

95th Ordinary General Shareholders Meeting: Notice of Convocation

Date and Time: Wednesday, June 27, 2018, at 10:00 a.m.

Venue: Head Office Main Building, Nissan Shatai Co., Ltd.
2-1 Tsutsumicho, Hiratsuka, Kanagawa



NISSAN SHATAI CO., LTD.

Code no.: 7222
June 6, 2018

NISSAN SHATAI CO., LTD.
2-1 Tsutsumicho, Hiratsuka, Kanagawa

Dear shareholders:

95th Ordinary General Shareholders Meeting: Notice of Convocation

Notice is hereby given that the 95th Ordinary General Shareholders Meeting of the Company (the *ō*Meetingō) will be held as described below. You are cordially invited to attend the Meeting.

If you are unable to attend the Meeting in person, you may exercise your voting right in writing. After reviewing the Reference Materials for General Shareholders Meeting below, please indicate your votes for or against the proposal on the enclosed voting form and return it to the Company so that it arrives no later than 5:30 p.m. on Tuesday, June 26, 2018.

Yours sincerely,

Shohei Kimura
President

Particulars

1. Date and Time

Wednesday, June 27, 2018, at 10:00 a.m.

2. Venue

Head Office Main Building
Nissan Shatai Co., Ltd.
2-1 Tsutsumicho, Hiratsuka, Kanagawa

3. Agenda Items

Matters to be reported:

1. 95th fiscal Business Report (April 1, 2017 to March 31, 2018),
Consolidated Financial Statements, and Audit Reports by Accounting Auditor and
the Board of Statutory Auditors
2. 95th fiscal Financial Statements (April 1, 2017 to March 31, 2018)

Matters to be resolved:

- Proposal 1: Appropriation of Surplus
- Proposal 2: Election of One Director
- Proposal 3: Election of One Statutory Auditor

Proposal 4: Election of One Substitute Statutory Auditor

- When attending the Meeting in person, please present the enclosed voting form at reception.
- If any revisions are made to the Reference Materials for General Shareholders Meeting, the Business Report, or the Consolidated or Nonconsolidated Financial Statements, amended versions will be posted on the corporate website:
<http://www.nissan-shatai.co.jp/IR/NEWS/>

Reference Materials for General Shareholders Meeting

Proposal and Matters for Reference

Proposal 1: Appropriation of Surplus

Taking into account business performance in this fiscal year and the Company policy of paying stable dividends on an ongoing basis, it is proposed to pay a year-end dividend as detailed below.

Including the interim dividend already paid, this will result in a total dividend for this fiscal year of 13 yen per share, the same as in the previous fiscal year.

Details of Year-End Dividend

- (1) Distribution of year-end dividend to shareholders and total amount:
 - 6.5 yen per share of common stock in the Company
 - Total amount: 880,448,231 yen
- (2) Effective date of distribution of surplus:
 - June 28, 2018

Proposal 2: Election of One Director

Director Toshikatsu Hamaji will resign at the close of this General Meeting. Therefore, the Company proposes to elect one director to replace Mr. Hamaji.

In accordance with the provisions of Article 22, Paragraph 2 of the Nissan Shatai's Articles of Incorporation, the terms of office of a director elected at this General Meeting shall expire at the same time as the terms of office of the other directors already holding office.

Candidate for a director is as follows:

Name (Date of Birth)	Brief Personal Record, Positions, Responsibilities, and Important Positions at Other Companies	Number of Shares of the Company Owned
<p>Shin Kotaki (January 12, 1963)</p> <p>New candidate</p>	<p>Apr 1985: Joined Nissan Shatai Co., Ltd. Apr 2006: Assigned by Nissan Shatai to be a Senior Manager at Renault-Nissan Purchasing Organization Nissan Motor Co., Ltd. Apr 2009: Supplier Account Officer, Nissan Motor Co., Ltd. Apr 2014: General Manager, Purchasing Dept., Nissan Shatai Co., Ltd. Apr 2015: Corporate Vice President, Nissan Shatai Co., Ltd. Aug 2017: Senior Vice President, Nissan Shatai Co., Ltd. (Current position)</p> <p>Responsibilities at Nissan Shatai: Finance Dept.; Vehicle Cost Management Dept.; Purchasing Dept.,</p>	<p>4,800 shares</p>
<p>Reason for selection as a director candidate</p> <p>Mr. Kotaki is currently a Senior Vice President of the Company who contributes to earnings growth by supervising accounting and purchasing operations. He is using his considerable experience and broad knowledge to perform his duties in order to achieve the goals of the medium-term plan. Since Mr. Kotaki is well suited to continue contributing to the growth of corporate value, he is a candidate for election as a director.</p>		
<p>Note: There is no special interest between Nissan Shatai and Mr. Kotaki.</p>		

Proposal 3: Election of One Statutory Auditor

Statutory Auditor Koichiro Esaki will resign at the close of this General Meeting. Therefore, the Company proposes to elect one statutory auditor to replace Mr. Esaki.

In accordance with the provisions of Article 34, Paragraph 2 of the Nissan Shatai's Articles of Incorporation, the terms of office of a auditor elected at this General Meeting will be the remainder of the term of office of the statutory auditor who is resigned.

The Board of Statutory Auditors has agreed to this proposal.

Candidate for an auditor is as follows:

No. Name (Date of Birth)	Brief Personal Record, Positions, Responsibilities, and Important Positions at Other Companies	Number of Shares of the Company Owned
<p>Toshikatsu Hamaji (November 7, 1957)</p> <p>New candidate</p>	<p>Apr 1981: Joined Nissan Shatai Co., Ltd. Apr 2006: General Manager, Corporate Plan Promotion Office, Corporate Management Dept., Nissan Shatai Co., Ltd. Assigned by Nissan Shatai to be a Senior Manager, Administration Department for Affiliated Companies Dept., Nissan Motor Co., Ltd. (positions held concurrently) Apr 2008: Senior General Manager; General Manager, Corporate Management Dept., Nissan Shatai Co., Ltd. Apr 2010: Corporate Vice President, Nissan Shatai Co., Ltd. Apr 2012: Director and Corporate Vice President, Nissan Shatai Co., Ltd. Jun 2015: Director and Senior Vice President, Nissan Shatai Co., Ltd. (Current position)</p> <p>Important positions at other companies: Director, Nissan Shatai Manufacturing Co., Ltd. Statutory Auditor, Auto Works Kyoto Co., Ltd.</p>	<p>9,600 shares</p>
<p>Reason for selection as a director candidate</p> <p>Mr. Hamaji has considerable experience and broad knowledge involving corporate management, including experience supervising administrative operations and</p>		

concurrently as a director of a Nissan Shatai group company. Since Mr. Hamaji is well suited to be a statutory auditor, he is a candidate for election to position.

Notes:

1. There is no special interest between Nissan Shatai and Mr. Hamaji.
2. Mr. Hamaji is a director of Nissan Shatai subsidiary Nissan Shatai Manufacturing Co., Ltd. He plans to resign as a director on June 26, 2018.
3. If Mr. Hamaji is elected a statutory auditor at the shareholders meeting as proposed, the Company plans to conclude a limited liability contract with Mr. Hamaji that limits his liability regarding Nissan Shatai to a certain level. The main terms of this contract are as follows.
 - (1) If a statutory auditor become liable for damages to the Company due to neglect of his duties, the liability will be limited to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act.
 - (2) The limit of liability in the above paragraph will apply only in cases where the statutory auditor concerned acted in good faith and there was no gross negligence concerning the duties liable for damages.

Proposal 4: Election of One Substitute Statutory Auditor

To be prepared in the event that the number of statutory auditors falls below the number designated by laws and regulations, the Company proposes to elect one substitute statutory auditor.

This substitute statutory auditor will become a statutory auditor only if the number of statutory auditors falls below the legally designated number and the term of office will be the remainder of the term of office of the statutory auditor who is replaced.

The Board of Statutory Auditors has agreed to this proposal.

Candidate for a substitute statutory auditor is as follows:

No. Name (Date of Birth)	Brief Personal Record, Positions, Responsibilities, and Important Positions at Other Companies	Number of Shares of the Company Owned
Ichirou Negishi (October 16, 1954) New candidate / Outside auditor	Apr 1977: Joined Nissan Motor Co., Ltd. Jul 1999: Senior Manager, Administration Department for Affiliated Companies Dept., Nissan Motor Co., Ltd. Jun 2000: General Manager, Management Planning Dept., Nissan Diesel Motor Co., Ltd.(now called UD Trucks Corporation) Jan 2003: General Manager, Management Planning Dept., Aichi Machine Industry Co., Ltd. Jun 2003: Director and General Manager,	0 share

