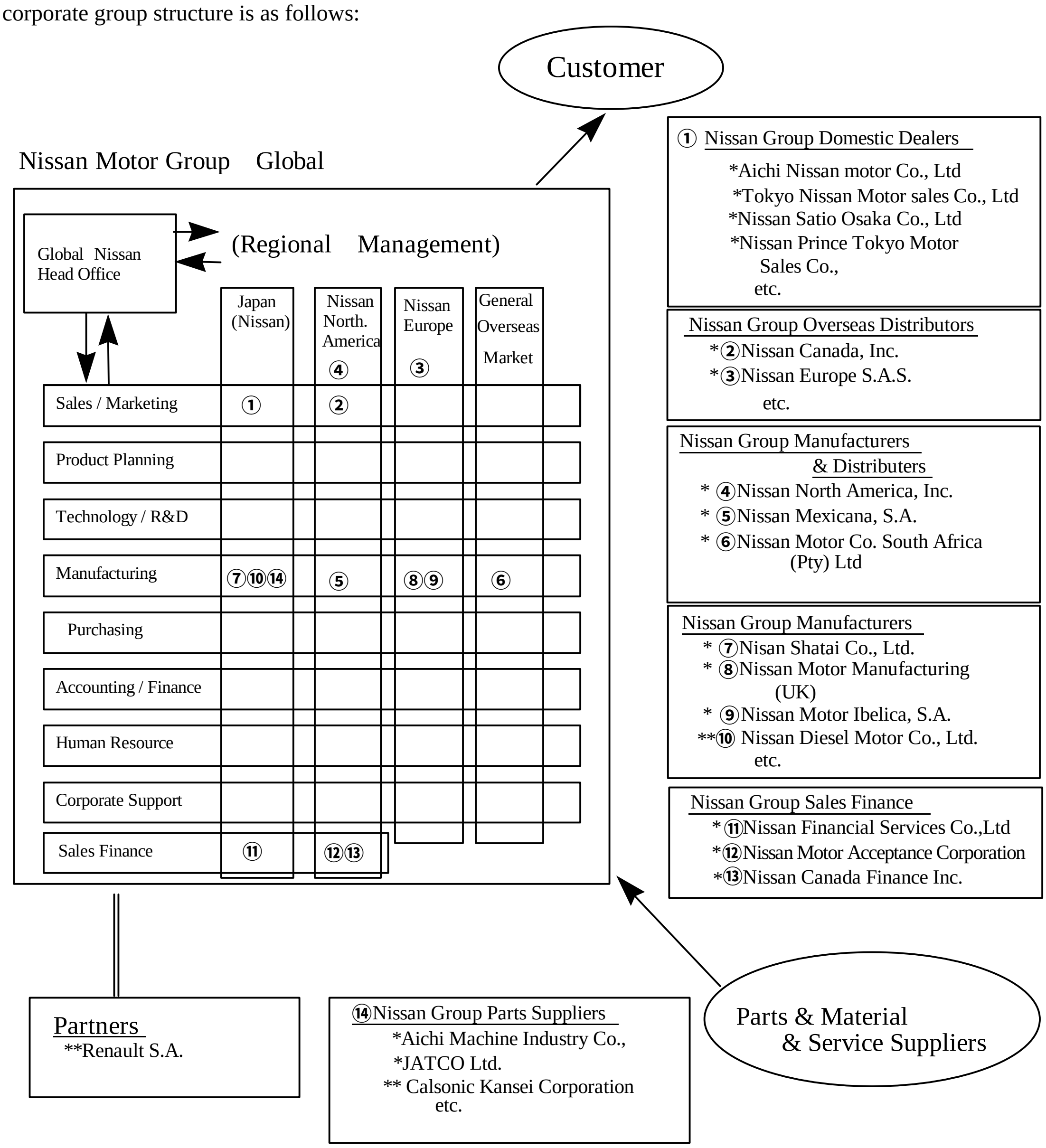
1. The general situation of the corporate group

The Nissan group consists of Nissan Motor Co., Ltd. (the "Company"), subsidiaries, affiliates, and other associated companies. Its main business includes sales and production of vehicles forklifts, marine products and related parts. And also the group provides various services accompanying its main business, such as logistics and sales finance.
The Company established Global Nissan (GNX) as a global headquarters function which is to focus on utilizing regional activities by 4 Regional Management Committees and cross regional functions like R&D, Purchasing, Manufacturing, etc., and Global Nissan Group is composed of this matrix.
The corporate group structure is as follows:



* Consolidated Subsidiaries
** Companies accounted for by equity method

- There are other associated companies; *Nissan Trading Co., Ltd., *Nissan Real Estate Development Co., Ltd. to support distribution and services.
- Our subsidiaries listed on domestic stock exchange markets are follows.

