CONTENTS

This annual report presents the results of Nissan Motor Corporation’s business activities for fiscal 2015. It also provides an opportunity for investors to deepen their understanding of the Nissan management team. President and CEO Carlos Ghosn and CFO Joseph G. Peter share their vision of Nissan’s philosophy and the direction the Company is heading today.

Viewing this Report

This Annual Report is an interactive PDF. You can use the navigation tabs and buttons to access the information you need.

- Section Tabs

- Navigation Buttons

- Link Buttons

Financial Data
To obtain more detailed financial information, please visit our IR website.

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Cover photo: Q60
Nissan: Enriching People's Lives

Nissan has a clear vision for the future, and − with our Alliance partner, Renault − we are working with passion to achieve it. Our mission is to enrich people’s lives, building trust with our employees, customers, dealers, partners, shareholders and the world at large.

Nissan provides unique and innovative automotive products and services that deliver superior measurable values to all stakeholders* in alliance with Renault.

* Our stakeholders include customers, shareholders, employees, dealers and suppliers, as well as the communities where we work and operate.
## FINANCIAL HIGHLIGHTS

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>12,189,519</td>
<td>11,375,207</td>
<td>10,482,520</td>
<td>8,737,320</td>
<td>9,409,026</td>
</tr>
<tr>
<td><strong>Ordinary income</strong></td>
<td>862,272</td>
<td>694,232</td>
<td>527,189</td>
<td>504,421</td>
<td>535,090</td>
</tr>
<tr>
<td><strong>Net income attributable to owners of parent</strong></td>
<td>523,841</td>
<td>457,574</td>
<td>389,034</td>
<td>341,117</td>
<td>341,433</td>
</tr>
<tr>
<td><strong>Comprehensive income</strong></td>
<td>75,107</td>
<td>719,903</td>
<td>796,533</td>
<td>721,860</td>
<td>290,600</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>17,373,643</td>
<td>17,045,659</td>
<td>14,703,403</td>
<td>12,442,337</td>
<td>11,072,053</td>
</tr>
<tr>
<td><strong>Net assets per share</strong></td>
<td>1,132.61</td>
<td>1,152.83</td>
<td>1,035.06</td>
<td>890.38</td>
<td>750.77</td>
</tr>
<tr>
<td><strong>Basic net income per share</strong></td>
<td>125.00</td>
<td>109.15</td>
<td>92.82</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Diluted net income per share</strong></td>
<td>124.99</td>
<td>109.14</td>
<td>92.82</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net assets as a percentage of total assets</strong></td>
<td>27.2</td>
<td>28.4</td>
<td>29.5</td>
<td>30.0</td>
<td>28.4</td>
</tr>
<tr>
<td><strong>Price earnings ratio</strong></td>
<td>8.33</td>
<td>11.21</td>
<td>9.91</td>
<td>11.08</td>
<td>10.79</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td>927,013</td>
<td>692,747</td>
<td>728,123</td>
<td>412,257</td>
<td>696,297</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities</strong></td>
<td>(1,229,280)</td>
<td>(1,022,025)</td>
<td>(1,080,416)</td>
<td>(838,047)</td>
<td>(685,063)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities</strong></td>
<td>530,606</td>
<td>245,896</td>
<td>396,925</td>
<td>433,817</td>
<td>308,457</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at end of fiscal year</strong></td>
<td>992,095</td>
<td>802,612</td>
<td>832,716</td>
<td>711,901</td>
<td>840,871</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
<td>152,421</td>
<td>149,388</td>
<td>142,925</td>
<td>130,274</td>
<td>157,265</td>
</tr>
</tbody>
</table>

### Notes:

* Net sales are presented exclusive of consumption tax.
* Effective from fiscal 2013, International Financial Reporting Standards (IFRS) 11 Joint Arrangements, which was released on May 12, 2011, and International Accounting Standards (IAS) 19 Employee Benefits, which was released on June 16, 2011, have been applied in some foreign subsidiaries and affiliates, and key financial data and trends for fiscal 2012 are adjusted.
* Diluted net income per share for fiscal 2011 and fiscal 2012 is not presented because the Company had no securities with dilutive effects.
* Staff numbers, which are presented as the lower numbers in the "Employees" line, include those of unconsolidated subsidiaries accounted for by the equity method as reference data.
Net sales climbed 814.3 billion yen for the year to reach 12,189.5 billion yen. Operating profit was 793.3 billion yen, for a profit margin of 6.5%.

Under the forecast of consolidated operating results after fiscal 2013, the consolidation method for Dongfeng Motor Co., Ltd. has been changed from proportionate consolidation to the equity method in comparison with the results until fiscal 2012 by the adoption of IFRS11.

Key figures for fiscal 2015 (China JV Equity Basis)

- Net sales climbed 814.3 billion yen for the year to reach 12,189.5 billion yen.
- Operating profit was 793.3 billion yen, for a profit margin of 6.5%.

* Based on continuation of proportionate consolidation of China JV
DEAR FELLOW SHAREHOLDERS

Carlos Ghosn
President and Chief Executive Officer

Fiscal 2015 was a year of continued progress at Nissan Motor Corporation (NMC). Once again we delivered solid financial results for our shareholders by launching innovative vehicles, pioneering new technologies and disciplined focus on cost-efficiency.

