of property, plant and equipment is calculated principally by the straight-line method based on the estimated useful lives and the residual value determined by the Company.</p> <p>(3) Basis for significant reserves</p> <p>1) Allowance for doubtful accounts Allowance for doubtful accounts is provided based on past experience for normal receivables and on an estimate of the collectibility of receivables from companies in financial difficulty.</p> <p>2) Accrued warranty costs Accrued warranty costs are provided to cover the cost of all services anticipated to be incurred during the entire warranty period in accordance with the warranty contracts and based on past experience.</p> <p>3) Accrued retirement benefits Accrued retirement benefits or prepaid pension costs are recorded principally at an amount calculated based on the retirement benefit obligation and the fair value of the pension plan assets at the end of the current fiscal year.</p> <p>The net retirement benefit obligation at transition is being amortized over a period of 15 years by the straight-line method.</p> <p>Prior service cost is being amortized as incurred by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees.</p> <p>Actuarial gain or loss is amortized in the year following the year in which the gain or loss is recognized primarily by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees.</p> <p>4) Accrued directors' retirement benefits Accrued directors' retirement benefits are provided at an amount to be required at the year-end according to internal regulations.</p> <p>(4) Foreign currency translation Receivables and payables denominated in foreign currencies are translated into yen at the rates of exchange in effect at the balance sheet date, and differences arising from the translation are included in the statement of operations.</p> <p>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. Revenue and expense accounts are translated at the average rate of exchange in effect during the year. Differences arising from the translation are presented as translation adjustments and minority interests in net assets.</p> <p>(5) Lease accounting Noncancellable lease transactions that transfer substantially all risks and rewards associated with the ownership of assets are accounted for as finance leases.</p>	<p>(2) Depreciation of property, plant and equipment Depreciation of self-owned property, plant and equipment is calculated principally by the straight-line method based on the estimated useful lives and the residual value determined by the Company.</p> <p>Depreciation of leased property, plant and equipment is calculated by the straight-line method based on either the estimated useful lives or the lease terms and the residual value determined by the Company.</p> <p>(3) Basis for significant reserves</p> <p>1) Allowance for doubtful accounts Same as the prior fiscal year.</p> <p>2) Accrued warranty costs Same as the prior fiscal year.</p> <p>3) Accrued retirement benefits Same as the prior fiscal year.</p> <p>4) Accrued directors' retirement benefits Same as the prior fiscal year.</p> <p>(4) Foreign currency translation Same as the prior fiscal year.</p>

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<p>(6) Hedge accounting</p> <p>1) Hedge accounting Deferral hedge accounting is adopted for derivatives which qualify as hedges, under which unrealized gain or loss is deferred.</p> <p>2) Hedging instruments and hedged items · Hedging instruments..... Derivative transactions · Hedged items..... Hedged items are primarily forecast sales denominated in foreign currencies and receivables and payables denominated in foreign currencies.</p> <p>3) Hedging policy It is the Company's policy that all transactions denominated in foreign currencies are to be hedged.</p> <p>4) Assessment of hedge effectiveness Hedge effectiveness is not assessed if the substantial terms and conditions of the hedging instruments and the hedged forecasted transactions are the same.</p> <p>5) Risk management policy with respect to hedge accounting The Company manages its derivative transactions in accordance with its internal "Policies and Procedures for Risk Management."</p> <p>(7) Accounting for consumption tax Transactions subject to consumption tax are recorded at amounts exclusive of consumption tax.</p> <p>(8) Adoption of consolidated taxation system The Company and some of its subsidiaries adopted the consolidated taxation system effective from the fiscal year ended March 31, 2008.</p> <p>(9) Accounting policies adopted by foreign consolidated subsidiaries The financial statements of the Company's consolidated subsidiaries 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 valuation, translation adjustments and others.</p>	<p>(5) Hedge accounting</p> <p>1) Hedge accounting Deferral hedge accounting is adopted, in principle. Foreign exchange contracts, except those for accounts receivable denominated in a foreign currency, are subject to appropriation if they satisfy the requirements for appropriation treatment. For interest rate swaps, preferential treatment is applied if the swaps satisfy the requirements for preferential treatment.</p> <p>2) Hedging instruments and hedged items · Hedging instruments..... Same as the prior fiscal year · Hedged items..... Hedged items are primarily receivables and payables denominated in foreign currencies.</p> <p>3) Hedging policy Foreign exchange and interest volatility risks are hedged within a certain range in accordance with the Company's "Policies and Procedures for Risk Management and Authority Regarding Derivative Transactions."</p> <p>4) Assessment of hedge effectiveness Hedge effectiveness is not assessed if the substantial terms and conditions of the hedging instruments and the hedged transactions are the same.</p> <p>_____</p> <p>(6) Accounting for consumption tax Same as the prior fiscal year.</p> <p>(7) Adoption of consolidated taxation system The Company and some of its subsidiaries have been adopted the consolidated taxation system.</p> <p>_____</p>
<p>5. Valuation of assets and liabilities of consolidated subsidiaries Assets and liabilities of consolidated subsidiaries acquired through business combinations are carried at fair value at the time of acquisition.</p>	<p>5. Valuation of assets and liabilities of consolidated subsidiaries Same as the prior fiscal year.</p>
<p>6. Amortization of goodwill and negative goodwill Goodwill and negative goodwill have been amortized evenly over periods not exceeding 20 years, during which their effect can be recognized, determined based on their materiality. However, immaterial goodwill and negative goodwill are charged or credited to income in the year of acquisition.</p>	<p>6. Amortization of goodwill and negative goodwill Same as the prior fiscal year.</p>
<p>7. Cash and cash equivalents in the consolidated statements of cash flows Cash and cash equivalents consist of cash on hand, cash in banks which can be withdrawn at any time and short-term investments with a maturity of three months or less when purchased which can easily be converted to cash and are subject to little risk of change in value.</p>	<p>7. Cash and cash equivalents in the consolidated statements of cash flows Same as the prior fiscal year.</p>
<p>_____</p>	<p>8. Reporting of revenue from finance lease transactions Instead of reporting the revenue, amounts equivalent to the interest are distributed over the fiscal years concerned.</p>