

Brief Note of Consolidated Financial Status

3 February 2005

Company Name : Nissan Diesel Motor Co.,Ltd.

Listed Stock Exchange : Tokyo(TSE)

Company Number : 7210

Head Office : Saitama

(URL <http://www.nissandiesel.co.jp/>)

Delegate : Iwao Nakamura
President

Reference : Yutaka Hiroshige
General Manager of Public Relations Department

TEL : (048)726-7601

A date of directors meeting : 3 February 2005

1. Matter such as making general condition in the 3rd quarter

Adopted the simplified accounting method : Yes

A part of asset is calculated by the book inventory based on the actual inventory in the end of previous fiscal year

Difference in accounting policies from previous year : Nothing

Changes of subsidiaries and affiliates : Changed

Fully consolidated : new - 0, deconsolidated - 2, By equity method : new - 0, deconsolidated - 0

2. Consolidated business results in the 3rd quarter of FY2004 (1 April 2004 ~ 31 December 2004)

(1) Consolidated operating results

	Sales		Operating profit		Ordinary profit		Net profit	
	million Yen	%	million Yen	%	million Yen	%	million Yen	%
3rd quarter of FY2004	328,203	0.6	23,330	21.0	21,235	82.3	18,456	-
3rd quarter of FY2003	330,310	24.7	19,277	410.9	11,650	-	6,567	-
(Note) FY2003	452,970		28,247		19,118		40,273	

	Net profit per share	Diluted net profit per share
	Yen	Yen
3rd quarter of FY2004	75.61	24.56
3rd quarter of FY2003	-	-
(Note) FY2003	159.61	-

Note : Percentage indicates changes from the previous term.

Only the indicated item has been described about the previous term.

[Qualitative information for the business results (consolidated)]

In the third quarter, Japanese economy still has opaqueness like the sudden rise of the material price, the progress of appreciation of the yen, instability of world affairs and has not arrived at a real recovery.

In such a situation, overseas sales was 62.3 billion yen (up 30.1% from the corresponding period of previous fiscal year) due to increase of sales in South Africa and United States, and sales for Nissan Motor co.,ltd. was 72.6 billion yen (up 15.2%). However, domestic sales was 193.3 billion yen (down 11.9%), because of decrease of substitute demand of heavy / medium-duty truck by the strengthening of diesel emission regulation. As a result of above, sales was 328.2 billion yen (down 0.6%).

In terms of profit, operating profit was 23.3 billion yen (up 21.0%), ordinary profit was 21.2 billion yen (up 82.3%) and net profit was 18.5 billion yen.

(2) Consolidated shareholders' equity

	Total assets	Total shareholders' equity	Net equity ratio	Shareholders' equity per share
	million Yen	million Yen		Yen
3rd quarter of FY2004	409,819	91,210	22.2	62.30
3rd quarter of FY2003	532,296	105,149	19.8	-
(Note) FY2003	514,120	72,984	14.2	136.95

Note : Only the indicated item has been described about the previous term.

(3) Interest bearing debt at the term end

	End of term		Net debt	
	million Yen	%	million Yen	%
3rd quarter of FY2004	149,376	42.7	123,028	-
3rd quarter of FY2003	260,774	-	-	-
(Note) FY2003	262,585	-	205,911	-

Note : Only the indicated item has been described about the previous term.

(4) Consolidated cash flow condition

	Operating activities	Investing activities	Financing activities	Cash and cash equivalents at the term end
	million Yen	million Yen	million Yen	million Yen
3rd quarter of FY2004	34,999	3,977	68,840	25,944
3rd quarter of FY2003	58,845	10,582	20,703	82,668
(Note) FY2003	60,803	15,807	44,393	55,769

[Qualitative information for the financial conditions (consolidated)]

Financial conditions

Total assets stood at 409.8 billion yen (down 104.3 billion yen from the end of previous fiscal year).

As for the assets, cash and cash equivalents decreased by 29.8 billion yen, notes and accounts receivable decreased by 49.0 billion yen and tangible assets decreased by 29.6 billion yen. As for liabilities, the company issued the straight corporate bond (15.0 billion yen) in December, 2004. On the other hand, short-term borrowings decreased by 130.8 billion yen, therefore the interest bearing debt was 149.4 billion yen, net debt was 123.0 billion yen.

Total shareholders' equity increased by 18.2 billion yen to 91.2 billion yen (net equity ratio : 22.2%).

Cash flow conditions

Cash flow from operating activities increased by 35.0 billion yen, due to pretax net profit for the term (22.0 billion yen), and the decrease in sales credits.

Cash flow from investing activities increased by 4.0 billion yen, due to sales of consolidated subsidiaries shares (Ace leasing) and sales of Motegi proving ground.

Cash flow from financing activities decreased by 68.8 billion yen, due to repayment of short-term borrowings, though the company issued the straight corporate bond.

As a result of above, cash and cash equivalents decreased by 29.8 billion yen from the end of the previous fiscal year.