Nissan Shatai Co., Ltd.---Tokyo Aichi Machine Industry Co., Ltd.---Tokyo, Nagoya

2. Basic Policy regarding Corporate Governance and its Implementation Status

Corporate governance is an important responsibility of management.

The most important point regarding the corporate governance is to make clear the responsibility of management. At Nissan, clear management objectives and policy are published for all stakeholders within and outside the company, such as shareholders, customers/suppliers, local community and employees, and its achievement status and results are disclosed early and with as much transparency as possible. This will make clear the responsibility of management, and will contributes to the enhancement of corporate governance.

Nissan has also adopted various system reforms. To be specific, the number of members on the board of directors is being reduced from nine to seven after the shareholders' meeting in June 2003 to improve management efficiency.

The audit function has been strengthened by adopting outside corporate auditors as three of the four corporate auditors. Japan Internal Audit Office has been established to conduct internal audits of operations on a regular basis. In addition, the Chief Internal Audit Officer conducts global audits. Three-way auditing has been adopted through this combination of corporate auditors, auditing firms and internal audit functions.

Further, Nissan has established "Nissan Global Code of Conduct" and "Global Compliance Committee" to strengthen the function of compliance with laws and ethics and to avoid illegal and unethical conduct within the global Nissan group.

3.NISSAN 180 UPDATE

Nissan continues to build momentum, and the force behind our progress is called NISSAN 180, carried by the high motivation of all our employees.

NISSAN 180 aims to grow sales by one million additional units by the end of fiscal year 2004, to achieve an 8% operating margin and to reduce net automotive debt to zero. In fiscal year 2002, the first year of NISSAN 180:

- Nissan sold 2,771,000 units worldwide, an increase of 174,000, or 6.7%, over fiscal year 2001 sales.
- Operating profit is 737.2 billion yen, and the operating margin is 10.8%.
- The net automotive debt is gone. (At the beginning of 1999, before the Alliance with Renault, Nissan's net automotive debt was 2.1 trillion yen.)

4.FISCAL YEAR 2002 BUSINESS PERFORMANCE

Overall, Nissan sold 2,771,000 vehicles worldwide in a very difficult environment.

Fiscal year 2002 marked the biggest product year in Nissan history, with 12 all-new models representing 21 regional product events. Sales and market share have grown in each region except Europe.

Reviewing volumes by region, in Japan we sold 102,000 additional cars in a tough market where the total industry volume increased eight-tenths of a percent. Nissan sales have increased 14.3%, to 816,000 units. Excluding minicars, sales were 768,000, up 7.7%. Our sales increase was driven by the six new models we introduced – namely, Moco, Elgrand, Fairlady Z, Cube, Skyline Coupe and Teana. Each model met or exceeded its sales target.

Our strategy in the entry-level segments has proven successful. The March made the most significant volume contribution, setting record sales of 158,000 units – the highest annual volume of any Nissan model sold in Japan for the past 12 years. The March has been among the Top 10 best-selling cars every month since its launch in March 2002. Our new Cube is also doing well.

For the full year, Nissan's market share rose to 19.0%, which is 1.1 percentage points above the prior year. This marks the first time we have increased our annual market share by more than 1% in 31 years. The quality of our sales was improved. Sales were mostly made on the merits of our products themselves and were not inflated by additional incentives.

Turning to the United States, our sales are up 1.0%, to 726,000 units, in a market that was down 1.9%. In this region, we sell our products in two channels, Nissan and Infiniti.

The Infiniti Division realized its highest sales year since the division began in 1989. With record sales of 95,000 units, up 35% over the prior year, Infiniti was the fastest-growing luxury brand in the United States. Contributors included the FX45, the M45 and, especially, the new G35 Sedan and Coupe, which was in the spotlight after being named *Motor Trend's* Car of the Year. Infiniti incentives were the lowest in the industry's luxury segment.

In the Nissan Division, sales were down 2.7%, to 631,000 units. The Altima and 350Z continue to sell at a strong pace. Altima sales were up 30% over the prior year, at 204,000 units, and the Z is now the best-selling sports car in America. The Murano and the Maxima were launched during the last quarter of the fiscal year, so their sales are just now beginning to make a significant contribution. Stalled results were felt in the entry-level sedan and truck segments, where our Sentra, Frontier and Xterra compete. Those segments bore the brunt of record levels of industry incentives, and we continued to resist them. As a consequence, our volumes were lower than forecasted. Our strategy continues to be based more on optimizing profitability than maximizing volumes.

In Europe, sales continue to be a challenge. The total industry volume was down 2% in fiscal year 2002. Nissan sales dropped 3.8% to 474,000 units, but the new Micra sales are not reflected in these figures since Europe's fiscal year ends in December. We have been encouraged by the brisk initial sales of our new Micra, which was launched in January, helping to offset the sluggish sales of Almera and Primera. For the first three months of 2003, total Micra sales in Europe were up 42% compared to the same period in 2002. To meet the growing demand, we have decided to raise Micra production capacity in our Sunderland Plant by 25% to 200,000 units.