I would like to thank all of our employees, our suppliers, dealers, Alliance partners and my management colleagues for their contribution to our strong financial performance this year. Our results reflect Nissan’s underlying quality and resilience, and I look ahead with bright optimism—for our customers, for our employees, and of course, for our shareholders.

Driving Shareholder Returns

As a global team, we have worked together to design, develop, assemble, market, sell and service a range of vehicles with strong customer appeal. This helped to drive strong demand in North America and a satisfactory performance in Europe, excluding the significant market contraction in Russia. Together with continued cost efficiencies and Alliance synergies, this helped offset the negative impact of adverse currency movements and volatile conditions in some of the other markets.

This, in turn, has produced robust shareholder returns. Over the past five years, our annual dividend payment has more than doubled: rising from 20 yen per share in fiscal 2011 to a proposed payout of 48 yen per share for fiscal 2016. This represents a 14.3% increase on the fiscal 2015 dividend payment. In February 2016, we further underlined our commitment to total shareholder returns by announcing a share buy-back worth up to 400 billion yen.

As set out in the detailed financial statements in this Annual Report, the Company increased revenues by 7.2% to 12.2 trillion yen in the 12 months to March 31, 2016, and generated sharply increased operating profits of 793.3 billion yen. Net income rose by 14.5% to 523.8 billion.

Pathway to Power 88

Our confidence reflects the progress that Nissan has achieved since launching the Power 88 plan five years ago. Since then, our annual unit sales have increased by more than 1.2 million units to 5.4 million.

In spite of several challenges in recent years – from emerging market and currency volatility to geo-political tensions – our continued focus on cost efficiencies and our ongoing product offensive have helped lift operating margins towards the 7% level reported for the latest fiscal year. This signals that we are on the right path toward the goal of a sustainable 8% operating profit margin.

Products & Efficiency

We are far from complacent. We must continue to launch strong new products and relentlessly improve efficiency and quality.

This is particularly important in Japan where we are refreshing some core models, notably with the launch of a new compact car featuring our latest electric vehicle powertrain.

This new electric vehicle will meet consumer demand for greater autonomy and fuel efficiency, utilizing a new "e-Power" system that matches the agility, quietness, strong acceleration and efficiency of the Nissan LEAF.
During the current fiscal year, we will launch our latest generation autonomous drive technology in Japan, known as Pro Pilot. This system will build on our existing forward emergency braking technologies by offering automated single-lane controls in highway, making driving safer and more efficient.

We also anticipate that our presence in Japan – and beyond – will be strengthened by our proposed strategic alliance with Mitsubishi Motors (MMC), in which Nissan is planning to take a 34% stake for 237 billion yen.

Pending regulatory approvals for this transaction, we will be able to work together in areas including purchasing, common platforms, the shared development of new technologies, joint plant utilization and growth markets.

Our interest in MMC reflects our long-term confidence in alliances to deliver synergies in areas such as engine development and shared vehicle architectures.

**Alliances**

The bedrock of our Alliance strategy is our 17-year partnership with Renault.

Renault-Nissan synergies exceeded 4 billion euros in fiscal 2015 and will continue to increase as we implement convergence in purchasing, manufacturing and logistics, engineering and human resources. We are targeting 5.5 billion euros by fiscal 2018.

These synergies will be achieved through efficiencies on the cost side and shared revenue opportunities from assets such as the Common Module Family with Renault and our partnership with Daimler in shared powertrains and vehicle architecture.

The Renault-Nissan Alliance will also be an important platform for our expansion in autonomous drive technologies and connected vehicles.

**New Technology**

Nissan is driving change throughout the auto industry. We are changing the driving experience with our “Intelligent Mobility” vision, which will streamline our efforts to deliver Electric Vehicles, Autonomous Drive, Connected Vehicles, and many other cutting-edge products.

In electric vehicles, we created the zero-emission segment five years ago with the launch of the all-electric Nissan LEAF, of which we have now sold more than 200,000 units worldwide.

The 2016 LEAF model has been enhanced by a new 30-kilowatt battery that extended its driving range by more than 20%. This extended range and the growing availability of fast-charging locations in leading markets will enable more zero-emission journeys.

By the end of the decade, Nissan plans to offer more connected cars, introducing systems and features that will make driving safer, more productive and enjoyable. By 2020, the Renault-Nissan Alliance plans to launch more than 10 models with autonomous drive technologies.

**Conclusion**

As the automotive world evolves, Nissan is making positive changes everywhere: for every consumer, for every market, and in every part of our business. We are driving a transformation in the way vehicles are designed, developed, produced and sold in markets around the world. We are harnessing the power that's inside Nissan to prepare solutions that our customers will want and value, now and in the years to come.

The future is bright for our company. Our efforts in cost-efficiency, new products and technologies, Alliances, market focus and greater focus on revenue optimization and customer satisfaction will, we believe, underpin a solid performance in the current year and beyond.

Thank you again for your support.
MESSAGE FROM THE CFO

Nissan Motor Corporation delivered another solid year of improvement in business and financial results in fiscal 2015 despite negative foreign exchange rate movements and slowing sales in some regions, particularly emerging markets.