	<p>Management Planning Dept., Aichi Machine Industry Co., Ltd.</p> <p>Jun 2006: Director and Corporate Vice President, Aichi Machine Industry Co., Ltd.</p> <p>Jun 2012: Resigned Aichi Machine Industry Co., Ltd.</p> <p>Jun 2012: Statutory Auditor (Full-time), Calsonic Kansei Corporation. Statutory Auditor (Part-time), Nissan Kohki Co., Ltd. (Current position)</p> <p>May 2017: Resigned Statutory Auditor (Full-time), Calsonic Kansei Corporation.</p> <p>Apr 2018: Statutory Auditor (Part-time), Nissan Creative Services Co., Ltd. (Current position)</p> <p>Important positions at other companies: Outside Statutory Auditor (Part-time), Nissan Kohki Co., Ltd. Outside Statutory Auditor (Part-time), Nissan Creative Services Co., Ltd.</p>	
<p>Reason for selection as a substitute statutory auditor candidate</p> <p>Mr. Negishi has acquired considerable experience and broad knowledge involving corporate management, finance and accounting due to his career at Nissan Motor Co. and the Nissan Shatai Group. Currently, he is properly auditing the performance of the directors as a statutory auditor of a Nissan Shatai group company. To be prepared in the event that the number of Nissan Shatai statutory auditors falls below the legal requirement, and because Mr. Negishi is well suited to perform auditing duties, he is a candidate for election as a substitute statutory auditor.</p>		
<p>Notes:</p> <ol style="list-style-type: none"> 1. There is no special interest between Nissan Shatai and Mr. Negishi. 2. Mr. Negishi is a candidate for a substitute outside statutory auditor post. 3. If Mr. Negishi is elected a substitute statutory auditor at the shareholders meeting as proposed and subsequently becomes a statutory auditor, the Company plans to conclude a limited liability contract with Mr. Negishi that limits his liability regarding Nissan Shatai to a certain level. The main terms of this contract are as follows. <ol style="list-style-type: none"> (1) If a statutory auditor become liable for damages to the Company due to neglect of his duties, the liability will be limited to the minimum liability amount stipulated in Article 425, Paragraph 1 of the Companies Act. (2) The limit of liability in the above paragraph will apply only in cases where the statutory auditor concerned acted in good faith and there was no gross negligence concerning the duties liable for damages. 		

(Attached Documents)

Business Report

(From April 1, 2017 to March 31, 2018)

1. Current State of Corporate Group

(1) Operations and results

In the fiscal year, the Japanese economy continued to recover slowly as corporate earnings and the labor market improved along with the recovery of the global economy. The U.S. economy is showing signs of strength because of rising stock prices and tax cuts. However, the global economic outlook remained uncertain because of geopolitical risk, trade policies, concerns about slowing economic growth in China and other emerging countries in Asia, and other reasons.

Amidst such economic situation, the volume of orders from Nissan Motor Co., Ltd. for the Armada and Infiniti QX80, both for North America, were higher as the demand for these vehicles increased. However, the total production volume decreased. The production of vehicles for sale in Japan was suspended from the middle of October until early in November due to the discovery in September 2017 that certain parts of the final inspection process were improper at our group assembly plants. In addition, production resumed in early November at a pace that was below the normal assembly line speed in order to improve the final inspection process and stabilize production operations. As a result, sales volume decreased by 7.9% year-on-year to 212,198 units and net sales decreased by 1.3% to 558.6 billion yen due to decreased sales and a change in the composition of vehicles produced.

Operating income decreased by 10.8 billion yen to 1.3 billion yen and ordinary income was 1.7 billion yen mainly because of the decline in production volume. The loss attributable to owners of parent was 2.2 billion yen, which was primarily the result of a 4.3 billion yen loss for the cost of vehicle recall campaigns.

Sales Breakdown

Category	Volume (Units)	Amount (Million yen)	Year-on-year change (%)
Passenger vehicles	119,713	380,472	4.1
Commercial vehicles	73,039	110,596	(12.2)
Microbuses	19,446	38,979	(13.0)
Vehicle parts, etc.	0	28,551	(3.3)
Total	212,198	558,600	(1.3)

(2) Funding activities

There were no funding activities to be reported during the fiscal year under review.

(3) Capital expenditures

Capital expenditures during the fiscal year under review totalled approximately 14.4 billion yen. This was for the improvement of product attractiveness through the new products and minor changes of existing products, as well as for the enhancement of plant and equipment by such means as the rationalization of manufacturing facilities, the improvement of welfare facilities, and environmental improvements.

(4) Issues and outlook for the year ahead

In fiscal 2017, Nissan Shatai started a Medium-Term Management Plan covering the 2017 to 2022 fiscal years. The plan's fundamental direction is building a powerful and long-lasting foundation for success by focusing on LCV and frame-vehicle technological expertise to supply vehicles with outstanding quality and appeal to customers. This plan has three major goals: (1) Produce highly appealing vehicles to increase production and sales; (2) Operate plants with the best quality that can earn the trust of customers; and (3) Establish global technology bases for LCV and frame-vehicle manufacturing. In fiscal 2017, the Shonan Plant started producing the Armada to supplement output at Nissan Shatai Kyushu, which was not sufficient alone to produce the necessary volume. The final vehicle inspection issue, the reconfiguration of production lines to comply with standards, establishment of isolated final inspection zones and other steps have been completed. The finished vehicle inspection line is now operating smoothly and training activities for final inspectors are continuing.

We will continue to take full advantage of the integrated manufacturing infrastructure extending from development to production that is our greatest strength. There will also be measures to establish manufacturing operations that can adapt with flexibility to market trends and to build a stronger foundation centered on workforce diversity that can support all operations. By taking these actions, we are determined to earn even greater confidence among customers, shareholders, business partners, communities, employees and all other stakeholders.

(5) Financial performance highlights

Item	Fiscal term	92nd Fiscal term (Ended March 31, 2015)	93rd Fiscal term (Ended March 31, 2016)	94th Fiscal term (Ended March 31, 2017)	95th Fiscal term (Ended March 31, 2018)
Net sales	(Million yen)	475,367	509,421	565,822	558,600
Ordinary income	(Million yen)	11,084	11,962	12,709	1,756
Profit (loss) attributable to owners of parent	(Million yen)	15,639	7,939	8,223	(2,297)
Earnings (loss) per share	(Yen)	105.72	53.67	55.59	(16.38)
Total assets	(Million yen)	264,484	262,507	294,476	273,020
Net assets	(Million yen)	167,302	169,949	179,376	161,713
Book value per share	(Yen)	1,130.95	1,148.85	1,212.58	1,193.87

Notes:

1. Earnings (loss) per share is calculated on the basis of the average number of shares outstanding during each fiscal term, after deduction of treasury stock.

(6) Principal parent company and subsidiaries

a) Parent company

Nissan Shatai's parent company Nissan Motor Co., Ltd. holds 67,726,000 (50.0% of all voting rights) of the total number of Nissan Shatai's shares outstanding, and accounts for 99.9% of Nissan Shatai's net sales.

b) Transactions with the parent company

- 1) Points considered to prevent detrimental effects to Nissan Shatai's interest as a result of these transactions and reason for judgement by the Board of Directors if these transactions are detrimental to Nissan Shatai's interest or not

Transaction prices for automobile to the parent company are determined by negotiations that take into account the total cost of manufacturing. Nissan Shatai's Board of Directors confirms the process and contents of these negotiations.

- 2) Opinion concerning transactions with the parent company in the event that the decision of the Board of Directors differs from the opinion of the outside director

Not applicable.

c) Principal subsidiaries

Company name	Capital (Million yen)	Share of voting rights (%)	Main business
Nissan Shatai Kyushu Co., Ltd.	10	100	Vehicle manufacture
Nissan Shatai Manufacturing Co., Ltd.	432	100	Pressing and assembly of auto parts, molding and assembly of resin products
Nissan Shatai Engineering Co., Ltd.	40	100	Machinery maintenance and servicing, equipment installation, logistics
Auto Works Kyoto Co., Ltd.	480	100	Vehicle manufacture
Nissan Shatai Computer Service Co., Ltd.	100	100	System and program development
Pro Staff Co., Ltd.	90	100	Temporary staff placement

Note: Shares of voting rights include those held indirectly.

(7) Principal business operations The Nissan Shatai Group's principal business is the manufacture and sale of motor vehicles and auto parts, other business activities including servicing related to the aforesaid.

Its principal products are as follows:

Category	Product names
Passenger vehicles	Wingroad, NV200 Vanette, NV350 Caravan, Elgrand, Quest, Patrol (Y61/Y62), Armada, Infiniti QX80
Commercial vehicles	NV150AD, NV200 Vanette, NV350 Caravan, Patrol Pickup, Atlas F24
Microbuses	NV350 Caravan, Civilian
Vehicle parts, etc.	Vehicle parts and other items

(8) Principal offices, facilities, and plants

a) Nissan Shatai

Office / facility / plant	Location
Head Office Kyushu Office	Hiratsuka, Kanagawa Prefecture Kanda-machi, Miyako-gun, Fukuoka Prefecture
Development Division	Hiratsuka, Kanagawa Prefecture
Hadano Office	Hadano, Kanagawa Prefecture
Tochigi Office	Kaminokawa-machi, Kawachi-gun, Tochigi Prefecture
Production Division	Hiratsuka, Kanagawa Prefecture
Shonan Plant	Hiratsuka, Kanagawa Prefecture
Quality Assurance Kyushu, Quality Administration Group, Production Administration Department	Kanda-machi, Miyako-gun, Fukuoka Prefecture
Kyoto Office	Uji, Kyoto Prefecture

b) Subsidiaries

Nissan Shatai Kyushu Co., Ltd.	Head Office and plant: Kanda-machi, Miyako-gun, Fukuoka Prefecture
Nissan Shatai Manufacturing Co., Ltd.	Head Office: Hiratsuka, Kanagawa Prefecture Plants: Hiratsuka and Hadano, Kanagawa Prefecture
Nissan Shatai Engineering Co., Ltd.	Head Office: Hiratsuka, Kanagawa Prefecture Plants: Hiratsuka, Kanagawa Prefecture; Kanda-machi, Miyako-gun, Fukuoka Prefecture
Auto Works Kyoto Co., Ltd.	Head Office: Uji, Kyoto Prefecture Plants: Uji, Kyoto Prefecture; Hiratsuka, Kanagawa Prefecture; Kanda-machi, Miyako-gun, Fukuoka Prefecture