3 . Consolidated business plan of FY2004 (1 April 2004 ~ 31 March 2005)

[Qualitative information for the forecast]

The company's performance is almost in line with our forecasts, and the company plans to leave its previously announced (on 16 November 2004) forecasts for the full term unchanged.

The actual result may change by various reasons.

4 . Consolidated financial reports
(1) Consolidated Balance Sheet

(Yen in millions, rounded down)

	31 December 2004	31 December 2003	Difference		31 March 2004
	Amount	Amount	Amount	Ratio	Amount
ASSETS				%	
Current Assets					
1. Cash & bank deposit	26,347	—	—	—	56,674
2. Notes & accounts receivable	101,477	—	—	—	150,482
3. Inventories	42,364	—	—	—	32,507
4. Other current assets	12,188	—	—	—	17,097
5. Allowance for doubtful debt	6,110	—	—	—	12,790
Total current assets	176,268	—	—	—	243,972
Fixed Assets					
1. Tangible assets	200,714	—	—	—	230,252
2. Intangible assets	5,490	—	—	—	6,106
3. Investment & other assets	27,345	—	—	—	33,788
Total fixed assets	233,550	—	—	—	270,148
TOTAL ASSETS	409,819	532,296	122,476	23.0	514,120
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
1. Notes & accounts payable	90,760	—	—	—	93,426
2. Short-term borrowings	82,950	—	—	—	213,775
3. Current portion of long-term debt	19,503	—	—	—	8,887
4. Other current liabilities	30,346	—	—	—	29,213
Total current liabilities	223,560	—	—	—	345,302
Long-term liabilities					
1. Straight bond	15,000	—	—	—	—
2. Long-term borrowings	31,922	—	—	—	39,923
3. Allowance for severance benefit and pension plan	15,192	—	—	—	46,503
4. Accrued pension costs by shifting to defined pension scheme	23,267	—	—	—	—
5. Other long-term liabilities	8,603	—	—	—	8,738
Total long-term liabilities	93,986	—	—	—	95,165
TOTAL LIABILITIES	317,547	—	—	—	440,468
Minority interest	1,061	—	—	—	667
Shareholders' equity					
Common and preferred stock	65,835	—	—	—	65,835
Capital surplus	6,459	—	—	—	75,361
Earned surplus	9,117	—	—	—	78,183
Revaluation excess on land	6,910	—	—	—	6,852
Revaluation excess on investment securities	2,605	—	—	—	3,046
Translation adjustment	294	—	—	—	76
Treasury stock	12	—	—	—	4
Total shareholders' equity	91,210	105,149	13,938	13.3	72,984
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	409,819	532,296	122,476	23.0	514,120

(2) Consolidated Profit & Loss Statement

(Yen in millions, rounded down)

	3rd quarter of FY2004		3rd quarter of FY2003		Difference		PREVIOUS FISCAL YEAR	
	From 1 April 2004 to 31 December 2004		From 1 April 2003 to 31 December 2003				From 1 April 2003 to 31 March 2004	
	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
Net sales	328,203	100.0	330,310	100.0	2,107	0.6	452,970	100.0
Cost of sales	250,991	76.5	—	—	—	—	348,245	76.9
Gross profit	77,211	23.5	—	—	—	—	104,724	23.1
Selling, General & Administrative expenses	53,881	16.4	—	—	—	—	76,477	16.9
Operating profit	23,330	7.1	19,277	5.8	4,053	21.0	28,247	6.2
Non-operating income	2,613	0.8	—	—	—	—	3,929	0.9
Non-operating expense	4,707	1.4	—	—	—	—	13,057	2.9
Ordinary profit	21,235	6.5	11,650	3.5	9,585	82.3	19,118	4.2
Extraordinary gain	1,493	0.4	—	—	—	—	1,310	0.3
Extraordinary loss	675	0.2	—	—	—	—	65,085	14.4
Profit before income taxes	22,053	6.7	—	—	—	—	44,655	9.9
Income taxes	3,246	1.0	—	—	—	—	4,573	1.0
Minority interest	350	0.1	—	—	—	—	191	0.0
Net profit	18,456	5.6	6,567	2.0	25,024	—	40,273	8.9

5 . Concerning sales

(Yen in millions, rounded down)

	3rd quarter of FY2004		3rd quarter of FY2003		Difference	
	From 1 April 2004 to 31 December 2004		From 1 April 2003 to 31 December 2003			
	The number	Sales	The number	Sales	The number	Sales
Domestic	-	193,307	-	219,381	-	26,074
Vehicles	13,096	104,397	16,513	128,345	3,417	23,948
Others	-	88,910	-	91,036	-	2,126
Nissan	-	72,633	-	63,060	-	9,573
Vehicles	28,775	38,525	29,184	38,095	409	430
Others	-	34,108	-	24,965	-	9,143
Overseas	-	62,263	-	47,869	-	14,394
Vehicles	15,985	52,361	12,030	38,398	3,955	13,963
Others	-	9,902	-	9,471	-	431
Total sales	-	328,203	-	330,310	-	2,107