The improvement in the 12 months to March 31, 2016 was driven by the combination of growing unit sales and continued efficiencies on the cost side of the business. On the sales front, our global unit sales reached 5.4 million units, an all-time record. The Company enjoyed strong growth in North America and solid demand in Western Europe, where sales of popular models including the Altima, Rogue, Sentra, Qashqai and other core products offset difficult conditions in several parts of the world.

We also maintained our intense focus on cost-efficiency, which contributed 223.6 billion yen in year-over-year operating profit improvement, mainly through our purchasing material cost-reduction efforts.

In terms of financial performance (based on the equity accounting method for our Chinese joint venture), consolidated net revenues increased by 814.3 billion yen to 12.2 trillion yen. Operating profit rose by 34.6% to 793.3 billion yen, which represented an operating profit margin of 6.5%. Net income grew by 14.5% to 523.8 billion yen for the year, also reaching an all-time record.

Nissan generated automotive free cash flow of 481.2 billion yen and we continued to strengthen the balance sheet, ending the period with net cash of 1.5 trillion yen for our automotive business.

On a management pro-forma basis, which includes the proportional consolidation of our Chinese joint venture, and is consistent with the methodology used in developing the Nissan Power 88 Mid-term Plan objectives – net revenues increased by 7.7% to 13.4 trillion yen.

Pro-forma operating profit rose by 30.2% to 935.5 billion yen representing a 7.0% operating profit margin. On this measure, we ended the fiscal period with net cash from our automotive operations of 1.65 trillion yen. With cumulative free cash flow totaling 1.7 trillion yen at the end of the year, we exceeded the Power 88 target of 1.5 trillion yen a full 12 months ahead of the mid-term plan.

This positive performance provides a solid base as we follow the path toward our Power 88 goals.

Looking toward fiscal year 2016, we anticipate total industry volumes will increase slightly to 89.4 million units. Of that total, we project that Nissan's global retail volumes will rise by 3.3% to 5.6 million units, driven primarily by growth in China and North America.

We expect net revenues to be 11.8 trillion yen for the 12 months ending March 31, 2017, calculated under the equity accounting method for our joint venture in China. Operating profit is expected to reach 710 billion yen, representing a margin of 6.0%. Net income is forecast to reach 525 billion yen. These figures reflect challenging assumptions on foreign exchange rates, particularly on yen-dollar currency translation.

On the "management pro-forma" basis including the proportional consolidation of our Chinese joint venture, we anticipate net revenues will be 13 trillion yen. Operating profit is forecast to reach 860 billion yen, resulting in an operating profit margin of 6.6%. Net income is estimated to be 525 billion yen.

Our financial priorities remain focused on ensuring sustainable profitable business growth, generating positive automotive free cash flow and maintaining a strong balance sheet with sufficient levels of liquidity.

Under our mid-term plan, Nissan is committed to maintaining a progressive dividend policy, which reflects our profitability and solid free cash-flow generation. Given our solid financial performance in the period covered by this Annual Report, we have proposed a 14.3% increase in the full-year dividend to 48 yen per share for FY16. This distribution remains in line with our commitment to a minimum payout ratio of 30%.

Total shareholder returns will be further enhanced through the stock buy-back, announced in February, of 300 million shares valued at up to 400 billion yen throughout this year.

In summary, Nissan has delivered another fiscal year of solid financial results despite challenging conditions in several markets and recent unfavorable currency movements. We remain confident that Nissan has the underlying strength, the right products, the strategic focus and the discipline to continue to drive the Company forward, while facing the challenges ahead.

In this regard, while we have adopted a challenging forecast for likely currency movements – particularly in the yen-dollar exchange rate – we expect Nissan to deliver further solid earnings and attractive shareholder returns in fiscal 2016.

Joseph G. Peter
Chief Financial Officer
THE MID-TERM PLAN "NISSAN POWER 88"

SIX STRATEGIES UNDER NISSAN POWER 88

1. Strengthening brand power
2. Enhancing sales power
3. Enhancing quality
4. Zero-emission leadership
5. Business expansion
6. Cost leadership

Nissan is operating its business based on the mid-term plan, Nissan Power 88, for the fiscal years 2011 to 2016. “Power” derives its significance from the strengths and efforts we will apply to our brands and sales.

Our commitment is to renew our focus on the overall customer experience, elevating Nissan’s brand power and ensuring quality excellence for every person who buys a Nissan car. “88” denotes the measurable rewards from achieving our plan. We aim to achieve a global market share of 8% from 5.8% in 2010 and to increase our corporate operating profit to a sustainable 8%* from 6.1% in 2010.

Nissan is implementing six strategies under Nissan Power 88. Together with a stronger brand, investments in products, technologies and global capacity, we aim to achieve Nissan Power 88 and grow further.

* Management pro forma basis based on continuation of proportionate consolidation of China JV
As the industry leader in zero-emission mobility, Nissan is committed to the penetration of electric vehicles (EVs) in the market. It is also striving to achieve virtually zero fatalities and serious injuries in accidents involving its vehicles.

**Nissan’s “Double Zero” Target**

**Zero Emissions**

The Nissan LEAF is the best-selling EV in the world. This year, the Company achieved cumulative global sales of more than 200,000 vehicles. The 2016 LEAF model is enhanced by a new 30-kilowatt battery that extends its driving range by more than 20%.