(9) Employee information

a) Group employees

Number of employees	Increase from end of previous fiscal year
4,264	132

b) Nissan Shatai employees

Number of employees	Increase from end of previous fiscal year
1,887	64

2. Share Data

- (1) Total number of shares authorized to be issued 400,000,000
- (2) Total number of shares issued 157,239,691
(including 21,786,117 shares of treasury stock)
- (3) Number of shareholders at fiscal year-end 4,464
- (4) Ten largest shareholders

Name	Number of shares (Thousands)	Ratio of issued shares (%)
Nissan Motor Co., Ltd.	67,726	50.0
MLI for Client General Omni Non Collateral Non Treaty-PB	22,073	16.3
ECM MF	7,082	5.2
Goldman Sachs International	2,757	2.0
Nissan Shatai Supplier Stock Ownership Plan	2,711	2.0
The Master Trust Bank of Japan, Ltd. (Trust Account)	2,375	1.8
Japan Trustee Services Bank, Ltd. (Trust Account)	1,980	1.5
Japan Trustee Services Bank, Ltd. (Trust Account 5)	1,492	1.1
Northern Trust Co. (AVFC) RE HCR00	1,353	1.0
Japan Trustee Services Bank, Ltd. (Trust Account 1)	1,194	0.9

Note: Nissan Shatai holds 21,786,117 shares of treasury stock, but has been excluded from the above list of ten largest shareholders. The ratios of issued shares have been calculated after excluding treasury stock.

3. Directors and Statutory Auditors

(1) List of directors and statutory auditors (at March 31, 2018)

Title	Name	Responsibilities	Important positions at other companies
President*	Shohei Kimura	Internal Audit Office, General Manager Corporate Quality Assurance Div.	President, Nissan Shatai Kyushu Co. Ltd.
Director	Toshikatsu Hamaji	Overall supervision of General & Administration Div.; Corporate Management Dept.; Human Resources Dept.; Secretariat; Finance Dept.; Vehicle Cost Management Dept.; Conversion Business Promotion Office	Director, Nissan Shatai Manufacturing Co., Ltd., Statutory Auditor, Auto Works Kyoto Co., Ltd.
Director	Yuichi Mabuchi	Overall supervision of Production Div.; Safety and Environment Administration Dept.; Production Administration Dept.; Shonan Plant	
Director	Hiroyuki Otsuka	Overall supervision of Development Div.; Product Development Administration Department; Conversion Development Dept., Vehicle Evaluation & Test Dept.	
Director (Outside)	Yoshiyuki Oki		Managing Director; Kanagawa Chuo Kotsu Co., Ltd. President, Kanachu Accounting Service Co., Ltd.
Director (Outside)	Seiichiro Ichikawa		
Statutory Auditor	Koichiro Esaki	Full-time	Statutory Auditor, Nissan Shatai Kyushu Co., Ltd.

Statutory Auditor (Outside)	Shoichi Miyatani	Full-time	
Statutory Auditor (Outside)	Toshio Wakui		Managing Director, Kanagawa Association of Corporate Executives Outside Director, OBAYASHI ROAD CORPORATION
Statutory Auditor (Outside)	Izumi Inoue		Chief Executive Officer, Japan Risk Solution Co., Ltd.

Notes:

1. * indicates a representative director.
2. Mr. Oki and Mr. Ichikawa are an outside directors.
3. Mr. Miyatani, Mr. Wakui and Mr. Inoue are outside statutory auditors.
4. Mr. Oki, Mr. Ichikawa, Mr. Wakui, and Mr. Inoue are independent directors or statutory auditor as stipulated by Tokyo Stock Exchange, Inc.
5. Mr. Miyatani resigned as a statutory auditor on March 31, 2018.
6. Mr. Otsuka was newly elected as a director at the 94th General Meeting that was held on June 28, 2017.
7. There are no capital ties between Nissan Shatai and Kanagawa Chuo Kotsu Co., Ltd. Nissan Shatai uses Kanagawa Chuo Kotsu's bus, taxi and hotel services as a general customer. Sales of Kanagawa Kotsu to Nissan Shatai were insignificant (less than 1% of annual consolidated sales) in FY2017. There are no capital ties and business relations between Nissan Shatai and Kanachu Accounting Service Co., Ltd. Kanagawa Chuo Kotsu Co., Ltd and Kanachu Accounting Service Co., Ltd. do not have capital ties and business relations with Nissan Shatai.
8. There are no capital ties and business relations between Nissan Shatai and OBAYASHI ROAD CORPORATION.
9. There are no capital ties and business relations between Nissan Shatai and Japan Risk Solution Co., Ltd.

(2) Total amount of remuneration of directors and statutory auditors

Office	No. of persons	Payment	Remuneration ceiling stipulated by general shareholders meeting
Directors	7	117,509,000 yen	The ceiling for remuneration of directors is 30 million yen per month (resolution of June 30, 1982)
Statutory Auditors	4	45,312,000 yen	The ceiling for remuneration of statutory auditors is 5 million yen per month (resolution of June 30, 1982).
Total	11	162,821,000 yen	

Notes:

1. At the end of the fiscal year under review, there were six directors and four statutory auditors.
2. The remuneration paid to two outside directors and three outside statutory auditors during the fiscal year under review totaled 50,220,000 yen.

(3) Outline of limited liability contract

Under Article 423, Paragraph 1 of the Companies Act, the Company has concluded limited liability contracts with outside directors and statutory auditors, with limits as prescribed in Article 425, Paragraph 1 of the Companies Act.

(4) Matters related to outside directors and outside statutory auditors

- 1) Outside directors and outside statutory auditors' material concurrent employments and relationships between the Company and the Company's concurrent counterparties

As stated in "(1) List of directors and statutory auditors"

2) Principal activities in the term under review

Category	Name	Principal contributions	Attendance record	
			Board of Directors	Board of Statutory Auditors
Director	Yoshiyuki Oki	As necessary based on experience and insights	100%	—
Director	Seiichiro Ichikawa	As necessary based on experience and insights	100%	—
Statutory Auditor	Shoichi Miyatani	As necessary based on experience and insights	100%	100%
Statutory Auditor	Toshio Wakui	As necessary based on experience and insights	100%	100%
Statutory Auditor	Izumi Inoue	As necessary based on experience and insights	100%	100%

Note: As was explained in the Current State of Corporate Group section, there was a problem at Nissan Shatai Group plants concerning the improper handling of the final vehicle inspection process. No outside director or outside statutory auditor had any such knowledge of this problem. All outside directors and outside statutory auditors frequently make statements regarding compliance at meetings of the Board of Directors and at other times. In addition, after the outside directors and outside statutory auditors became aware of this problem, they fulfilled their responsibilities by receiving explanations of preventive measures and progress involving these measures and stating their opinions about these actions at meetings of the Board of Directors and at other times, performing on-site confirmations of the final vehicle inspection process, and conducting other activities.

4. Accounting Auditor

(1) Name of accounting auditor

Ernst & Young ShinNihon LLC

(2) Amount of remuneration, etc., of accounting auditor for the fiscal year under review

- a) Amount of remuneration as accounting auditor for the fiscal year under review: 29 million yen
- b) Total amount of monetary or other property benefits to be paid by Nissan Shatai or its subsidiaries: 41 million yen

Note: In the audit agreement between Nissan Shatai and the accounting auditor, there is no demarcation of the remuneration for audits based on the Companies Act and the remuneration for audits based on the Financial Instruments and Exchange Act, and since in essence it is not possible to demarcate them, the amount in a) above represents the combined sum of the two.

(3) Content of non-audit work

Nissan Shatai outsourced advisory work related to International Financial Reporting Standards (IFRS) to Ernst & Young ShinNihon LLC

(4) Policy regarding decisions on the dismissal or non-reappointment of the Accounting Auditor

When accounting auditors are recognized as meeting the conditions of Article 340, Paragraph 1 of the Companies Act, the accounting auditors are dismissed by the Board of Statutory Auditors with the concurrence of all statutory auditors.

Further, if in addition it is adjudged that there are obstacles to execution of proper audits by the accounting auditors from the standpoints of independence and professionalism, the decision may be made by the Board of Statutory Auditors to dismiss or deny reappointment, and based on a Board of Directors resolution the relevant proposal is presented by the Board of Directors to the General Shareholders Meeting.

(5) Reason that Board of Statutory Auditors consent for remuneration, etc. for the accounting auditor

The Board of Statutory Auditors used documents and reports obtained as needed from associated Company departments and the accounting auditor to perform an examination of the auditing plan, the services provided in the previous fiscal year, the basis for calculating estimated remuneration and other items concerning the accounting auditor. This examination resulted in the decision that the remuneration, etc. for the accounting auditor was suitable and consent was given as stated in Article 399, Paragraph 1 of the Companies Act.

5. Policy regarding Internal Control Systems

- (1) Systems to ensure that directors and employees comply with laws, ordinances, and the Articles of Incorporation in the execution of their duties

Recognizing the importance of directors and employees of Nissan Shatai acting with sound judgment as members of society, Nissan Shatai develops the Nissan Shatai Code of Conduct— Our Promise in the aim of ensuring legal compliance and proper execution of duties. In-house training and other courses promote dissemination of the Code of Conduct, and all directors and employees submit written oaths of compliance with the Code of Conduct. Furthermore, each Nissan Shatai group company develops own code of conduct based on Nissan Shatai's code and promote dissemination of their respective code. The Internal Audit Office also conducts audits of Nissan Shatai and its group companies, primarily to check compliance with laws, ordinances, and the Articles of Incorporation.