Turning to General Overseas Markets, including Mexico and Canada, our sales increased by 12.3% to 755,000 units. We achieved significant volume increases in Mexico, China, Canada and Australia.

Consolidated revenues came to 6.828.6 billion yen, up 10.2% from last year, mainly due to higher volume and mix, including the expansion of the scope of consolidation, primarily as a result of the integration of Diamondmatic -- the former automatic transmission and CVT affiliate of Mitsubishi -- into JATCO. On a consistent basis, the increase was 9.5%. Foreign exchange rates produced a negative impact of 87 billion yen.

Nissan’s consolidated operating profit improved by 50.7% from 489.2 billion yen in fiscal year 2001 to a record 737.2 billion yen in fiscal year 02. As a percentage of net sales, the operating profit margin came to 10.8%, which is the top level in the global automotive industry and is by far the highest level in Nissan history.

Analyzing the variance between last year’s 489.2 billion yen operating profit and this year’s 737.2 billion yen, several factors are considered:

- The effect of foreign exchange rates produced a 35 billion yen negative impact to consolidated operating profits for the full year.
- The change in the scope of consolidation produced no impact to operating profits.
- Higher volumes and mix globally contributed 146 billion yen for the full year, coming from all regions.
- Selling expenses increased by 28 billion yen.
- The sales finance companies contributed an additional 22 billion yen.
- The improvement in purchasing costs was, again, a major contributor to the growth in profitability. The net accounting effect of this year’s effort came to 227 billion yen. This year’s performance reinforces the competitiveness of Nissan’s supplier base.
- Product enrichment and the cost of regulations had a negative impact of 67 billion yen.
- As previously announced, we spent an additional 38 billion yen in R&D related to our growing product development program and necessary additional expenses for new technologies.
- Increased efficiencies in manufacturing and logistics contributed an additional 17 billion yen.
- General and administrative expenses and others factors increased profit by 4 billion yen.

Non-operating loss decreased from 74.5 billion yen in fiscal year 2001 to 27.1 billion yen in fiscal year 2002. Net financial cost decreased from 20.4 billion yen in fiscal year 2001 to 16.5 billion yen in fiscal year 2002 due to the eliminated automotive debt. As a result, consolidated ordinary profit rose 71.2% to 710.1 billion yen for the full year 2002 compared to 414.7 billion yen in fiscal year 2001. Extraordinary items improved from the loss of 50.5 billion yen in fiscal year 2001 to the loss of 15.5 billion yen in fiscal year 2002. This improvements were mainly due to the gain on sales of investment securities improved by 31.1 billion yen and the gain on sales of property plant and equipments improved by 30.6 billion yen , offsetting the loss of 30.9 billion yen from return of substitution of pension.

Current taxes and deferred taxes came to 198.7 billion yen, which represents 29% of income before income taxes. The evaluation loss of Nissan Europe NV in Amsterdam at the non-consolidated loss reduced our first-half consolidated taxes, which made our effective tax rate lower than the normal rate. Minority interests in companies that we do not fully own represented a charge of 0.7billion yen for fiscal year 2002.

Nissan reported a consolidated net income of 495.2 billion yen increased by 33.0%, or 7.3% net margin, in fiscal year 2002, compared to 372.3 billion yen in fiscal year 2001. This is the best net result in the company's history.

In the retail finance business segment, net sales increased 8.0% to 395.9 billion yen from fiscal year 2001. The increase was mainly due to higher penetration of new car sales in North America. Operating income came to 59.9 billion yen, up 57.1% from last year, due to the sales increase and reduced funding rate. Net income was increased by 63.4% to 36.6 billion yen compared to the fiscal year 2001.

On the balance sheet side, our net automotive indebtedness resulted in an 8.6 billion yen cash positive position at the end of the year, down from 431.7 billion yen at the end of fiscal year 2001 at constant accounting standards. The debt has been totally wiped out. Improved cash from operations has driven the reduction.

5.FISCAL YEAR 2003 FINANCIAL FORECAST

Nissan operates in the context of a changing world, with risks and opportunities.

Risks for the year include weaker economic conditions in Japan and further decreases in the total industry volume and/or even higher-than-foreseen incentives in the United States and Europe. Opportunities lie in the accelerated implementation of all the action plans of NISSAN 180.

Based on this outlook, full-year consolidated net sales are expected to reach 7.45 trillion yen, an increase of 9.1% from fiscal year 2002. Operating profit is expected to be 820 billion yen, an increase of 11.2%. Ordinary profit is expected to be 781 billion yen, an increase of 10.0%. The company expects to achieve a net profit of 495 billion yen, with the expectation of a return to normal tax treatment in Japan. Net cash generated by operations is estimated at 100 billion yen, even after the 120 billion yen investment to buy the 50% stake in Dong Feng.