**Zero Fatalities**

Autonomous Drive technologies will provide a platform for Nissan to pursue its ultimate vision of achieving virtually zero fatalities. In 2016, Nissan will introduce an automated system intended to allow the car to drive autonomously in heavy, stop-and-go traffic. By 2018, we will introduce new technologies that enable cars to autonomously negotiate hazards and change lanes.

By 2020, the Company aims to be ready to introduce automated technology allowing vehicles to navigate without driver intervention in a variety of situations, including complex city driving. Meanwhile, Nissan’s Safety Shield technologies are fundamental to autonomous driving. As of fiscal 2015, Forward Emergency Braking is available on nearly all vehicles categories sold in Japan.
FISCAL 2015 SALES PERFORMANCE AND FISCAL 2016 SALES OUTLOOK

Global demand in fiscal 2015 reached 87.15 million vehicles, up 2.1% from fiscal 2014. Nissan’s global sales volume climbed 2.0% to 5.423 million vehicles and global market share was 6.2%, equal to fiscal 2014.

For fiscal 2016, Nissan expects to grow faster than the industry as a whole. We anticipate that total industry volumes will increase by 2.6% to 89.40 million units. Our global retail volumes are expected to rise by 3.3% to 5.60 million units. This would equate to a global market share of 6.3%, an increase of 0.1 percentage points compared to 2015.

Global Retail Sales Performance / Market Share and Global Sales Outlook

For fiscal 2016, Nissan expects to grow faster than the industry as a whole. We anticipate that total industry volumes will increase by 2.6% to 89.40 million units. Our global retail volumes are expected to rise by 3.3% to 5.60 million units. This would equate to a global market share of 6.3%, an increase of 0.1 percentage points compared to 2015.

Sales Performance and Sales Outlook by Regions

For fiscal 2016, Nissan expects to grow faster than the industry as a whole. We anticipate that total industry volumes will increase by 2.6% to 89.40 million units. Our global retail volumes are expected to rise by 3.3% to 5.60 million units. This would equate to a global market share of 6.3%, an increase of 0.1 percentage points compared to 2015.
SALES VOLUME AND SALES OUTLOOK BY REGIONS

Japan
Total Sales Volume: 573 thousand units

China
Total Sales Volume: 1,250 thousand units

United States
Total Sales Volume: 1,517 thousand units

Europe
Total Sales Volume: 754 thousand units

Other Markets
Total Sales Volume: 835 thousand units

Sales by Region (Units: thousands)
- Asia and Oceania: 357
- Latin America: 171
- Middle East: 207
- Africa: 99

* PV: Retail sales base, LCV: Wholesale base
For fiscal 2015, consolidated net sales increased 7.2%, to 12.19 trillion yen.

Operating profit
Consolidated operating profit totaled 793.3 billion yen, an increase of 34.6% from the previous fiscal year. In comparison to the previous fiscal year's consolidated operating profit, the variance was due to the following factors:

- Foreign exchange rates had a negative impact of 13.3 billion yen.
- Cost items including purchasing cost reduction efforts, lower raw material costs and product enrichment resulted in savings of 223.6 billion yen.
- Volume and mix produced a positive impact of 113.3 billion yen.
- The increase in marketing and selling expenses resulted in a 72.4 billion yen negative movement.
- R&D expenses increased by 24.4 billion yen.
- Manufacturing expenses increased by 19.7 billion yen.
- Other items had a negative impact of 3.4 billion yen.

Consolidated net income increased by 66.2 billion yen from 457.6 billion yen for the previous fiscal year to 523.8 billion yen for the fiscal year under review.
Balance sheet
Total assets increased by 1.9% to 17,373.6 billion yen compared to March 31, 2015. Current assets increased by 4.2% to 10,747.6 billion yen compared to March 31, 2015. This was mainly attributable to increases in sales finance receivables by 340.4 billion yen and cash on hand and in banks by 157.7 billion yen. Fixed assets decreased by 1.5% to 6,626.1 billion yen compared to March 31, 2015.

Current liabilities increased by 5.4% to 6,764.2 billion yen compared to March 31, 2015. This was mainly due to increases in commercial paper by 299.2 billion yen and current portion of bonds by 141.1 billion yen. Long-term liabilities increased by 1.6% to 5,488.7 billion yen compared to March 31, 2015. This was mainly due to increases in net defined benefit liability by 87.9 billion yen, long-term borrowings by 38.4 billion yen and deferred tax liabilities by 18.3 billion yen despite a decrease in bonds by 125.5 billion yen.

Net assets decreased by 2.0% to 5,140.7 billion yen compared to 5,247.3 billion yen as of March 31, 2015. This was mainly due to increases in translation adjustments (loss) by 335.6 billion yen and remeasurements of defined benefit plans (loss) by 73.8 billion yen and a decrease in unrealized holding gain and loss on securities by 31.6 billion yen despite an increase in retained earnings by 338.9 billion yen.

Free cash flow and net cash (auto business)
For fiscal 2015, Nissan achieved a positive free cash flow of 481.2 billion yen. At the end of fiscal 2015, our net automotive cash improved from the previous fiscal year to 1,502.9 billion yen.

The Company continues to maintain a close focus on its inventory of new vehicles. Inventory stood at 790,000 units at the end of fiscal 2015. Nissan continues to manage inventory carefully in order to limit its impact on free cash flow.