Nissan Shatai and its group companies introduce hotline system(internal and external) so that employees of Nissan Shatai and its group companies can freely and directly submit opinions, questions or requests and provide information about suspected actions of non-compliance, and such issues are promptly identified and rectified. If a matter that could contravene the Code of Conduct is reported, a solution is immediately discussed at meeting of the Nissan Shatai Compliance Committee or its group companies' Compliance Committees and implemented. The Compliance Committee provides monthly reports to the Executive Committee on its activities.

Nissan Shatai and its group companies are resolute in its opposition to anti-social forces. In the event that directors or employees are approached in any way by members of antisocial groups, they quickly report the matter to their superiors and relevant divisions and follow their instructions. Directors and employees shall not, directly or indirectly, engage in dishonest or criminal conduct such as fraud or blackmail in the course of their business activities. If they encounter such situation, they shall act resolutely against it and they quickly report such matter to their superiors and relevant divisions, and follow their instructions.

Furthermore, Nissan Shatai and its group companies strive to enhance internal control mechanisms to ensure the reliability of financial reporting in accordance with the Financial Instruments and Exchange Law together with its related rules and standards.

- (2) Systems for storage and management of information relating to the exercise of directors' duties

Nissan Shatai and its group companies' minutes of general shareholders meetings and of Board of Directors meetings, together with records of decisions made pursuant to the authority criteria and documentation on other decisions, are stored and managed in accordance with laws and internal regulations at Nissan Shatai and its group companies

respectively. Directors, statutory auditors and some others have access to such documentation for the purpose of performing their business activities.

Nissan Shatai and its group companies implement Information Security Policy respectively to enhance proper and strict retention and management of information and to prevent improper use of information and unintended disclosure of such information. Furthermore, Nissan Shatai and its group companies have Information Security Committee respectively, which is engaged in overall management of information security and make decisions with respect to information security matters.

(3) Risk management regulations and systems

Nissan Shatai and its group companies prevent the occurrence of risks that could hinder business continuity or threaten stakeholder safety or security and, if they occur, mitigate the magnitude of losses and prevent recurrence by sensing such risks as early as possible and implementing appropriate countermeasures.

The Risk Management Committee chaired by Nissan Shatai's president is responsible for the management of Nissan Shatai and its group companies' risk, which implements necessary measures and monitor the progress of such measures.

Key risks for Nissan Shatai and its group companies include environmental, quality, and safety issues. Nissan Shatai regularly convenes meetings of specialist committees including Environmental Committee, Quality Committee, and Safety Council, and develops regulations, standards, manuals and other rules and conduct rigorous training programs in order to prevent the occurrence and, if they occur, mitigate the magnitude of losses and prevent recurrence.

(4) Systems to ensure efficient execution of duties by directors

Nissan Shatai has Board of Directors, which decides material business activities of Nissan Shatai and monitors the activities of individual directors. In addition, statutory auditors who comprise Board of Auditors audit the activities of the directors.

Nissan Shatai's Board of Directors is relatively small, so it is structured with a transparent and logical system of delegation, by which the authority to perform business activities is properly delegated to corporate officers and other employees.

The Executive Committee consisting of corporate officers and other key managers meets once a week in principle to discuss specific management issues.

Nissan Shatai enacts Responsibilities of Each Department for the purpose of defining the responsibilities of each department and enacts Delegation of Authority for the purpose of clarifying the deciders and decision making processes, and speeding up the execution of business activities. Likewise, its group companies enact objective and transparent Responsibilities of Each Department and Delegation of Authority. Nissan Shatai and its

group companies periodically review those Responsibilities of Each Department and Delegation of Authority to assure prompt and efficient decision making.

Nissan Shatai ensures the efficient and effective management of its business by determining and sharing management policy and business direction in Nissan Shatai and its group companies through establishment of the mid-term management plan and the annual business plan.

(5) Systems to ensure proper conduct of work in the corporate group consisting of Nissan Shatai and its parent company and subsidiaries

1) Systems to ensure efficient execution of duties by subsidiaries, directors and the like

To achieve consistency and efficiency in group management, Nissan Shatai holds regular meetings with the parent company and Nissan Shatai group companies respectively and shares with management policies and other important information. Each department of Nissan Shatai enhances cooperation with corresponding function of the group companies and achieves consistency and efficiency in group management.

2) Systems to ensure that directors and the like and employees comply with laws, ordinances, and the Articles of Incorporation in the execution of their duties

To ensure that directors and employees of Nissan Shatai group companies comply with laws, ordinances, and the Articles of Incorporation, Nissan Shatai implements the measures described in (1) Systems to ensure that directors and employees comply with laws, ordinances, and the Articles of Incorporation in the execution of their duties. Nissan Shatai's code of conduct is made in compliance with the parent company's code of conduct and sets out consistent philosophies on matters such as compliance and information security. In addition, Nissan Shatai implements hot line system by which employees of Nissan Shatai group companies are able to submit information directly to its parent company.

When necessary, directors and employees of Nissan Shatai are appointed concurrently as directors or auditors in its group companies and supervise execution of duties and accounting practices on an ongoing basis.

Furthermore, statutory auditors of Nissan Shatai and its group companies periodically have Group Statutory Auditors Meeting for the purpose of ensuring effective auditing of group companies and share information and exchange opinions from the viewpoint of consolidated management.

3) Risk management regulations and systems of the subsidiaries

To manage risk of Nissan Shatai group companies, Nissan Shatai implements the measures described in (3) Risk management regulations and systems.

- 4) Systems for reporting from directors and the like to the company about the execution of their duties

Nissan Shatai requests its group companies to report about important information of their duty executions.

- (6) Matters relating to employees appointed to assist Nissan Shatai's statutory auditors in their duties and the independence of such employees from directors, and systems to ensure the effectiveness of instruction by statutory auditors

To improve the effectiveness of audits by Nissan Shatai's statutory auditors and enable the statutory auditors to perform audits smoothly, Auditors Office has been established and staffed with managers and/or other employees and perform its duties under the instruction and supervision of statutory auditors.

To ensure the independence of the managers and other employees, their appointment, dismissal, appraisal, transfer to another department and disciplinary action require prior consent from the Board of Statutory Auditors.

- (7) Systems for reporting to Nissan Shatai's statutory auditors and systems to ensure that a person who reported to the statutory auditors is not unfairly treated because of making such report

- 1) Systems for reporting to Nissan Shatai's statutory auditors from its directors and employees

When Nissan Shatai's directors or employees find any issues that had or may have a material impact on the management of Nissan Shatai or its group companies, and caused or may cause material violation of code of conduct, they promptly report such issues to the Nissan Shatai's statutory auditors. In addition, Nissan Shatai's directors and employees are required to make an ad-hoc report to the statutory auditors regarding the situation of business activities when so requested.

In accordance with annual audit plan, Nissan Shatai's statutory auditors attend meetings of the Board of Directors and representative of statutory auditors attends Executive Committee meetings to identify important decisions made by Nissan Shatai and its group companies and to ascertain the execution status of such decisions. Progress with implementation and issues under consideration are also reported to statutory auditors during regular business hearings of divisions. Moreover, the Internal Audit Office provides reports regularly about audit plan and audit result to the Board of Statutory Auditors.

- 2) Systems for reporting to Nissan Shatai's statutory auditors from directors, statutory auditors, the like, and employees of subsidiaries or a person who received information from them

Directors and statutory auditors, other executives, and employees of Nissan Shatai group companies report promptly to directors and employees of Nissan Shatai when any issues that should be reported to Nissan Shatai's statutory auditors occur. And then directors and employees who are reported about such issues report them to Nissan Shatai's statutory auditors. In addition, directors and statutory auditors, other executives, and employees of Nissan Shatai group companies are required to make an ad-hoc report to Nissan Shatai's statutory auditors regarding the situation of business activities and any other issues when so requested.

- 3) Systems to ensure to prevent disadvantageous treatment of those who made a report as stated in 1) and 2) above on the basis of making such report

Nissan Shatai prohibits disadvantageous treatment of those who made a report as stated in 1) and 2) above on the basis of making such report. Nissan Shatai takes necessary measures to protect those who made such report and takes strict actions, including disciplinary actions, against directors and employees of Nissan Shatai and its group companies who gave disadvantageous treatment to those who made such report.

- (8) System for advance payment or settlement of expenses arising from the execution of the duties of Nissan Shatai's statutory auditors and the policy for settlement of expenses arising from the execution of their duties

Nissan Shatai promptly processes advance payment or settlement of expenses and liabilities arising from the execution of their duties when statutory auditors so requests. In accordance with Companies Law, except when it is proven that the expenses and liabilities are unnecessary. Appropriate amount of budget for audit activities is secured.

- (9) Other systems to ensure effective audits by statutory auditors

At least 50% of the statutory auditors are outside statutory auditors. The statutory auditors hold meetings of the Board of Statutory Auditors and Statutory Auditors Meeting periodically in order to share tasks by exchanging information and opinions. Ad-hoc meetings are also held whenever necessary.

Nissan Shatai's statutory auditors and president periodically hold meetings to exchange information and views about the financial condition, tasks to be tackled and risks associated with Nissan Shatai's business activities. Statutory auditors receive periodic audit reports from the accounting auditor.

