

a) As described in Note 2(b), effective April 1, 2003, Nissan Motor Manufacturing (UK) Ltd., a consolidated subsidiary, implemented early adoption of a new accounting standard for retirement benefits in the United Kingdom. The effect of this change was to decrease operating income in the "Automobile" segment by ¥1,686 million for the year ended March 31, 2004 as compared with the corresponding amount which would have been recorded if the previous method had been followed.

b) As described in Note 2(c), effective April 1, 2003, the Company and its domestic consolidated subsidiaries changed their method of accounting for noncancelable lease transactions which transfer substantially all risks and rewards associated with the ownership of assets, from accounting for them as operating leases, to finance leases. The effect of this change was to decrease sales and operating expenses in the "Automobile" segment by ¥237 million and ¥21,805 million respectively, to increase operating income, total assets, depreciation expense and capital expenditures in the "Automobile" segment by ¥21,568 million ¥136,522 million, ¥46,986 million and ¥55,581 million, respectively, to decrease sales and operating expenses and capital expenditures in the "Sales Financing" segment by ¥33,351 million, ¥33,374 million and ¥29,716 million, respectively, to increase operating income, total assets and depreciation expense in the "Sales Financing" segment by ¥23 million, ¥662 million and ¥292 million, respectively, and to increase sales and operating expenses in "Eliminations" by ¥15,645 million for the year ended March 31, 2004 as compared with the corresponding amounts which would have been recorded if the previous method had been followed.

Fiscal year 2002 (For the year ended Mar. 31, 2003)					
	Sales				
	Automobile	Financing	Total	Eliminations	Consolidated
	Millions of yen				
I. Sales and operating income					
Sales to third parties.....	¥6,444,460	¥ 384,128	¥6,828,588	¥ —	¥6,828,588
Inter-segment sales and transfers.....	42,775	11,740	54,515	(54,515)	—
Total sales.....	6,487,235	395,868	6,883,103	(54,515)	6,828,588
Operating expenses	5,818,023	335,986	6,154,009	(62,651)	6,091,358
Operating income.....	¥ 669,212	¥ 59,882	¥ 729,094	¥ 8,136	¥ 737,230
II. Assets, depreciation and capital expenditures					
Total assets	¥5,607,323	¥3,103,889	¥8,711,212	¥(1,362,029)	¥7,349,183
Depreciation and amortization	¥ 213,569	¥ 157,556	¥ 371,125	¥ —	¥ 371,125
Capital expenditures	¥ 410,003	¥ 451,630	¥ 861,633	¥ —	¥ 861,633