Long-term credit rating
Nissan's long-term credit rating with Rating & Investment Information, Inc. (R&I) is A+ with a stable outlook. The Standard & Poor's (S&P) long-term credit rating for Nissan is A– with a positive outlook. Nissan’s credit rating with Moody’s is A3 with a stable outlook.
Sales finance
Due to the increase in retail sales, total financial assets of the sales finance segment increased by 4.7% to 9,719.9 billion yen from 9,281.3 billion yen in fiscal 2014. The sales finance segment generated 232.1 billion yen in operating profits in fiscal 2015 from 195.5 billion yen in fiscal 2014.

Investment policy
The company used capital expenditures in order to ensure Nissan’s future competitiveness. In fiscal 2015, capital expenditures totaled 479.0 billion yen, which was 3.9% of net sales.

R&D expenditures totaled 531.9 billion yen. These funds were used to develop new technologies and products. One of the Company’s strengths is its extensive collaboration and development structure with Renault’s R&D team, resulting from the Alliance.

Dividend
Nissan’s strategic actions reflect not only its long-term vision as a global company to create sustainable value but also the Company’s commitment to maximizing total shareholder returns.

We paid year-end cash dividends of 21 yen per share for fiscal 2015. As a result, the total dividend payment for fiscal 2015, combined with the 21 yen dividend for the interim period, was 42 yen per share.

The dividend payment plan for fiscal 2016 is to be 48 yen per share, considering the business condition, risks and opportunities for the year.

Fiscal 2016 Outlook (China JV Equity Basis)
In our outlook for fiscal 2016, we expect our global sales to reach 5.60 million units, an increase of 3.3% compared to fiscal 2015.

With a total industry volume assumption of 89.40 million units, a 2.6% increase year on year, our global market share is expected to grow from 6.2% to 6.3%.

In consequence of our plan, the financial forecast is as follows. We have used a foreign exchange rate assumption of 105 yen to the dollar:

- Net sales: 11.80 trillion yen
- Operating profit: 710.0 billion yen
- Net income: 525.0 billion yen
### Financial Statements

#### Consolidated Balance Sheets (China JV Equity Basis)

<table>
<thead>
<tr>
<th></th>
<th>FY2014 As of March 31, 2015</th>
<th>FY2015 As of March 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
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<tr>
<td>Trade notes and accounts payable</td>
<td>1,554,399</td>
<td>1,479,689</td>
</tr>
<tr>
<td>Short-term borrowings</td>
<td>1,022,613</td>
<td>1,037,271</td>
</tr>
<tr>
<td>Current portion of long-term borrowings</td>
<td>1,375,780</td>
<td>1,395,894</td>
</tr>
<tr>
<td>Current portion of bonds</td>
<td>2,164,624</td>
<td>2,167,896</td>
</tr>
<tr>
<td>Leasing obligations</td>
<td>25,043</td>
<td>14,015</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>908,009</td>
<td>861,989</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>6,417,495</td>
<td>6,764,187</td>
</tr>
<tr>
<td><strong>Long-term Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bonds</td>
<td>1,095,518</td>
<td>969,987</td>
</tr>
<tr>
<td>Long-term borrowings</td>
<td>2,717,478</td>
<td>2,755,896</td>
</tr>
<tr>
<td>Lease obligations</td>
<td>10,167</td>
<td>14,460</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>673,521</td>
<td>691,809</td>
</tr>
<tr>
<td>Accrued warranty costs</td>
<td>129,365</td>
<td>138,107</td>
</tr>
<tr>
<td>Other</td>
<td>1,001,064</td>
<td>934,989</td>
</tr>
<tr>
<td><strong>Total long-term liabilities</strong></td>
<td>5,380,902</td>
<td>5,468,711</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>11,798,397</td>
<td>12,232,898</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shareholders' equity</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Common stock</td>
<td>605,814</td>
<td>505,814</td>
</tr>
<tr>
<td>Capital surplus</td>
<td>804,567</td>
<td>805,646</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>2,164,624</td>
<td>2,167,896</td>
</tr>
<tr>
<td><strong>Total shareholders' equity</strong></td>
<td>3,575,005</td>
<td>3,578,356</td>
</tr>
<tr>
<td><strong>Accumulated other comprehensive income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrealized holding gain and loss on securities</td>
<td>67,951</td>
<td>67,951</td>
</tr>
<tr>
<td>Unrealized gain and loss from hedging instruments</td>
<td>7,185</td>
<td>(4,486)</td>
</tr>
<tr>
<td><strong>Total accumulated other comprehensive income</strong></td>
<td>75,136</td>
<td>63,465</td>
</tr>
<tr>
<td><strong>Total shareholders’ equity</strong></td>
<td>3,575,005</td>
<td>3,578,356</td>
</tr>
<tr>
<td><strong>Total liabilities and net assets</strong></td>
<td>17,045,659</td>
<td>17,373,643</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>FY2014 As of March 31, 2015</th>
<th>FY2015 As of March 31, 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash on hand and in banks</td>
<td>761,074</td>
<td>918,771</td>
</tr>
<tr>
<td>Trade notes and accounts receivable</td>
<td>888,814</td>
<td>837,704</td>
</tr>
<tr>
<td>Sales finance receivables</td>
<td>6,312,873</td>
<td>6,653,402</td>
</tr>
<tr>
<td>Merchandise and finished goods</td>
<td>200,692</td>
<td>499,875</td>
</tr>
<tr>
<td>Work in process</td>
<td>90,811</td>
<td>89,313</td>
</tr>
<tr>
<td>Raw materials and supplies</td>
<td>365,224</td>
<td>330,435</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>2,268,691</td>
<td>2,516,899</td>
</tr>
<tr>
<td>Other</td>
<td>851,168</td>
<td>825,080</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>10,317,345</td>
<td>10,747,573</td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings and structures, net</td>
<td>661,979</td>
<td>645,945</td>
</tr>
<tr>
<td>Machinery, equipment and vehicles, net</td>
<td>3,121,627</td>
<td>3,182,514</td>
</tr>
<tr>
<td>Land</td>
<td>643,940</td>
<td>625,162</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>265,118</td>
<td>196,718</td>
</tr>
<tr>
<td>Royalties and deposits</td>
<td>573,974</td>
<td>566,873</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>5,966,236</td>
<td>5,256,902</td>
</tr>
<tr>
<td><strong>Total property, plant and equipment</strong></td>
<td>114,456</td>
<td>130,877</td>
</tr>
<tr>
<td>Investment securities</td>
<td>588,733</td>
<td>893,668</td>
</tr>
<tr>
<td>Long-term loans receivable</td>
<td>14,569</td>
<td>7,747</td>
</tr>
<tr>
<td>Net defined benefit assets</td>
<td>10,079</td>
<td>4,891</td>
</tr>
<tr>
<td>Other</td>
<td>195,927</td>
<td>198,862</td>
</tr>
<tr>
<td><strong>Total fixed assets</strong></td>
<td>6,728,314</td>
<td>6,626,070</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>17,045,659</td>
<td>17,373,643</td>
</tr>
</tbody>
</table>
## Consolidated statement of income (China JV Equity basis)