6. Overview of Operations of Internal Control System

This section presents an overview of the status of the operations in the 94th fiscal term of the systems to ensure appropriate business conduct (hereinafter "Internal Control System") of Nissan Shatai and its group companies. The Internal Audit Office confirms the status and operations of the Internal Control System on a regular basis and submits reports to the Board of Directors.

(1) Compliance

Nissan Shatai maintains a code of conduct for directors and employees that complies with the parent company code of conduct. The Compliance Committee was established as a body to oversee matters pertaining to compliance and meetings are convened regularly (14 times in the current fiscal year). In order to improve compliance in Nissan Shatai and its group companies, the Compliance Committee has developed and implemented action plans, including provision of regular compliance education for employees of Nissan Shatai and its group companies. Furthermore, group companies of Nissan Shatai also hold similar committee meetings regularly and engage in activities to improve compliance.

Nissan Shatai and its group companies have established a hotline system and maintain structures whereby matters are reported to the Human Resources Dept., or to a designated third party. Furthermore, provision has been stipulated in the Code of Conduct to protect informers.

(2) Risk management

The Risk Management Committee was established as a body to oversee matters pertaining to risk and meetings are convened regularly (2 times in the current fiscal year). The Committee has specified major risks to Nissan Shatai and its group companies and implemented activities to prevent the occurrence and minimize the impact of risk. Furthermore, group companies of Nissan Shatai also hold similar committee meetings regularly and engage in risk management activities.

The Information Security Committee was established as a body to oversee matters pertaining to information security and meetings are convened regularly (12 times in the current fiscal year). The Committee has developed and implemented action plans, including provision of regular education about Information Security Policy at Nissan Shatai and its group companies, the strict handling of information according to its classification, and the implementation of regular self-assessment. Furthermore, group companies of Nissan Shatai also hold similar committee meetings regularly and engage in activities to improve information security.

The Environmental Committee, Quality Committee, and Safety Council were established as bodies to oversee matters pertaining to environment, quality and safety, respectively, and meetings have been convened regularly, in which the status of progress on risk management promotion activities was reviewed. Furthermore, group companies of Nissan Shatai also hold similar committee meetings regularly and engage in related activities.

(3) Execution of duties by Directors

With the objective of strengthening the monitoring functions of the Board of Directors and incorporating an external perspective on management, two outside directors are elected. In the current fiscal year the Board of Directors met 20 times, where important company matters were reported, deliberated and decided.

In the current fiscal year the Executive Committee met weekly in principle, and engaged in discussions on specific individual management-related matters arising from the conduction of business.

To ensure the efficient execution of the duties of the Directors, reviews of the Delegation of Authority and Responsibilities of Each Department were conducted and necessary revisions were implemented. In addition, similar revisions were made as necessary at Nissan Shatai group companies.

(4) Execution of duties by Statutory Auditors

Through attendance of Statutory Auditors, including outside Statutory Auditors, at meetings of the Board of Directors, attendance of a representative of Statutory Auditors at important meetings of the Executive Committee and others, and through regular reports from the accounting auditor and the Internal Audit Office, the Statutory Auditors perform an audit of the execution of duties by Directors and confirm the maintenance and status of operations of Internal Control Systems.

The Auditor's Office was established as a body to assist in the duties of the Statutory Auditors, and in order to ensure independence from Directors, personnel matters such as the appointment and dismissal and appraisal of manager in the Auditor's Office are implemented with the consent of the Board of Statutory Auditors.

(5) Internal audit

Based on the Internal Audit Plan, an internal audit of the entire operations of Nissan Shatai and its group companies was conducted.

In September 2017, the final vehicle inspection issue was discovered at the vehicle assembly plants of Nissan Shatai and its group companies. Activities and countermeasures taking into account an investigation performed by external professionals to determine the cause and countermeasures to prevent a recurrence was announced on November 17, 2017 and these countermeasures have been implemented as stipulated. During the implementation of these countermeasures, the Executive Committee and Board of Directors were duly informed and held discussions. Going forward, there will be improvements to internal audits, which is one of the countermeasures in the November 17, 2017 announcement, and more activities involving countermeasures that have not been completed.

Consolidated Balance Sheet (As of March 31, 2018)

			(Million yen)
Assets	273,020	Liabilities	111,306
Current assets	212,684	Current liabilities	96,915
Cash on hand and in banks	536	Trade notes and accounts payable	59,125
Trade notes and accounts receivable	84,537	Electronically recorded obligations-operating	12,386
Work in process	3,414	Lease obligations	4,995
Raw materials and supplies	3,111	Accounts payable-other	915
Accounts receivable-other	3,396	Accrued expenses	13,308
Deposits paid	114,577	Income taxes payable	127
Deferred tax assets	2,859	Deposits received	273
Other	253	Deposits received from employees	3,252
Fixed assets	60,335	Accrued warranty costs	158
Property, plant and equipment	56,029	Other	2,372
Buildings and structures	11,248	Long-term liabilities	14,390
Machinery, equipment and vehicles	19,038	Lease obligations	2,283
Tools, furniture and fixtures	9,344	Accrued warranty costs	202
Land	15,684	Net defined benefit liabilities	9,795
Construction in progress	713	Asset retirement obligations	1,119
Intangible fixed assets	1,258	Other	990
Investments and other assets	3,048	Net assets	161,713
Investment securities	324	Shareholders' equity	163,303
Long-term prepaid expenses	214	Common stock	7,904
Deferred tax assets	2,098	Capital surplus	8,517
Other	411	Retained earnings	169,516
		Treasury stock	(22,635)
		Accumulated other comprehensive income	(1,589)
		Remeasurements of defined benefit plans	(1,589)
Total assets	273,020	Total liabilities and net assets	273,020

Consolidated Statement of Income (From April 1, 2017 to March 31, 2018)

	(Million yen)
Net sales	558,600
Cost of sales	550,559
Gross profit	8,040
Selling, general and administrative expenses	6,710
Operating income	1,330
Non-operating income	
Interest income and dividends income	305
Other	341
Total non-operating income	646
Non-operating expenses	
Interest expense	45
Other	174
Total non-operating expenses	219
Ordinary income	1,756
Special gains	
Gain on sales of fixed assets	0
Total special gains	0
Special losses	
Loss on sales of non-current assets	214
Cost of vehicle recall campaigns	4,391
Total special losses	4,605
Loss before income taxes	(2,848)
Income taxes-current	211
Income taxes-deferred	(762)
Total income taxes	(550)
Net loss	(2,297)
Loss attributable to non-controlling interests	-
Loss attributable to owners of parent	(2,297)

**Consolidated Statement of Changes in Net Assets
(From April 1, 2017 to March 31, 2018)**

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at the beginning of current period	7,904	8,517	173,804	(8,362)	181,864
Changes of items during the period					
Cash dividends paid			(1,989)		(1,989)
Loss attributable to owners of parent			(2,297)		(2,297)
Purchase of treasury stock				(14,273)	(14,273)
Net changes of items other than those in shareholders' equity					
Total changes of items during the period	-	-	(4,287)	(14,273)	(18,560)
Balance at the end of current period	7,904	8,517	169,516	(22,635)	163,303

(Million yen)

	Accumulated other comprehensive income	Total net assets
	Remeasurements of defined benefit plans	
Balance at the beginning of current period	(2,487)	179,376
Changes of items during the period		
Cash dividends paid		(1,989)
Loss attributable to owners of parent		(2,297)
Purchase of treasury stock		(14,273)
Net changes of items other than those in shareholders' equity	897	897
Total changes of items during the period	897	(17,662)
Balance at the end of current period	(1,589)	161,713

Notes to Consolidated Financial Statements

1. Basis of Consolidated Financial Statements

(1) Scope of consolidation

Consolidated subsidiaries: 6

Nissan Shatai Kyushu Co., Ltd., Nissan Shatai Manufacturing Co., Ltd., Nissan Shatai Engineering Co., Ltd., Auto Works Kyoto Co., Ltd., Nissan Shatai Computer Service Co., Ltd., Pro Staff Co., Ltd.

(2) Significant Accounting Policies

1) Valuation methods for assets

- Securities

 - Other securities

 - Non-marketable securities

 - Cost calculated by the moving average method

- Inventories

 - Work in process, raw materials and supplies

 - Primarily stated at cost determined by the first-in and first-out method (cost of inventories is written-down when their carrying amounts become unrecoverable).

2) Depreciation

- Property, plant and equipment (excluding leased assets)

 - Primarily the straight-line method using the estimated life as the useful life and an effective residual value for the residual value

- Intangible fixed assets (excluding leased assets)

 - Straight-line method, but software for internal use is depreciated using the straight-line method over a 5-year period, which is the time that software can be used internally.

- Leased assets

 - Straight-line method using the estimated life as the useful life and an effective residual value for the residual value

- Long-term prepaid expenses

 - Depreciated in equal installments

3) Basis for reserves and allowances

- Allowance for doubtful accounts

 - Allowance for doubtful accounts is provided based on past experience for normal receivables and on an estimate of the collectability of receivables from companies in financial difficulty.

- Accrued warranty costs

 - Accrued warranty costs are provided to cover the cost of all complaints about products anticipated to be incurred during the period based on past experience.

4) Accounting for retirement benefits

- Method for calculating the retirement benefit obligation

 - For calculating the retirement benefit obligation, the benefit formula basis has been adopted for attributing projected benefits to periods.

- Actuarial gains and losses and past service cost

Actuarial gain and loss are amortized in the year following the year in which actuarial gain and loss are recognized by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees (Principally 12 to 15 years).

Past 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 (15 years).

5) Accounting for consumption taxes

Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.

6) Adoption of consolidated taxation system

The Company has been adopted the consolidated taxation system.

2. Notes to consolidated balance sheet

(1) Accumulated depreciation of property, plant and equipment: 228,195million yen

(2) Contingent liabilities

As guarantor of employees' housing loans from banks and others:

1,602 million yen

3. Notes to consolidated statement of changes in net assets

(1) Shares issued and outstanding (as of March 31, 2018)

Common stock: 157,239 thousand shares

(2) Dividend from retained earnings (as of March 31, 2018)

1) Cash dividends paid

Resolution	Type of shares	Total dividends (million yen)	Dividends per share (yen)	Record date	Effective date
Ordinary General Shareholders Meeting on June 28, 2017	Common stock	1,109	7.50	March 31, 2017	June 29, 2017
Meeting of the Board of Directors on November 11, 2017	Common stock	880	6.50	September 30, 2017	December 1, 2017
Total	-	1,989	-	-	-

2) Dividend with a record date in the fiscal year ended March 31, 2018 and a payment date after the end of the fiscal year

Nissan Shatai plans to submit the following resolution for approval at the 94th Ordinary General Shareholders Meeting to be held on June 27, 2018.

- Total dividend payments: 880 million yen
- Source of dividends: Retained earnings
- Dividend per share: 6.50 yen
- Record date: March 31, 2018
- Effective date: June 28, 2018

4. Notes to financial instruments

(1) Overview of financial instruments

The Nissan Shatai Group places cash only in short-term deposits, etc. Internal resources are used to fund working capital and capital expenditures; no funds are procured from external sources for these requirements.

For notes and accounts receivable, financial information is received from counterparties for the purpose of managing credit risk. Deposits paid are funds placed with Nissan Group finance companies for the purpose of earning a return on a temporary surplus of cash. Investment securities are stocks of companies that are not listed.

Notes and accounts payable and electronically recorded debt, which are obligations involving business operations, are all due within one year. In addition, lease obligations associated with finance leases are mainly the balance due to suppliers for metal dies.

(2) Fair value of financial instruments

The following table indicates the carrying value in the consolidated balance sheet, the fair value and the unrealized gain (loss) as of March 31, 2018.

	Carrying value* (million yen)	Estimated fair value* (million yen)	Unrealized gain (loss) (million yen)
(1) Cash on hand and in banks	536	536	-
(2) Trade notes and accounts receivable	84,537	84,537	-
(3) Deposits paid	114,577	114,577	-
(4) Trade notes and accounts payable	(59,125)	(59,125)	-
(5) Electronically recorded obligations-operating	(12,386)	(12,386)	-
(6) Lease obligations	(7,279)	(7,260)	(18)

* Liabilities are in parentheses.

(Note 1) Calculation method for fair value of financial instruments

- (1) Cash on hand and in banks, (2) Trade notes and accounts receivable, (3) Deposits paid, (4) Trade notes and accounts payable and (5) Electronically recorded obligations-operating:

Book values are used because fair value and book value are virtually the same due to the short terms of these instruments.

- (6) Lease obligations

The fair value of lease obligations is the total of principal and interest that is discounted to present value by using the interest rate that would most likely be used for a new lease with the same terms.

(Note 2) Non-listed stocks (324 million yen on the balance sheet) do not have market prices and it is not possible to estimate future cash flows. Due to the extreme difficulty of determining fair values, these stocks are not included in this table.

5. Notes to per share information

- (1) Net assets per share: 1,193.87 yen
- (2) Net income per share: (16.38 yen)

6. Notes to significant subsequent events

Not applicable

7. Other

Amounts less than one million yen are rounded down.

Nonconsolidated Balance Sheet (As of March 31, 2018)

			(Million yen)
Assets	306,169	Liabilities	151,859
Current assets	249,063	Current liabilities	141,554
Cash on hand and in banks	14	Trade notes payable	161
Trade notes receivable	1	Electronically recorded obligations-operating	12,386
Accounts receivable	82,183	Trade accounts payable	102,146
Work in process	2,086	Short-term borrowings payable to subsidiaries and affiliates	5,145
Raw materials and supplies	509	Lease obligations	5,054
Short-term borrowings receivable to subsidiaries and affiliates	1,025	Accounts payable-other	1,318
Accounts receivable-other	46,265	Accrued expenses	10,347
Deposits paid	114,577	Income taxes payable	60
Deferred tax assets	2,178	Deposits received	100
Other	221	Deposits received from employees	3,252
Fixed assets	57,106	Accrued warranty costs	44
Property, plant and equipment	53,198	Other	1,536
Buildings	9,483	Long-term liabilities	10,305
Structures	1,002	Lease obligations	2,306
Machinery and equipment	18,397	Accrued warranty costs	54
Vehicles	225	Accrued retirement benefits	6,411
Tools, furniture and fixtures	9,242	Asset retirement obligations	1,093
Land	14,164	Other	439
Construction in progress	681	Net assets	154,310
Intangible fixed assets	959	Shareholders' equity	154,310
Software	943	Common stock	7,904
Other	15	Capital surplus	8,517
Investments and other assets	2,949	Legal capital surplus	8,317
Investment securities	323	Other capital surplus	200
Investments in subsidiaries and affiliates	1,282	Retained earnings	160,523
Deferred tax assets	847	Legal reserve	1,976
Other	495	Other retained earnings	158,547
		Reserve for reduction entry of replaced property	3,175
		General reserve	22,848
		Retained earnings brought forward	132,523
		Treasury stock	(22,635)
Total assets	306,169	Total liabilities and net assets	306,169

Nonconsolidated Statement of Income (From April 1, 2017 to March 31, 2018)

	(Million yen)
Net sales	548,345
Cost of sales	541,962
Gross profit	6,383
Selling, general and administrative expenses	5,600
Operating income	782
Non-operating income	
Interest income and dividend income	308
Rent income on fixed assets	528
Other	97
Total non-operating income	934
Non-operating expenses	
Interest expense	57
Rent expenses on fixed assets	301
Other	46
Total non-operating expenses	405
Ordinary income	1,311
Special gains	
Gain on sales of fixed assets	0
Total special losses	0
Special losses	
Loss on retirement of fixed assets	186
Cost of vehicle recall campaigns	4,391
Total special losses	4,577
Loss before income taxes	(3,266)
Income taxes-current	8
Income taxes-deferred	(710)
Total income taxes	(702)
Net loss	(2,563)

**Nonconsolidated Statement of Changes in Net Assets
(From April 1, 2017 to March 31, 2018)**

(Million yen)

	Shareholders' equity				
	Common stock	Capital surplus		Retained earnings	
		Legal capital surplus	Other capital surplus	Legal reserve	Other retained earnings Reserve for reduction entry of replaced property
Balance at the beginning of current period	7,904	8,317	200	1,976	3,234
Changes of items during the period					
Reversal of reserve for reduction entry of replaced properties					(58)
Cash dividends paid					
Net loss					
Purchase of treasury stock					
Total changes of items during the period	-	-	-	-	(58)
Balance at the end of current period	7,904	8,317	200	1,976	3,175

(Million yen)

	Shareholders' equity				Total net assets
	Retained earnings		Treasury stock	Total shareholders' equity	
	Other retained earnings				
	General reserve	Retained earnings brought forward			
Balance at the beginning of current period	22,848	137,018	(8,362)	173,137	173,137
Changes of items during the period					
Reversal of reserve for reduction entry of replaced properties		58		-	-
Cash dividends paid		(1,989)		(1,989)	(1,989)
Net loss		(2,563)		(2,563)	(2,563)
Purchase of treasury stock			(14,273)	(14,273)	(14,273)
Total changes of items during the period	-	(4,494)	(14,273)	(18,826)	(18,826)
Balance at the end of current period	22,848	132,523	(22,635)	154,310	154,310

Notes to Nonconsolidated Financial Statements

1. Significant Accounting Policies

- (1) Valuation method for assets
 - 1) Securities

Equity securities issued by subsidiaries: Cost calculated by the moving average method

Other securities

Non-marketable securities: Cost calculated by the moving average method
 - 2) Inventories

Work in process, raw materials and supplies: Primarily stated at cost determined by the first-in and first-out method (cost of inventories is written-down when their carrying amounts become unrecoverable).
- (2) Depreciation
 - 1) Property, plant and equipment (excluding leased assets)

Straight-line method using the estimated life as the useful life and an effective residual value for the residual value
 - 2) Intangible fixed assets (excluding leased assets)

Straight-line method, but software for internal use is depreciated using the straight-line method over a 5-year period, which is the time that software can be used internally.
 - 3) Leased assets

Straight-line method using the estimated life as the useful life and an effective residual value for the residual value
- (3) Basis for reserves and allowances
 - 1) Allowance for doubtful accounts

Allowance for doubtful accounts is provided based on past experience for normal receivables and on an estimate of the collectability of receivables from companies in financial difficulty.
 - 2) Accrued warranty costs

Accrued warranty costs are provided to cover the cost of all complaints about products anticipated to be incurred during the period based on past experience.
 - 3) Accrued retirement benefits

Accrued retirement benefits or prepaid pension costs are recorded at an amount calculated based on the retirement benefit obligation and the fair value of pension plan assets at the end of current fiscal year.

 - Method for calculating the retirement benefit obligation

For calculating the retirement benefit obligation, the benefit formula basis has been adopted for attributing projected benefits to periods.
 - Actuarial gains and losses and past service cost

Actuarial gain and loss are amortized in the year following the year in which actuarial gain and loss are recognized by the straight-line method over periods which are shorter than the average remaining years of service of the eligible employees (12 to 15 years).