<table>
<thead>
<tr>
<th></th>
<th>FY2014 (From April 1, 2014 to March 31, 2015)</th>
<th>FY2015 (From April 1, 2015 to March 31, 2016)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>11,375,207</td>
<td>12,189,519</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>9,241,341</td>
<td>9,796,998</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>2,133,866</td>
<td>2,392,521</td>
</tr>
<tr>
<td><strong>Selling, general and administrative expenses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advertising expenses</td>
<td>336,792</td>
<td>342,213</td>
</tr>
<tr>
<td>Service costs</td>
<td>93,606</td>
<td>130,530</td>
</tr>
<tr>
<td>Provision for warranty costs</td>
<td>133,567</td>
<td>137,941</td>
</tr>
<tr>
<td>Other selling expenses</td>
<td>255,044</td>
<td>234,456</td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>392,969</td>
<td>393,739</td>
</tr>
<tr>
<td>Retirement benefit expenses</td>
<td>17,511</td>
<td>16,137</td>
</tr>
<tr>
<td>Supplies</td>
<td>4,222</td>
<td>3,966</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>44,826</td>
<td>45,056</td>
</tr>
<tr>
<td>Provision for doubtful accounts</td>
<td>52,079</td>
<td>65,365</td>
</tr>
<tr>
<td>Other</td>
<td>1,837</td>
<td>5,111</td>
</tr>
<tr>
<td><strong>Total selling, general and administrative expenses</strong></td>
<td>1,544,305</td>
<td>1,599,243</td>
</tr>
<tr>
<td><strong>Operating income</strong></td>
<td>589,561</td>
<td>793,278</td>
</tr>
<tr>
<td><strong>Non-operating income</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>26,925</td>
<td>26,467</td>
</tr>
<tr>
<td>Dividends income</td>
<td>4,349</td>
<td>5,483</td>
</tr>
<tr>
<td>Equity in earnings of affiliates</td>
<td>28,576</td>
<td>122,524</td>
</tr>
<tr>
<td><strong>Total non-operating income</strong></td>
<td>222,259</td>
<td>204,366</td>
</tr>
<tr>
<td><strong>Special gains</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gain on sales of fixed assets</td>
<td>20,008</td>
<td>9,011</td>
</tr>
<tr>
<td>Gain on sales of investment securities</td>
<td>2,072</td>
<td>23,338</td>
</tr>
<tr>
<td>Gain on contribution of securities to retirement benefit trust</td>
<td>7,722</td>
<td>6,722</td>
</tr>
<tr>
<td>Insurance income</td>
<td>1,371</td>
<td>1,877</td>
</tr>
<tr>
<td>Other</td>
<td>1,142</td>
<td>4,762</td>
</tr>
<tr>
<td><strong>Total special gains</strong></td>
<td>43,902</td>
<td>42,398</td>
</tr>
<tr>
<td><strong>Special losses</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss on sales of fixed assets</td>
<td>3,999</td>
<td>4,937</td>
</tr>
<tr>
<td>Loss on disposal of fixed assets</td>
<td>17,069</td>
<td>13,274</td>
</tr>
<tr>
<td>Impairment loss</td>
<td>16,105</td>
<td>42,087</td>
</tr>
<tr>
<td>Quality-related costs</td>
<td>90,700</td>
<td>1,141</td>
</tr>
<tr>
<td>Other</td>
<td>14,242</td>
<td>20,398</td>
</tr>
<tr>
<td><strong>Total special losses</strong></td>
<td>149,362</td>
<td>171,736</td>
</tr>
<tr>
<td><strong>Income before income taxes</strong></td>
<td>687,421</td>
<td>732,934</td>
</tr>
<tr>
<td>Income taxes–current</td>
<td>224,010</td>
<td>149,920</td>
</tr>
<tr>
<td>Income taxes–deferred</td>
<td>(26,686)</td>
<td>30,221</td>
</tr>
<tr>
<td><strong>Total income taxes</strong></td>
<td>197,324</td>
<td>180,141</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>490,097</td>
<td>552,793</td>
</tr>
<tr>
<td>Net income attributable to non-controlling interests</td>
<td>32,523</td>
<td>28,952</td>
</tr>
<tr>
<td>Net income attributable to owners of the parent</td>
<td>457,574</td>
<td>523,841</td>
</tr>
</tbody>
</table>