Past 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 (15 years).

- 4) Accounting for consumption taxes
Transactions subject to consumption taxes are recorded at amounts exclusive of consumption taxes.
- 5) Adoption of consolidated taxation system
The Company has been adopted the consolidated taxation system.

2. Notes to nonconsolidated balance sheet

- (1) Accumulated depreciation of property, plant and equipment: 196,465million yen
- (2) Contingent liabilities
As guarantor of employees' housing loans from banks and others: 1,602 million yen
- (3) Monetary receivables from and payables to subsidiaries and affiliates
Short-term monetary receivables: 124,945 million yen
Long-term monetary receivables: 258 million yen
Short-term monetary payables: 75,910 million yen
Long-term monetary payables: 38 million yen

3. Notes to nonconsolidated statement of income

- (1) Transactions with subsidiaries and affiliates
Sales: 547,588 million yen
Purchase: 666,944 million yen
Transactions other than operating transactions: 6,632 million yen

4. Notes to nonconsolidated statement of changes in net assets

- Treasury stock (as of March 31, 2018)
Common stock: 21,786 thousand shares

5. Note to deferred tax assets and liabilities

Major components of deferred tax assets and deferred tax liabilities

	(Million yen)
Deferred tax assets	
Accrued bonuses	500
Warranty costs	1,526
Securities valuation losses	289
Excess depreciation	152
Allowance for retirement benefits	1,960
Asset retirement obligations	332
Other	424
Sub-total	<u>5,185</u>
Valuation allowance	(697)
Total	<u>4,488</u>
Deferred tax liabilities	
Reserve for reduction of replacement cost of specified properties	(1,398)
Other	(63)
Total	<u>(1,461)</u>
Net deferred assets	<u>3,026</u>

6. Note to related party transactions

(1) Parent company and major corporate shareholders

Category	Name	Address	Capital	Activities	Voting rights held by the parent company	Relationship						
						Shared directors, etc.	Business relation					
Parent company	Nissan Motor Co., Ltd.	Kanagawa-ku, Yokohama, Kanagawa	(Million yen)	Manufacture and sale of automobiles and others	Direct 50.0 Indirect 0.0	(Persons)	4	Nissan Shatai purchases engine and other components from Nissan Motor and sells automobiles to Nissan Motor.				
			605,813									
			Description of transactions			Amount			Item	FY-end balance		
						(Million yen)				(Million yen)		
	Business transactions	Sale of automobiles, etc.	547,549	Receivables	81,836							
		Purchase of parts, etc.	219,696	Payables	23,421							
	Non-business transactions	Purchase of fixed assets	217	Payable-other	-							
		Cost of vehicle recall campaigns	4,260	Accrued expenses	4,260							

Terms and conditions of transactions and policies on deciding terms and conditions

- 1) Prices of automobiles sold to Nissan Motor are determined by negotiations while taking into account the total cost. The Nissan Shatai board of directors confirms the progress and contents of these negotiations.
- 2) In principle, prices for parts purchased from Nissan Motor are determined by negotiations based on prices calculated by using the cost of Nissan Motor.
- 3) Fixed assets are purchased from Nissan Motor by using the same terms as for ordinary transactions.
- 4) Recall expenses apply to vehicles for which Nissan Shatai is responsible for the recall and expenses were determined by discussions with Nissan Motor Co., Ltd. that reflected expenses for re-inspecting vehicles and other activities.
- 5) Consumption taxes are excluded from transactions but included in fiscal year-end balances.

(2) Subsidiaries

Category	Name	Address	Capital	Activities	Voting rights held by Nissan Shatai		Relationship							
							Shared directors, etc.	Business relation						
Subsidiary	Nissan Shatai Kyushu Co., Ltd.	Miyakogun, Fukuoka	(Million yen)	Manufacture of automobile chassis	Direct	100.0	(%)	(Persons)	Sale of parts and purchase of chassis					
			10				Concurrent	5						
			Description of transactions				Amount	Item		FY-end balance				
			Business transactions				Sale of parts, etc. Purchase of parts	(Million yen) 398,162 420,164		Receivables Payables	38,686 41,144			
	Non-business transactions	Group financing loans receivable	1,075	Short-term loans receivable	1,025									
	Nissan Shatai Manufacturing Co., Ltd.	Hiratsuka, Kanagawa	(Million yen)	432	Manufacture and sale of automobile parts	Direct	56.1	(%)	(Persons)	Supply of parts Purchase of parts				
											Indirect	43.9	Concurrent	3
											Transferred	2		
											Description of transactions			Amount
	Business transactions	Supply of parts, etc. Purchase of parts	(Million yen) 8,063 13,069	Receivables Payables	1,173 2,055									
	Non-business transactions	Group financing loans payable	640	Short-term loans payable	810									
	Auto Works Kyoto Co., Ltd.	Uji, Kyoto	(Million yen)	480	Manufacture of automobile chassis	Direct	100.0	(%)	(Persons)	Sale of parts and purchase of chassis				
Concurrent											2			
Transferred											4			
Description of transactions											Amount	Item	FY-end balance	
Business transactions	Supply of parts, etc. Purchase of parts	(Million yen) 11,497 15,962	Receivables Payables	1,242 2,181										
Non-business transactions	Group financing loans payable	150	Short-term loans payable	1,350										

Terms and conditions of transactions and policies on deciding terms and conditions

- 1) For prices of parts purchased from subsidiaries, Nissan Shatai submits a requested price based on the market price and, after negotiations, a price is determined that is the same as for ordinary transactions.
- 2) For loans payable and receivable, a reasonable interest rate is determined based on market interest rates.
- 3) Consumption taxes are excluded from transactions but included in fiscal year-end balances.
- 4) Figures for group financing loans receivable and payable are the differences from the end of the previous fiscal year.

Subsidiary of parent company

(3) Other companies with affiliations

Category	Name	Address	Capital	Activities	Voting rights held by Nissan Shatai	Relationship		
						Shared directors, etc.	Business relation	
Subsidiary of parent company	Nissan Group Finance Co., Ltd.	Nishi-ku, Yokohama, Kanagawa	(Million yen) 90	Finance business	(%) -	(Persons) -	Manages funds of the Nissan Shatai Group	
		Description of transactions				Amount	Item	FY-end balance
		Fund management				(Million yen) 19,619	Deposits paid	(Million yen) 114,577
Interest income				285	Receivables	23		

Terms and conditions of transactions and policies on deciding terms and conditions.

- 1) For terms for the management of funds, Nissan Group Finance submits terms (interest rate and other items) and the final terms are determined after taking into account ordinary short-term market interest rates.
- 2) Figures for fund management are the differences from the end of the previous fiscal year.

7. Notes to amounts per share

- (1) Net assets per share: 1,139.21 yen
- (2) Net income per share: (18.28 yen)

8. Notes to significant subsequent events

Not applicable.

9. Other

Amounts less than one million yen are rounded down.

Copy of Independent Auditors' Report on Consolidated Financial Statements

Report of Independent Auditors

May 18, 2018

The Board of Directors
Nissan Shatai Co., Ltd.

Ernst & Young ShinNihon LLC
Designated and Engagement Partner
Certified Public Accountant Koji Fujima
Designated and Engagement Partner
Certified Public Accountant Masayuki Nakamura

Pursuant to Article 444, Section 4 of the Companies Act, we have audited the accompanying consolidated financial statements, which comprise the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the notes to consolidated financial statements of Nissan Shatai Co., Ltd (the "Company") applicable to the fiscal year from April 1, 2017 through March 31, 2018.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal controls as management determines are necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain a reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making these risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate for providing a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position and results of operations of the Nissan Shatai Group, which consisted of the Company and consolidated subsidiaries, applicable to the fiscal year ended March 31, 2017 in conformity with accounting principles generally accepted in Japan.

Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

Copy of Independent Auditors' Report on Financial Statements

Report of Independent Auditors

May 18, 2018

The Board of Directors
Nissan Shatai Co., Ltd.

Ernst & Young ShinNihon LLC
Designated and Engagement Partner
Certified Public Accountant Koji Fujima
Designated and Engagement Partner
Certified Public Accountant Masayuki Nakamura

Pursuant to Article 436, Section 2, Paragraph 1 of the Companies Act, we have audited the accompanying financial statements, which comprise the balance sheet, the statement of income, the statement of changes in net assets, the notes to financial statements and the related supplementary schedules of Nissan Shatai Co., Ltd. (the "Company") applicable to the 95th fiscal year from April 1, 2017 through March 31, 2018

Management's Responsibility for the Financial Statements and the Related Supplementary Schedules

Management is responsible for the preparation and fair presentation of the financial statements and the related supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the financial statements and the related supplementary schedules that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements and the related supplementary schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the related supplementary schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the related supplementary schedules. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements and the related supplementary schedules, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements and the related supplementary schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the related supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements and the related supplementary schedules referred to above present fairly, in all material respects, the financial position and results of operations of Nissan Shatai Co., Ltd. applicable to the 95th fiscal year ended March 31, 2018 in conformity with accounting principles generally accepted in Japan.

Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

Copy of Audit Report of Board of Statutory Auditors

Audit Report

Regarding the performance of duties by directors for the 95th business year beginning April 1, 2017, and ending March 31, 2018, the Board of Statutory Auditors hereby submits its audit report, which has been prepared through discussions based on the audit reports prepared by the respective statutory auditors, as follows:

1. Methods and Contents of Audit by the Statutory Auditors and the Board of Statutory Auditors

- 1) The Board of Statutory Auditors determined, among other things, the auditing policies and plan, the division of responsibilities and other matters for the fiscal year that ended on March 31, 2018. The board received reports from individual statutory auditors concerning the performance of audits and results. In addition, the board received reports from directors, employees and the independent auditors concerning the performance of their duties and, when necessary, asked them to provide explanations.
- 2) In accordance with the statutory auditors' auditing standards specified by the Board of Statutory Auditors, and in conformity with the auditing policies and plan and the division of responsibilities for the fiscal year that ended on March 31, 2018, the statutory auditors communicated effectively with the directors, employees in the internal audit division and other relevant employees for the purposes of collecting information and maintaining a proper auditing environment. The statutory auditors also used the following methods to conduct audits.
 - (i) To examine business operations and the financial condition, the statutory auditors attended meetings of the Board of Directors and other important meetings; received reports from the directors and relevant employees regarding the performance of their duties; asked them to provide explanations when necessary; and examined important decision documents and associated information. For subsidiaries, the statutory auditors communicated effectively with directors, statutory auditors and other individuals at subsidiaries and exchanged information with these individuals. When necessary, the statutory auditors received business reports from subsidiaries.
 - (ii) The statutory auditors expressed an opinion concerning the framework needed to ensure that the performance of duties by the directors, as listed in the business report, comply with laws, regulations and the Articles of Incorporation. This opinion also covered resolutions by the Board of Directors and the establishment of frameworks (internal control system) based on these resolutions concerning the maintenance of systems prescribed in Article 100, Paragraphs 1 and 3 of the Enforcement Regulations of the Companies Act to ensure that the Nissan Shatai Group (Nissan Shatai Co., Ltd. and its subsidiaries) operates properly. For this purpose, statutory auditors regularly received regular reports from directors, employees and others regarding the status and implementation of these systems and asked them to provide explanations when necessary.
 - (iii) The statutory auditors used the status of the Board of Directors and other meetings to examine the precautionary items of Companies Act Ordinance of Enforcement Article 118 5-a that are listed in the business report as well as the judgments and reasons for item 5-b of this article.
 - (iv) The statutory auditors monitored and verified whether the independent auditors were maintaining their independence and properly performing audits; received reports from the independent auditors about the performance of their duties and asked them for explanations when necessary. The statutory auditors also received a notice from the independent auditors confirming the establishment of a system to ensure proper performance of duties (items stipulated in all paragraphs of Article 131 of Corporate Accounting Rules) in accordance with Standards on Quality Control for Audit (October 28, 2015, Business Accounting Deliberation Council) and other relevant standards.

By using these methods, the statutory auditors examined the business report and supplementary schedules, the nonconsolidated financial statements (nonconsolidated balance sheet, income statement, statement of changes in net assets and notes to these statements) and supplementary schedules, and the consolidated financial statements (consolidated balance sheet, income statement, statement of changes in net assets and notes to consolidated financial statements).

2. Audit results

1) Audit results concerning business reports, etc.

- (i) In our opinion, the business reports and supplementary schedules fairly represent the condition of Nissan Shatai in accordance with the related laws and regulations and the Articles of Incorporation.
- (ii) With regard to the performance of duties by the directors, we found no evidence of wrongful actions or material violations of related laws and regulations or the Articles of Incorporation.
- (iii) In our opinion, Board of Directors resolutions regarding the internal control system were fair and reasonable.
As is explained in the business report, during the fiscal year, the final vehicle inspection issue was discovered in the manufacturing operations of the Nissan Shatai Group. We have confirmed that measures to prevent a reoccurrence of this problem and activities to make improvements have been implemented based on the results of an external study to determine the causes and preventive measures. We will continue to perform audits concerning the status of these measures. Other than this matter, we found no matters requiring attention concerning the performance of the directors regarding the internal control system.
- (iv) For business report information about parent company, etc. transactions, there were no items requiring attention concerning precautions to prevent negative effects on Nissan Shatai's interests from these transactions or concerning judgments by the Board of Directors, and reasons for those judgments, about whether or not these transactions had a negative effect on Nissan Shatai's interests.

2) Results of audits of nonconsolidated financial statements and supplementary schedules

In our opinion, the auditing methods and results of the independent auditors, Ernst & Young ShinNihon LLC, are fair and reasonable.

3) Audit results concerning consolidated financial statements

In our opinion, the auditing methods and results of the independent auditors, Ernst & Young ShinNihon LLC, are fair and reasonable.

May 24, 2018

The Board of Statutory Auditors Nissan Shatai Co., Ltd.

Full-time Statutory Auditor	Koichiro Esaki
Statutory Auditor (Outside Statutory Auditor)	Toshio Wakui
Statutory Auditor (Outside Statutory Auditor)	Izumi Inoue

Note: Mr. Miyatani Shoichi resigned as a Statutory Auditor (Full-time) on March 31, 2018.

Memorandum to Shareholders

Fiscal year	From April 1 to March 31 of the following year
Ordinary general shareholders meeting	June of each year
Date of record for ordinary general shareholders meeting	March 31 each year
Date of record for year-end dividends	March 31 each year. When an interim dividend is declared, the date of record therefor is September 30.
Administrator of shareholder register	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo
Administrator of special account	Sumitomo Mitsui Trust Bank, Limited 1-4-1 Marunouchi, Chiyoda-ku, Tokyo
Postal address (Telephone inquiries)	Stock Transfer Agency Business Planning Dept., Sumitomo Mitsui Trust Bank, Limited 2-8-4 Izumi, Suginami-ku, Tokyo 168-0063

Notices

Reporting change of address, requesting purchase of shares fewer than one unit, etc.

Please inform the securities company where your account is held. Shareholders for whom a special account has been opened because they do not hold an account with a securities company are requested to inform Sumitomo Mitsui Trust Bank, Limited, the administrator of the special account.

Payment of unpaid dividends

Please contact Sumitomo Mitsui Trust Bank, Limited, the administrator of the shareholder register.

Dividend statement

The dividend statement sent when dividends are paid also serves as a notice of payment as provided for in the Act on Special Measures Concerning Taxation. Please use that document as an attachment when filing your tax return.

For shareholders who have opted for proportional distribution, their securities company or other relevant institution will calculate the amount of tax to be withheld at source. Please contact the securities company, etc., concerned with regard to documents to attach to your tax return.

Note: Shareholders intending to file tax returns are advised to store this document carefully.

Trade name	<i>Nissan Shatai Kabushikikaisha</i>
English version of name	Nissan Shatai Co., Ltd.

Principal Products



Infiniti QX80



PATROL Y62



ARMADA



ELGRAND



**NV350
CARAVAN**



**NV150
AD**



**NV200
VANETTE**



PATROL Y61



PATROL PICKUP



NV200

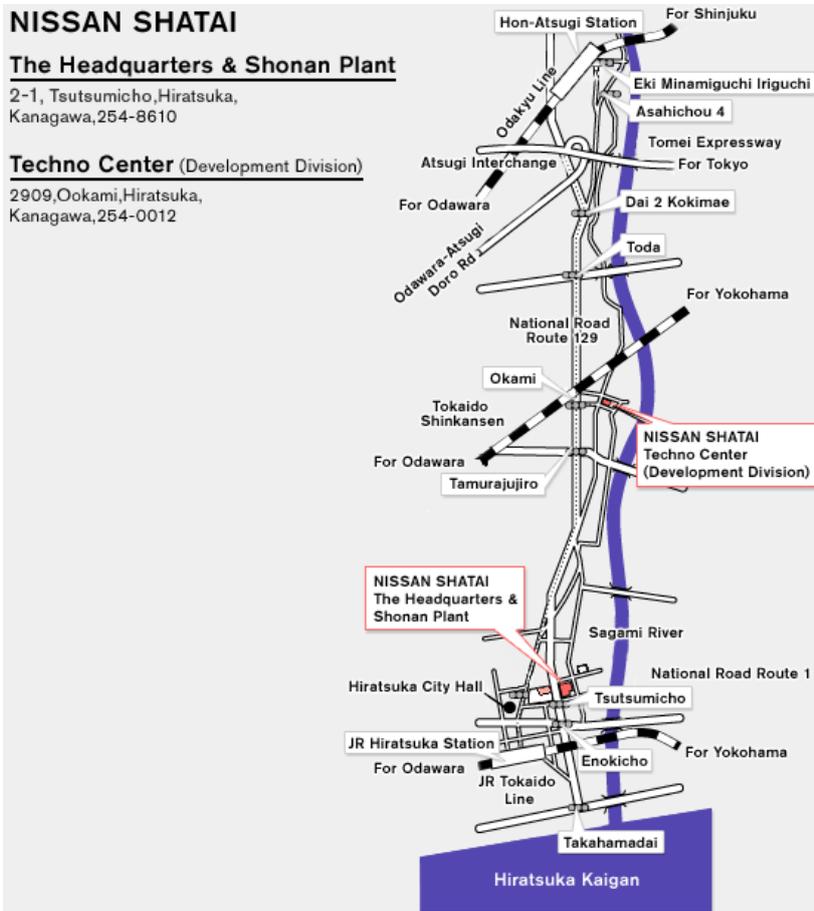


CIVILIAN



ATLAS F24

Direction for the Meeting



The Headquarters & Shonan Plant

Public transportation:



By car:

About 30 min. from Tomei Expressway "Atsugi Interchange".

Techno Center

Public transportation:



By car:

About 10min. from Tomei Expressway "Atsugi Interchange".

NISSAN SHATAI CO., LTD.