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**NISSAN MOTOR CORPORATION ANNUAL REPORT 2016**

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## Consolidated statement of cash flows (China JV Equity basis)

### Cash flows from operating activities

<table>
<thead>
<tr>
<th>FY2014</th>
<th>FY2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>(From April 1, 2014 to March 31, 2015)</td>
<td>(From April 1, 2015 to March 31, 2016)</td>
</tr>
</tbody>
</table>

- **Income before income taxes and minority interests**: 687,421 (FY2014) 732,934 (FY2015)
- **Depreciation and amortization** (for fixed assets excluding leased vehicles): 398,982 (FY2014) 424,881 (FY2015)
- **Depreciation and amortization** (for long term prepaid expenses): 28,003 (FY2014) 18,666 (FY2015)
- **Impairment loss**: 16,103 (FY2014) 42,087 (FY2015)
- **Gain on contribution of securities to retirement benefit trust**: (17,725) (FY2014)
- **Increase (decrease) in allowance for doubtful receivables**: 13,471 (FY2014) 16,669 (FY2015)
- **Loss (gain) for residual value risk of leased vehicles**: 41,911 (FY2014) 53,737 (FY2015)
- **Quality-related costs** (FY2014) 90,700 (FY2015)
- **Interest and dividend income**: (31,748) (FY2014) (32,433) (FY2015)
- **Interest expense**: 112,823 (FY2014) 111,906 (FY2015)
- **Equity in losses (earnings) of affiliates**: (106,513) (FY2014) (122,524) (FY2015)
- **Net cash provided by operating activities**: 692,747 (FY2014) 927,013 (FY2015)

### Cash flows from investing activities

<table>
<thead>
<tr>
<th>FY2014</th>
<th>FY2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>(From April 1, 2014 to March 31, 2015)</td>
<td>(From April 1, 2015 to March 31, 2016)</td>
</tr>
</tbody>
</table>

- **Net decrease (increase) in short-term investments**: 3,405 (FY2014) 4,895 (FY2015)
- **Purchase of fixed assets**: (343,296) (FY2014) (683,126) (FY2015)
- **Proceeds from sales of fixed assets**: 86,318 (FY2014) 96,300 (FY2015)
- **Purchase of leased vehicles**: (370,384) (FY2014) (1,283,940) (FY2015)
- **Proceeds from sales of leased vehicles**: 767,721 (FY2014) 160,861 (FY2015)
- **Payments of long-term loans receivable**: (533) (FY2014) (3,018) (FY2015)
- **Collection of long-term loans receivable**: 310 (FY2014) 8,285 (FY2015)
- **Purchase of investment securities**: (25,591) (FY2014) (24,869) (FY2015)
- **Proceeds from sales of investment securities**: 6,106 (FY2014) 25,190 (FY2015)
- **Proceeds from (payments for) sale of subsidiaries’ shares resulting in changes in the scope of consolidation**: (156) (FY2014) (6,354) (FY2015)
- **Net decrease (increase) in restricted cash**: (36,258) (FY2014) 44,839 (FY2015)
- **Other**: (11,422) (FY2014) (2,150) (FY2015)
- **Net cash used in investing activities**: (1,022,025) (FY2014) (1,229,280) (FY2015)

### Cash flows from financing activities

<table>
<thead>
<tr>
<th>FY2014</th>
<th>FY2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>(From April 1, 2014 to March 31, 2015)</td>
<td>(From April 1, 2015 to March 31, 2016)</td>
</tr>
</tbody>
</table>

- **Net increase (decrease) in short-term borrowings**: 445,170 (FY2014) 420,085 (FY2015)
- **Proceeds from long-term borrowings**: 981,970 (FY2014) 1,824,367 (FY2015)
- **Proceeds from issuance of bonds**: 325,513 (FY2014) 270,592 (FY2015)
- **Repayments of long-term borrowings**: (1,094,942) (FY2014) (1,545,177) (FY2015)
- **Proceeds from issuance of bonds**: 326,513 (FY2014) 270,592 (FY2015)
- **Repayments of long-term borrowings**: (1,094,942) (FY2014) (1,545,177) (FY2015)
- **Proceeds from non-controlling interests**: 466,176 (FY2014) 491,144 (FY2015)
- **Proceeds from sale of treasury stock**: 318 (FY2014) 834 (FY2015)
- **Repayments of lease obligations**: (25,491) (FY2014) (29,303) (FY2015)
- **Cash dividends paid**: (132,054) (FY2014) (197,239) (FY2015)
- **Cash dividends paid to non-controlling interests**: (14,389) (FY2014) (23,788) (FY2015)
- **Net cash provided by financing activities**: 425,896 (FY2014) 530,606 (FY2015)

### Effects of exchange rate changes on cash and cash equivalents

- **Increase (decrease) in cash and cash equivalents**: (3,722) (FY2014) 183,232 (FY2015)

### Cash and cash equivalents at end of the period

- **Cash and cash equivalents at end of the period**: 802,612 (FY2014) 992,095 (FY2015)
EXECUTIVES

DIRECTORS OF THE BOARD AND AUDITORS

Representative Directors
Carlos Ghosn
President and Chairman
Hiroto Saikawa
Greg Kelly

Directors
Hideyuki Sakamoto
Fumiaki Matsumoto
Kimiyasu Nakamura
Toshiyuki Shiga
Jean-Baptiste-Duzan
Bernard Rey

Auditors
Hideyuki Imazu
Toshiyuki Nakamura
Motoo Nagai
Shigetoshi Andoh

(Corporate Officers)

CORPORATE OFFICERS

Chief Executive Officer
Chairman and President
Carlos Ghosn*

Chief Competitive Officer
Vice Chairman
Hiroto Saikawa*

Chief Financial Officer
Joseph G. Peter*

Chief Performance Officer
Trevor Mann*

Chief Planning Officer
Philippe Klein*

Chief Operating Officer
Daniele Schillaci*

Executive Vice President
Fumiaki Matsumoto*

Executive Vice President
Hideyuki Sakamoto*

Executive Vice President
Yaushihiro Yamauchi

Executive Vice President
Tsuayoshi Yamaguchi

Executive Vice President
Alliance Technology Development

Executive Vice President
Alliance Purchasing

Senior Vice Presidents
Shiro Nakamura
Hitoshi Kawaguchi
Takao Asami
Jun Seki
Jose Luis Valls
Takashi Hata
Paul Willcox
Roland Krueger
Arun Bajaj
Asako Hoshino
Rakesh Kochhar
Hari Nada
Christian Mardrus
Noboru Tateishi

Corporate Vice Presidents
Celso Guoitoko
Joji Tagawa
Vincent Cobee
Yusuke Takahashi
Hirosi Karube
Keno Kato
Roel De Vries
Tony Laydon
Kunio Nakaguro
Mitsuhiro Antoku
Naoya Fujimoto
Toshihiro Hirai
Hirosi Nagao
Akihiro Otomo
Atul Pasricha
Nobuya Urashiki
Philippe Guerin-Boutaud
Allan Rushforth
Kent O’Hara
Leon Dorssers
Alfonso Albaisa
Atsukito Hayakawa
Yoshikazu Nakai
Kinichi Tanuma
Haruhiko Yoshimura

Fellow
Haruyoshi Kumura
Shunichy Toyomasu

Vice Chairman
Toshiyuki Shiga

(As of end of July 2016)

DIRECTORS OF THE BOARD AND AUDITORS

Executive Committee Members

Carlos Ghosn
Hiroto Saikawa
Joseph G. Peter
Trevor Mann

Philippe Klein
Jose Munoz
Kimiyasu Nakamura
Hideyuki Sakamoto
Fumiaki Matsumoto
Daniele Schillaci

* Executive Committee Members

(As of June 22, 2016)
CORPORATE GOVERNANCE & INTERNAL CONTROL

Details of this section are reported on the Company’s website, “Blue Citizenship: Nissan’s CSR.” Please see the Sustainability Report and the Current State of Nissan’s Risk Management.

CORPORATE GOVERNANCE SYSTEM
Nissan believes that enhancing its corporate governance is one of its most important business issues. Ensuring clear management responsibility is a key way to achieve this. Nissan announces clear management targets and policies to all its stakeholders and discloses its performance promptly with a high degree of transparency.

Information regarding the following is provided in the Company’s Sustainability Report.
- Corporate Governance System in Detail
- Internal Control Systems
- Independent Internal Audits

COMPLIANCE
In promoting corporate social responsibility (CSR), it is essential that each employee practices compliance with high ethical standards. In order to raise compliance awareness throughout the Company, Nissan has established a Global Compliance Office, as well as specialized departments, and appointed officers to promote compliance policy in each region where it operates.

Information regarding the following is provided in the Company’s Sustainability Report.
- Employees and Compliance
- Security-Related Export Controls
- Promoting Thorough Compliance
- Nissan’s Stance Against Discrimination and Harassment
- Internal Reporting System for Corporate Soundness

RISK MANAGEMENT
Nissan defines risks as anything that might prevent it from achieving its business goals. By detecting risks as early as possible, examining them, planning the necessary measures to address them and implementing those measures, the Company works to minimize the materialization of risks as well as the impact they cause.

Information regarding the following is provided in the Company’s Sustainability Report.
- Principles for and Approach to Corporate Risk Management
- Protecting Personal Data and Reinforcing Information Security

Information regarding the following is provided in the Current State of Nissan’s Risk Management
- Risks Related to Financial Market
- Risks Related to Business Strategies and Maintenance of Competitiveness
- Business Continuity

Please see the 2016 Sustainability Report, p. 100, for more information on Corporate Governance & Internal Control.

Please see the Current State of Nissan’s Risk Management for more information on risk management.